

## ASX ANNOUNCEMENT

10 July 2017

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

### **CAPITAL RAISING TO ACCELERATE MANIEMA GOLD PROJECT DRILLING PROGRAM AND DUE DILIGENCE ON POTENTIAL MAJOR NEW PROJECT ACQUISITIONS**

#### **UPDATE ON EXPLORATION ACTIVITIES AT MANIEMA GOLD PROJECT**

- **Vector has received firm commitments for a placement to sophisticated and professional investors of 157,472,151 new shares at an issue price of A\$0.005 per share to raise gross proceeds of approx. A\$787,360**
- **Placement to be completed under its existing 15% issue capacity under Listing Rule 7.1**
- **Funds to be used to accelerate its previously announced 4,000m diamond drill program at the Maniema Gold Project**
- **Funds to also be applied towards fund due diligence costs on a number of potential major resource project acquisitions in the Democratic Republic of Congo that are currently under review by the Company's technical management**
- **Vector's management and geological team now on-site finalising preparation for the initial 2,750m diamond drill program at the Company's Kabotshome Gold Prospect**
- **Drilling contractor appointment and mobilisation date to be confirmed over the next two weeks**
- **Mapping of the extensive artisanal mining areas at Mitunda Gold Prospect continues following further evidence of visible gold and is focused on identifying the primary source of mineralisation and the planning of drill holes to potentially follow the initial diamond drilling program at Kabotshome**

Vector Resources Limited ("**Vector**" or the "**Company**") is pleased to announce that it has received firm commitments for a placement to sophisticated and professional investors to raise approx. A\$787,360. The funds will provide the Company with further working capital that will allow it to accelerate its previously announced 4,000m diamond drilling program at its Maniema Gold Project ("**Project**") located in the Democratic Republic of Congo ("**DRC**").

The funds will also be used by the Company to complete further due diligence on a number of potential major advanced resource project acquisitions that it is currently progressing.

The Company is also pleased to provide an update on progress being made in its preparation for the upcoming diamond drilling program to commence first at the Kabotshome Gold Prospect and the associated exploration work ongoing at the Mitunda Gold prospect where further visible gold has been identified by the Company's geological team.

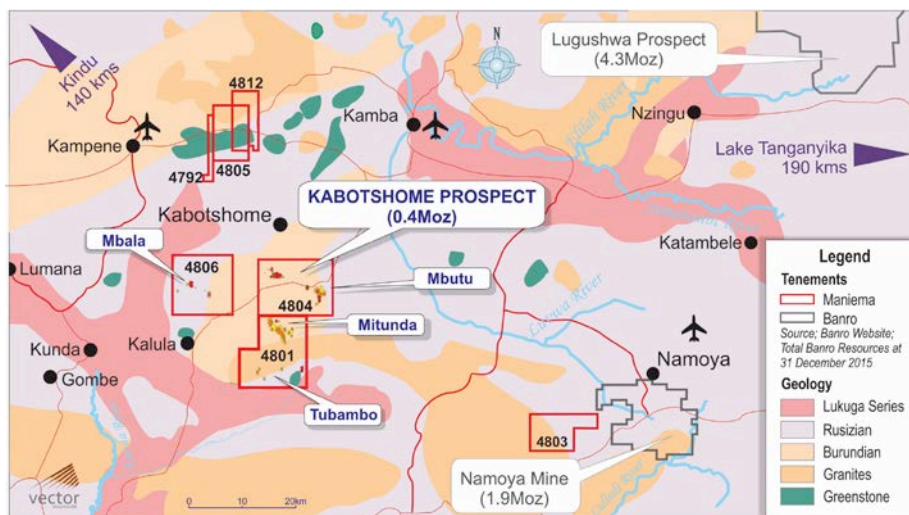
## Capital Raising To Support Growth in DRC

A total of 157,472,151 fully paid ordinary shares in the capital of the Company are to be issued to investors at an issue price of A\$0.005 per share to raise a total of A\$0.78 million ("Placement").

The Placement will be made to investors qualifying under Section 708 of the Corporations Act and the Company will use its existing 15% issue capacity under Listing Rule 7.1 to complete the issue.

