VIMY RESOURCES

ABN 56 120 178 949

ANNUAL REPORT 2021


Equipment mobilisation at Mulga Rock

CORPORATE DIRECTORY

BOARD OF DIRECTORS

The Hon. Cheryl Edwardes, AM
Non-executive Chairman

Wayne Bramwell
Non-executive Director
(appointed 18 October 2021)

Tony Chamberlain
Non-executive Director

David Cornell
Non-executive Director

COMPANY SECRETARY

Shannon Coates
(appointed 15 October 2021)

REGISTERED AND PRINCIPAL OFFICE

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West Perth WA 6005

T: +61 8 9389 2700

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W: www.vimyresources.com.au

AUDITOR

KPMG Australia
235 St Georges Terrace
Perth WA 6000

This report is released for and on behalf of the Board of Vimy Resources Limited

SHARE REGISTRY

Automic Group
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SYDNEY NSW 2001

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126 Phillip Street
SYDNEY NSW 2000

Telephone:
Australia: 1300 288 664
International: +61 2 9698 5414

Website: https://investor.automic.com.au

TRANSACTIONAL BANKER

ANZ Banking Group Limited
1275 Hay Street
West Perth WA 6005

AUSTRALIAN SECURITIES EXCHANGE

Shares in Vimy Resources Limited are quoted on the Australian Securities Exchange.

ASX CODE: VMY

OTCQB, OTC MARKETS GROUP

Trading in Vimy shares commenced on the US-based OTCQB Venture Market on 13 January 2021.

OTCQB CODE: VMRSF

CHAIRMAN'S LETTER

This year has seen the achievement of significant milestones for Vimy and remarkable change in many areas.

At Vimy we have been saying for a long time that change is imminent – that the world would wake up to nuclear power as the ultimate clean energy, that uranium pricing would improve to allow the construction of new uranium mines and that investor enthusiasm would return to the sector. Some of those changes have been slower to happen than we anticipated but this year has seen significant progress in all these areas.

The timing of these changes has corresponded with some significant milestones for the Company. On 1 October 2021 we were very pleased to announce that the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) had approved the Mulga Rock Mining Proposal and associated Mine Closure Plan. Together with the earlier approval of the Project Management Plan and Conditional Environmental Management Plans, this allowed us to implement the Early Works program at Mulga Rock, including vegetation clearing, stockpiling of topsoil and excavation of subsoil.

The approvals and Early Works program have further de-risked the Project and we continue firmly on the path to becoming Western Australia's first uranium mine and in production by 2025. The Mulga Rock camp has re-opened, a maiden test flight has successfully landed on the refurbished Officer Basin landing area, water infrastructure has been re-established and associated infrastructure has been recommissioned. A FIFO workforce is now undertaking pre-production mining operations on site.

DMIRS and EPA Services at the WA Department of Water and Environmental Regulations have done an excellent job of reviewing and processing the complex approvals and I would like to thank them for continuing to work co-operatively with the Vimy team during the year. As a former Minister for the Environment, I always like to be reminded of the high standard of environmental stewardship we have in Western Australia.

Nuclear energy is rapidly gaining favour with worldwide policy makers keen to reach targets for carbon reduction and every day brings further positive news on this front. At the same time, demand fundamentals for uranium continue to improve, with global demand growing and now outstripping pre-Fukushima levels. While demand grows, supply is shrinking. In fact, according to industry analysts UxC, global mine production is expected to lag global consumption by 63 million pounds in 2021.

Investor enthusiasm for uranium has recently reached levels not seen for many years. A key factor behind the resurgent uranium spot price and renewed investor interest has been the Sprott Physical Uranium Trust, established in July 2021 to buy and hold physical uranium ore. The announcement of this, the world's largest physical uranium fund, has provided a catalyst for the significant rise in share prices of ASX-listed uranium miners, including Vimy, in recent months. During the year we were also very pleased to be included in the index composition for the Global X Uranium Exchange Traded Fund (ETF) (NYSE:URA), North Shore Global Uranium Mining ETF (NYSE:URNM) and the Horizons Global uranium Index ETF (TSX:HURA). The influx of funds into uranium ETFs offers an avenue to allocate portfolio exposure to the market and is another indication of the improvement in investor sentiment in the sector.

Maiden test flight to the upgraded Officer Basin airstrip

In January 2021, the Company also began trading on the US-based OTCQB Venture Market, a well-established trading platform that provides live-market trading in developing companies which hold primary listings in other markets. This listing has enhanced Vimy's visibility and accessibility to shareholders and media partners in North America.

This year has also seen significant change to the management team at Vimy. At the end of August 2021, Managing Director and CEO, Mike Young, decided to step down from his role after seven years at Vimy's helm. Chief Sustainability Officer, Julian Tapp also stepped down at this time. During their tenure, Mike, Julian and the team made remarkable progress in moving the Mulga Rock Project to the cusp of development, through the Public Environmental Review and DFS stages and bringing the potential of the Project to the attention of the global nuclear industry and investment market. Mike and Julian's passion and commitment have left Mulga Rock in great shape for the future, with project financing and final investment decision next on the agenda. On behalf of the Board, shareholders and team members both past and current, I wish Mike and Julian well for the future and thank them for their outstanding contribution to Vimy.

We also welcomed Wayne Bramwell to our Board as Non-executive Director 18 October 2021. Wayne brings a breadth of skills and experience which will help Vimy towards is goal of becoming a global clean energy supplier.

I would also like to thank FTI Consulting for providing project co-ordination and strategic advisory services since being mandated by Vimy in May this year. The FTI team worked very hard to support the approvals process and Early Works program and in August, the mandate was extended to allow Steven Michael to act as Interim CEO while an executive search process for a new CEO takes place. Steven's strengths in strategic business development and commercial negotiation have kept Vimy on track during this busy time and will put Vimy on the best possible path for the future.

And, as always, I would like to thank the Vimy team for their hard work and persistence during the year. The re-opening of the Mulga Rock camp has been a major milestone that has required a great deal of hard work from many people and it is wonderful to see the return of previous team members to share their knowledge of the Project and assist with this effort.

The Hon. Cheryl Edwardes, AM
Chairman

Installing new accommodation facilities at Mulga Rock

MULGA ROCK PROJECT
WESTERN AUSTRALIA

Vimy's Mulga Rock Project is one of Australia's largest undeveloped uranium resources and will produce 3.5 million pounds of uranium annually[1]. It lies in the Great Victoria Desert in Western Australia, 290km by road ENE of Kalgoorlie. The Project comprises four mining areas: Ambassador and Princess, which form the Mulga Rock East Mining Centre, and Shogun and Emperor, which comprise the Mulga Rock West Mining Centre, approximately 20km away.

The Mulga Rock Project is one of only four projects in Western Australia to receive State Ministerial approval to progress with the mining of uranium and it is the only one of those four likely to be developed in the near future.

Vimy released the Mulga Rock Definitive Feasibility Study in 2018 which confirmed robust financials and a simple, low-cost uranium mining and recovery process. The 2018 DFS positioned Vimy as Australia's largest near-term uranium producer.

In August 2020, Vimy announced the results of the updated Definitive Feasibility Study (DFS Refresh) – see below – on the Mulga Rock Project, which demonstrated that the Project will generate even stronger financial returns than previously forecast.

As well as the environmental approvals and the Early Works program highlighted in the Chairman's Letter, the substantial progress made at the Mulga Rock Project during the year is detailed below.

METALLURGICAL OPTIMISATION TESTWORK

In September 2021, Vimy announced preliminary testwork results on an alternative ion exchange resin for the Mulga Rock plant uranium circuit. Following the 2020 DFS Refresh, Vimy embarked on a number of optimisation studies, including the evaluation of the mining and metallurgical processes at Mulga Rock.

The uranium extraction technique to be used at Mulga Rock is based around ion exchange resin technology and it is extremely important to use the right resin. Vimy announced the identification of a high-capacity strong base anionic resin (Lewatit® TP107, manufactured by Lanxess) to be very effective for uranium recovery from saline sulphuric acid leach liquors. Resin technology and efficiency is constantly improving and may lead to further gains during the Project's life.

1. Refer to ASX announcement on 26 August 2020. The Company confirms that all material assumptions underpinning the production targets and forecast financial information from these production targets as reported on 26 August 2020, continue to apply and have not materially changed.

BASE METALS REVIEW

In February 2021, the Company announced further assessment of a base metals plant at Mulga Rock.

Battery minerals, comprising nickel, copper, cobalt and zinc, occur in material quantities in the Princess and Ambassador deposits which provide feed to the plant in the first eleven years of operations.

At long-term consensus base metal prices at that time, Vimy estimated a Life-of-Mine base metals by-product credit of circa US$4.0 to $4.5 per pound of U_3O_8 produced. Importantly, base metals do not report to the uranium concentrate, as the base metal circuit is treating the uranium circuit tailings stream.

The base metal plant was assessed during the Preliminary Feasibility Study in November 2015 and pilot plant testwork on base metal precipitates was successfully conducted during the DFS in 2018. However, at the time of the DFS, base metal prices resulted in a marginal outcome and so the plant was put on hold.

However, given the pressing global emphasis on decarbonisation of energy systems, battery mineral prices have increased significantly so Vimy has resumed the assessment of the base metal plant.

DFS REFRESH

In August 2020, Vimy announced the results of the updated Definitive Feasibility Study (DFS Refresh) on the Mulga Rock Project, which reinforced the global importance of the Mulga Rock Project and moved it into the middle of the uranium producer AISC cost curve.

The points below show improvements for the DFS Refresh[2].

- Strong project economics:
  - NPV$_8$ pre-tax US$393M, a 14% increase
  - IRR 31%, a 23% increase
  - Capital cost of US$255M, a 20% reduction
  - Payback 2.4 years, reduced by 8 months
  - Free cash flow US$61M year, a 22% increase
- Strong operating cost results:
  - Cash operating cost (C1) of US$23.33 U_3O_8 over the first five years, an 8% decrease
  - C1 of US$26.02 over LoM, a 7% decrease
  - AISC of US$28.09 over the first 5 years and US$31.22 over LoM, both an 8% decrease

The DFS Refresh demonstrated the Mulga Rock Project's low economic sensitivity to operating and capital costs risks, reinforced the Project's long mine life of 15 years with an annual production of 3.5Mlbs U_3O_8 and forms a key part of finalising project funding and strategic partnerships.

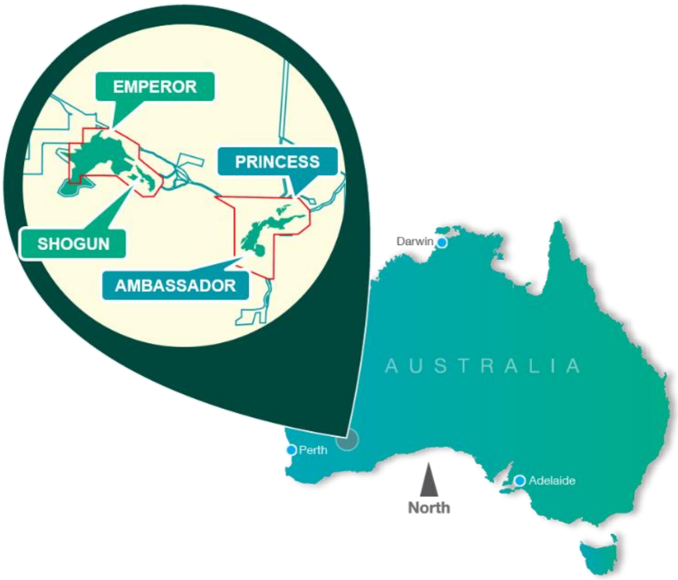
Uranium production at Mulga Rock will generate significant socio-economic benefits, indigenous and enterprise opportunities. Vimy is proud of its Buy Local policy for Western Australia, especially in Kalgoorlie, the hub for most of its site activities.

2. Refer to ASX announcement on 26 August 2020. The Company confirms that all material assumptions underpinning the production targets and forecast financial information from these production targets as reported on 26 August 2020, continue to apply and have not materially changed.

Mulga Rock Tenements at 30 June 2021

Mt Margaret Field, Western Australia

Tenement	Nature of Interest	Ownership
M39/1104	Granted	100%
M39/1105	Granted	100%
E39/2049	Granted	100%
L39/193	Granted	100%
L39/219	Granted	100%
L39/239	Granted	100%
L39/240	Granted	100%
L39/241	Granted	100%
L39/242	Granted	100%
L39/243	Granted	100%
L39/251	Granted	100%
L39/252	Granted	100%
L39/253	Granted	100%
L39/254	Granted	100%
L39/279	Granted	100%
L39/280	Granted	100%
L39/287	Granted	100%
L39/288	Granted	100%
L39/289	Granted	100%
P39/5844	Granted	100%
P39/5853	Granted	100%
R39/0002	Granted	100%



VELO RESOURCES

In November 2018, Vimy announced the acquisition of a large land holding located to the northeast of the Mulga Rock Project through a separate corporate entity, Vélo Resources. The area is thought to be highly prospective for base metals. Vélo will apply modern exploration techniques across the province, which has not previously been recognised as prospective for sediment-hosted base metals under shallow cover. The target deposit type is sedimentary exhalative base metal (SEDEX) which accounts for more than 50% of the world's zinc and lead reserves and more than 25% of global production. SEDEX deposits are characterised by their large size, high grades and significant silver credits.

Vélo Tenements – Great Victoria Desert Project at 30 June 2021

Mt Margaret Field, Western Australia

Tenement	Nature of Interest	Ownership
E38/3203	Granted	100%
E39/2012	Granted	100%
E39/2013	Granted	100%
E29/2115	Granted	100%
E39/2149	Granted	100%

ALLIGATOR RIVER PROJECT
NORTHERN TERRITORY

Vimy's 100%-owned Alligator River Project is the largest granted uranium exploration package in the world-class Alligator River uranium district in the Northern Territory.

