



Victory & Sumitomo Advance Rare Earth Partnership

Major Step Forward with Japanese Fortune 500 Company

Victory Metals Limited (ASX:VTM) ("Victory" or "the Company") is pleased to announce it has entered into a non-binding Letter of Intent ("LOI") with Sumitomo Corporation ("Sumitomo"), one of Japan's most powerful and globally recognised trading houses, to advance offtake and strategic cooperation for Victory's world class North Stanmore Heavy Rare Earth Project.

This LOI marks a transformational step in Victory's journey, building on the non-binding Memorandum of Understanding ("MOU") signed in December 2024¹ and taking the relationship with Sumitomo to a more defined level.

The December 2024 MOU, which expires on 31 October 2025, represented the first stage of engagement. Entering into an LOI is the natural and critical next step in such transactions. Sumitomo's decision to formalise this LOI instead demonstrates a clear vote of confidence in Victory's North Stanmore Heavy Rare Earth Project and highlights Sumitomo's continued interest in working toward long-term strategic cooperation.

HIGHLIGHTS

- **Partnership with global powerhouse Sumitomo Corporation strengthening ties beyond the December 2024 MOU**
- **LOI outlines offtake framework for Victory's Mixed Rare Earth Product**
- **Victory to supply up to 30% of annual production, or 1,000 tonnes per year of MREC including up to 50 tonnes DyTb product for an initial 5 year term**
- **Sales to Sumitomo from pilot plant operations expected to commence in 2027 ahead of commercial production**
- **The signing of this LOI sets the stage for binding offtake negotiations**
- **Strong Japanese interest – Other Japanese trading houses join Sumitomo in continued positive discussions with Victory**

¹ Refer to ASX Announcement dated 17th December 2024 titled "Strategic Offtake MOU Signed with Fortune Global 500 Leader Sumitomo Corporation."

Victory's Chief Executive Officer and Executive Director Brendan Clark commented:

"This is a important and exciting milestone for Victory. To be advancing from an MOU into a formal LOI with Sumitomo Corporation, one of the world's most respected trading giants validates the strategic importance of the North Stanmore Project on the global stage.

Together, we have a shared vision to establish a secure, ethical, Western aligned supply chain of heavy rare earths, critical for renewable energy, defence and advanced technologies.

With Sumitomo's global marketing reach and Victory's world-class resource, this partnership positions Victory as a flagship Australian supplier into Japan, a nation leading the world in rare earth processing and innovation outside of China."

About Sumitomo Corporation

Sumitomo Corporation is one of Japan's largest and most diversified trading and investment groups, with a history spanning more than 400 years and operations in over 65 countries worldwide. Listed on the Tokyo Stock Exchange, Sumitomo employs more than 70,000 people globally and manages a broad portfolio of businesses across metals, minerals, energy, infrastructure, finance, transportation, chemicals, and advanced technology.

With annual revenues exceeding tens of billions of dollars, Sumitomo is a trusted partner to governments and industry leaders across the globe. The company has been at the forefront of securing strategic resources for Japan and its allies, playing a pivotal role in global supply chains for critical and advanced materials.

Letter of Intent Overview

Victory has executed a non-binding Letter of Intent (LOI) with Sumitomo Corporation, a leading Japanese trading house, to progress toward a future binding offtake agreement for the Company's North Stanmore Heavy Rare Earth Project.

The LOI builds on the non-binding Memorandum of Understanding (MOU) signed in December 2024 and reflects both parties commitment to advancing their cooperation and has an end date of the 31 December 2028. Under the LOI, Victory and Sumitomo will work together on key next steps including technical evaluations, customer engagement, pricing (indexed to the prevailing market prices MREC product) and binding offtake negotiations.

The agreement outlines a pathway for pilot scale product testing and early sales through Sumitomo ahead of full commercial production, with the intention of establishing a long term offtake relationship once Victory commences production at North Stanmore.

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

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Victory Metals Limited

Victory is dedicated to the exploration and development of its flagship North Stanmore Heavy Rare Earth Elements (HREE), Scandium, Hafnium and Gallium Project located in the Cue Region of Western Australia. The Company is committed to advancing this world-class project to unlock its significant potential.

In August 2025, Victory Metals announced a robust Mineral Resource Estimate (MRE) for North Stanmore, totalling 320.6 million tonnes, with the majority of the resource, classified in the indicated category. This positions the North Stanmore Project as Australia's largest indicated clay heavy rare earth resource, underscoring its pivotal role as a future supplier of critical materials for the future.

North Stanmore Mineral Resource Estimate

Table 1: North Stanmore August 2025 MRE (≥ 330 ppm TREO + Sc_2O_3 cut-off grade)

CLASSIFICATION	MRE TONNES (t)	TREOSc (ppm)	TREO (ppm)	HREO (ppm)	LREO (ppm)	HREO/TREO (%)	Sc_2O_3 (ppm)	Ga_2O_3 (ppm)
INDICATED	176,522,000	532	505	190	316	39	26	26
INFERRED	144,118,000	484	463	166	297	37	21	25
TOTAL	320,640,000	510	486	179	307	38	24	26

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

Competent Person Statement - Professor Ken Collerson

Statements contained in this report relating to exploration results, Mineral Resource Estimate, metallurgy results, scientific evaluation, and potential, are based on information compiled and evaluated by Emeritus Professor Ken Collerson. Professor Collerson (PhD) Principal of KDC Geo 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.

No New Information – Mineral Resources

Information in this report relates to Mineral Resource Estimates and exploration results for the North Stanmore Project and is available to view on www.asx.com.au. Victory Metals Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed