



Strategic Offtake MOU Signed with Fortune Global 500 Leader Sumitomo Corporation

Victory Metals Limited (ASX: VTM, Victory or the Company) is pleased to advise it has signed a strategic non-binding Memorandum of Understanding (MOU) with Sumitomo Corporation (Sumitomo), one of the world's leading integrated trading and investment enterprises and a Fortune Global 500 company.

Key Terms:

- Potential long-term offtake partnership established with world-leading Sumitomo Corporation
- Target for Victory to provide Sumitomo 30% of its annual production of Mixed Rare Earth Carbonate (MREC) from Victory's North Stanmore Heavy Rare Earth Project
- Initial 5 Year Offtake Term with 5 Year Extension
- Sumitomo and Victory to act in good faith to enter into a Binding Term Sheet by 31 October 2025
- Pricing for the supply of product will be determined during the negotiation of the Binding Term Sheet, indexed to the prevailing market prices for MREC Product (and REO Product, if applicable), and adjusted for TREO content
- Other material terms will be determined during the negotiation of the Binding Term Sheet

The Sumitomo MOU outlines the proposed initial terms on which Victory and Sumitomo will negotiate an offtake of Mixed Rare Earth Carbonate (MREC) from the Company's flagship North Stanmore Heavy Rare Earth Elements (HREE) Project in Western Australia, which contains Australia's largest indicated and inferred HREE clay resource of 235 million tonnes¹.

The MOU establishes a potential long-term offtake partnership between the two companies, reinforcing Victory's global positioning as a future supplier of ethically sourced critical rare earth materials for the technology, defence, and renewable energy sectors.

This agreement demonstrates Sumitomo's confidence in the quality, scalability, and sustainability of Victory's North Stanmore Rare Earths Project, setting the stage for future investment, project development support and technological collaboration.

¹ Refer to Annexure A

Victory's CEO and Executive Director Brendan Clark commented: *"We are extremely pleased to be partnering with Sumitomo Corporation, a globally recognised powerhouse with extensive industry expertise and a proven track record of securing critical mineral supplies. This agreement reflects the strategic value of the North Stanmore Project and confirms the global significance of our unique heavy rare earth element composition within the North Stanmore clay deposit".*

"The agreed terms enable Victory to accelerate project development, enhance financing options, and expand future processing capabilities. This partnership opens exciting new opportunities for Victory to integrate into the global rare earth supply chain and secure our place as a leading supplier in the energy transition and defence sectors".

"Victory looks forward to working with Sumitomo and both parties have agreed in good faith to enter into a binding off-take agreement. Sumitomo's financial strength, global logistics expertise, and commitment to sustainable growth make it the ideal long-term partner for Victory Metals as we continue to progress our North Stanmore Project towards development".

Sumitomo commented: *"We plan to utilize our global network to sell the rare earths produced by Victory. We look forward to future partnerships".*

Sumitomo Corporation

Sumitomo Corporation is a Fortune Global 500 company, operating in over 66 countries and regions, with more than 900 subsidiaries and affiliates worldwide. With 400+ years of business history, Sumitomo has built a reputation as a global leader in resource development, metals and minerals trading, advanced technology investment, and supply chain management.

Its Metals and Mineral Resources division plays a crucial role in securing ethical global supply chains for rare earth elements, strategic metals and critical minerals used in clean energy, automotive, defence and industrial technologies.

Acknowledgements

Victory acknowledges the valuable support of the Government of Western Australia (WA) and its WA Government Trade and Investment Office in Tokyo for facilitating introductions and fostering collaboration between the parties. Their assistance has been instrumental in establishing this strategic relationship.

Over the past six months, several meetings between Victory and Sumitomo Corporation have been held in Japan and Perth, enabling productive discussions and laying the groundwork for the signing of this significant Memorandum of Understanding. The Company extends its sincere appreciation for the continued support in advancing Western Australia's role in global critical mineral supply chains.

This announcement has been authorised by the Board of Victory Metals Limited.

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Victory Metals Limited

Victory is focused upon the exploration and development of its North Stanmore Heavy Rare Earth Element (REE) Project in the Cue Region of Western Australia.