The Alligator River Project is a very important part of Vimy's long-term strategy as it will provide the certainty of long-term supply that offtake customers require. Mulga Rock has an economic life of fifteen years with the potential for adding another five, and Alligator River has the potential for another ten years.

The potential of the Alligator River Project is demonstrated by the proven track record of the nearby Jabiluka and Ranger deposits providing over 750Mlbs of U_3O_8 in mineral endowment (current resources and mined).

ACQUISITION OF BALANCE OF ALLIGATOR RIVER PROJECT

In August 2021, Vimy announced that it now holds 100% of the Alligator River Project by settling the acquisition of Rio Tinto Pty Limited's (RTX) 20.89% interest in the Wellington Range and King River Joint Venture. Vimy owns the Project through its wholly-owned subsidiary Viva Resources Pty Ltd.

ORE SORTING TRIAL

In September 2020, Vimy announced the excellent results of an ore sorting trial from the Angularli deposit. The Vimy team worked with TOMRA, a leading sorting systems supplier, to investigate the potential of ore sorting to lower project costs, using a composite of mineralised material from Angularli. The proof of concept trial results indicated the potential for feed grade enhancement through ore sorting, and there is also the potential to recover high-value by-products associated with the uranium mineralisation. Further ore sorting trials are warranted including optimisation of the process flow for different ore types and grade or size fractions. As the Project moves towards pre-feasibility, an infill drilling program will provide larger quantities of ore for further testing.

ALLIGATOR RIVER PROJECT

- Located in Arnhem Land, Northern Territory
- Covering a total area of 3,865km^2

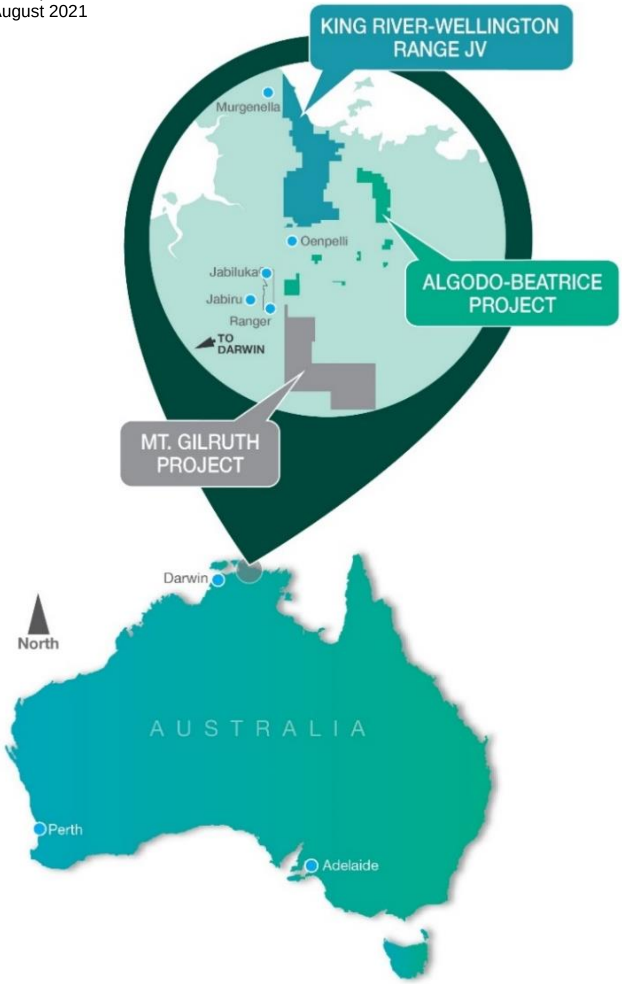
Comprises three projects:

- **Wellington Range-King River**
  - 1,600km^2 of granted tenure
  - Highly prospective with limited sandstone cover
- **Algodo-Beatrice Project**
  - A group of tenement applications to the east of the Ranger and Jabiluka deposits
- **Mt Gilruth Project**
  - A group of tenement applications to the southeast of the Ranger and Jabiluka deposits

Alligator River Tenements at 30 June 2021

Tenement	Nature of Interest	Ownership
EL22430	Granted	100%
EL24920	Granted	100%
EL26089	Granted	100%
EL24017	Granted	79%[1]
EL25064	Granted	79%[1]
EL25065	Granted	79%[1]
EL27059	Granted	79%[1]
EL5893	Granted	79%[1]

1 Ownership increased to 100% on 17 August 2021



MINERAL RESOURCES AND ORE RESERVE STATEMENT

MULGA ROCK PROJECT

The Mineral Resources and Ore Reserves for the Mulga Rock Project have not changed from those quoted in the 2020 Annual Report.

MULGA ROCK PROJECT TOTAL MINERAL RESOURCE – Reported at a 150ppm U_3O_8 cut-off grade

Deposit / Resource	Classification	Tonnes (Mt)[1]	U_3O_8 (ppm)[2]	U_3O_8 (Mlbs)
Mulga Rock East				
Princess	Indicated	2.0	820	3.6
	Inferred	1.3	420	1.2
Ambassador	Measured	5.2	1,100	12.6
	Indicated	14.8	800	26.0
	Inferred	14.2	420	13.1
Sub-total		**37.4**	**680**	**56.4**
Mulga Rock West				
Emperor	Inferred	30.8	440	29.8
Shogun	Indicated	2.2	680	3.2
Shogun	Inferred	0.9	290	0.6
Sub-total		**33.8**	**450**	**33.6**
Total Resource		**71.2**	**570**	**90.1**

1 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.

2 Using cut combined U_3O_8 composites (combined chemical and radiometric grades).

The information in this table is extracted from ASX announcement entitled *'Significant Resource Update – Mulga Rock Cracks 90Mlbs'* released on 12 July 2017 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

MULGA ROCK PROJECT TOTAL ORE RESERVE – Reported at a 150ppm U_3O_8 cut-off grade

Deposit / Resource	Classification	Tonnes (Mt)[3]	U_3O_8 (ppm)[4]	U_3O_8 (Mlbs)
Mulga Rock East				
Ambassador	Proved	5.3	1,055	12.3
Ambassador	Probable	14.1	775	24.0
Princess	Probable	1.7	870	3.3
Sub-total		**21.1**	**850**	**39.6**
Mulga Rock West				
Shogun	Probable	1.6	760	2.7
Sub-total		1.6	760	2.7
Total Reserves		**22.7**	**845**	**42.3**

1 Tonnages and grades are reported including mining dilution.

2 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.

3 Using cut combined U_3O_8 composites (combined chemical and radiometric grades).

4 Metallurgical plant recovery factors are not applied to Total Metal content.

The information in this table is extracted from ASX announcement entitled *'Major Ore Reserve Update – Moving to the go line'* released on 4 September 2017 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ALLIGATOR RIVER PROJECT

The maiden Inferred Mineral Resource for the Angularli Deposit was announced to the ASX on 20 March 2018. There has been no change to this Resource during the reporting period.

ALLIGATOR RIVER PROJECT MINERAL RESOURCE

Classification	Cut-off Grade (% U_3O_8)	Tonnes (Mt)[1]	U_3O_8 (%)[2]	U_3O_8 (Mlbs)[3]
Angularli Project				
Inferred	0.10	0.95	1.24	26.0
	0.15	0.91	1.29	25.9
	0.20	0.88	1.33	25.8
	0.25	0.77	1.49	25.2
	0.30	0.72	1.58	24.9

1 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.

2 Using chemical U_3O_8 composites from drill core.

3 100% of the Mineral Resource is attributable to Vimy.

The information in this table is extracted from ASX announcement entitled *'Maiden Mineral Resource at Angularli Deposit, Alligator River Project'* released on 20 March 2018 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In accordance with ASX Listing Rule 5.21.5, the Company, through its senior geological and mining engineering staff ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by a competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource and Ore Reserve estimates are prepared by appropriately qualified Competent Person. If there is a material change in the estimate of a Mineral Resource or Ore Reserve, the estimate and supporting documentation in question is reviewed by a suitably qualified Competent Person and announced to the ASX in accordance with the Listing Rules. Independent peer review processes are adopted throughout the Mineral Resources estimation and Ore Reserves definition processes. The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the JORC Code 2012 Edition. There have been no changes to the Mineral Resources and Ore Reserves since the dates listed above. The Company's Competent Persons are members of the Australian Institute of Geoscientists (AIG) or the Australasian Institute of Mining and Metallurgy (AUSIMM), and qualify as Competent Persons under the JORC Code 2012.

In accordance with ASX Listing Rule 5.24, this Mineral Resources and Ore Reserves Statement is based on and fairly represents information and supporting documentation prepared by Competent Persons. It has been approved as a whole by Xavier Moreau, who is employed by Vimy Resources Limited and is a member of the AIG, and Joel van Anen, Principal of TME and previous employee of Vimy Resources Limited and a member of the AusIMM. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ANNUAL FINANCIAL REPORT

for the year ended 30 June 2021

VIMY RESOURCES LIMITED – CONSOLIDATED ENTITY

Contents

This financial report covers Vimy Resources Limited as a Group consisting of Vimy Resources Limited and its subsidiaries. The financial report covers the year ended 30 June 2021 and is presented in Australian dollars.

Vimy Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1, 1209 Hay Street
West Perth, Western Australia, 6005

The financial report was authorised for issue by the Directors on 30 September 2021. The Company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. Public releases are available at asx.com.au by entering the Company's ASX code 'VMY'. Additional information on the Company is available on its website http://www.vimyresources.com.au.

DIRECTORS' REPORT

for the year ended 30 June 2021

Your Directors present their report on Vimy Resources Limited consolidated entity ('Group') for the financial year ended 30 June 2021.

DIRECTORS

The names and details of Directors who held office during the year ended 30 June 2021 and up to the date of this report (unless otherwise stated), are:

The Hon. Cheryl Edwardes AM, LLM, B.Juris, BA
Independent Non-executive Chairman

Appointed 26 May 2014

Mrs Edwardes is a Company Director on a number of ASX boards, private companies and not-for-profit associations. Mrs Edwardes is a member of the Foreign Investment Review Board.

A solicitor by profession, Mrs Edwardes is a former Minister in the Court Government with extensive experience and knowledge of WA's legal and regulatory framework relating to mining projects, environmental, native title, heritage and land access.

During her political career, Mrs Edwardes held positions as the first female Attorney General for Western Australia, Minister for Environment and Labour Relations, and was the Member for Kingsley for nearly seventeen years.

Mrs Edwardes was awarded an Order of Australia in the Queen's Birthday Honours 2016 for "significant service to the people and Parliament of Western Australia, to the law and to the environment, and through executive roles with business, education and community organisations." Cheryl was also named in the 100 Women of Influence 2016, inducted into Western Australian Women's Hall of Fame 2016 and was a finalist in the Women in Resources Award 2015 and is a member of Chief Executive Women.

Listed company directorships in the last three years: Atlas Iron Limited May 2015 to October 2018, AusCann Group Holdings Limited May 2016 to January 2020, CropLogic Limited March 2018 to February 2019, Flinders Mines Limited June 2019 to present and Nuheara Limited January 2020 to present.

Michael (Mike) Young BSc (Hon), MAIG
Managing Director and Chief Executive Officer

Appointed 17 April 2013 – Resigned 30 August 2021

Mike was the first CEO and MD of BC Iron. He successfully steered BC Iron through first stage exploration, definition of resources, feasibility study, the negotiation of development agreements with Fortescue Metals Group and ultimately the profitable production of iron ore.

Mike is a geologist and a graduate of Queens University, Canada with a Bachelor of Science (Honours) degree in Geological Sciences. His experience includes base metals, iron ore, uranium and gold, with a strong focus on mine-camp exploration, resource definition, and mine development. Mike was a founding director of uranium developer Bannerman Resources and was non-executive Chairman of Cassini Resources until 2020 (now part of Oz Minerals).

Mr Young was a Director of the Minerals Council of Australia from August 2017 to August 2021 and in June 2017 was appointed as Chairman of the Uranium Forum.

Listed company directorships in the last three years: Cassini Resources Limited January 2012 to October 2020, and Cycliq Group Limited February 2017 to January 2019.

David Cornell B.Comm, CA
Independent Non-executive Director

Appointed 17 July 2012

Mr Cornell is a director of Element Capital Pty Ltd and has significant experience providing strategic and corporate advice to listed companies, with a strong focus on transaction services.

Mr Cornell has assisted several companies, including Vimy Resources Limited, through the listing process and has raised over a quarter of a billion dollars through debt, equity and hybrid structures for leading resource companies including Atlas Iron and CopperCo.

Mr Cornell is a Chartered Accountant, gaining his experience with the international accounting firms Arthur Andersen and Ernst & Young where he specialised in providing corporate and professional services to both Western Australian junior explorers and international mining companies.

Listed company directorships in the last three years: Nil

DIRECTORS' REPORT
for the year ended 30 June 2021

Dr Tony Chamberlain PhD (Metallurgy), Grad. Dip. Extractive Metallurgy (Mineral Science), B.Sc (App. Chem. Hons), AusIMM
Non-executive Director

Appointed 1 February 2019

Dr Chamberlain was the Company's Chief Operating Officer from June 2014 to January 2018. During that time, he guided the Mulga Rock Project through the PFS, PER and DFS processes and was instrumental in the acquisition of the Alligator River Project in 2017.

