

## QUARTERLY ACTIVITIES REPORT

### Activities During the Quarter

#### **Angolan Projects**

- As previously advised, VDM has been embroiled in a dispute in relation to its Angolan projects. Arising out of the dispute, VDM's joint venture partner Pebric Mining and Consulting LDA, the holder of the licences for the Cachoerias do Binga (CdB) and Cage Bengo (CB) projects (together, the Angolan projects) for and on behalf of the CdB Joint Venture and the CB Joint Venture, advised VDM that it had assumed full ownership of the Angolan projects, in contravention of the respective joint venture agreements.
- Pebric informed VDM that VDM would need to increase its funding of the projects for a reduced ownership interest, such percentage not specified, also in contravention of the respective joint venture agreements.
- The Company has advised Pebric Mining and Consulting LDA that it reserves its rights.
- As a consequence, no work has been undertaken on either project by VDM during the quarter and since the dispute first arose.
- VDM is presently uncertain as to the tenure of the Angolan project mining licences and the status of the joint venture and has engaged legal representation in Angola to determine the current status of its interest in each of the Angolan projects, the tenure of the licences and VDM's rights and claims under Angolan law.
- The Company will provide further information when it comes to hand.

#### ***Suspension from Trading on ASX***

- On 20 November 2023, ASX advised the Company that it had determined that VDM's operations are not adequate to warrant the continued quotation of its securities and therefore it was in breach of Listing Rule 12.1. ASX further advised that suspension will continue until VDM is able to demonstrate compliance with Listing Rule 12.1 of the Listing Rules.
- The Company has been considering a range of business opportunities sufficient to meet the requirements of Listing Rule 12.1 to support a recommencement of trading of its securities on ASX and to this end has engaged K&L Gates Legal to advise it.
- The Company will advise shareholders of any material developments as they occur.

#### **BOARD & MANAGEMENT**

Mr Luk Hiuming  
NON-EXECUTIVE CHAIRMAN

Mr Paul Hardie  
NON-EXECUTIVE DIRECTOR

Mr Michael Fry  
DIRECTOR  
COMPANY SECRETARY

#### **REGISTERED OFFICE**

Unit 2,  
420 Bagot Road,  
Subiaco, WA 6008

#### **POSTAL ADDRESS**

PO Box 3347  
East Perth, WA 6892

#### **CONTACT DETAILS**

Tel: (0) 417 996 454

#### **WEBSITE**

[vdmgroup.com.au](http://vdmgroup.com.au)

#### **SHARE REGISTRY**

Computershare Investor  
Services Pty Limited  
GPO Box 2975  
Melbourne, VIC 3001  
Tel: 1300 850 505

#### **ASX CODE**

VMG

## New Project Opportunities

- The Company is currently considering a range of critical minerals project opportunities primarily in Australia, predominantly involving uranium, copper, lithium and other critical minerals.
- VDM remains vigilant to new project opportunities that fit the Company's investment strategy, complement the Company's existing project portfolio, are value accretive, have the potential to provide early cash flow and sufficient to meet the requirements of Listing Rule 12.1 to support a recommencement of trading of VDM's securities on ASX
- Shareholders will be informed of key developments if and when they occur.

## Schedule of Mineral Tenements

In accordance with the requirements of ASX Listing Rule 5.3.3 the Company provides the following information:

Project	Location	Tenement Type	Tenement Reference	VDM's Interest (%)
Cage Bengo	Angola	Prospecting Title	048/07/03	55.25%
Cachoeiras do Binga	Angola	Prospecting Title	N09/72/PC/AB	55.25%

No tenements were acquired or disposed of during the quarter ended 31 December 2024 and there were no changes in the ownership percentage (of existing tenements) since the end of the previous quarter.

## Exploration Activities During the Quarter

In accordance with the requirements of ASX Listing Rule 5.3.1 the Company advises that there was ***no exploration activity conducted during the quarter.***

## Cash Position

The Company's cash reserves as at 31 December 2024 were \$2.072m (30 September 2024 were \$2.102m).

## Related Party Payment Information

In accordance with the requirements of ASX Listing Rule 5.3.5 the Company advises that during the quarter ended 31 December 2024, the Company paid a total of \$Nil to directors of the Company and their associates in respect of directors' fees (inclusive of superannuation) and consulting fees.

## AUTHORISATION FOR RELEASE

This report has been authorised for release by Michael Fry – Director/Company Secretary.

## **For further information please contact:**

Michael Fry  
Company Secretary  
VDM Group Limited  
+61 417 996 454.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

VDM GROUP LIMITED

ABN

95 109 829 334

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development		
(c) production		
(d) staff costs	-	-
(e) administration and corporate costs	(47)	(206)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
_ BAS Refunds	17	49
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(30)</b>	<b>(157)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment		
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	-
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>		

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,102	2,229
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(30)	(127)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,072</b>	<b>2,102</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,072	2,102
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,072</b>	<b>2,102</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	11,950	11,950
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	11,950	11,950
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Loan facilities relate to loans provided by Australia Kengkong Investments Co Pty Ltd, VDM's largest shareholder and a company owned and control by Chairman Hiuming Luk. The loans were advanced under the terms of a Framework Loan Agreement which stipulates an interest rate of 6% per annum, and a default rate of interest of 20% in the event of default by VDM. The loans are secured over the assets of the Company and no maturity date has been set. For further information refer Page 45 of the Company's Annual Report for the year ended 30 June 2023.</p>		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(30)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(30)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,072
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,072
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	69.07
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <p>Answer: N/a</p>	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/a

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/a

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

24 January 2025

Date: .....

MICHAEL FRY - DIRECTOR

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.