



Quarterly Activities Report

December 2018



Highlights

- **Successful drilling program completed at Angularli and Such Wow prospects at the Alligator River Project**
- **First pass drilling at Such Wow identified a highly prospective, large hydrothermal system and key targets along major fault zones with extensive alteration haloes**
- **Key exploration targets identified along parallel structures to the Angularli deposit with significant uranium anomalism at the unconformity**
- **Positive Scoping Study on the Angularli Deposit confirms two flowsheet options are technically viable**

CEO Commentary

The year ended as busily as it began with drilling programs at our exciting new uranium project in the Northern Territory, the Alligator River Uranium Project. We concluded the transaction to purchase the Alligator River Project from Cameco Corporation of Canada in July 2018 and have hit the ground running.

Vimy now holds the largest granted tenement package in the Alligator River Uranium Province, which is considered one of the top three uranium exploration districts in the world, alongside the Athabasca Basin in Canada, and the Chu-Sarysu and Syrdarya Basins in Kazakhstan. The Alligator River Uranium Province has a proven exploration track record with over 750Mlbs U_3O_8 in mineral resources (current and mined) producing a total of 312Mlbs of uranium over the past 65 years. It includes the world-class deposits of Ranger, Jabiluka, and Nabarlek; it is woefully under-explored owing to Australia's three mine policy. However, that period is behind us and it is to Vimy's great advantage that we have tied up such a prospective bit of ground.

Vimy's acquisition comprises three separate tenement packages covering a total area of 3,865km² (King River-Wellington Range project 1,675km², Algodro-Beatrice project 500km², and Mt Gilruth project 1,690km²).

In December, Vimy also released the results of a Scoping Study carried out on the Angularli Deposit based on the March 2018 Inferred Resource Estimate comprising 0.91Mt @ 1.29% U_3O_8 for 25.9 Mlbs (Vimy 75%) (as per ASX release of 20 March 2018). Notwithstanding that the resource is still only at Inferred status, the Scoping Study itself has been completed to a very high standard and the Board agrees that the results of the study merit further work. The high-grade nature of the Angularli Deposit provides Vimy with the opportunity to develop a Tier One asset, with the potential to be profitable in any uranium market.

2019 Targets:

- Follow-up drilling at the Alligator River Project, particularly the Shiba Zone at Such Wow
- Resource drilling at Angularli
- Continued focus on uranium marketing activities
- Targeted engagement in offtake contract negotiations with utilities in key markets
- Launch of Vélo Resources

2018 Achievements:

- Release of Mulga Rock DFS confirms world class uranium project
- Acquisition of Alligator River Project in 'top three' uranium province
- Highly successful drilling program completed at Angularli and Such Wow
- Maiden Mineral Resource and positive Scoping Study at Angularli Deposit



Also outlined in this Quarterly is the completion of the reverse circulation drilling program at two prospects; Angularli and Such Wow. While the programs were relatively short owing to field season restrictions, the results were hugely encouraging. Vimy not only verified the exploration model, but we generated an exciting target at Such Wow called the Shiba Zone which we are busting to drill in this upcoming field season. As well as the Shiba Zone, the drilling has also thrown up additional targets at Angularli West, and preliminary soil sampling and mapping has led to further understanding of effective regional exploration techniques best suited to the Alligator River Project.

Focus at the Mulga Rock Project is mainly on office-based activities including secondary permits and marketing. As previously outlined, Mulga Rock will be a 'contract-led' development as the uranium market is dominated by utility-producer long-term contracts. These contracts will provide certainty for debt and equity financing and so our marketing team, led by Scott Hyman in the USA, continues to progress discussions with US and European utilities. There has been a lull in contracting activity as many utilities have just been through the refuelling processes. On top of that, the Section 232 investigation is underway by the Department of Commerce to determine what, if any, action is taken by the US government to assist the US uranium mining industry. This process was scheduled to be completed during April 2019, however the recent Federal shutdown in the US may delay this somewhat. It is Vimy's view that once a determination is made, the utilities will once again be 'in the market' and Vimy intends on being at the forefront of the cycle.

Vimy conducted a capital raise during the Quarter and was pleased to welcome Paradise Investment Management of Sydney to our register. There has also been increased interest in Vimy and our projects during the second half of 2018 particularly from China, India, the Middle East and Japan and it is our intention to follow up these leads to investigate mechanisms for further strategic investment.

Finally, during the Quarter Vimy introduced a wholly owned subsidiary, Vélo Resources Pty Ltd, which owns a very large land package close to its Mulga Rock Project and highly prospective for base metals. Vimy will look to structure a future co-investment or divestment of Vélo to the benefit of all Vimy shareholders.

