



## ASX Announcement

26 July 2018



### Cameco Announces Indeterminate Suspension of Production at McArthur River

Vimy Resources Limited (Vimy or the Company, ASX:VMY) notes the announcement overnight of the decision of Cameco Corporation (TSX:CCO) to suspend production at the McArthur River mine and Key Lake mill. Production has been suspended for an indeterminate duration as Cameco states that they will not commit to production unless it provides an acceptable rate-of-return to shareholders.

Vimy acknowledges that this was a difficult decision and respects Cameco for taking a leadership role in what is currently a difficult uranium market.

Market recovery is dependent on a fine balance between demand and supply. While demand is growing, albeit slowly, supply has been out of balance for several years and actions such as these will lead to a structural supply-side deficit.

Vimy notes that the closure of a single mine of the size of the McArthur River operation, which produces 18Mlbs U<sub>3</sub>O<sub>8</sub> per annum, highlights the need for utility customers to diversify their supply of uranium oxide from sources such as Vimy.

The Company continues to develop the Mulga Rock Project with a view to first production in 2021 at which time the market is forecast to reach a sustainable price point. The Alligator River Project provides a significant pipeline of projects which will help Vimy to become a multi-mine, mid-tier producer as the developing world turns more to nuclear power.

Vimy Managing Director and CEO, Mike Young, said:

*"I know Tim Gitzel, CEO at Cameco, very well and this would have been a very hard decision for him personally."*

*"They say the darkest hour is just before the dawn, and I know this action will catalyse a more sustainable uranium market."*

**Mike Young**  
**Managing Director and CEO**

Tel: +61 8 9389 2700

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## About Vimy Resources

Vimy Resources Limited (ASX: VMY) is a Perth-based resource development company. Vimy's flagship project is the Mulga Rock Project, one of Australia's largest undeveloped uranium resources which is located 290km ENE of Kalgoorlie in the Great Victoria Desert of Western Australia.

Vimy also owns (75%) and operates the largest granted uranium exploration package in the world-class Alligator River uranium district, located in the Northern Territory. Vimy is exploring for large high-grade uranium unconformity deposits identical to those found in the Athabasca Basin in Canada.

### 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

Dr Vanessa Guthrie  
Non-Executive Director

Ron Chamberlain  
Chief Financial Officer and Company Secretary

Tony Chamberlain  
Chief Operating Officer

Scott Hyman  
Vice President Sales and Marketing

Xavier Moreau  
General Manager, Geology and Exploration



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](http://asx.com.au) and [vimyresources.com.au](http://vimyresources.com.au) respectively.

#### Principal Place of Business

Ground Floor  
10 Richardson Street  
West Perth WA 6005

Postal Address:  
PO Box 23  
West Perth WA 6872

T: +61 8 9389 2700  
F: +61 8 9389 2722  
E: [info@vimyresources.com.au](mailto:info@vimyresources.com.au)

ABN: 56 120 178 949

#### Share Registry

Computershare Investor Services

T: 1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)  
F: +61 3 9473 2500  
W: [www.computershare.com](http://www.computershare.com)  
E: [www.investorcentre.com/contact](http://www.investorcentre.com/contact)

#### THE MULGA ROCK PROJECT

RESOURCE OF



U<sub>3</sub>O<sub>8</sub>



The creation of approximately  
**350 direct site jobs**  
IN WESTERN AUSTRALIA

Royalty and payroll tax  
payments of around

**A\$17m**

PER YEAR TO THE  
STATE GOVERNMENT

The amount of uranium produced  
when used in nuclear power plants to  
displace coal fired electricity would  
offset more than



**70 million tonnes**  
of carbon dioxide equivalent  
emissions which is  
**around 13%**

of Australia's total greenhouse  
gas emissions.



**STATE & FEDERAL  
MINISTERIAL  
APPROVALS**