During his twenty years in the mining industry Dr Chamberlain has been involved in operating and project delivery, while also earning a PhD in Metallurgy from Curtin University. Dr Chamberlain has held a number of senior operational and management roles during the twelve years with WMC Resources and later BHP Billiton, overseeing an expansion to the Kwinana Nickel refinery in 2001 and spending a significant amount of time in China as Development Manager for BHP Billiton Stainless Steel Material Group.

Working across Australia, Asia, Africa and Eurasia Dr Chamberlain has gained solid technical experience in the management, development and delivery of projects, particularly uranium projects around the world. He has also held senior positions in junior resource companies, including Clean TeQ Holdings (ASX:CLQ), Stonehenge Minerals and Crossland Strategic Metals (ASX: CUX) before joining Vimy in 2014.

Listed company directorships in the last three years: Nil

Luca Giacovazzi
Non-executive Director

Appointed 19 October 2020 – resigned 23 July 2021

Mr Giacovazzi is the head of Wyloo Metals, a company of private investment group Tattarang. Wyloo Metals manages a diverse portfolio of wholly exploration projects and cornerstone investments in both public and private companies. Formerly of Credit Suisse, Mr Giacovazzi has successfully completed numerous metals and mining transactions over the course of his career both domestically in Australia and internationally. Mr Giacovazzi holds a Bachelor of Commerce (Chartered Accounting) from the University of Johannesburg, a Master of Management from the University of Sydney and a Masters in International Management from the London School of Economics (CEMS).

Listed company directorships in the last three years: Noront Resources (TSXV) June 2021

COMPANY SECRETARY

Marcel Hilmer BCom, FCA
Chief Financial Officer and Company Secretary

Appointed 8 March 2019 – Resigned as Company Secretary 25 August 2021

Marcel has over thirty years' experience as a finance professional in the resources and manufacturing industries with significant involvement in funding, exploration, mergers and acquisitions. Before joining Vimy Resources, Marcel was a director of uranium development company Forsys Metals Corporation (TSX-listed) and ASX-listed Caravel Minerals Limited. He was previously Executive Manager, Finance and Business Development at First Quantum Minerals Limited.

Marcel holds a Bachelor of Business, majoring in Accounting and Data Processing, from Southern Cross University; is a Fellow of the Chartered Accountants Australia and New Zealand (CA ANZ).

DIRECTORS' REPORT

for the year ended 30 June 2021

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year ended 30 June 2021 were exploration and evaluation on the Mulga Rock Project in Western Australia and the Alligator River Project in the Northern Territory.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year the following significant events occurred:

- On 19 October 2020, the Company appointed Luca Giacovazzi to the Board as a Non-executive Director.
- On 13 January 2021, the Company received approval and commenced trading on the US-based OTCQB.
- On 10 March 2021, the Company announced a binding term sheet with Rio Tinto Exploration Pty Ltd to acquire its 20.89% interest in the Wellington Range and King River Joint Venture at the Alligator River Project in the Northern Territory.
- On 1 April 2021, the Company announced its inclusion into the index composition of the North Shore Global Uranium Mining Index.
- On 19 April 2021, the Company issued 168.2 million fully paid ordinary shares at an issue price of $0.11 per share to raise $18.5 million upon completion of an equity placement to institutional and sophisticated investors.
- On 18 May 2021, the Company issued 81.8 million fully paid ordinary shares at an issue price of $0.11 per share to complete the share purchase plan to raise $9.0 million.
- On 31 May 2021, the Company announced early payment of the final instalment to Cameco for acquisition of the Alligator River Uranium Project.
- Under Ministerial Statement 1046, Vimy is required to achieve "substantial commencement" at the Mulga Rock Project by 16 December 2021. The Company announced commencement of early works on the Mulga Rock Project in the second half of 2021 with planning and logistics currently underway. Vimy has continued to work co-operatively with the various Government departments to obtain the secondary approvals required, including the Mining Proposal and Mine Closure Plan, to enable the Company to achieve "substantial commencement" within the required timeframe. An alternative development option that may be implemented at short notice is the commencement of the Princess Deposit which provides flexibility to ensure the Company achieves "substantial commencement" within the required timeframe.

OPERATING AND FINANCIAL REVIEW

OPERATING RESULT

The consolidated operating loss after tax for the year ended 30 June 2021 attributable to members of the Group was $6,869,370 (2020: operating loss after tax $6,296,514). The loss after tax is partly attributable to the accounting policy to expense all exploration and evaluation expenditure as incurred.

Key highlights for the year were as follows:

- Other income decreased to $309,905 (2020: $793,492) because of lower research and development tax incentive grant and lower exploration grants during the year.
- Higher exploration and evaluation expenditure of $3,062,170 (2020: $2,713,513) was due to exploration and development activities being focused both on the Alligator River and Mulga Rock Projects during the year.

DIVIDENDS

No dividends were paid in the current year (2020: $nil).

REVIEW OF OPERATIONS

The Group's Mulga Rock Project, one of Australia's largest undeveloped uranium resources, is located 290 kilometres east-northeast of Kalgoorlie in the Great Victoria Desert of Western Australia.

The Group's Alligator River Project is the largest granted uranium exploration package located in the world class Alligator River uranium district, located in the Northern Territory.

As an exploration and evaluation company, Vimy Resources Limited is in the high-risk, high-reward sector of the global mining industry. Exploration and evaluation companies are the critical front-end of the mining industry with the highest risk, and as such the Company's business model is specific to this sector.

DIRECTORS' REPORT

for the year ended 30 June 2021

During the year the following significant exploration and development events occurred:

- On 26 August 2020, the Company announced a DFS Refresh, reporting improvement to the Mulga Rock Project economics demonstrating stronger financial returns than previously reported
- On 2 September 2020, the Company announced that seven of the conditional environmental management plans have been approved
- On 16 September 2020, the Company announced ore sorting results strengthening the potential of the Angularli Uranium deposit at Vimy's Alligator River Project
- On 8 April 2021, the Company announced the Above Ground Tailings Storage Facility Monitoring and Management plan has been approved by the WA Department of Water and Environmental Regulator (DWER)
- On 31 May 2021, the Company announced that the logistics and planning for early works at Mulga Rock were underway

Financial Position

Net assets at 30 June 2021 were $28,538,494 (2020: $8,277,818). The Group is in the exploration and evaluation phase and expensing related expenditure on granted tenements as incurred.

Cash and cash equivalents at 30 June 2021 totalled $24,060,674 (2020: $7,181,734). Trade and other receivables totalled $289,999 (2020: $391,454).

Going Concern

The Group incurred a net loss of $6,869,370 during the year ended 30 June 2021. The cash and cash equivalents held as at 30 June 2021 was $24,060,674. Current assets exceed current liabilities by $23,315,774 as at 30 June 2021. The Group's net cash used in operating activities for the year ended 30 June 2021 was $4,978,356.

The Directors have reviewed a cash flow forecast for the next twelve months from the date of signing the financial report which demonstrates that the Group will have sufficient cash resources to continue as a going concern, subject to fund raising activities during the period.

The Group's ability to continue as a going concern, including to advance its exploration and evaluation activities, depends on its ability to obtain additional funding through strategic partners, equity, debt, hybrid financing, joint ventures, production off-take arrangements, research and development claim or other means.

In considering these circumstances, the Directors have taken into account the Group's demonstrated past successes in raising equity and debt, and in the event that additional funding is not able to be obtained at the amounts and timeframes anticipated, the Directors would actively curtail both project and corporate expenditure to conserve cash resources.

For these reasons the Directors continue to adopt the going concern basis in preparing these financial reports.

LIKELY DEVELOPMENTS AND BUSINESS STRATEGY

The Group's strategy is to develop its assets and to ultimately become a uranium producer. At the same time, the Group is continually looking for other uranium exploration and development opportunities to add to its project pipeline. New assets will be evaluated on a case-by-case basis.

The Group's objectives are to develop the Mulga Rock Project by negotiation of offtake contracts with electrical power utilities, funding facilities, and to further undertake exploration and evaluation activities at the Alligator River Project.

DIRECTORS' REPORT
for the year ended 30 June 2021

MATTERS SUBSEQUENT TO THE END OF THE YEAR

Since 30 June 2021 the following significant subsequent events have occurred:

- On 23 July 2021, the Company announced its inclusion into the index composition for the Global X Uranium ETF (URA).
- On 23 July 2021, the Company announced that Mr Luca Giacovazzi has resigned from the Board.
- On 29 July 2021, the Company announced the re-opening of the Mulga Rock camp to support the commencement of site works at the Mulga Rock Project.
- On 17 August 2021, the Company announced it had settled the acquisition of Rio Tinto Exploration Pty Ltd (RTX) 20.89% interest in Wellington Range and King River Joint Venture at the Alligator River Project in the Northern Territory. Vimy now owns 100% of the Alligator River Project through its wholly-owned subsidiary Viva Resources Pty Ltd.
- On 25 August 2021, the Company announced the appointment at Matthew Foy as Company Secretary, following the resignation of Marcel Hilmer as Company Secretary.
- On 27 August 2021, the Company announced that the Western Australian Department of Mines Industry Regulation and Safety (DMIRS) had approved the Mulga Rock Project Management Plan.
- On 30 August 2021, the Company announced the stepping down of Mike Young as Managing Director and CEO and the engagement of Mr Steven Michael to act as an Interim CEO while an executive search process is undertaken.
- On 6 September 2021, the Company announced positive results from metallurgical optimisation testwork at the Mulga Rock Project.
- On 29 September 2021, the Company announced an update on the Early Works Program and approvals process for the Mulga Rock Project.
- On 30 September 2021, the Company announced a trading halt in its securities pending an announcement by the Company to the market in relation to project approvals for the Mulga Rock Project.
- On 15 October 2021, the Company announced that Mr Matthew Foy had resigned as Company Secretary for personal reasons and that Ms Shannon Coates had been appointed as Company Secretary.
- On 19 October 2021, the Company announced the appointment of Mr Wayne Bramwell as Non-executive Director.

MEETINGS OF DIRECTORS

The meetings of the Company's Board of Directors held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Full meetings of Directors		Remuneration Committee		Audit Committee	
Directors during the year ended 30 June 2021	**A**	**B**	**A**	**B**	**A**	**B**
C. Edwardes	10	10	1	1	3	3
D. Cornell	10	10	1	1	3	3
T. Chamberlain	10	10	1	1	3	3
L. Giacovazzi	8	8	*	*	*	*
M. Young	9	10	*	*	3	3

A = Number of meetings attended in person or electronic means.
B = Number of meetings held during the time that the Director held office and for which they were entitled to participate.
* = Not a member of the relevant committee.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

Particulars of Directors' interests and of persons connected with them in shares of the Group as at the reporting date are as follows:

Director	Number of shares	Number of options
C. Edwardes	2,195,798	818,000
T Chamberlain	2,690,177	364,000
D. Cornell	383,186	-
M. Young	9,793,670	3,360,000

DIRECTORS' REPORT
for the year ended 30 June 2021

EMPLOYEE SHARE OPTIONS

Options over ordinary shares of the Group as at the reporting date are as follows:

Date granted	Expiry date	Fair value per option at grant date	Exercise price	Number of options
31 July 2019	31 July 2022	$0.082	$0.082	19,790,000

No option holder has any right under the options to participate in any other share issue of the Group or of any other controlled entity. No options were exercised during the year ended 30 June 2021.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group has conducted exploration and evaluation activities on mineral tenements. The right to conduct these activities is granted subject to environmental conditions and requirements. The Group aims to ensure a high standard of environmental care is achieved, and as a minimum, to comply with relevant environmental regulations. There have been no known material breaches of any of the environmental conditions.

REMUNERATION REPORT (AUDITED)

The Directors of the Group present the Remuneration Report of Non-executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the *Corporations Act 2001* and the Corporations Regulations 2001.

The Remuneration Report is set out under the following main headings:

A. Our response to the concerns raised regarding the FY20 Remuneration Report

B. Principles used to determine the nature and amount of remuneration

C. Details of remuneration

D. Service agreements

E. Share-based compensation

F. Additional information

A. Our response to the concerns raised regarding the FY20 Remuneration Report

At the 2020 AGM, 25.75% of shareholders voted against the FY20 Remuneration Report (a 'First Strike'). The Vimy Board has carefully considered all feedback in conjunction with reviews of executive and director remuneration against our business strategy. The Board decided on changes to address strategic and other issues, while also addressing concerns expressed by a significant minority of shareholders. Key FY21 changes are detailed in this Remuneration Report. The feedback received has been incorporated into the ongoing evolution of the remuneration framework and the disclosure of outcomes.

B. Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. Remuneration levels are set to attract qualified and experienced people to pursue the Group's stated objectives. The Board, through the Remuneration Committee, takes advice on industry remuneration standards through internal database benchmarking or use of external consultants.

The Board has established a remuneration charter which provides oversight guidance on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executive Directors, other senior executives and Non-executive Directors.

The Board recognises that the Company's future performance will be dependent on the quality of its people. To achieve its financial and operating objectives, the Group must be able to attract, retain and motivate highly capable people.

To this end, the Board and management have reviewed and agreed the appropriate people systems required at each level of Company development. These will be implemented over time in order to support the continuing growth and change of the business.

Non-executive Directors

Fees and payments to Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed periodically. The Chairman does not attend any discussions relating to determination of her own remuneration. Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum fee pool currently stands at $500,000 per annum. There are no retirement allowances for Non-executive Directors other than statutory superannuation contributions.

Executive pay

The Company has modified Executive Team contracts to provide the Company with flexibility to respond to the current uranium market conditions. Refer to section C – Service agreements for the specific details on the modifications.

The executive pay and reward framework has three components:

(i) *Base pay and benefits, including superannuation*

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Employees are offered a competitive base pay that comprises the fixed component of pay and rewards.