Angularli Scoping Study

On 10 December 2018, the Company announced the completion of the Scoping Study for the Angularli Uranium Deposit (75% Vimy) at the Alligator River Project. The Company awarded the Engineering Scoping Study to Wood PLC (formerly Amec Foster Wheeler). The Scoping Study provides a -20/+40% capital and operating estimate for the process plant and associated infrastructure. TME Mining Consultants (TME) developed the capital and operating cost estimate for the underground mine design.

Metallurgical testwork completed at the Australian Nuclear Science and Technology Organisation (ANSTO) showed two flowsheet options are technically viable with the final yellowcake product meeting converter specifications.

Angularli Uranium Deposit

The Angularli Uranium Deposit is part of the Alligator River Project which lies approximately 380km by road east-northeast of Darwin in the Northern Territory of Australia. The Angularli deposit is located in the King River-Wellington Range tenement group which is managed in a joint venture (Vimy 75%: Rio Tinto 25%) with Rio Tinto Exploration Pty Limited (Rio Tinto), a wholly owned subsidiary of Rio Tinto Ltd. Rio Tinto is currently not contributing to joint venture expenditure, with its interest diluting based on expenditure by Vimy.

Angularli has an Inferred Mineral Resource estimate of 0.91Mt @ 1.3% U₃O₈ for 25.9Mlbs (Vimy 75%) (as per ASX release of 20 March 2018). This Inferred Mineral Resource is the basis for the Scoping Study. Results from recent exploration drilling completed at Angularli, as announced on 26 November 2018, have not been incorporated into the Study. This programme was primarily focused on testing parallel structures and intentionally did not include any infill drilling within the current Angularli Inferred Mineral Resource envelope.



Conceptual Mine Development

The Scoping Study draws on the approach to mining carried out at the Nabarlek uranium mine, located 65km south of Angularli and which operated successfully between 1980 and 1988. The Nabarlek mine produced 24Mlbs U_3O_8 from 550,000 tonnes of ore at an average grade of 1.84% U_3O_8 and so serves as a good proxy for Angularli. It has since been successfully decommissioned and the site fully rehabilitated.

Owing to its very high grade, the Nabarlek orebody was completely mined out in one dry season using open-pit mining with the ore stockpiled on the surface and processed over eight years. At Angularli, it is proposed that underground mining would be undertaken over approximately 36 months after a pre-production mine development period of approximately twelve months. The remaining open stopes would then be used for tailings paste backfill. The surface stockpile of mined material would be processed over a similar period to Nabarlek.

The Study assumed that mining at Angularli is undertaken using conventional long-hole open stopeing methods. This allows for the underground mine workings to be used for disposal of all the process tailings as paste fill and eliminates the need for a surface tailings storage facility. Access to the underground resource is assumed to be via a 5.5m x 5.5m decline, designed at a standard gradient of 1 in 7. Figure 1 shows an illustration of the Angularli underground mine design.

TME completed the mine design and initial capital and operating estimates for the Angularli deposit. Mining costs are currently being finalised along with stope sequencing and diluted mineral inventory expected from the underground operation (see Figure 1). Table 1 summarises the total metres of drive development and total material movements for the conceptual mine design.

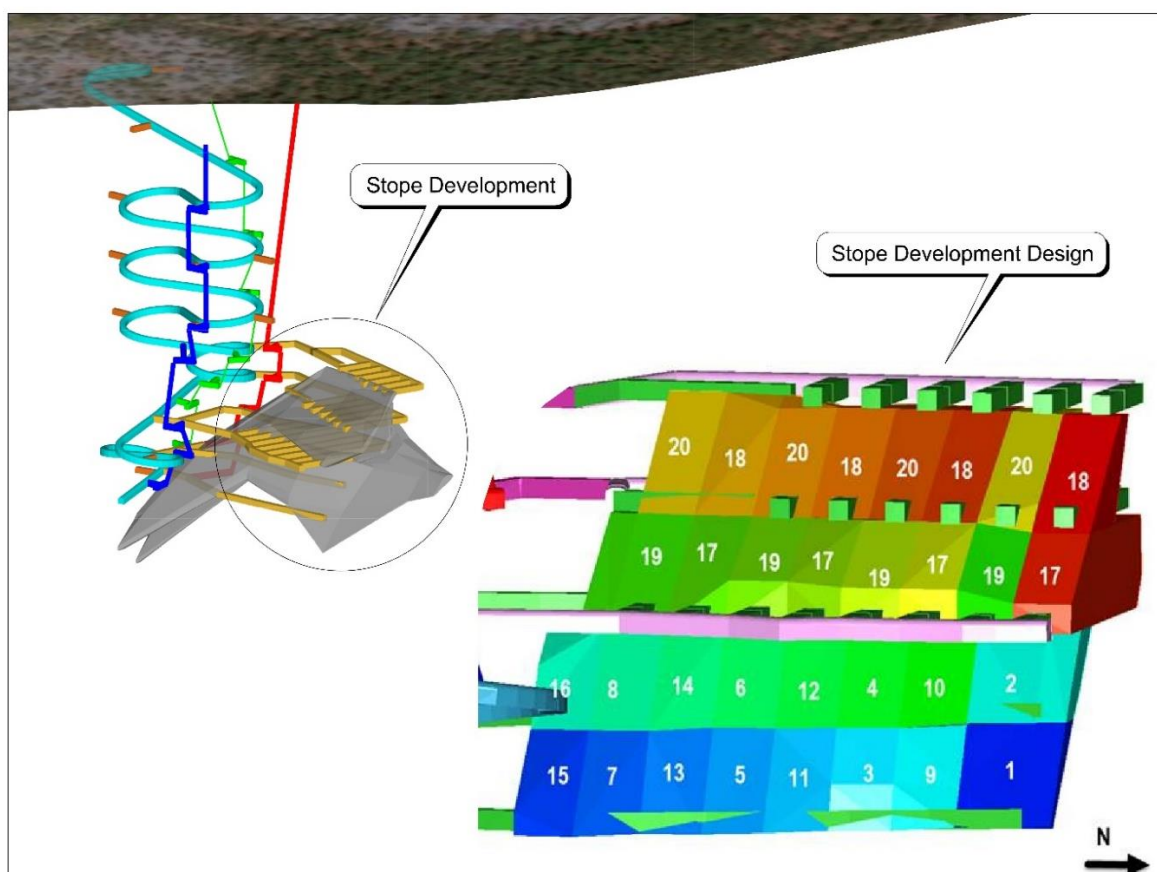


Figure 1: Angularli Conceptual Mine Design and Stope Sequencing



Table 1: High-Level Mining Summary ¹

Item	Unit	Year 0	Year 1	Year 2	Year 3	Totals
Mine development	metres	1,350	4,040	0	0	5,390
Vertical development	metres	290	870	0	0	1,160
Waste mined	dmt ²	118,000	345,600	667,400	254,500	1,385,500
Total Material Movements	dmt ²	118,000	481,200	1,258,500	562,500	2,420,100

1 Rounding applied

2 Dry metric tonnes

Process Flowsheets

The Angularli deposit represents a high-grade, unconformity uranium deposit similar to those found in the Athabasca Basin, Canada. The average Mineral Resource grade is around 1.3% U_3O_8 and is present almost entirely as uraninite (UO_2) and coffinite, $U(SiO_4)_{1-x}(OH)_{4x}$. The gangue mineralogy is high in silica with low deleterious elements.

The two metallurgical flowsheets that were evaluated as part of the Scoping Study include:

- Acid leach / solvent extraction
- Acid leach / direct precipitation

Figure 2 shows the block flowsheets for both process options being investigated for the deposit. Due to the high uranium grade, any processing plant would be relatively small with a limited footprint and so is expected to have a low capital cost.

Both flowsheet options have identical front ends consisting of crushing, milling, acid leach and counter-current decantation (CCD) circuits. Likewise, the back end of the process plant comprising uranium drying and packaging plant, tailings paste plant and water treatment are also essentially the same for both flowsheets. The only difference between the two flowsheets is the uranium recovery circuits, which are highlighted in Figure 2.

The first flowsheet uses conventional solvent extraction to recover uranium from the leach solution and then precipitates uranium as uranyl peroxide ($UO_4 \cdot xH_2O$). The second flowsheet results in direct precipitation of uranium from the leach solution after iron and other minor impurities are removed. The direct precipitation flowsheet is expected to have a very low capital cost but is dependent on the tolerance by customers for the levels of impurities derived from the gangue (host) rock reporting to the concentrate.

Process design was completed by Wood and supported by testwork undertaken at ANSTO for leaching and recovery, as well as comminution testing by ALS and JKTech. Due to the very clean nature of the ore and high uranium grade, the direct precipitation process option was shown to be viable.

Vimy's ASX announcement of 3 September 2018 provided a summary of the key metallurgical results used in the Study. The overall uranium recovery for the solvent extraction and direct precipitation options were 97.2% and 97.3% respectively, both of which are exceptional, and along with low reagent consumption, compare very favourably with operational data from the Ranger and Nabarlek operations.



Table 2: Comparison of Angularli, Nabarlek and Ranger leach parameters

Leach Parameters	Unit	Angularli	Nabarlek ¹ (Jul 1983-Jan 1984)	Ranger ^{2,3}
Temperature (°C)	(°C)	35-40	35-40	35-45
pH	-	1.6	1.6	1.9-2.0
Residence time	hours	24	24	24
Feed density	%w/w	50	50	55
Sulphuric acid consumption	kg/t	14	54.7	30-40
Oxidant consumption	kg/t	1.4	2.0 [#]	5 [*]
Uranium extraction	%	98.5	97.5	91.5

[#]Operating plant data using hydrogen peroxide mixed with concentrated sulphuric acid to form Caro's Acid.

