

July 2025

**Dear Shareholders,**

As we wrap up the 2024/2025 financial year, it's the fitting time to reflect on the significant progress VHM has made in advancing the Goschen Project in Victoria. Over the past 12 months, we've taken major strides towards transforming Goschen into a leading producer of Heavy Minerals including zircon and titania minerals, as well as rare earth elements such as Neodymium (Nd), Praseodymium (Pr), Dysprosium (Dy) and Terbium (Tb).

VHM has reached several key milestones that bring us closer to a Final Investment Decision. These include:

- **Primary project approval** with the endorsement of our Environment Effects Statement by the Victorian Planning Minister.
- **Award of a Mining Licence** by Resources Victoria.
- **Submission of our Workplan**, progressing secondary approvals.

On the commercial front, we've signed a significant offtake agreement with **Shenghe Resources** for both Heavy Mineral Concentrate (HMC) and Rare Earth Concentrate (REC). We've also entered into **MOUs with Currumbin Minerals and Mitsui** for HMC supply, strengthening our market position and partnerships.

To support our staged development approach, we've designed a **low-capital Phase One project** and formalised a partnership with a selected mining contractor. We continue to engage with the local community through regular briefings, reinforcing our commitment to transparency and collaboration.

In terms of financing, we've initiated discussions with **export credit agencies, commercial banks and potential equity partners**, while also negotiating further offtake agreements with major rare earth companies. Earlier this year, we successfully raised capital through a **placement and share purchase plan** to fund early engineering work.

These achievements have been made despite a challenging geopolitical landscape, including the imposition of tariffs in April 2025 and subsequent export controls on key rare earth elements by China. Despite market volatility, VHM has remained focused and resilient in achieving these milestones.

### **The Goschen Advantage**

What truly sets the Goschen Project apart is its **dual revenue stream** producing both HMC and REE concentrate, helping mitigate exposure to commodity price fluctuations. Hosting key heavy rare earths like Dysprosium and Terbium, Goschen is poised to become a vital new supplier to global markets, supporting industries such as **clean energy, defence, and advanced manufacturing**.

Goschen represents a unique opportunity for Australia to expand its supply of critical minerals to the world, while delivering long-term value for shareholders and economic benefits to the **Loddon Mallee region**.

We sincerely thank you for your continued support and look forward to keeping you updated as we hit new milestones towards unlocking the full potential of the Goschen Project.

Milestones achieved over the last 18 months:

- Environment Effects Statement (primary approval) endorsed by the Victorian Planning Minister
- Awarded Mining Licence by Resources Victoria
- Completed and submitted Workplan (secondary approval)
- Signed Offtake agreement for HMC and REC with Shenghe Resources
- Signed MOU with Currumbin Minerals for HMC
- Signed MOU with Mitsui for HMC
- Developed low capex starter project
- Signed partnership agreement with selected mining contractor
- Undertook community briefings within our project communities
- Commenced financing discussions with:
  - Export credit agencies
  - Commercial banks
  - Potential equity participants
- Commenced offtake agreements with several major rare earth companies
- Raised capital through a Placement and SPP to fund ongoing early engineering

Regards,

Ron Douglas

Chief Executive Officer

**M:** +61 (0)407 044 292

**E:** [ron.douglas@vhmltd.com.au](mailto:ron.douglas@vhmltd.com.au)