

2 December 2016

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

MANIEMA GOLD PROJECT ACQUISITION UPDATE

HIGHLIGHTS:

- **Shareholders have approved the acquisition of a 70% interest in the Maniema Gold Project, located in the Maniema Province, in the Democratic Republic of Congo**
- **Satisfaction of other key conditions to the acquisition following completion of all remaining legal, financial and technical due diligence on the Maniema Gold Project by the Company's consultants**
- **Vector to now proceed to complete its proposed capital raising with a non-renounceable pro-rata Entitlement Issue of one new share for every one share held by eligible shareholders at a price of \$0.001 to raise approximately \$1,349,071**
- **Proceeds from the Entitlements Issue combined with the recently completed \$300,000 interim debt funding will be used to fund the acquisition and planned exploration activities at the Maniema Gold Project over the next 12 months.**
- **Preparation of acquisition and joint venture documentation advanced with the incorporation of in-country subsidiary and joint venture company underway and transfer of the seven granted exploration licenses in process**

Vector Resources Limited ("**Vector**" or the "**Company**") is pleased to announce that at the Annual General Meeting held on 30 November 2016, shareholders overwhelmingly voted in favour of all resolutions associated with the Company's proposed acquisition of a 70% interest in the Maniema Gold Project ("**Project**"), located in the Maniema Province in the Democratic Republic of Congo.

The Company is now rapidly moving to finalise its acquisition of the Project, and is also pleased to confirm that its consultants have completed all outstanding due diligence, with the preparation of joint venture documentation also well advanced, the incorporation of its in-country subsidiary and the joint venture substantially completed and the transfer of the seven granted exploration licenses into the joint venture company underway.

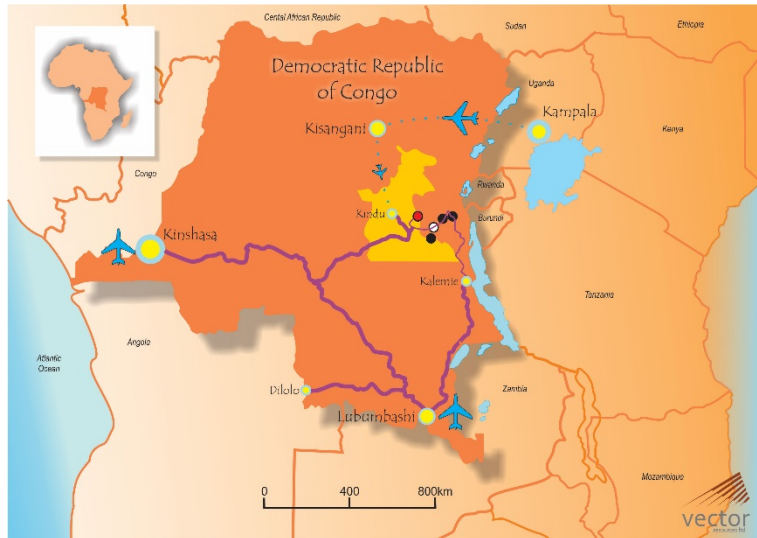
With the acquisition of the Project now approved by its shareholders, the Company will now proceed with the entitlement issue to shareholders to finalise its \$1,650,000 capital raising, with a non-renounceable pro-rata Entitlement Issue of one new share for every one share held by eligible shareholders at a price of \$0.001 per share, in addition to the already completed \$300,000 interim debt facility.

Chairman Gary Castledine said, *"Shareholder approval is a major milestone in the Company's proposed acquisition of the Maniema Gold Project, and represents a significant vote of confidence by our shareholders in the Company's corporate growth strategy."*

“With shareholder approval now granted the Company will now rapidly move to complete the necessary documentation to complete the acquisition and finalise the Entitlement Issue.” Mr Castledine said.

MANIEMA GOLD PROJECT

The Project is located in the Maniema Province, approximately 160km south of the provincial capital Kindu, in east-central DRC.