^{*} Ranger uses pyrolusite (MnO₂) as an oxidant.

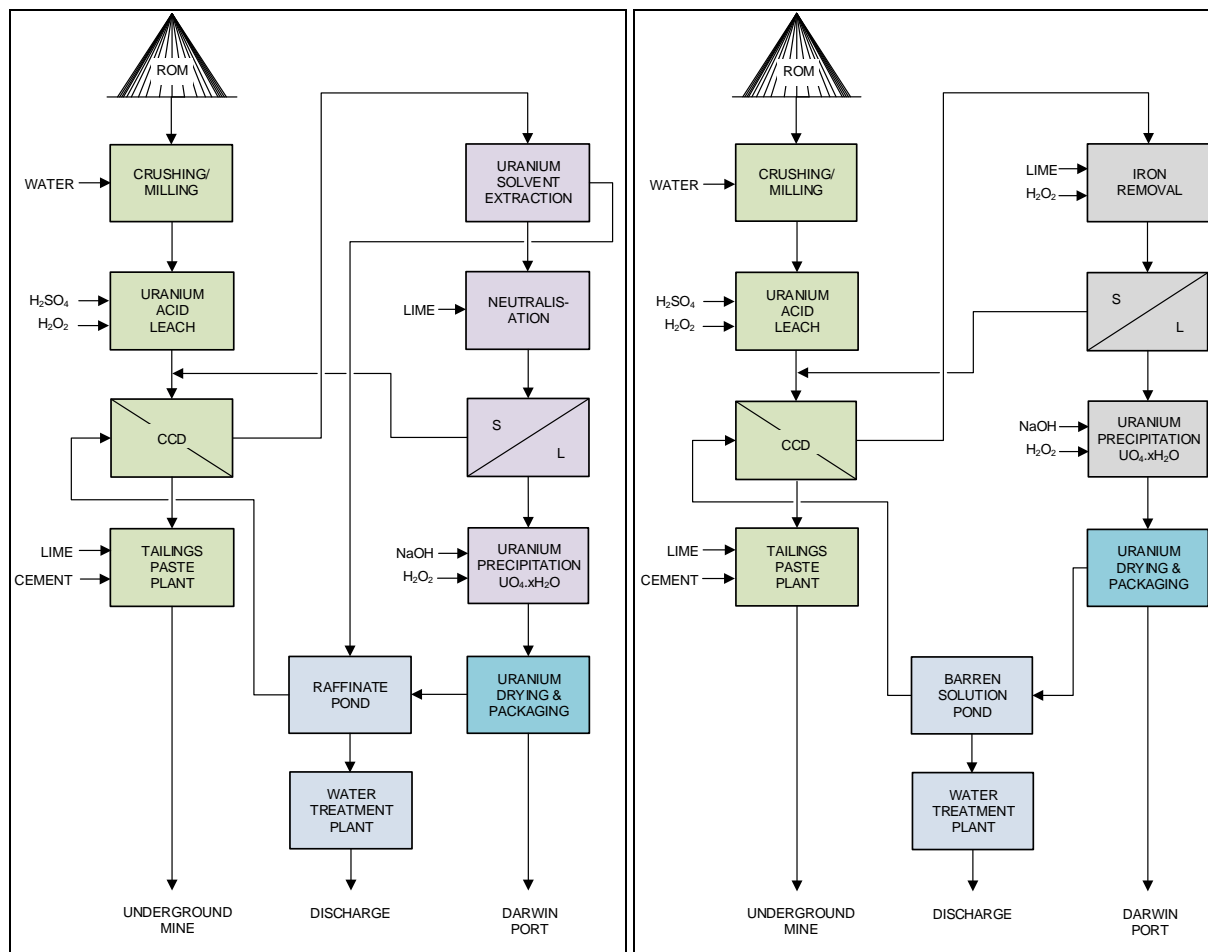


Figure 2: Angularli Process Flowsheets - Solvent Extraction Route (left) and Direct Precipitation Route (right)

¹ Fulton, E. J., Caro's Acid – Its Introduction to Uranium Acid Leaching in Australia, The AusIMM Conference, Darwin 1984.

² Uranium Evaluation and Mining Techniques, IAEA Proceedings of a Symposium, Buenos Aires, 1979.

³ Ring, B., Uranium Ore Processing in Australia – Past, Present and Future, ALTA Conference, Perth, 2006.



Cautionary Statement

The Scoping Study referred to in this report has been undertaken by Vimy Resources Limited (**Vimy or the Company**) to assess various development options for the Angularli Uranium Deposit, part of Vimy's Alligator River Project and to assist the Vimy Board of Directors (**Board**) in determining whether a business case can be made for proceeding to more definitive studies including infill drilling. The Scoping Study has been prepared to an accuracy level of -20 +40%.