External remuneration consultants provide initial analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any executive contract.

Superannuation contributions are made to employees' chosen superannuation funds in accordance with Australian regulatory requirements.

(ii) *Short-term incentives*

The Board is responsible for assessing short-term incentives for Key Management Personnel. Short-term incentives are established against key performance indicators which are assessed by the Board through the Remuneration Committee. The key performance indicators used during the year included Group performance in safety, Company share price performance compared to a peer group, and specific individual Group work program achievements.

(iii) *Long-term incentives*

Long-term incentives are provided to employees through the 2019 Vimy Employee Option Plan.

When options are issued under the 2019 Vimy Employee Option Plan they are subject to vesting conditions including a staged three year vesting period.

See section D – Share-based compensation for further information.

Company performance

The Company is currently focused on exploration and evaluation of its projects and is not expected to generate profits during this phase. Share price performance will occur as a result of the success in progressing project development, quality of the projects, management's performance and external factors such as commodity price.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2021	2020	2019	2018	2017
Loss per share (cents)	(0.84)	(1.07)	(1.52)	(2.62)	(4.11)
Dividend (cents per share)	-	-	-	-	-
Net loss	(6,869,370)	(6,296,514)	(6,864,312)	(9,545,741)	(11,500,157)
Share price ($)	0.12	0.03	0.05	0.10	0.18

DIRECTORS' REPORT

for the year ended 30 June 2021

C. Details of remuneration

Amounts of remuneration

The Key Management Personnel of the Group are the Directors and specified executives. Details of the remuneration of the Key Management Personnel of the Group for the years ended 30 June 2021 and 2020 are set out in the following tables.

		Short-term benefits			*Post-employment benefits*	*Share-based payments*	
		Cash salary and fees	**Cash bonus**	**Share-based payments**	**Superannuation**	**Value of shares / options**	**Total**
Directors							
Non-executive							
C. Edwardes (*Chairman*)	2021	36,000	-	93,725 (1)	7,695	11,444	148,864
	2020	36,000	-	46,687 (1)	7,695	20,956	111,338
D. Cornell	2021	18,000	-	29,992 (1)	3,420	-	51,412
	2020	32,400	-	4,397 (1)	3,420	-	40,217
T. Chamberlain	2021	18,000	-	37,490 (1)	3,420	14,854	73,764
(appointed 1 February 2019)	2020	18,000	-	18,675 (1)	3,420	31,931	72,026
Luca Giacovazzi	2021	-	-	44,232 (1)	-	-	44,232
(appointed 19 October 2020 – resigned 23 July 2021)	2020	-	-	-	-	-	-
Executive							
M. Young *CEO and MD*	2021	318,750	-	257,569 (1)	25,000	70,513	671,832
(resigned 30 August 2021)	2020	318,750	-	114,143 (1)	25,000	135,554	593,447
Total Directors	2021	390,750	-	463,008	39,535	96,811	990,104
	2020	405,150		183,902	39,535	188,441	817,028

(1) The Company has an established Salary Sacrifice Share Plan which is available to Directors and staff to voluntarily sacrifice a portion of their cash salary and fees to receive shares on the condition that they remained employed by the Company as at 30 June each financial year.

		Short-term benefits			*Post-employment benefits*	*Share-based payments*	
		Cash salary and fees	**Cash bonus**	**Share-based payments**	**Superannuation**	**Value of shares / options**	**Total**
Key Management Personnel							
M. Hilmer *(appointed 8 March 2019 – resigned as Company Secretary 25 August 2021)*	2021	245,000	2,000	62,484 (1)	26,315	39,818	375,617
CFO and Company Secretary	2020	227,000	-	49,447 (1)	25,650	72,911	375,008
Total Key Management Personnel	2021	245,000	2,000	62,484	26,315	39,818	375,617
	2020	227,000	-	49,447	25,650	72,911	375,008

(1) The Company has an established Salary Sacrifice Share Plan which is available to Directors and staff to voluntarily sacrifice a portion of their cash salary and fees to receive shares on the condition that they remained employed by the Company as at 30 June each financial year.

Annual short-term incentive bonus is a component of the service agreement. Award of incentive bonus is dependent upon the Group performance in safety, Company share price performance compared to a peer group, and specific individual project achievements.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	Fixed remuneration		*At risk – short term incentives*		*At risk – long term incentives*	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Directors						
Non-executive						
C. Edwardes	29%	39%	63%	42%	8%	19%
D. Cornell	42%	89%	58%	11%	-	-
T. Chamberlain	29%	30%	51%	26%	20%	44%
Executive						
M. Young	51%	58%	38%	19%	11%	23%
Key Management Personnel						
M. Hilmer	73%	68%	17%	13%	10%	19%

D. Service agreements

Remuneration and other terms of employment for certain key management are formalised in service agreements. Employees are eligible for long term incentive benefits under the 2019 Vimy Employee Option Plan.

From 1 July 2018 the Company has modified the Executive Team contracts to provide the Company with flexibility to respond to current uranium market conditions. These modifications relate to the Key Management Personnel service agreements noted below and included a reduction in the contract notice periods for the Key Management Personnel from six months to two months by either party.

The service agreements in effect for the year ended 30 June 2021 were:

Mr M. Young, Chief Executive Officer and Managing Director

- Base Remuneration - $450,000 inclusive of superannuation, prorated.
- Short Term Incentive – Maximum annual award of 30% of base remuneration.
- Term of Agreement – The executive service agreement has no fixed completion term.
- Termination – The Company may terminate Mr Young's employment at any time with two months' written notice or the payment of two months' remuneration in lieu of notice. Mr Young must provide two months' written notice to terminate the agreement.
- The service agreement may be terminated by the Company at any time, without notice to the executive as a result of misconduct, wilful neglect, material breaches of his duties, the executive being charged with a criminal offence which brings the Company into serious disrepute, the executive becoming insolvent or becoming ineligible to hold office as a Director.
- Change of Control - If there is a change of control of the Company, and there is a material diminution of the executive's duties or decision-making authority which is not agreed with the executive, the executive will be entitled to twelve months' base remuneration plus the equivalent of the full year short term incentive bonus. This change of control entitlement is inclusive of the applicable notice period.
- On 30 August 2021 Mr Young stepped down as Chief Executive Officer and Managing Director. The amount of the payout was $107,849; being $53,309 for Long Service Leave and $54,539 for Annual Leave. Mr Young has been contracted to the Company for a period of six months and will receive fees of $35,417 exclusive of GST, per month during this period.

Mr M. Hilmer, Chief Financial Officer and Company Secretary

- Base Remuneration - $300,000 plus superannuation, prorated.
- Short Term Incentive – Maximum annual award of 20% of annual base remuneration.
- Term of Agreement – The executive service agreement has no fixed completion term.
- Termination – The Company may terminate Mr M. Hilmer's employment at any time with two months' written notice or the payment of two months' remuneration in lieu of notice. Mr M. Hilmer must provide two months' written notice to terminate the agreement.
- The service agreement may be terminated by the Company at any time, without notice to the executive as a result of misconduct, wilful neglect, material breaches of his duties, the executive being charged with a criminal offence which brings the Company into serious disrepute, the executive becoming insolvent or becoming ineligible to hold office as an officer.
- Change of Control - If there is a change of control of the Company, and there is a material diminution of the executive's duties or decision making authority which is not agreed with the executive, the executive will be entitled to twelve months' base remuneration plus the equivalent of the full year short term incentive bonus. This change of control entitlement is inclusive of the applicable notice period.

DIRECTORS' REPORT
for the year ended 30 June 2021

E. Share-based compensation

Shareholdings

The number of ordinary shares in the Company held during the year by each Director and Key Management Personnel, including their personally related entities or associates, are set out below.

	Balance at the start of the period	Salary Sacrifice Share Plan	Share buy back	Purchased on market	Balance at the end of the period
30 June 2021					
Directors					
C. Edwardes	-	1,414,754	-	-	1,414,754
M. Young	4,188,395	3,458,869	-	-	7,647,264
T. Chamberlain	2,624,785	565,901	(1,000,000)	-	2,190,686
Key Management Personnel					
M. Hilmer	95,000	1,498,385	-	218,182	1,811,567
	6,908,180	6,937,909	(1,000,000)	218,182	13,064,271

No other Directors or Key Management Personnel hold options in the Company directly, indirectly or beneficially.

Option holdings

The movement during the reporting period, by number of options over ordinary shares in the Company held directly, indirectly or beneficially, by each Key Management Personnel is set out below.

	Balance at the start of the period	Granted as remuneration	Expired	Balance at the end of the period	Vested and exercisable at 30 June 2021
Directors					
C. Edwardes	818,000	-	-	818,000	272,667
T. Chamberlain	364,000	-	-	364,000	121,333
M. Young [(a)]	5,040,000	-	-	5,040,000	1,680,000
	6,222,000	-	-	6,222,000	2,074,000
Key Management Personnel					
M. Hilmer	2,846,000	-	-	2,846,000	948,667
	2,846,000	-	-	2,846,000	948,667

(a) Mr Young stepped down as a Director on 30 August 2021 and the balance of 1,680,000 unvested options have lapsed at the date of this report.

No other Directors or Key Management Personnel hold options in the Company directly, indirectly or beneficially.

DIRECTORS' REPORT

for the year ended 30 June 2021

Vesting Profiles

Details of the vesting profiles of employee share plans held at 30 June 2021 by each Key Management Personnel of the Company are detailed below.

	Number of shares	Grant date	% vested in year	% forfeited in year	% expired during the year	Financial year in which grant vests
Directors						
M. Young	1,666,667	22 Nov 2016	-	-	-	2017, 2018, 2019, 2020
T. Chamberlain	1,000,000	20 Nov 2015	-	-	100%	2018
T. Chamberlain	1,000,000	20 Jul 2018	33%	-	-	2019, 2020, 2021
	3,666,667					

No other Directors or Key Management Personnel hold options in the **C**ompany directly, indirectly or beneficially.

Details of the vesting profiles of employee option plans held at 30 June 2021 by each Key Management Personnel of the Company are detailed below.

	Number of options	Grant date	% vested in year	% forfeited in year	% expired during the year	Financial year in which grant vests
Directors						
C. Edwardes	818,000	31 Jul 2019	33%	-	-	2021, 2022, 2023
T. Chamberlain	364,000	31 Jul 2019	33%	-	-	2021, 2022, 2023
M. Young	5,040,000	31 Jul 2019	33%	-	-	2021, 2022, 2023
	6,222,000					
Key Management Personnel						
M. Hilmer	2,846,000	31 Jul 2019	33%	-	-	2021, 2022, 2023
	2,846,000					

Loans to Directors and Key Management Personnel

During 2016, shareholders approved an employee share scheme for the Company. As a result, the Company adopted the employee share plan to be known as the 2016 Vimy Employee Share Plan, pursuant to which employees (including Directors) of the Company can be invited to subscribe for shares using financial assistance provided by the Company.

The Plans provide a mechanism for the Company to invite employees (including the Directors) to subscribe for shares in the Company and to apply for a loan from the Company to pay the subscription price for those shares ('Plan Shares'). The Company takes security over the Plan Shares acquired under the Plans until the limited recourse loan provided for the subscription price for those shares has been repaid in full ('Limited Recourse Loan').

A summary of the terms of issue and the Limited Recourse Loan(s) provided is shown below.

	Grant date	Number of shares acquired	Amount of the loan	Term of the loan
Directors (or associate)				
M. Young	22 Nov 2016	1,666,667	$407,500	up to 5 years
T. Chamberlain	20 Jul 2018	1,000,000	$99,400	up to 5 years

Share based payment

As non-interest bearing limited recourse loans were provided to purchase Plan Shares in the Company and these loans are secured against the same Plan Shares, AASB 2 (share based payments) applies. On this basis, the loan amount is not recognised in the financial statements.

Loan terms

The key terms of each Limited Recourse Loan provided under the Plans are as follows:

(i) the Limited Recourse Loan may only be applied towards the subscription price for the shares issued under the Plans;

(ii) the Limited Recourse Loan will be interest free, provided that if the Limited Recourse Loan is not repaid by the repayment date set by the Board, the Limited Recourse Loan will incur interest at 9% per annum after that date (which will accrue on a daily basis and compound annually on the then outstanding loan balance);

(iii) by signing and returning an application for a Limited Recourse Loan, the participants of the Plans (each a Participant):

- acknowledges and agrees that the Plan Shares will not be transferred, encumbered, otherwise disposed of, or have a security interest granted over it, by or on behalf of the Participant until the Limited Recourse Loan is repaid in full to the Company; and
- authorises the Company (at its election) either to take such action in the Participant's name or direct that Participant take such action in relation to the Plan Shares as the Company considers appropriate which may include but is not limited to the Company undertaking buy-back of the Plan Shares or selling the Plan Shares;

(iv) the Limited Recourse Loan becomes repayable on the earliest of:

- the date which is five years after the grant date of the Limited Recourse Loan ('Repayment Date');
- one month after the Participant ceases for any reason to be employed by the Company; and
- (by the legal personal representative of the Participant) six months after the Participant ceases to be an employee of the Company due to their death;

(v) notwithstanding paragraph (iv) above and subject to any voluntary escrow conditions entered into by the individual Participant, the Participant may repay all or part of the loan at any time before the Repayment Date; and

(vi) on the repayment date the repayment obligation under the Limited Recourse Loan will be limited to the lesser of:

- the outstanding balance of the Limited Recourse Loan; and
- the market value of the Plan Shares on that date.

In addition, where the Participant has elected for the Plan Shares to be provided to the Company in full satisfaction of the Limited Recourse Loan, the Company must accept the Plan Shares as full settlement of the repayment obligation under the Limited Recourse Loan.