In July 2024 Victory announced a Mineral Resource Estimate (MRE) for North Stanmore of 235Mt of which 149Mt (63%) resides in the indicated category, confirming the Project as Australia's largest indicated HREE resource².

Victory has appointed MEC Mining to undertake an update of the July 2024 MRE for the North Stanmore Heavy Rare Earth Project, which is anticipated to deliver an uplift in the resource, with the addition of further inferred tonnage and some conversion to indicated resources. The updated MRE is anticipated to be released in December 2024.

Competent Person Statement - Professor Ken Collerson

Statements contained in this report relating to exploration results, Mineral Resource Estimate, scientific evaluation, and potential, are based on information compiled and evaluated by Professor Ken Collerson. Professor Collerson (PhD) Principal of KDC Consulting and Director of Victory Metals Limited, and a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM No. 100125), is a geochemist/geologist with sufficient relevant experience in relation to rare earth element and critical metal mineralisation being reported on, to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC Code 2012). Professor Collerson consents to the use of this information in this report in the form and context in which it appears.



Figure 1: North Stanmore Project overview

² Refer to ASX announcement on 16 July 2024 cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02828204-6A1215862

Annexure A – Mineral Resource Estimate³

Table 1: North Stanmore July 2024 MRE (≥ 330 ppm TREO cut-off grade)

RESOURCE CLASSIFICATION	MRE TONNES (t)	TREO (ppm)	HREO (ppm)	LREO (ppm)	HREO/TREO (%)	Sc ₂ O ₃ (ppm)
INDICATED	149,020,000	532	188	316	35	31
INFERRED	86,130,000	500	165	310	33	24
TOTAL	235,150,000	520	180	314	35	29

Numbers are rounded to reflect they are an estimate.
Numbers may not sum due to rounding.

Table 2: North Stanmore July 2024 MRE higher-grade domain only (≥ 600 ppm TREO cut-off grade)

RESOURCE CLASSIFICATION	MRE TONNES (t)	TREO (ppm)	HREO (ppm)	Eu ₂ O ₃ (ppm)	Gd ₂ O ₃ (ppm)	Tb ₄ O ₇ (ppm)	Dy ₂ O ₃ (ppm)	Ho ₂ O ₃ (ppm)	Er ₂ O ₃ (ppm)	Tm ₂ O ₃ (ppm)	Yb ₂ O ₃ (ppm)	Lu ₂ O ₃ (ppm)	Y ₂ O ₃ (ppm)
INDICATED	32,780,000	1,025	338	8.1	32	5.3	33	6.8	20	2.9	19	2.8	208
INFERRED	13,110,000	1,113	374	9.0	35	5.8	35	7.4	22	3.1	20	2.8	234
TOTAL	45,890,000	1,050	338	8.3	33	5.4	33	7.0	21	3.0	19	2.8	215

Numbers are rounded to reflect they are an estimate.
Numbers may not sum due to rounding.

Table 3: North Stanmore July 2024 MRE lower-grade domain only (≥ 330 ppm TREO cut-off grade)

RESOURCE CLASSIFICATION	MRE TONNES (t)	TREO (ppm)	HREO (ppm)	Eu ₂ O ₃ (ppm)	Gd ₂ O ₃ (ppm)	Tb ₄ O ₇ (ppm)	Dy ₂ O ₃ (ppm)	Ho ₂ O ₃ (ppm)	Er ₂ O ₃ (ppm)	Tm ₂ O ₃ (ppm)	Yb ₂ O ₃ (ppm)	Lu ₂ O ₃ (ppm)	Y ₂ O ₃ (ppm)
INDICATED	116,240,000	392	146	2.5	12	2.1	13	2.9	9	1.3	9	1.4	92
INFERRED	73,020,000	390	128	2.4	11	1.9	12	2.6	8	1.2	8	1.2	80
TOTAL	189,260,000	391	139	2.5	12	2.0	13	2.8	9	1.3	9	1.3	87

Numbers are rounded to reflect they are an estimate.
Numbers may not sum due to rounding.

³ Refer to ASX announcement on 16 July 2024 cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02828204-6A1215862