Please refer to Vimy's announcement on 10 December 2018 "Angularli Uranium Deposit – Positive Scoping Study" for further details.

Alligator River Drilling Program

Vimy commenced a drilling program at the Angularli and Such Wow prospects (Alligator River Project) in August 2018. Both prospects are in the King River-Wellington Range tenement blocks and the subject of a Joint Venture with Rio Tinto Exploration Pty Limited ('Rio Tinto'), a wholly owned subsidiary of Rio Tinto Ltd. At the beginning of the field season the JV interests were Vimy 75%: Rio Tinto 25%.

The Alligator River Project is a highly prospective tenement package due to the presence of the favourable host rock (Cahill Formation), and thin sandstone cover which results in surface alteration features being identifiable in outcrop along prospective corridors. The 2018 drilling program has confirmed the geological exploration model developed by previous owner Cameco Australia (CCO) over the past eight years and further applied by Vimy.

The program targeted high-angle shear deposits which typically host high-grade, low-tonnage deposits with the potential for operations with low capital and operating cost such as those found in the Athabasca Basin in Canada.

Further details of the program are provided in ASX releases of 4 December 2018 "Alligator River – Prospective Corridors Identified at Such Wow" and 26 November 2018 "High Priority Targets Identified at Angularli, Alligator River Project".

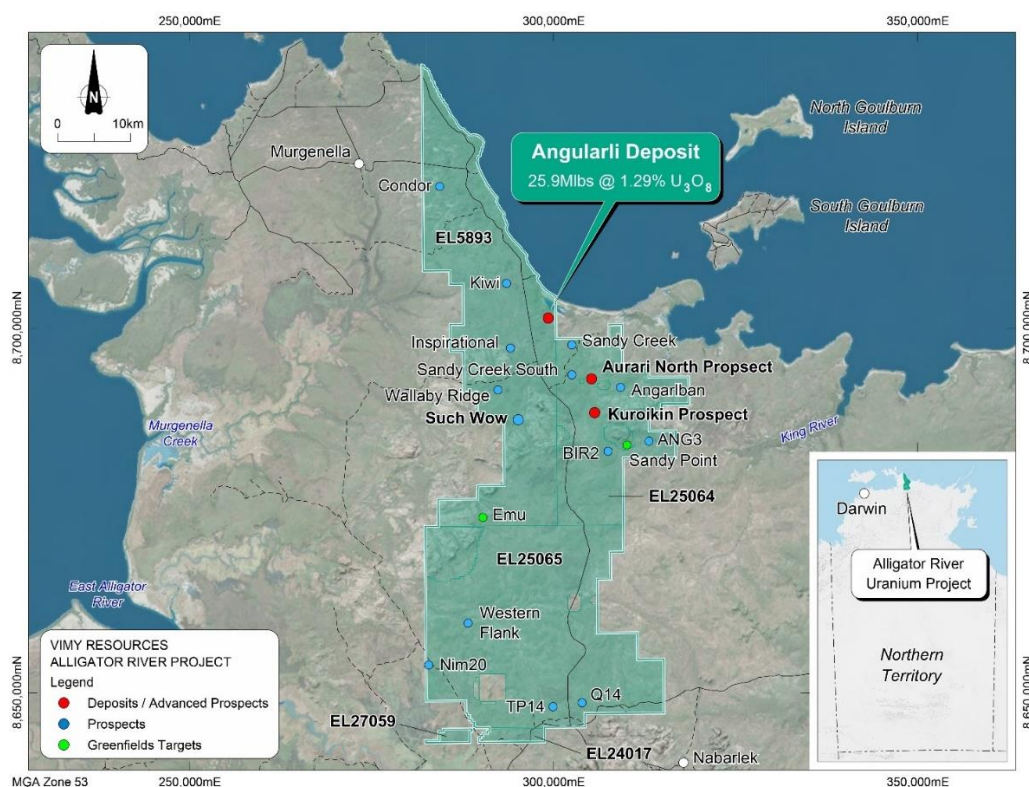


Figure 3 Alligator River Project location



Such Wow Drilling Program

On 4 December 2018, the Company announced the results of the drilling program at Such Wow. This prospect is a stand-out exploration target due to the overall size of the structural corridor (more than five times the size of the Angularli prospect) with thin sandstone cover, and surface expressions of hydrothermal alteration associated with uranium mineralisation. This previously undrilled prospect is deemed highly prospective for unconformity-related uranium mineralisation based on the presence of the Cahill Formation, alteration and structural features identified from surface mapping and sampling, and geophysics.

The wide-spaced drilling program focused on targeting broad alteration haloes coincident with NW to NNW-striking fault zones, normally associated with uranium mineralisation at the Alligator River Project and similar to those at the Angularli deposit. Drilling at the Such Wow prospect comprised six Reverse Circulation (RC) drill holes for a total of 1,416m.