Rights attaching to Plan Shares

The Plan Shares will rank equally with all other shares on issue in the capital of the Company. Holders of Plan Shares issued under the Plans will be entitled to exercise all voting rights attaching to the Shares in accordance with the Constitution. In addition, holders of Plan Shares issued under the Plans will be entitled to participate in dividends declared and paid by the Company in accordance with the Constitution.

Sale of Plan Shares

Where the Participant has been granted a Limited Recourse Loan to purchase the Plan Shares, and subject to voluntary escrow, those Plan Shares may only be sold by a Participant when the Limited Recourse Loan has been repaid proportionately to the number of Plan Shares to be sold. Otherwise any dealing by the Participant in the Plan Shares is prohibited without the prior written consent of the Company.

If the Limited Recourse Loan becomes due and payable and the Participant has not repaid the amount of the Limited Recourse Loan in full within one month of the due date, then the Participant will forfeit their interest in the Plan Shares as full consideration for the repayment of the outstanding loan balance. The Company may either (at its election) take such action in the Participant's name or direct that Participant take such action in relation to the Plan Shares as the Company considers appropriate, which may include but is not limited to the Company undertaking buy-back of the Plan Shares or selling the Plan Shares.

Other transactions with Director and Key Management Personnel related entities

C. Edwardes (Chairman) has been an employee of FTI Consulting since 2013. FTI Consulting has been engaged since May 2021 to provide project co-ordination and strategic advisory services. No fees were paid to FTI Consulting during the current financial year.

There were no other transactions with Directors or Key Management Personnel during the current financial year.

End of audited remuneration report.

DIRECTORS' REPORT
for the year ended 30 June 2021

Auditor

KPMG was appointed as the Group's auditor on 17 November 2017 in accordance with section 327 of the *Corporations Act 2001.*

NON-AUDIT SERVICES

During the period, the following fees were paid or payable for services provided by the auditor of the Parent entity, its related practices and non-related audit firms:

	Consolidated	
	Year ended 30 June 2021 $	**Year ended 30 June 2020 $**
1. Audit services		
Audit of financial reports and other audit work under the *Corporations Act 2001:*		
KPMG	68,477	41,362
2. Non-audit services		
KPMG research and development tax incentive compliance and advisory	26,000	40,455
KPMG financial advisory service	120,000	-
KPMG general accounting and taxation advisory fee	-	13,455
KPMG taxation return preparation and advisory	17,595	17,210
Total auditor's remuneration	232,072	112,482

AUDITORS' INDEMNITIES AND INSURANCE

The Company does not indemnify its auditors for liability to another person's or the Company that may arise out of the conduct of the Audit.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the page following this Directors' Report.

OFFICERS' INDEMNITIES AND INSURANCE

The Company has agreed to indemnify former and current Directors and officers of the Company against all liabilities to another person and the Company that may arise from their position as Directors and officers of the Company and its controlled entities, except where the liability arises out of conduct involving a wilful breach of duty. The agreement stipulates that the Company will meet the full amount of such liabilities including costs and expenses.

The Company has also agreed to pay a premium in respect of a contract insuring Directors and officers of the Company. That contract of insurance prohibits the Company disclosing the nature of the liability insured against and the amount of the premium paid. The liabilities insured include legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in or on behalf of the Company with leave of the court under section 237 of the *Corporations Act 2001*.

DIRECTORS' REPORT
for the year ended 30 June 2021

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the Class Order to the nearest dollar.

This Directors' Report, incorporating the Remuneration Report, is made in accordance with a resolution of the Directors.

The Hon. Cheryl Edwardes AM
Independent Non-executive Chairman

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Vimy Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Vimy Resources Limited for the financial year ended 30 June 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Derek Meates
Partner

Perth

30 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Other Income	6	309,905	793,492
Exploration and evaluation expenditure		(3,062,170)	(2,713,513)
Corporate and administration expense		(2,632,103)	(2,639,049)
Sales and marketing expenses		(307,172)	(495,437)
Financing expense		(528,243)	(632,662)
Share based payments expense	7(b)	(649,587)	(609,345)
Loss before income tax		(6,869,370)	(6,296,514)
Income tax expense		-	-
Loss attributable to members of the Company		(6,869,370)	(6,296,514)
Other comprehensive income, net of tax		-	-
Total comprehensive loss attributable to members of the Company		(6,869,370)	(6,296,514)

	Note	Cents per share	Cents per share
Loss per share from continuing operations attributable to the ordinary equity holder of the Company:			
Basic and diluted loss per share	4	(0.84)	(1.07)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

	Note	Consolidated 2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	9	24,060,674	7,181,734
Trade and other receivables	10	289,999	391,454
Prepayments	11	57,914	169,859
Total Current Assets		24,408,587	7,743,047
NON-CURRENT ASSETS			
Trade and other receivables	10	356,258	356,258
Right of Use Assets		305,598	397,278
Plant and equipment	12	58,547	86,713
Exploration and evaluation	13	5,788,237	5,788,237
Total Non-Current Assets		6,508,640	6,628,486
TOTAL ASSETS		**30,917,227**	**14,371,533**
CURRENT LIABILITIES			
Trade and other payables	14	792,053	2,304,911
Provisions	15	300,760	276,434
Total Current Liabilities		1,092,813	2,581,345
NON-CURRENT LIABILITIES			
Trade and other payables	14	225,770	2,605,291
Provisions	15	1,060,150	907,079
Total Non-Current Liabilities		1,285,920	3,512,370
TOTAL LIABILITIES		**2,378,733**	**6,093,715**
NET ASSETS		**28,538,494**	**8,277,818**
EQUITY			
Contributed equity	16	140,157,572	113,677,114
Reserves	17	1,578,218	1,288,327
Accumulated losses	19	(113,197,296)	(106,687,623)
TOTAL EQUITY		**28,538,494**	**8,277,818**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2021

	Contributed equity $	Accumulated losses $	Reserves $	Total $
CONSOLIDATED				
Balance at 1 July 2019	102,271,967	(104,178,998)	4,466,871	2,559,840
Loss attributable to members of the Company	-	(6,296,514)	-	(6,296,514)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares net of issue costs	11,405,147	-	-	11,405,147
Share based payments expense	-	-	609,345	609,345
Transfer to retained earnings	-	3,787,889	(3,787,889)	-
Balance at 30 June 2020	**113,677,114**	**(106,687,623)**	**1,288,327**	**8,277,818**
Balance at 1 July 2020	113,677,114	(106,687,623)	1,288,327	8,277,818
Loss attributable to members of the Company	-	(6,869,370)	-	(6,869,370)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares net of issue costs	26,480,458	-	-	26,480,458
Share based payments expense	-	-	649,588	649,587
Transfer to retained earnings	-	359,697	(359,697)	-
Balance at 30 June 2021	**140,157,572**	**(113,197,296)**	**1,578,218**	**28,538,494**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Cash Flows from Operating Activities			
Interest received		25,201	37,095
R&D tax incentive and COVID-19 grant income		612,178	1,009,414
Other Income		29,396	179,083
Payments to other suppliers and employees		(5,645,131)	(5,430,788)
Net cash used in Operating Activities	23	(4,978,356)	(4,205,196)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(35,791)	(2,738)
Tenement acquisition costs		(4,186,000)	(1,020,000)
Net cash used in Investing Activities		(4,221,791)	(1,022,738)
Cash Flows from Financing Activities			
Proceeds from issue of ordinary shares		27,500,000	12,212,703
Share issue costs		(1,420,913)	(780,794)
Net cash provided by Financing Activities		26,079,087	11,431,909
Net increase/(decrease) in cash and cash equivalents held		16,878,940	6,203,975
Cash and cash equivalents at the beginning of the financial year		7,181,734	977,759
Cash and cash equivalents at the end of the financial year	9	24,060,674	7,181,734

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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30 June 2021

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REPORTING ENTITY

Vimy Resources Limited ('the Company') is a company incorporated and domiciled in Australia. The address of the Company's registered office and principal place of business is Level 1, 1209 Hay Street, West Perth, WA, 6005, Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2021 comprise the Company and its subsidiaries, together referred to as the ('Group'). The Group is a for-profit entity and primarily involved in uranium project exploration and evaluation.

1. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Carrying amounts of assets and liabilities

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes formula. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(ii) Rehabilitation provision

Significant estimates and assumptions are made in determining the provision for rehabilitation of the project area as there are numerous factors that will affect the ultimate liability payable.

These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to inflation rates, and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

(iii) Income taxes

The Group is subject to income taxes in Australia. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Sufficient tax losses exist to offset any deferred tax liabilities. The Group's ability to access existing tax losses is dependent on it demonstrating achievement of either of two income tax defined tests, being the continuity of ownership test or the same business test.

(iv) Impairment

At each reporting date, the Group reviews the carrying amounts of its assets, excluding deferred tax assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocated basis can be identified. Intangible assets with indefinite useful lives and intangible assets not available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of the money and the risks specific to the asset for which the estimated of the future cash flows have not been adjusted.

If recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(b) Going concern

The Group incurred a net loss of $6,869,370 during the year ended 30 June 2021. The cash and cash equivalents held as at 30 June 2021 was $24,060,674. Current assets exceed current liabilities by $23,315,774 as at 30 June 2021. The Group's net cash used in operating activities for the year ended 30 June 2021 was $4,978,356.

The Directors have reviewed a cash flow forecast for the next twelve months from the date of signing the financial report which demonstrates that the Group will have sufficient cash resources to continue as a going concern, subject to fund raising activities during the period.

The Group's ability to continue as a going concern, including to advance its exploration and evaluation activities, depends on its ability to obtain additional funding through strategic partners, equity, debt, hybrid financing, joint ventures, production off-take arrangements, research and development claim or other means.

In considering these circumstances, the Directors have taken into account the Group's demonstrated past successes in raising equity and debt, and in the event that additional funding is not able to be obtained at the amounts and timeframes anticipated, the Directors would actively curtail both project and corporate expenditure to conserve cash resources.

For these reasons the Directors continue to adopt the going concern basis in preparing these financial reports.

2. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates an Exploration and Evaluation segment and a Sales and Marketing segment. The Exploration and Evaluation activities undertaken by the Exploration and Evaluation segment including exploration on granted tenements in Western Australia and the Northern Territory. The Sales and Marketing segment activities undertaken by the Sales and Marketing segment include research and economic analysis of the global uranium market. The segment activities do not generate any sales revenue.

	Segments	
	2021 $	**2020 $**
Result		
Exploration losses for the year	(3,062,170)	(2,713,513)
Sales and Marketing losses for the year	(307,172)	(495,437)
	(3,369,342)	(3,208,950)
Reconciliation to Consolidated Loss		
Segment contribution	(3,369,342)	(3,208,950)
Corporate and administration expense	(2,632,103)	(2,639,049)
Finance expense	(528,243)	(632,663)
Share based payments expense	(649,587)	(609,345)
Research and development tax incentive grant income	282,519	379,659
Interest revenue and other income	27,386	413,834
Loss from continuing operations	(6,869,370)	(6,296,514)
Total assets		
Exploration Segment assets	6,474,238	6,276,287
Sales and Marketing Segment assets	-	-
	6,474,238	6,276,287

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

	Segments 2021 $	Segments 2020 $
Reconciliation to Consolidated Total Assets		
Segment assets	6,474,238	6,276,287
Corporate and administration assets	24,442,989	8,095,246
Total assets	30,917,227	14,371,533
Total liabilities		
Exploration Segment liabilities	(1,263,552)	(4,790,172)
Sales and Marketing liabilities	(10,088)	(2,774)
	(1,273,640)	**(4,792,9456)**
Reconciliation to Consolidated Total Liabilities		
Segment liabilities	(1,273,640)	(4,792,946)
Corporate and administration liabilities	(1,105,092)	(1,300,769)
Total liabilities	(2,378,732)	(6,093,715)

3. FINANCIAL RISK MANAGEMENT

The Group's activities may expose it to a variety of financial risks in the future such as market risk (including fair value interest rate risk), credit risk, and liquidity risk. The Group's overall financial risk management focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out under an approved framework covering a risk management policy and internal compliance and control by management. The Board identifies, evaluates and approves measures to address financial risks.

The Group holds the following financial instruments:

	Consolidated 2021 $	Consolidated 2020 $
Financial assets		
Cash and cash equivalents	24,060,674	7,181,734
Trade and other receivables – current	289,999	391,454
Trade and other receivables – non-current	356,258	356,258
	24,706,931	7,929,446
Financial liabilities		
Trade and other payables – current	792,053	906,643
Trade and other payable – non-current	225,770	-
Deferred consideration – current	-	1,398,268
Deferred consideration – non-current	-	2,605,291
	1,017,823	4,910,202

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

(a) Market risk

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from cash deposits. Deposits at variable rates expose the Group to cash flow interest rate risk. Deposits at fixed rates expose the Group to fair value interest rate risk. During 2021 and 2020, the Group's deposits at variable rates were denominated in Australian dollars.

As at the reporting date, the Group had the following variable rate cash at bank and fixed rate short-term deposits:

	2021		2020	
	Weighted average interest rate	Balance $	Weighted average interest rate	Balance $
Short-term deposits		21,000,000		6,000,000
Cash at bank		3,060,674		1,181,734
Net exposure to cash flow interest rate risk	0.04%	24,060,674	0.77%	7,181,734

The Group analyses its interest rate exposure on each occasion a deposit term expires. The Group aims to maximise interest returns from available funds and at the same time retain operating flexibility through adequate access to funds. During 2021 and 2020 if interest rates had been 10% higher or lower than the prevailing rates realised, with all other variables held constant, there would be an immaterial change in post-tax loss for the year. Equity would not have been materially impacted.

