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Quarterly Activities Report

June 2020



Highlights

- **Successful capital raising of \$5.5 million**
- **Mulga Rock Project DFS refresh nearing completion - positive outcome expected**
- **Alligator River NT, exploration program planning completed and field work to commence in September quarter**
- **Drilling program in NT to kick start in 3Q, partly co-funded by the NT Government under its *Resourcing the Territory Initiative***

Following a successful capital raise during the June Quarter, the Company continues to advance the refresh of the 2018 Definitive Feasibility Study for the Mulga Rock Project, as well as preparing for exploration activities at the Alligator River Project in the Northern Territory.

Uranium Market

Vimy continues to engage closely with nuclear utilities through Scott Hyman, our US-based VP Sales and Marketing. During the COVID pandemic and attendant lockdown, Scott's local presence has enabled Vimy to amass critical market intelligence and strategically positioned the Company to successfully participate in the imminent uranium contracting cycle.

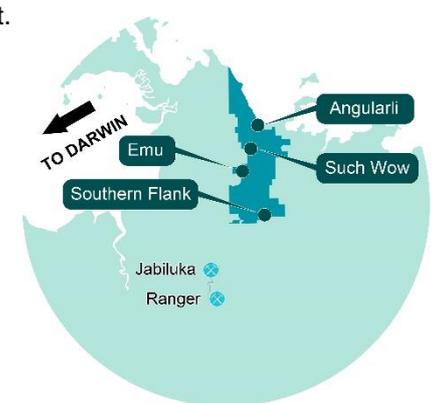
Mulga Rock Project

As announced previously, GR Engineering and Vimy are undertaking a Definitive Feasibility Study refresh which is revisiting capital and operating costs across major work areas of the 2018 DFS. While mining methods and the flowsheet are not changing (i.e. open pit mining with acid leach and ion exchange extraction), all areas of the DFS have been assessed. The Company re-evaluated mining operations and the associated fleet which, in the 2018 DFS, assumed an owner-operator model but which has been changed. The preliminary results of the refresh have so far been positive in potentially reducing both capital expenditure and operating costs.

A detailed announcement of the financial outcomes will be made during August.

Alligator River Project

The commencement of the 2020/21 field season was delayed by the COVID-19 pandemic. Vimy is pleased to have been able to arrange access to site and preparations to re-open the camp and commence exploration were carried out during the Quarter. Final approvals and access arrangements are in progress and a significant reverse circulation drilling (RC) campaign will likely commence in the September quarter.





There are also plans to undertake surface exploration including RC drilling, ground geophysics (passive seismic), termitaria and rock chip sampling programs as well as low level environmental surveys. These activities are to follow up the excellent geochemistry results announced in October 2019. Vimy remains focused on the Jabiluka-style mineralisation targets. The field season programs are fully funded including \$79,000 secured under the Northern Territory Geophysics and Drilling Collaborations and Territory Supplier Incentive programs, aimed to attract new exploration investment in greenfields areas.

Full details of the programs are not finalised but are likely to include a 3,500-4,000m RC program at Southern Flank (Q14 and TP14 prospects) and Such Wow North (Bandogge prospect).

Despite delays caused by the COVID-19 pandemic, access is now permitted to the Northern Territory for heritage meetings and surveys however absolute timing and scope of the program remains unclear. The Company expects to announce more detailed information in the coming weeks.

The Alligator River Project sits within the Alligator River Uranium Province (ARUP) in the Northern Territory. The ARUP hosts ~750Mlbs of mined and remnant resources, dominated by the Ranger, Ranger Deeps and Jabiluka deposits, owned by Energy Resources Australia.

The geological setting of the Alligator River Uranium Province is identical to Canada's Athabasca Basin which hosts the richest uranium deposits in the world.

Vimy Strategy

During the Quarter, the board and management of Vimy held the annual strategy session. The outcome was to reaffirm a commitment to develop the Mulga Rock and Alligator River Projects. Progress will be guided by commodity market and economic conditions, availability of funding and potential strategic partners. Given the improving uranium market, and likely positive outcomes from the DFS refresh, Vimy expects increased interest in both projects and the Vimy group as a whole.

Vimy continues to monitor and maintain strict fiscal discipline. This has been assisted by minimal investor relations (local and international travel and conferences) due to COVID-19, as well as many employees participating in the 2020/21 Salary Sacrifice Plan and accepting ordinary shares in lieu of cash salaries.

Placement

During the Quarter the Company announced a successful placement of A\$5.5 million, which was well-supported by institutional and sophisticated new and existing investors, both domestic and international.

The Company issued approximately 152.8 million fully paid ordinary shares at an issue price of \$0.036 per share, representing approximately 24.9% of the shares currently on issue (on a pre-Placement basis), pursuant to its existing capacity under ASX Listing Rules 7.1 (91.9 shares) and 7.1A (60.9 shares).