Figure 4 provides the location of Vimy's 2018 drill holes (Table 3) relative to the Such Wow escarpment area and interpreted fault corridor.

Vimy's RC holes ARRC011 to -016 were drilled along four traverses targeting two main components of the Such Wow fault corridor, named the West and Central Fault Zones (Figure 5). All drill holes intersected significant hydrothermal alteration with anomalous uranium mineralisation recorded in the last drill hole of the program over a broad 30m-wide zone.

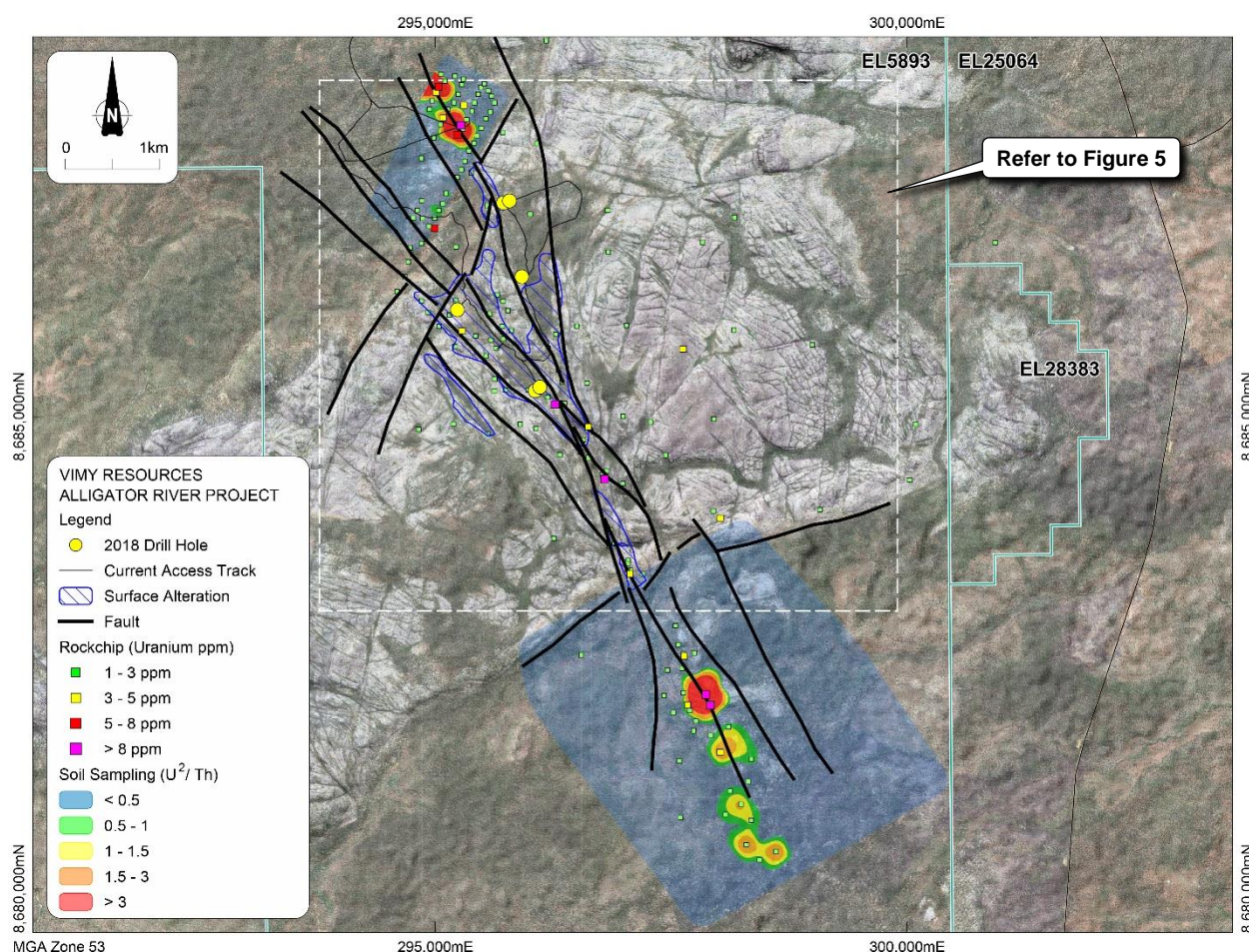


Figure 4: Such Wow project area – Drill hole location map



Table 3: 2018 Such Wow project area RC drill hole intercepts

Hole ID	Northing	Easting	RL	Depth	Dip	Azimuth	From (m)	To (m)	Grade ¹ (% eU ₃ O ₈)
ARRC011	8686136.6	295236.9	57.9	252	-65	225	-	-	-
ARRC012	8687290.7	295789.2	78.1	180	-65	250	-	-	-
ARRC013	8687269.3	295724.9	79.3	252	-65	250	-	-	-
ARRC014	8686487.0	295919.9	83.6	240	-65	250	-	-	-
ARRC015	8685317.6	296110.8	75.9	324	-65	225	203.3	204.1	0.01
ARRC016	8685278.7	296061.4	75.3	168	-65	225	127.0	127.7	0.02
							130.7	131.4	0.02
							142.5	143.0	0.02
							143.4	144.8	0.07
							155.8	156.6	0.03

¹ Anomalism associated with likely heavy mineral bands in the sandstone (based on portable XRF data) is not reported.