(b) Credit risk

The Group has no significant concentrations of credit risk. Cash transactions are limited to high credit quality financial institutions.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures on outstanding receivables and committed transactions. For banks and financial institutions, the Group will only hold deposits with A or better rated banks or financial institutions. All funds are currently banked with the Australian and New Zealand Banking Group Limited. Receivables are generally limited to Goods and Services Tax refunds or Research and Development Tax Incentive grant income from the Australian Taxation Office. Events leading to other receivables are reviewed on a case by case basis and if there is no independent rating, management assesses the credit quality of the transaction party, taking into account its financial position, past experience and other factors.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised at the beginning of this note. All receivables at 30 June 2021 are expected to be received within three months.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group will aim at maintaining flexibility in funding by accessing appropriate committed credit lines available from different counterparties where appropriate and possible. Surplus funds when available are generally only invested in high credit quality financial institutions in highly liquid markets.

Maturities of financial liabilities

As at 30 June 2021, the Group's financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Current		*Non-current*	
	Within six months $	Six - twelve months $	One - five years $	Later than five years $
30 June 2021				
Trade and other payables	792,053	-	225,770	-
Loans and borrowings	-	-	-	-
Total	792,053	-	225,770	-

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting periods as follows:

	Current		*Non-current*	
	Within six months $	**Six - twelve months $**	**One - five years $**	**Later than five years $**
30 June 2020				
Trade and other payables	906,643	-	316,842	-
Loans and borrowings	-	1,398,268	2,288,449	-
Total	906,643	1,398,268	2,605,291	-

(d) Capital management

The Group's capital management objective is to ensure adequate funding is obtained to enable it to progress its exploration and evaluation activities, while retaining sufficient cash reserves to ensure the Group continues as a going concern. As a project development company, funds for activities are generally sourced from equity markets, asset sales, or from borrowing facilities. The Group has utilised equity raisings and borrowings in the past to maintain adequate funding. The Board monitors cash resources against expenditure forecasts associated with the Company's stated growth strategies and development plans to assess financial requirements.

(e) Fair value estimation

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

There were no financial assets measured at fair value which required allocation into the Levels of fair value hierarchy at 30 June 2021 or 30 June 2020. There were no financial liabilities measured at fair value which required allocation into the Levels of fair value hierarchy at 30 June 2021 or 30 June 2020.

4. EARNINGS PER SHARE

	Consolidated	
	2021	**2020**
Basic and diluted loss per share (cents per share)	(0.84) cents	(1.07) cents
Loss after tax used in the calculation of basic and diluted EPS	$(6,869,370)	$(6,296,514)
Weighted average number of shares outstanding during the year used in calculations of loss per share	#818,054,721	#588,455,961

There are 19,790,000 (2020:19,790,000) potential ordinary shares in the form of unlisted employee options that have not been included in the dilutive EPS calculation because they are anti-dilutive.

5. DIRECTORS AND KEY MANAGEMENT PERSONNEL DISCLOSURE

(a) Key Management Personnel

In addition to the Directors, the following persons had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the year:

Name	**Position**	**Employer**
M. Hilmer	Chief Financial Officer	Vimy Resources Limited

(b) Directors and Key Management Personnel compensation

	Consolidated 2021 $	2020 $
Short-term benefits – cash salary and fees	635,750	632,150
Short-term benefits – cash bonus	2,000	-
Short-term benefits – share-based payments	525,492	233,349
Post-employment benefits	65,850	65,185
Long-term incentives – share-based payments	136,629	261,352
	1,365,721	1,192,036

(c) Loans to Director and Key Management Personnel

The Employee Plans provide a mechanism for the Company to invite employees (including the Directors) to subscribe for shares in the Company and to apply for a loan from the Company to pay the subscription price for those shares ('Plan Shares'). The Company takes security over the Shares acquired under the Plans until the limited recourse loan provided for the subscription price for those shares is repaid in full ('Limited Recourse Loan').

Subsequent to shareholder approval of the Plans and separate shareholder approval to issue shares to Directors, a summary of the terms of issue and the Limited Recourse Loan provided is shown below.

	Grant date	Number of shares acquired	Amount of the loan	Term of the loan
Directors (or associate)				
M. Young	22 Nov 2016	1,666,667	$407,500	up to 5 years
T. Chamberlain	20 Jul 2018	1,000,000	$99,400	up to 5 years

Share based payment

As non-interest bearing limited recourse loans were provided to purchase Plan Shares in the Company and these loans are secured against the same Plan Shares, AASB 2 (share based payments) applies. On this basis, the loan amount is not recognised in the financial statements.

Loan terms

The key terms of each Limited Recourse Loan provided under the Plans are as follows:

(i) the Limited Recourse Loan may only be applied towards the subscription price for the shares issued under the Plans;

(ii) the Limited Recourse Loan will be interest free, provided that if the Limited Recourse Loan is not repaid by the repayment date set by the Board, the Limited Recourse Loan will incur interest at 9% per annum after that date (which will accrue on a daily basis and compound annually on the then outstanding loan balance);

(iii) by signing and returning an application for a Limited Recourse Loan, the participants of the Plans (each a Participant):

- acknowledges and agrees that the Plan Shares will not be transferred, encumbered, otherwise disposed of, or have a security interest granted over it, by or on behalf of the Participant until the Limited Recourse Loan is repaid in full to the Company; and
- authorises the Company (at its election) either to take such action in the Participant's name or direct that Participant take such action in relation to the Plan Shares as the Company considers appropriate which may include but is not limited to the Company undertaking buy-back of the Plan Shares or selling the Plan Shares;

(iv) the Limited Recourse Loan becomes repayable on the earliest of:

- the date which is five years after the grant date of the Limited Recourse Loan ('Repayment Date');
- one month after the Participant ceases for any reason to be employed by the Company; and
- (by the legal personal representative of the Participant) six months after the Participant ceases to be an employee of the Company due to their death;

(v) notwithstanding paragraph (iv) above and subject to any voluntary escrow conditions entered into by the individual participant, the Participant may repay all or part of the loan at any time before the Repayment Date; and

(vi) the Limited Recourse Loan will be limited recourse such that on the repayment date the repayment obligation under the Limited Recourse Loan will be limited to the lesser of:

- the outstanding balance of the Limited Recourse Loan; and
- the market value of the Plan Shares on that date.

In addition, where the Participant has elected for the Plan Shares to be provided to the Company in full satisfaction of the Limited Recourse Loan, the Company must accept the Plan Shares as full settlement of the repayment obligation under the Limited Recourse Loan.

Rights attaching to Plan Shares

The Plan Shares will rank equally with all other shares on issue in the capital of the Company. Holders of Plan Shares issued under the Plan will be entitled to exercise all voting rights attaching to the Shares in accordance with the Constitution. In addition, holders of Plan Shares issued under the Plan will be entitled to participate in dividends declared and paid by the Company in accordance with the Constitution.

Sale of Plan Shares

Where the Participant has been granted a Limited Recourse Loan to purchase the Plan Shares; and subject to voluntary escrow those Plan Shares may only be sold by a Participant when the Limited Recourse Loan has been repaid proportionately to the number of Plan Shares to be sold. Otherwise any dealing by the Participant in the Plan Shares is prohibited without the prior written consent of the Company.

If the Limited Recourse Loan becomes due and payable and the Participant has not repaid the amount of the Limited Recourse Loan in full within one month of the due date, then the Participant will forfeit their interest in the Plan Shares as full consideration for the repayment of the outstanding loan balance. The Company may either (at its election) take such action in the Participant's name or direct that Participant take such action in relation to the Plan Shares as the Company considers appropriate, which may include but is not limited to the Company undertaking buy-back of the Plan Shares or selling the Plan Shares.

(d) Other transactions with Director and Key Management Personnel related entities

C. Edwardes (Chairman) has been an employee of FTI Consulting since 2013. FTI Consulting has been engaged since May 2021 to provide project co-ordination and strategic advisory services. No payments were made to FTI Consulting during the year.

There were no other transactions with Directors or Key Management Personnel during the current financial year.

(e) Vesting profiles of share based payments to Key Management Personnel

Details of the vesting profiles of employee share plans held by each Key Management Personnel of the Company are detailed below.

	Number of shares	Grant date	% vested in year	% forfeited in year	% expired during the year	Financial year in which grant vests
Directors						
M. Young	1,666,667	22 Nov 2016	-%	-%	-%	2017, 2018, 2019, 2020
T. Chamberlain	1,000,000	20 Nov 2015	-%	-%	100%	2018
T. Chamberlain	1,000,000	20 Jul 2018	33%	-%	-%	2019, 2020, 2021
	3,666,667					

NOTES TO THE FINANCIAL STATEMENTS
30 June 2021

6. OTHER INCOME

	Consolidated	
	2021 $	2020 $
Interest revenue	27,314	36,674
R&D tax incentive and other grant income	282,519	379,659
Other income	72	377,159
	309,905	793,492

7. LOSS FOR THE YEAR

The loss from ordinary activities before income tax has been determined after:

	Consolidated	
	2021 $	2020 $
(a) Expenses		
Depreciation expense	177,265	203,690
Audit and review fees	68,477	41,362
	245,742	245,052
(b) Employee benefits expense		
Wages, salaries and Directors' fees	2,161,280	2,420,476
Defined contribution superannuation expense	180,744	197,979
Share based payments expense (refer Note 18(c))	649,587	609,345
Other employee benefits	13,905	21,466
	3,005,516	3,249,266

8. INCOME TAX BENEFIT

(a) Income tax recognised

No income tax is payable by the Group as it recorded losses for income tax purposes for the year.

(b) Reconciliation of effective tax rate

	Consolidated	
	2021 $	2020 $
Loss after income tax	(6,869,370)	(6,296,514)
Income tax expense		-
Loss before income tax	(6,869,370)	(6,296,514)
Income tax using the Company's domestic tax rate of 30 percent (2020: 30 percent)	(2,060,811)	(1,888,954)
Non-deductible expenses and non-assessable income	153,078	84,359
Equity based remuneration	194,876	182,803
Research and development grant incentive income	(84,756)	(98,898)
Research and development expenditure	148,858	227,351
Movement in deferred tax assets not brought to account as future income tax benefits	1,648,755	1,493,339
	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

(c) Unrecognised deferred tax assets and liabilities

	Consolidated 2021 $	Consolidated 2020 $
Deferred tax assets and liabilities are attributable to the following		
Property, plant and equipment	75,851	75,658
Accrued income	-	-
Exploration tenements	1,370,201	1,580,513
Employee provisions	3,748	105,074
S40-880 costs	554,974	353,880
Accrued expenses	404,525	17,789
Other costs	-	-
Rehabilitation provision	21,138	210,855
Lease liability	3,372	2,177
Tax losses	27,610,608	25,630,835
Net tax assets	**30,044,417**	**27,976,781**
Unrecognised tax assets	**(30,044,417)**	**(27,976,781)**
	-	-

On 1 July 2007, Vimy Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidation group under the Tax Consolidation Regime. Each entity in the Group will continue to recognise its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits, which are immediately assumed by the Parent entity. The current tax liability of each Group entity will then subsequently be assumed by the Parent entity. The tax consolidated group entered into a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to profit before tax of the tax consolidated group.

9. CASH AND CASH EQUIVALENTS

	Consolidated 2021 $	Consolidated 2020 $
Cash at bank and in hand	3,060,674	1,181,734
Short-term deposits	21,000,000	6,000,000
	24,060,674	7,181,734

(a) Cash and cash equivalents at the end of the financial period as per the statement of cash flows.

(b) Cash at bank and on hand includes interest-bearing amounts. The weighted average rate applicable to the Group's balance at 30 June 2021 was 0.04% (2020: 0.77%).

10. TRADE AND OTHER RECEIVABLES

	Consolidated 2021 $	Consolidated 2020 $
Current		
Other receivables	13,971	33,214
R&D Tax Incentive Grant receivable	215,018	329,659
Goods and services tax receivable	61,010	28,581
	289,999	391,454
Non-Current		
Security deposit [(a)]	356,258	356,258

(a) The security deposit of $356,258 (2020: $356,258) is cash security for a bank guarantee relating to the Alligator River Project in the Northern Territory and the office lease at 1209 Hay Street, West Perth.

NOTES TO THE FINANCIAL STATEMENTS

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11. PREPAYMENT

	Consolidated 2021 $	Consolidated 2020 $
Current		
Deposits for tenement applications	12,831	31,058
Other prepayments	45,083	138,801
	57,914	169,859

12. PLANT AND EQUIPMENT

	Consolidated 2021 $	Consolidated 2020 $
Office equipment		
Cost	273,052	244,024
Accumulated depreciation	(244,203)	(222,934)
Total office equipment	28,849	21,090
Exploration equipment		
Cost	1,634,435	1,606,047
Accumulated depreciation	1,604,737	(1,540,424)
Total exploration equipment	29,698	65,623
Total office and exploration equipment	58,547	86,713

Movements in the carrying amounts of each class of assets at the beginning and end of the current financial period is as set out below:

	2021 $	2020 $
Office equipment		
Balance at the beginning of year	21,090	39,541
Asset additions	29,029	2,034
Depreciation expense	(21,270)	(20,485)
Carrying amount at the end of the year	28,849	21,090
Exploration equipment		
Balance at the beginning of year	65,623	156,445
Asset additions	28,391	703
Depreciation expense	(64,316)	(91,525)
Carrying amount at the end of the year	29,698	65,623
Total carrying amount at the end of the year	58,547	86,713

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

13. EXPLORATION AND EVALUATION

	Consolidated	
	2021 $	2020 $
Exploration Tenements	5,788,237	5,788,237
	5,788,237	5,788,237

On 17 July 2018, the Group acquired the tenements to the Alligator River exploration project in Arnhem Land, Northern Territory. The Group acquired the project for a cash consideration of $6.5 million with staged payments and a conditional buyback option for Cameco Australia Pty Ltd (Cameco).