KG Capital Partners Pty Ltd acted as lead managers and bookrunners to the Placement. As detailed above and in recent announcements, the funds raised from the Placement will be used to progress the Alligator River Project in the Northern Territory and the Mulga Rock Project in Western Australia, as well as for working capital purposes.

Tenements

Tenement details for Mulga Rock (Narnoo Mining Pty Ltd) and Alligator River Projects (Viva Resources Pty Ltd) and the tenements held by Vélo Resources Pty Ltd are shown in Table 1.

Table 1: Tenement details at 30 June 2020

Tenement	Nature of Interest	Interest at Beginning of Quarter	Interest at End of Quarter
Mulga Rock Project (Mt Margaret Mineral Field, Western Australia)			
M39/1104	Granted	100%	100%
M39/1105	Granted	100%	100%
E39/2049	Granted	100%	100%
L39/193	Granted	100%	100%
L39/219	Granted	100%	100%
L39/239	Granted	100%	100%
L39/240	Granted	100%	100%
L39/241	Granted	100%	100%
L39/242	Granted	100%	100%
L39/243	Granted	100%	100%
L39/251	Granted	100%	100%
L39/252	Granted	100%	100%
L39/253	Granted	100%	100%
L39/254	Granted	100%	100%
L39/279	Granted	100%	100%
L39/280	Granted	100%	100%
L39/285	Granted	100%	100%
L39/287	Granted	100%	100%
P39/5844	Granted	100%	100%
P39/5853	Granted	100%	100%
R39/0002	Granted	100%	100%
Alligator River Project (Northern Territory)			
EL22430	Granted	100%	100%
EL24920	Granted	100%	100%
EL26089	Granted	100%	100%
EL24017	Granted	79%	79%
EL25064	Granted	79%	79%
EL25065	Granted	79%	79%
EL27059	Granted	79%	79%
EL5893	Granted	79%	79%
Vélo Resources Pty Ltd (Mt Margaret Mineral Field, Western Australia)			
E38/3203	Granted	100%	100%
E39/2012	Granted	100%	100%
E39/2013	Granted	100%	100%
E39/2115	Granted	100%	100%



Corporate

Expenditure

Cash spend on operating activities including exploration and evaluation, staff costs, administration and corporate costs and uranium marketing activities in the June 2020 Quarter amounted to \$0.6 million. This was less than the \$1.3 million spent in the previous quarter, due to decreased travel costs as a result of COVID-19 restrictions and employees accepting shares in lieu of cash by taking part in Vimy's salary sacrifice program.

Cash at Bank

Cash at 30 June 2020 amounted to \$7.2 million.



Mike Young
Managing Director and CEO

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Released for and on behalf of the Board of Vimy Resources Limited

31 July 2020

Compliance Statement

The information relating to the exploration results at the Alligator River Project was compiled by Xavier Moreau, who is a Member of the Australian Institute of Geoscientists. Mr Moreau is a full-time employee and shareholder of Vimy Resources. Mr Moreau has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the JORC code. Mr Moreau consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The DFS Study referred to in this quarterly report was presented in the ASX announcement entitled "Mulga Rock Project Definitive Feasibility Study Confirms World-Class Uranium Project" released on 30 January 2018. Vimy is not aware of any new information, or data, that affects the accuracy of the information in that announcement and confirms that all technical assumptions underpinning the findings of the DFS continue to apply and have not significantly changed. The Company confirms that the form and context in which the Competent Person's findings were presented have not been materially modified from the original market announcement.

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About Vimy Resources

Vimy Resources Limited (ASX: VMY) is a Perth-based resource development company. Vimy's flagship project is the Mulga Rock Project, one of Australia's largest undeveloped uranium resources, which is located 240km ENE of Kalgoorlie in the Great Victoria Desert of Western Australia.

Vimy also owns (79%) and operates the largest granted uranium exploration package in the world-class Alligator River uranium district, located in the Northern Territory. Vimy is exploring for large high-grade uranium unconformity deposits identical to those found in the Athabasca Basin in Canada.

Directors and Management

The Hon. Cheryl Edwardes AM
Non-Executive Chairman

Mike Young
CEO and Managing Director

David Cornell
Non-Executive Director

Dr Tony Chamberlain
Non-Executive Director

Marcel Hilmer
Chief Financial Officer
and Company Secretary

Julian Tapp
Chief Nuclear Officer

Scott Hyman
Vice President Sales and Marketing

Xavier Moreau
General Manager, Geology and Exploration



For a comprehensive view of information that has been lodged on the ASX online lodgement system and the Company website please visit asx.com.au and vimyresources.com.au respectively.

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