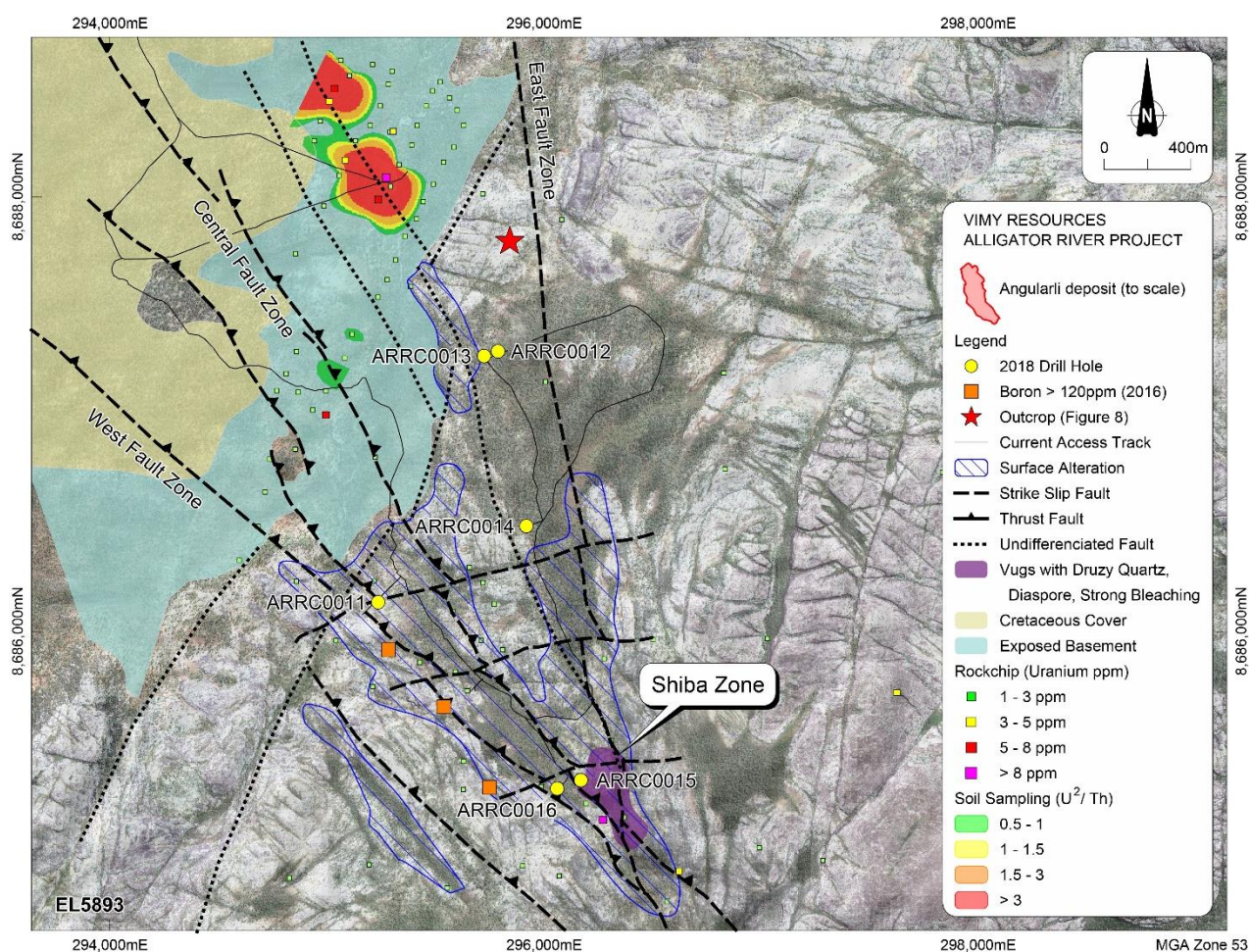


Figure 5: Such Wow prospect – Close-up of sandstone escarpment



The 2018 field program was the first opportunity to assess previously identified surface alteration features in the central section of the Such Wow fault corridor, where multiple faults converge.