Location of the Maniema Gold Project

The Project comprises seven granted exploration licences: PR4792, PR4801, PR4803, PR4804, PR4805, PR4806 and PR4812 and which cover an area of over 500km² (“Licenses”)

The Licenses contain five main prospects; Kabotshome, Mbutu, Mitunda, Mbala and Tubambo that have been defined within the project area from previous exploration.

The Kabotshome Project is the most advanced.

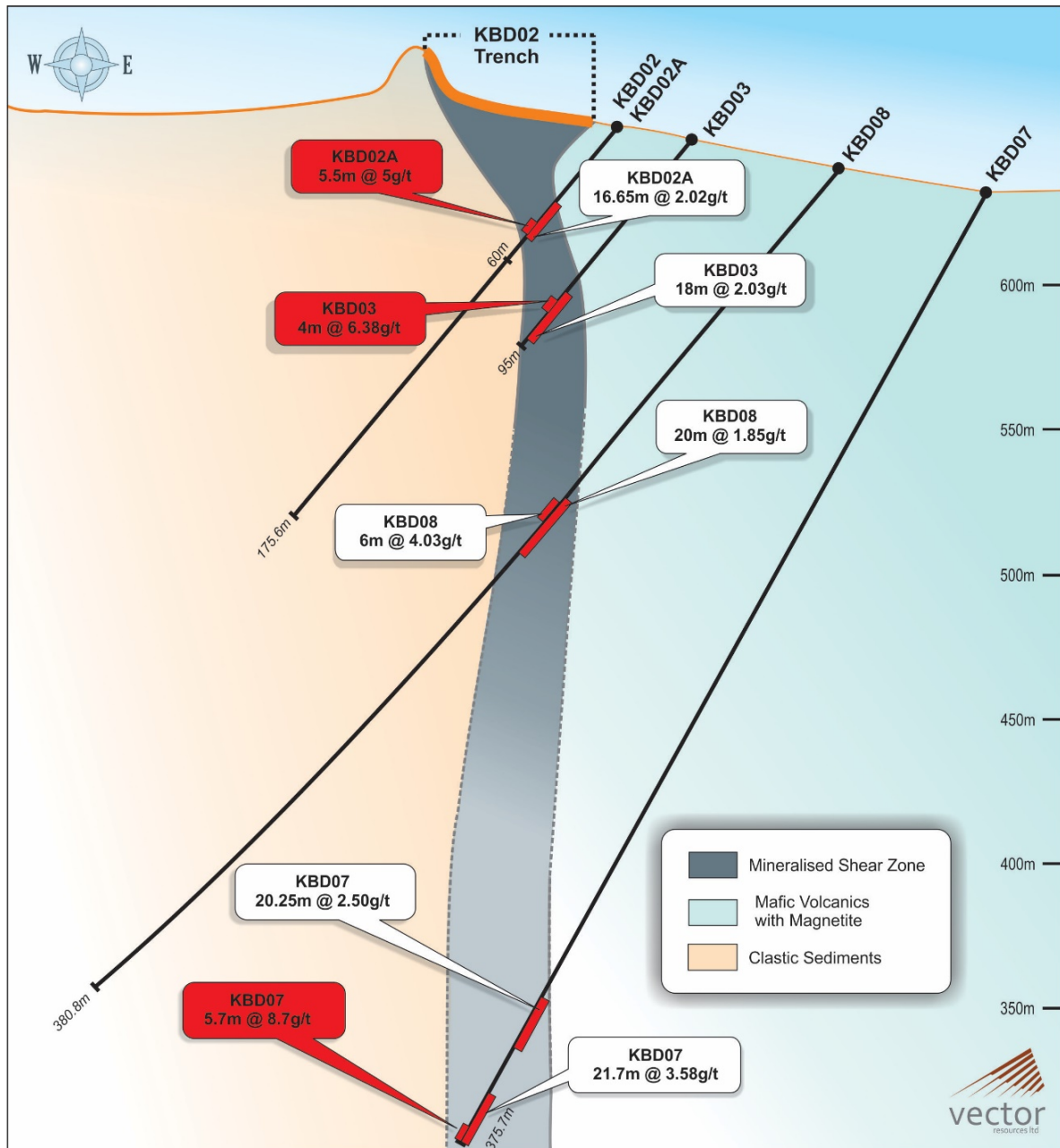
Exploration of the Maniema Gold Project includes geophysics, stream sediment sampling, soil geochemistry, trenching and drilling. Five different prospects were identified from soil sampling, and four of these were then trenched to better define drill targets. Drilling was carried out on the Kabotshome, Mitunda and Mbutu prospects.