The Group has granted the buy-back option on any individual project within the tenement package where a uranium resource of not less than 100Mlbs U_3O_8 in JORC Code compliant measured and indicated resources (Buyback Project) is defined. The buyback option must be exercised by Cameco within four months of the Group releasing a Definitive Feasibility Study on a Buyback Project. The purchase price payable by Cameco for a Buyback Project upon exercising the buyback option is dependent on the size and classification of the mineral resource, determined by a reference price at the relevant time.

14. TRADE AND OTHER PAYABLES

	Consolidated	
	2021 $	2020 $
Current		
Trade payables and accruals	792,053	906,643
Deferred consideration	-	1,398,268
	792,053	2,304,911
Non-Current		
Other payables	225,770	316,842
Deferred consideration	-	2,288,449
	225,770	2,605,291

15. PROVISIONS

	Consolidated	
	2021 $	2020 $
CURRENT		
Employee entitlement: Annual Leave		
Opening balance	153,224	185,631
Employee entitlements provided for	79,491	134,753
Employee entitlements used	(109,937)	(167,160)
Closing balance	122,778	153,224
Employee entitlement: Long Service Leave		
Opening balance	123,210	73,851
Employee entitlements provided for / (used)	54,772	49,359
Closing balance	177,982	123,210
Total current provision	300,760	276,434

NOTES TO THE FINANCIAL STATEMENTS
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	Consolidated 2021 $	Consolidated 2020 $
NON-CURRENT		
Employee entitlement: Long Service Leave		
Opening balance	60,426	76,331
Employee entitlements provided for / (used)	(47,933)	(15,905)
Closing balance	12,493	60,426
Rehabilitation		
Opening balance	846,653	829,102
Reclassification from/(to) current	-	-
Rehabilitation provided for	201,004	17,551
Closing balance	1,047,657	846,653
The Group has a provision for rehabilitation relating to the Mulga Rock Project and the Alligator River Project		
Total non-current provision	1,060,150	907,079

16. CONTRIBUTED EQUITY

1,027,387,069 (2020: 766,286,743) fully paid ordinary shares

	Consolidated Number	Consolidated $
Ordinary shares		
At 1 July 2019	484,671,912	102,271,967
5 July 2019 Shares purchase plan @ 5 cents per share	36,673,302	1,833,665
2 October 2019 Issue of shares @ 6 cents per share	370,771	22,246
30 October 2019 Shares purchase plan @ 5 cents per share	77,865,832	3,893,292
25 November 2019 Share purchase plan @ 5 cents per share	19,270,000	963,500
28 January 2020 Share Buy Back	(5,342,852)	-
17 June 2020 Share placement @ 3.6 cents per share	152,777,778	5,500,000
Share issue costs	-	(807,556)
Balance at 30 June 2020	766,286,743	113,677,114
At 1 July 2020		
13 July 2020 Share purchase plan @ 3.6 cents per share	11,103,984	329,605
13 October 2020 Issue od shares @ 3 cents per share	1,276,342	45,000
24 April 2021 share purchase plan @ 11 cents per share	168,181,818	18,500,000
7 May 2021 share buy back	(1,000,000)	-
18 May 2021 share purchase plan @ 11 cents per share	81,818,182	9,000,000
22 June 2021 share buy back	(280,000)	-
Share issue costs	-	(1,394,147)
Balance at 30 June 2021	1,027,387,069	140,157,572

NOTES TO THE FINANCIAL STATEMENTS

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Employee share plan shares

The number of fully paid ordinary shares disclosed in Note 16 includes the outstanding shares issued under the employee share plans. At 30 June 2021 this amounted to 5,036,667 shares (2020: 6,316,667 shares) which have either not vested to the employee or the employee has not repaid the non-recourse loan used to fund the share issue. Both these conditions must be met in order for the employee to freely trade the shares.

Fully paid ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the Parent entity in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. The ordinary shares have no par value.

17. RESERVES

Employee Share Plan Reserve

The employee share plan reserve records items recognised as expenses on the valuation of employee shares.

	Consolidated	
	2021 $	**2020 $**
Reserve comprises the following:		
Balance as at start of financial year	1,288,327	3,047,845
1,666,667 shares issues and vesting [(a)]	-	6,435
4,030,000 shares issued and vesting [(b)]	24,110	46,159
900,000 shares issued and vesting [(c)]	8,506	12,929
19,790,000 options issued and vesting [(d)]	276,878	506,995
Salary sacrifice liability revaluation	340,095	36,827
Transferred to retained earnings	(359,697)	(2,368,863)
Balance as at end of the financial year	1,578,218	1,288,327

(a) On 22 November 2016, 1,666,667 shares were issued to Mr M. Young after shareholder approval was received and have been funded by a non-interest bearing, limited recourse loan from the Company. The shares are subject to a variety of vesting conditions over a three-year period, and expire on 22 November 2021.

(b) On 20 July 2018, 4,030,000 shares were issued to employees and have been funded by a non-interest bearing, limited recourse loan from the Company. The shares are subject to vesting conditions over a three-year period, and expire on 20 July 2023. The Black Scholes valuation expense will be proportionally allocated over the vesting period.

(c) On 6 December 2018, 900,000 shares were issued to Mr J. Tapp after shareholder approval was received and have been funded by a non-interest bearing, limited recourse loan from the Company. The shares are subject to vesting conditions over a three-year period, and expire on 6 December 2023. The Black Scholes valuation expense will be proportionally allocated over the vesting period.

(d) On 31 July 2019, 19,790,000 options were issued to employees. The options are subject to vesting conditions over a three-year period, and expire on 31 July 2022. The Black Scholes valuation expense will be proportionally allocated over the vesting period.

As non-interest bearing limited recourse loans were provided to purchase Plan shares in the Company and these loans are secured against the same Plan shares, AASB 2 (share based payments) applies. On this basis, the loan amount is not recognised in the financial statements and instead an amount is expensed as a share based payment.

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18. SHARE BASED PAYMENTS

(a) Employee share option plan

The Company had an employee share option plan, which was also available to Directors (the issue of securities to Directors requires shareholder approval), called the Vimy Resources Limited Employee Share Option Plan ("Plan").

The Company issued 19,790,000 options to eligible employees on 31 July 2019.

The input variables used in the Black Scholes option pricing model are as follows:

Grant date:	31 July 2019
Expiry date:	31 July 2022
Exercise price:	\$0.082
Expected volatility:	115%
Expected life:	3 years
Risk free interest rate (based on government bonds):	0.87%
Calculated share value at grant date:	\$0.070
Total amount to be recognised as share based payment over the three year vesting period	\$906,900

Set out below is a summary of options granted to employees under the Vimy Resources Limited Employee Option Plan:

Grant date	Expiry date	Number Balance at start of year	Number Granted during year	Number Exercised during year	Number Forfeited during year	Number Balance at end of year	Number Exercisable at end of year
31 July 2019	31 July 2022	19,790,000	-	-	-	19,790,000	6,596,667
Weighted average exercise price						\$0.082	\$0.082
Weighted average remaining contractual life						1.08 years	1.08 years

(b) Employee share plans

On 18 November 2016, the Company established an employee share plan, which is also available to Directors (the issue of securities to Directors requires shareholder approval). The plan is called the 2016 Vimy Employee Share Plan.

A summary of the main terms and conditions of the Vimy Employee Share Plans can be found at Note 5.

Set out below is a summary of shares granted to employees under the Plans:

Issue date	Number Balance at start of year	Number Issued during year	Number Forfeited during year	Number Balance at end of year
20 November 2015	1,000,000	-	(1,000,000)	-
3 June 2016	280,000	-	(280,000)	-
22 November 2016	1,666,667	-	-	1,666,667
20 July 2018	2,470,000	-	-	2,470,000
6 December 2018	900,000	-	-	900,000
	6,316,667	-	(1,280,000)	5,036,667

(c) Expenses recognised in profit and loss

Total expenses arising from share-based payment transactions recognised during the year as part of employee benefit expense were as follows:

	Consolidated	
	2021 $	**2020 $**
Employee share plan granted in 2017	8,506	6,435
Employee share plan granted in 2019	24,110	59,088
Employee option plan granted in 2020	276,876	506,995
Salary sacrifice liability revaluation	340,095	36,827
	649,587	609,345

In June 2019 the Company established the Salary Sacrifice Share Plan which is available to Directors and staff to voluntarily sacrifice a portion of their cash salary and fees to receive shares on the condition that they remained employed by Company as at 30 June 2021.

19. ACCUMULATED LOSSES

	Consolidated	
	2021 $	**2020 $**
Accumulated losses at the beginning of the financial year	(106,687,623)	(104,178,998)
Transferred from Reserves	359,697	3,787,889
Net loss attributable to members of the Company	(6,869,370)	(6,296,514)
Accumulated losses at the end of the financial year	(113,197,296)	(106,687,623)

20. EXPENDITURE COMMITMENTS

	Consolidated	
	2021 $	**2020 $**
Expenditure commitments contracted for:		
In order to maintain current rights of tenure to exploration tenements, the Group is required to meet the minimum expenditure requirements. These obligations are not provided for in the financial statements:		
- not later than 12 months	929,496	1,069,917
- between 12 months and 5 years	4,424,875	4,116,254
	5,354,371	5,186,171

NOTES TO THE FINANCIAL STATEMENTS
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21. CONTROLLED ENTITIES

	Country of incorporation	Percentage owned	
		2021	2020
Parent entity:			
Vimy Resources Limited	Australia		
Subsidiaries of Vimy Resources Limited:			
Narnoo Mining Pty Ltd	Australia	100%	100%
Vélo Resources Pty Ltd (previously Camuco Pty Ltd)	Australia	100%	100%
Viva Resources Pty Ltd (previously Gunbarrel Energy and Minerals Australia Pty Ltd)	Australia	100%	100%
Wellington Range and King River Joint Venture(1)	Australia	79%	79%

(1) On 17 August 2021, the Company announced it had settled the acquisition of Rio Tinto Exploration Pty Ltd (RTX) 20.89% interest in Wellington Range and King River Joint Venture at the Alligator River Project in the Northern Territory. Vimy now owns 100% of the Alligator River Project through its wholly-owned subsidiary Viva Resources Pty Ltd.

22. REMUNERATION OF AUDITORS

	Consolidated	
	2021 $	2020 $
1. Audit services		
Audit of financial reports and other audit work under the *Corporations Act 2001:*		
KPMG	68,477	41,362
2. Non-audit services		
KPMG research and development tax incentive compliance and advisory	26,000	40,455
KPMG financial advisory services	120,000	-
KPMG general accounting and taxation advisory fees	-	13,455
KPMG taxation return preparation and advisory	17,595	17,210
Total auditor's remuneration	232,072	112,482

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

23. CASH FLOW INFORMATION

	Consolidated	
	2021 $	**2020 $**
(a) Reconciliation of Loss after tax to net cash outflow from Operating Activities		
Loss after income tax	(6,869,370)	(6,296,514)
Adjustments for:		
Depreciation expense	177,265	203,690
Share based payments expense	649,587	609,345
Financial Income	-	(287,439)
Deferred consideration	400,447	610,703
	(5,642,071)	(5,160,215)
Changes in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables	101,455	764,092
(Increase) / Decrease in prepayments	111,945	40,417
(Increase) / Decrease in right of use assets	91,680	(488,958)
Increase / (Decrease) in trade and other payables	268,939	216,333
Increase / (Decrease) in lease liabilities	(87,699)	404,537
Increase / (Decrease) in provisions	177,395	18,598
Net cash outflow from operating activities	(4,978,356)	(4,205,196)

24. CONTINGENT LIABILITIES

Contingent Liability - Royalty

In 2015 the Company entered into a royalty agreement with RCF VI. Narnoo Mining Pty Ltd ('Narnoo'), wholly owned subsidiary of Vimy, has agreed to pay a royalty to RCF VI of 1.15% on the gross proceeds received by Narnoo from selling mineral products extracted and recovered from the tenements that make up the Mulga Rock Project.

The Company has granted security to RCF VI for the royalty obligations, in the form of a mortgage over the mining tenements.

25. PARENT ENTITY INFORMATION

	Parent Entity	
	2021 $	**2020 $**
Information relating to Vimy Resources Limited:		
Current assets	24,053,366	7,622,687
Total assets	30,432,180	10,427,415
Current liabilities	1,011,623	926,275
Total liabilities	1,115,183	1,303,544
Total net assets	29,316,997	9,123,871
Contributed equity	140,157,571	113,677,114
Reserves	1,578,218	1,288,327
Accumulated losses	(112,418,792)	(105,841,570)
Total equity	29,316,997	9,123,871
Loss of the parent entity	(6,577,224)	(6,170,168)
Total comprehensive loss of the parent entity	(6,577,224)	(6,170,168)

NOTES TO THE FINANCIAL STATEMENTS

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Guarantees of the Parent:

On 1 July 2007, Vimy Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidation group under the Tax Consolidation Regime. Each entity in the Group will continue to recognise its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits, which are immediately assumed by the Parent entity. The current tax liability of each Group entity will then subsequently be assumed by the Parent entity. The tax consolidated group entered into a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to profit before tax of the tax consolidated group.

