

ASX Announcement

23 November 2016

Conversion of loan boosts RCF's equity stake

Vimy Resources Limited (ASX:VMY) (**Vimy**) is pleased to announce that it has allotted 19,230,769 new fully paid ordinary shares today at \$0.26 per share, under the Company's existing ASX Listing Rule 7.1 placement capacity, to Resource Capital Funds VI L.P. (**RCF**) to convert \$5 million of the outstanding \$15 million unsecured bridging loan into equity (refer ASX Announcement dated 23 September 2016).

Under the Company's current placement capacity, Vimy can convert \$5 million of the loan into shares without shareholder approval. RCF now holds a 19.3% interest in the Company.

Conversion of the remaining loan balance of \$10 million into equity is subject to shareholder approval, as this will take RCF's equity ownership above the takeover threshold of 19.9%.

Vimy Resources	Previous	Current \$5m loan converted into equity – issue of 19.2m shares	Balance of \$10m loan to be converted into equity, subject to shareholder approval
RCF Shareholding	13.3%	19.3%	29.2%

A general meeting of shareholders to vote on conversion of the remaining \$10 million loan into equity is anticipated to be held in the coming months, and Vimy will update shareholders on the specifics as they are finalised.



Mike Young
Managing Director and CEO

Tel: +61 8 9389 2700

About Vimy

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

The Project will have the capacity to produce 1,360 tonnes per annum of uranium oxide for up to seventeen years. The Project is expected to result in the creation of approximately 490 new jobs in Western Australia and to create payments of around A\$19m per year to the State government in the form of royalty payments and payroll tax. The amount of uranium produced if used in nuclear reactors to displace coal fired electricity would offset more than 50 million tonnes of carbon dioxide equivalent emissions which is around 10% of Australia's total greenhouse gas emissions.

Vimy harnesses science and technology to maintain the environment.

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

Directors and Management

The Hon. Cheryl Edwardes AM – Chairman

Mike Young – CEO and Managing Director

Julian Tapp – Executive Director

David Cornell – Non-Executive Director

Mal James – Non-Executive Director

Andy Haslam – Non-Executive Director

Ron Chamberlain – Chief Financial Officer and Company Secretary

Tony Chamberlain – Chief Operating Officer

Xavier Moreau – General Manager, Geology and Exploration

Principal Place of Business

Ground Floor, 10 Richardson Street
West Perth WA 6005

T: +61 8 9389 2700

F: +61 8 9389 2722

E: info@vimyresources.com.au

Postal Address

PO Box 23
West Perth WA 6872

Share Registry

Security Transfer Australia Pty Ltd
770 Canning Highway
Applecross WA 6153

T: +61 8 9315 2333

F: +61 8 9315 2233