The Kabotshome Project was an alluvial gold mine operated by the Belgians until the 1960’s and today is still actively worked by artisanal miners.

A total of 17 holes (including 3 re-drills), were drilled along the main target in Kabotshome. All drill holes intersected gold mineralisation along the Kabotshome structure, which was exposed over 800m from trenching. This mineralisation was generally 15m to 25m wide with a grade range of 1.5 to 2.5g/t Au.

Best grades were reported where the main shear zone identified at surface intersects the sediments as shown in KBD07, which reported 20.25m @ 2.5g/t Au (from 319m) including 8m @ 4.03g/t Au and 21.7m @ 3.58g/t Au (from 354m) including 5.7m @ 8.74g/t Au down to 300m below surface (Figures above and below). Nearly all intersections reported a higher-grade, narrower interval (between 5 and 7 meters), with grades of 5-8g/t Au and up to 118.5 g/t.

Vector’s technical consultants have determined an initial Exploration Target for Kabotshome of between 7.0Mt at a grade of 1.9 g/t (423,000 contained ounces) and 7.5Mt at a grade of 2.5 g/t (603,000 contained ounces). The Exploration Target has been based on previous exploration work, geological modelling and mineralisation work completed. The Exploration Target’s quantity and grade is conceptual in nature. There has been insufficient verification of mineralised estimates and exploration results to outline a JORC 2012 Compliant Mineral Resource.



Section showing main intercepts in drill holes KBD02, KBD02A, KBD03, KBD07 and KBD08 with apparent thicknesses

CAPITAL RAISING AND ENTITLEMENT ISSUE

The Company will now proceed with an entitlement issue to shareholders to finalise its \$1,650,000 capital raising.

The Company secured \$300,000 of interim debt funding in November 2016, and is now proceeding with an entitlement offer of one new share for every one share held by eligible shareholders at a price of \$0.001 per new share, to raise approximately \$1.35m (before costs).

The Entitlement Issue is being lead managed by Sanlam Private Wealth.

Proceeds from the Entitlement Issue, combined with the interim debt funding will be used by the Company to complete the acquisition of the 70% interest in the Project and to fund its future exploration obligations on the Project over the next 12 months and meet up-front cash consideration payments to the Vendor.

It is proposed that the \$1,650,000 capital raising will be used as follows:

Item of Expenditure	Amount
Cash Consideration due on completion of acquisition	300,000
JORC Code resource definition drilling program	500,000
Trenching, sampling and surveying	200,000
Assaying and testwork	300,000
Transaction and capital raising costs	100,000
Corporate and administrative costs and working capital	250,000
Total	1,650,000

The above table is a statement of current intentions as at the date of this Announcement. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Directors reserve the right to alter the way funds are applied on this basis. Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors.

The timetable and Record Date for the entitlements issue will be outlined in the Offer Document.

N J Bassett
Company Secretary

For further information, please visit www.vectorresources.com.au

MEDIA

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Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results and Mineral Inventory is based on information compiled by Mr Peter Stockman who is a full time employee of Stockman Geological Solutions Pty Ltd. Mr Stockman is a member of the Australasian Institute of Mining and Metallurgy. Stockman Geological Solutions is engaged by Vector Resources Ltd as a consultant geologist.

Mr Stockman has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Stockman consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project

development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.