26. EVENTS OCCURRING AFTER REPORTING DATE

Since 30 June 2021 the following significant subsequent events have occurred:

- On 23 July 2021, the Company announced its inclusion into the index composition for the Global X Uranium ETF (URA).
- On 23 July 2021, the Company announced that Mr Luca Giacovazzi had resigned from the Board.
- On 29 July 2021, the Company announced the re-opening of the Mulga Rock Camp to support the commencement of site works at the Mulga Rock Project.
- On 17 August 2021, the Company announced it had settled the acquisition of Rio Tinto Exploration Pty Ltd (RTX) 20.89% interest in Wellington Range and King River Joint Venture at the Alligator River project in the Northern Territory. Vimy now owns 100% of the Alligator River Project through its wholly-owned subsidiary Viva Resources Pty Ltd. The acquisition price of $2 million was fully satisfied by the issue to RTX of fully paid shares in Vimy (18,793,069 shares at a deemed issue price of $0.10642 per share). An additional on-sale payment may be payable to RTX in the event that Vimy disposes of an interest in the Alligator River Project within three years from the date of settlement at an implied price (on a proportional basis) that is higher than the $2 million paid for RTX's interest. RTX would receive 30% of any proportionate gain (over $2 million) on any such on-sale by Vimy of an interest in the Alligator River Project. Secondly, a uranium upside payment is payable to RTX if the average daily spot price indicator of uranium exceeds US$60/lb (of U_3O_8) over the last 180 days of the three-year period that commences on the settlement date. If satisfied, Vimy agrees to pay to RTX a further consideration amount equal to $1.1 million less the total on-sale payment(s) that may have been made during the three-year period.
- On 25 August 2021, the Company announced the appointment at Matthew Foy as Company Secretary, following the resignation of Marcel Hilmer.
- On 27 August, the Company announced that the Western Australian Department of Mines Industry Regulation and Safety (DMIRS) has approved the Mulga Rock Project Management Plan.
- On 30 August, the Company announced the stepping down of Mike Young as Managing Director and CEO. Vimy had previously advised it had engaged FTI Consulting to provide project co-ordination and strategic advisory services. Vimy announced that it has now extended this engagement to include Mr Steven Michael to act as an Interim CEO while an executive search process is undertaken.
- On 6 September 2021, the Company announced positive results from metallurgical optimisation testwork at the Mulga Rock Project.
- On 29 September 2021, the Company announced an update on the Early Works Program and approvals process for the Mulga Rock Project.
- On 30 September 2021, the Company announced a trading halt in its securities pending an announcement by the Company to the market in relation to project approvals for the Mulga Rock Project.

NOTES TO THE FINANCIAL STATEMENTS

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27. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Vimy Resources Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Vimy Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS

The consolidated financial statements of Vimy Resources Limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and liabilities at fair value.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1.

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and are rounded to the nearest dollar.

New and amended standards adopted by the Group

AASB 16 *Leases* has been adopted by the Group effective from the 1 July 2019. AASB 16 introduced a new framework for accounting for leases which has superseded AASB 117 Leases. AASB 16 affects the accounting by lessees and has resulted in the recognition of leases on the Statement of Financial Position. The standard has removed the distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability.

(b) Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2021. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

(d) Revenue and income recognition

Revenue and income are recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue and income can be reliably measured. The following specific recognition criteria must also be met before revenue and income is recognised:

Interest revenue

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate.

R&D Tax Incentive grant income

Any grant received for eligible research and development tax incentive income is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as a consequence of the accounting policy to expense exploration and evaluation costs as incurred. The grant income is only recognised when it can be measured reliably.

(e) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered, or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(f) Leases

The Group has adopted AASB 16 *Leases* which has been applied form the date of initial application. The Group does have a three year lease on the head office premises.

(g) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset are depreciated on a straight line basis over the shorter of its estimated useful life and the lease term.

(h) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease payments are recognised as expenses in the period in which the payments occur. In calculating the present value of the lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

(i) Impairment of assets

At each reporting date, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with financial institutions, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for impairment.

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(l) Financial instruments

(i) Non-derivative financial assets

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

(ii) Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Other financial liabilities comprise loans, borrowings, trade and other payables.

(m) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – 2 to 15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

(o) Loans and borrowings

Loans and borrowings are initially recognised at fair value, net of transaction cost incurred. Loans and borrowings are subsequently measured at amortised costs. Loans and borrowings are derecognised from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired.

(p) Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an expense.

(q) Rehabilitation and site restoration

The Group is required to rehabilitate mine sites, to the extent that any environmental disturbance has occurred, to a condition acceptable to the relevant authorities. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an expense.

(r) Reserves

The reserve account is an accumulation of expenses relating to the issue of current employee share and option plans. In the event these employee shares and options are forfeited or expire their value will be transferred to retained earning.

(s) Employee benefits

Employee entitlement

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave. Liabilities arising in respect of wages and salaries, annual leave and long service leave and any other benefits expected to be settled wholly within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on high quality corporate bonds, which have terms to maturity approximating the terms of the related liabilities, are used.

Share-based payments

The Company provides staff with Employee Share Plans, whereby eligible participants are granted shares in the Company funded by a limited recourse loan from the Company. The limited recourse loans are recorded within equity and not as a receivable or financial asset to be recovered from the Company.

The Limited Recourse Loan becomes repayable on the earliest of:

– the date which is five years after the grant date of the Limited Recourse Loan ('Repayment Date');
– one month after the Participant ceases for any reason to be employed by the Company; and
– (by the legal personal representative of the Participant) six months after the Participant ceases to be an employee of the Company due to their death.

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes formula.

(t) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(u) Exploration and evaluation expenditure

Exploration and evaluation expenditure that has been acquired in a business combination or asset acquisition and associated transaction costs are capitalised under the scope of AASB 6, Exploration for and Evaluation of Mineral Resources. All other exploration and evaluation expenditure is expensed in the year it is incurred.

Exploration and evaluation expenditure is allocated separately to specific areas of interest. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation. Such expenditure comprises direct exploration and evaluation costs incurred, together with an appropriate portion of directly related overhead expenditure.

Exploration and evaluation assets are only continued to be recognised if the rights to the area are current and either:

(i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest or by its sale; or

(ii) exploration and evaluation activities have not at the reporting date reached a stage which permits a reasonable assessment of the existence of economically recoverable resources, and active operations are continuing.

Exploration and evaluation assets are assessed for impairment if facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units (CGUs) to which the exploration activity relates. The CGU shall not be larger than the area of interest.

In the event that an area of interest is abandoned or if the Directors consider the exploration and evaluation assets attributable to the area of interest to be of reduced value, the exploration and evaluation assets are impaired in the period in which the assessment is made. Each area of interest is reviewed at each reporting period and accumulated costs are written off to the extent that they will not be recoverable in future.

When a decision to proceed to development is made for an area of interest, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine property assets within property, plant and equipment.

DIRECTORS' DECLARATION

30 June 2021

1. In the opinion of the Directors of Vimy Resources Limited:

   (a) the consolidated financial statements and notes of Vimy Resources Limited are in accordance with the *Corporations Act 2001*, including:

      i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

      ii. complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements.

   (b) there are reasonable grounds to believe that Vimy Resources Limited will be able to pay its debts as and when they become due and payable; and

2. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the *Corporations Act 2001*.

3. The consolidated financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors:

The Hon. Cheryl Edwardes AM
Independent Non-executive Chairman

Dated 30 September 2021

Independent Auditor's Report

To the shareholders of Vimy Resources Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Vimy Resources Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2021.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies.
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Going concern basis of accounting	
Refer to Note 1(b) to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group's use of the going concern basis of accounting and the associated extent of uncertainty is a key audit matter due to the high level of judgement required by us in evaluating the Group's assessment of going concern and the events or conditions that may cast significant doubt on their ability to continue as a going concern. These are outlined in Note 1(b). The Directors have determined that the use of the going concern basis of accounting is appropriate in preparing the financial report. Their assessment of going concern was based on cash flow projections. The preparation of these projections incorporated a number of assumptions and significant judgements, and the Directors have concluded that the range of possible outcomes considered in arriving at this judgement does not give rise to a material uncertainty casting significant doubt on the Group's ability to continue as a going concern. We critically assessed the levels of uncertainty, as it related to the Group's ability to continue as a going concern, within these assumptions and judgements, focusing on the following: • The Group's planned levels of operational and capital expenditures, and the ability of the Group to manage cash outflows within available funding, particularly in light of loss making operations; and • the Group's ability to raise additional funds from shareholders or other parties and the projected timing thereof. This included source of funds, availability of fund type, feasibility and status/progress of securing those funds. In assessing this key audit matter, we involved senior audit team members who understand the Group's business, industry and the economic environment it operates in.	Our procedures included: • We analysed the cash flow projections by: - Evaluating the underlying data used to generate the projections. We specifically looked for their consistency with those used by the Directors, and tested by us, their consistency with the Group's intentions, as outlined in Directors minutes and strategy documents, and their comparability to past practices; - Analysing the impact of reasonably possible changes in projected cash flows and their timing, to the projected periodic cash positions. Assessing the resultant impact to the ability of the Group to pay debts as and when they fall due and continue as a going concern. The specific areas we focused on were informed from our test results of the accuracy of previous Group cash flow projections and sensitivity analysis on key cash flow projection assumptions. - Assessing the planned levels of operating and capital expenditures for consistency of relationships and trends to the Group's historical results, particularly in light of the loss making operations, results since year end, and our understanding of the business, industry and economic conditions of the Group. • We read Directors minutes and relevant correspondence to understand and assess the Group's ability to raise additional shareholder funds. • We evaluated the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements.

Other Information

Other Information is financial and non-financial information in Vimy Resources Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's Report. The Chairman's Letter, CEO's Review of Activities, Outlook for 2022, Operations Review, Mineral Resources and Ore Reserve statement, Additional Information and Corporate Governance Statement are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001.*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Vimy Resources Limited for the year ended 30 June 2021, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 15 to 21 of the Directors' report for the year ended 30 June 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Derek Meates
Partner

Perth

30 September 2021

ADDITIONAL INFORMATION

as at 15 October 2021

Capital structure

The capital structure of the Company at the date of this report is **1,051,498,659** ordinary shares on issue.

Distribution of listed ordinary fully paid shares

Size of holding	Number of shareholders	Number of ordinary shares
1 - 1,000	447	151,045
1,001 - 5,000	751	2,336,158
5,001 - 10,000	564	4,521,179
10,001 - 100,000	2,019	85,219,652
100,001 - and over	907	959,270,625
	4,688	**1,051,498,659**

The number of shareholders holding less than a marketable parcel of ordinary shares was 598.

Twenty largest shareholders of listed ordinary shares

	Name	Ordinary shares held	% of total
1	HSBC Custody Nominees (Australia) Limited	206,306,058	19.62%
2	Lexband Pty Ltd <MacMillan Super Fund A/C>	62,975,024	5.99%
3	Citicorp Nominees Pty Limited	59,564,281	5.66%
4	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	53,439,431	5.08%
5	Sandhurst Trustees Ltd <Collins St Value Fund A/C>	21,556,578	2.05%
6	BNP Paribas Noms Pty Ltd <DRP>	20,628,620	1.96%
7	Mr Peter Sarantzouklis	20,444,445	1.94%
8	Sumico (WA) Pty Ltd <Busani Family A/C>	19,545,937	1.86%
9	HSBC Custody Nominees (Australia) Limited	18,379,917	1.75%
10	Mr Mitchell Gerard Ogilvie	16,053,778	1.53%
11	Mr Jiahuang Zhang	15,000,000	1.43%
12	Olive Tree Group Pty Ltd <Leonadis Family A/C>	14,646,455	1.39%
13	BNP Paribas Nominees Pty Ltd Six Sis Ltd <DRP A/C>	13,368,617	1.27%
14	HSBC Custody Nominees (Australia) Limited <GSCO Customers A/C>	10,520,481	1.00%
15	Merrill Lynch (Australia) Nominees Pty Limited	8,979,223	0.85%
16	Situate Pty Ltd	8,485,689	0.81%
17	BNP Paribas Nominees Pty Ltd ACF Clearstream	8,354,349	0.79%
18	Miss Lihan Huang	7,500,000	0.71%
19	Mr Michael Charles Young and Mrs Jocelyn Therese Young	7,271,942	0.69%
20	JP Morgan Nominees Australia Pty Limited	6,044,048	0.57%
		599,064,872	**56.97%**

Voting rights of ordinary shares (ASX Code: VMY)

At a general meeting, on a show of hands, every ordinary shareholder present in person or by proxy has one vote. On the taking of a poll, every ordinary shareholder present in person or by proxy, and whose shares are fully paid, has one vote for each of his or her shares.

ADDITIONAL INFORMATION

as at 15 October 2021

Substantial shareholders

	Name	Ordinary shares held	% of total
1	Paradice Investment Management Pty Ltd	92,076,023	8.757%
2	Lexband Pty Ltd <MacMillan Super Fund A/C>	62,975,024	6.0%

On-market buy back

There is no current on-market buy back of the Company's shares in place.

Investor Relations

Shareholders and investors seeking information on the Company should visit the Australian Securities Exchange website www.**asx.com.au** and search announcements under the Company's ASX symbol VMY, or contact the Chief Executive Officer or Company Secretary at:

Vimy Resources Limited
First Floor, 1209 Hay Street
West Perth WA 6005

Telephone: +61 8 9389 2700

Email: info@vimyresources.com.au

Website: www.vimyresources.com.au

Shareholder enquiries

Enquiries relating to shareholding, tax file number and notification of change of address should be directed to:

Automic Group
GPO Box 5193
SYDNEY NSW 2001

Telephone: 1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)

Email: hello@automic.com.au

Website: www.automic.com.au

Corporate Governance

The Company's Corporate Governance Statement for the 2021 financial year is available from the Company's website at : www.vimyresources.com.au/corporate/corporate-governance