The Placement was strongly supported by predominantly new overseas investors as well as advocates of the Company's growth strategy in the DRC. The funds raised will provide further working capital that will enable the Company to accelerate its planned 4,000m diamond drilling program at its Maniema Gold Project, including an initial 2,750m at the Kabotshome Gold Prospect. The funds will also be used by the Company to complete further due diligence on the potential acquisition of a number of advanced and major resource project acquisitions in the DRC that senior management have been negotiating. DRC has tremendous mineral endowment across a number of commodities and the Company's management team and strong in-country technical presence has resulted in the Company being introduced to a number of advanced opportunities that if successfully concluded may have significant value for the Company and its shareholders.

## Kabotshome Gold Prospect



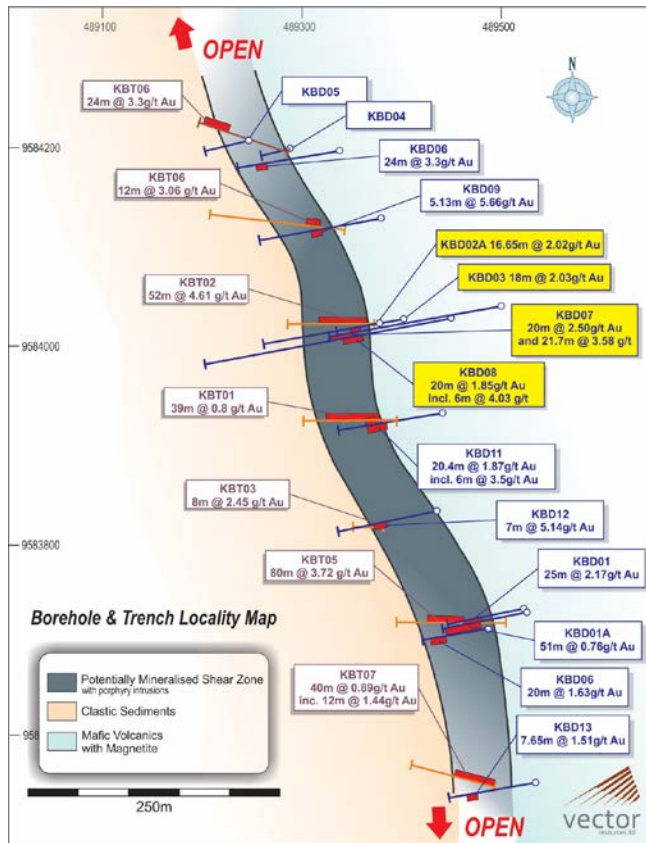
**Figure 1** Location of the Maniema Gold Project's Seven Exploration Licenses and Main Gold Prospects

The Company's senior in-country management and exploration team are currently on site advancing a number of exploration initiatives including completion of the pre-drilling preparation work required for the first 2,750m of diamond drilling to be undertaken at the Kabotshome Gold Prospect.

The Kabotshome Gold prospect already has an Inferred Mineral Resource estimate of 6,966,000 tonnes at 1.9g/t Au for 421,000oz with a 20g/t Au top-cut (refer ASX Announcement 17 January 2017).

The aim of the drilling program is to test for Kabotshome resource extension along strike and improve the confidence of the mineralisation between the current 150m resource depth cut-off and 250m vertical metres, close to the depth of KBD07's mineralisation twin intersection of 20m at 2.50g/t and 21.7 @ 4.03g/t (ASX:ERN Announcement 18 March 2013 and refer **Figure 2**).

The plan is to test the full intersection as the grade of the last metre drilled in KBD07, as this was analysed at 20.3g/t and the hole finished in this high-grade mineralisation.



**Figure 2** Simplified geological map showing drill hole and trench localities at the Kabotshome Gold Prospect

Vector's geologists observed visible gold in the last metre of core from this hole during the core review carried out during the February 2017 site visit by senior management.

The Company's in-country geology team is preparing the Kabotshome Gold Prospect exploration camp, drill sites, establishing water sumps and pegging the collars of the planned diamond drill holes.

In addition, further investigation of the mining activities currently being conducted by artisanal miners will proceed and will include mapping extensions and understanding the potential of the oxide material being excavated.

At a nearby site to the south of the main Kabotshome structure veins containing visible gold that the artisanal miners have intersected and continue to mine are currently outside the current Kabotshome resource.

Understanding this mineralised system offers potential for not only expanding Kabotshome's resource at the Company's priority one and most advanced gold prospect within the Maniema Gold Project, but also the potential for early and low-cost mining opportunities.

