



ASX Announcement

9 December 2016

Change in Director Contracts

Vimy Resources Limited (**Vimy** or the **Company**, ASX:VMY) advises that it has revised the terms and conditions of the employment agreements of Mr Mike Young (Managing Director and CEO) and Mr Julian Tapp (Executive Director).

The terms and conditions of Mr Young and Mr Tapp's employment agreements have remained unchanged since their appointment on 13 February 2014 and 13 March 2013, respectively.

The revised terms and conditions bring their employment agreements in line with market conditions for director contracts, and impose a number of financial and non-financial KPIs that align their performance with outcomes key to the Company's long term business strategy.

A summary of the key terms and conditions of these employment agreements is set out in the following pages.

A handwritten signature in black ink, appearing to read "Cheryl Edwardes".

The Hon. Cheryl Edwardes AM

Chairman

Tel: +61 8 9389 2700

9 December 2016

Key Terms and Conditions of Director Employment Agreements

	Mr Mike Young Managing Director and CEO	Mr Julian Tapp Executive Director
Base Salary	Unchanged, \$450,000 (inclusive of superannuation)	Unchanged, \$350,000 (inclusive of superannuation)
Notice Period	Unchanged: 6 months either party Termination by the Company without notice, or any payment in lieu of notice, in the event of serious misconduct or material breach of the Employment Agreement	Unchanged: 6 months either party Termination by the Company without notice, or any payment in lieu of notice, in the event of serious misconduct or material breach of the Employment Agreement
Variable Remuneration		
Short Term Incentives (STI) clause	Mr Young is eligible to participate in the short term incentive (STI) bonus scheme of the Company, which is structured as a cash payment, but subject to achievement of relevant financial and non-financial performance measures, assessed after the end of each financial year	Mr Tapp is eligible to participate in the short term incentive (STI) bonus scheme of the Company, which is structured as a cash payment, but subject to achievement of relevant financial and non-financial performance measures, assessed after the end of each financial year
Potential STI percentage	Target 30% of base salary Maximum \$135,000	Target 20% of base salary Maximum \$70,000
Change of Control		
Change of Control Entitlements	<ul style="list-style-type: none"> a payment equivalent to 12 months' base salary and superannuation; AND a payment equivalent to the full year target bonus under the STI plan for the year in which the Employee's termination occurs The Entitlement is inclusive of the applicable Notice Period 	<ul style="list-style-type: none"> a payment equivalent to 12 months' base salary and superannuation; AND a payment equivalent to the full year target bonus under the STI plan for the year in which the Employee's termination occurs The Entitlement is inclusive of the applicable Notice Period
Change of Control Trigger	Change of Control of the Company; AND within 12 months of the Change of Control there is a Material Diminution of the Employee's duties or decision making authority, which is not agreed with the Employee.	Change of Control of the Company; AND within 12 months of the Change of Control there is a Material Diminution of the Employee's duties or decision making authority, which is not agreed with the Employee.

	Mr Mike Young Managing Director and CEO	Mr Julian Tapp Executive Director
Change of Control clause definitions	<p>Change of Control occurs in relation to the Company when a person or entity that does not have Control of the Company as at the date of this agreement acquires Control of the Company, through the acquisition or holding of shares in the capital of the Company or otherwise</p> <p>Control has the meaning given in section 50AA of the Corporations Act 2001 (Cth)</p> <p>Material Diminution in relation to the Employee's duties or decision making authority</p>	<p>Change of Control occurs in relation to the Company when a person or entity that does not have Control of the Company as at the date of this agreement acquires Control of the Company, through the acquisition or holding of shares in the capital of the Company or otherwise.</p> <p>Control has the meaning given in section 50AA of the Corporations Act 2001 (Cth)</p> <p>Material Diminution in relation to the Employee's duties or decision making authority</p>

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 Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

T: +61 8 9315 2333

F: +61 8 9315 2233