### Mitunda Gold Prospect

The Mitunda Gold Prospect is located on PR4801 and immediately south of the Company's Kabotshome Gold Prospect.

Reports and inspections of the significant artisanal gold production and visible gold observed and inspected at the prospect as well as preliminary information collected during reconnaissance work since February 2017, has made the Mitunda Gold Prospect a priority for the Company to follow up on.

Artisanal mining is in an area towards the southern area of the extensive soil anomaly that has been identified from previous exploration work. Gold mineralisation has been identified and is being extracted by the artisanal miners within a 50cm to 80cm band at the base of a thick lateritic sequence - at the boundary of the laterite and saprolite. The mined material includes visible gold that has been inspected and reviewed by the Company's geologists.

The Company is continuing to map the extensive surface and underground artisanal mining areas at the Mitunda Gold Prospect in an attempt to identify the primary source of mineralisation and to further plan for the drilling of a number of diamond holes to potentially follow the diamond drilling to now be accelerated at the Kabotshome Gold Prospect.

## Namoya West Gold Prospect

The Namoya West Gold Prospect is located on PR4803 and adjacent to Banro Corporation's (TSE: BAA) Namoya Open Pit Gold Mining Operation.



**Figure 3** Visible gold from sampling at Namoya West

Historical stream sediment sampling data has been reviewed by the Company's technical team and will be compared to sample results of alluvial material that the Company has taken.

This will assist the Company to find the primary sources of the historical high-grade alluvial gold samples. The number, grade and unmodified physical nature of the samples indicates minimal transport from the primary source.

The Company's technical team believe that the coarse nature of the visible gold identified may suggest minimal transport from the primary source. This is further confirmed by the proximity of the watercourses' headwaters, where Vector's geologists view the combination of historical high-grade stream sediments, their proximity to the various watercourses' sources along the ridge line, high levels of artisanal activity and the proximity of Namoya mine as promising indicators to the potential for an extensive area with high gold endowment and the potential for an extensive new gold discovery.

## New Project Areas of Interest on Maniema Gold Project

The Company's in-country geology team has successfully identified a number of new areas of gold potential and prospectivity on the Company's existing Maniema Gold Project (refer Figure 1), through discussion with the local miners and communities while also working on the more advanced prospects. These new areas of interest have expanded the depth of prospect inventory and have warranted further investigation. Some of these include:

- (a) Reports of alluvial gold occurrence at Kambebe near the Tubambo prospect with source unknown (PR4801 – Figure 1)
- (b) Local artisanal miners have reported gold mineralisation in narrow quartz structure near the Mbutu prospect
- (c) A new gold bearing occurrence in the Eveche area which is quartz vein hosted SW of the main Mitunda Gold Prospect soil anomaly

Geological work programs now include reconnaissance activities to further investigate the gold occurrences at Mbutu, investigate possible source of the Kambebe alluvial material near the Tubambo prospect (perhaps from a ridge of hills to the west) and assess the Eveche quartz vein occurrence SW of the main Mitunda soil anomaly.

Vector has one gold resource development being expanded and several more exciting prospects at the verge of what Vector's geologists believe to be potential, significant near-surface gold discovery opportunities.

ENDS

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**About Vector Resources Limited**

Vector Resources Limited (ASX:VEC) is an Australian Securities Exchange listed gold exploration and development company focused on the Maniema Gold Project in the Democratic Republic of Congo.

The Maniema Gold Project was acquired by the Company in December 2016. The Project is located in the world renowned and under explored Twangiza-Namoya Gold corridor. The Project comprises seven granted exploitation licences: PR4792, PR4801, PR4803, PR4804, PR4805, PR4806 and PR4812 and which cover an area of over 500km<sup>2</sup> and include five main prospects; Kabotshome, Mbutu, Mitunda, Mbala and Tubambo that have been defined within the project area from previous exploration. The Kabotshome Gold Prospect is the most advanced and where the Company announced a maiden Inferred Mineral Resource (JORC 2012) estimate of 7.0 million tonnes at 1.88g/t gold for 421,000 ounces of gold.

**Competent Person Statement**

The information in this release that relates to sampling techniques and data, exploration results, geological interpretation and Exploration Targets, Mineral Resources or Ore Reserves has been 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.