Surface mapping has confirmed the presence of a prominent ~500 x 200m north-trending ridge of sandstone characterised by a strong structural and hydrothermal alteration overprint (see Figure 6) referred to as the “Shiba Zone”, located 120m to the east of drill holes ARRC015 and -016.

Prominent alteration features visible along the Shiba Zone include druzy quartz veining, fault and joint-controlled bleaching and clay alteration. The intensity of alteration increases in the eastern part of the zone where complete removal of diagenetic hematite in the sandstone matrix, brecciation, intense clay alteration and diaspora veining were mapped (Figure 6).

The north-trending ridge associated with the Shiba Zone is interpreted as being controlled to the west and east by two east-dipping fault zones parallel to the ones intersected in drill holes ARRC015 and 016 (Figure 7).

Other key prospective features of the Such Wow prospect are the overall coarseness of the Mamadawerre sandstone and the structural complexity of the fault corridor which provides fluid pathways and sites for ore formation.

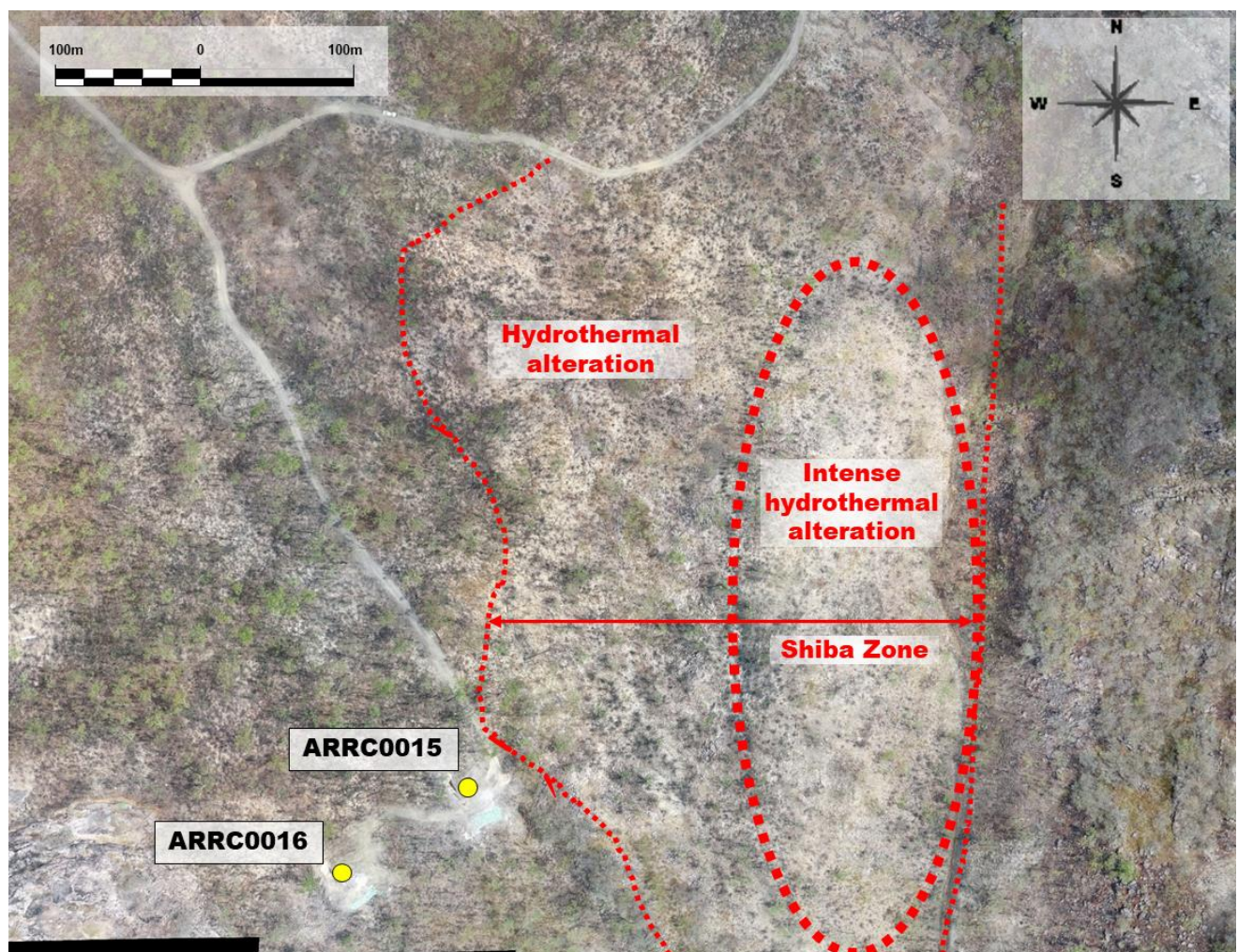


Figure 6: Such Wow prospect – Shiba Zone (2018 drone imagery)

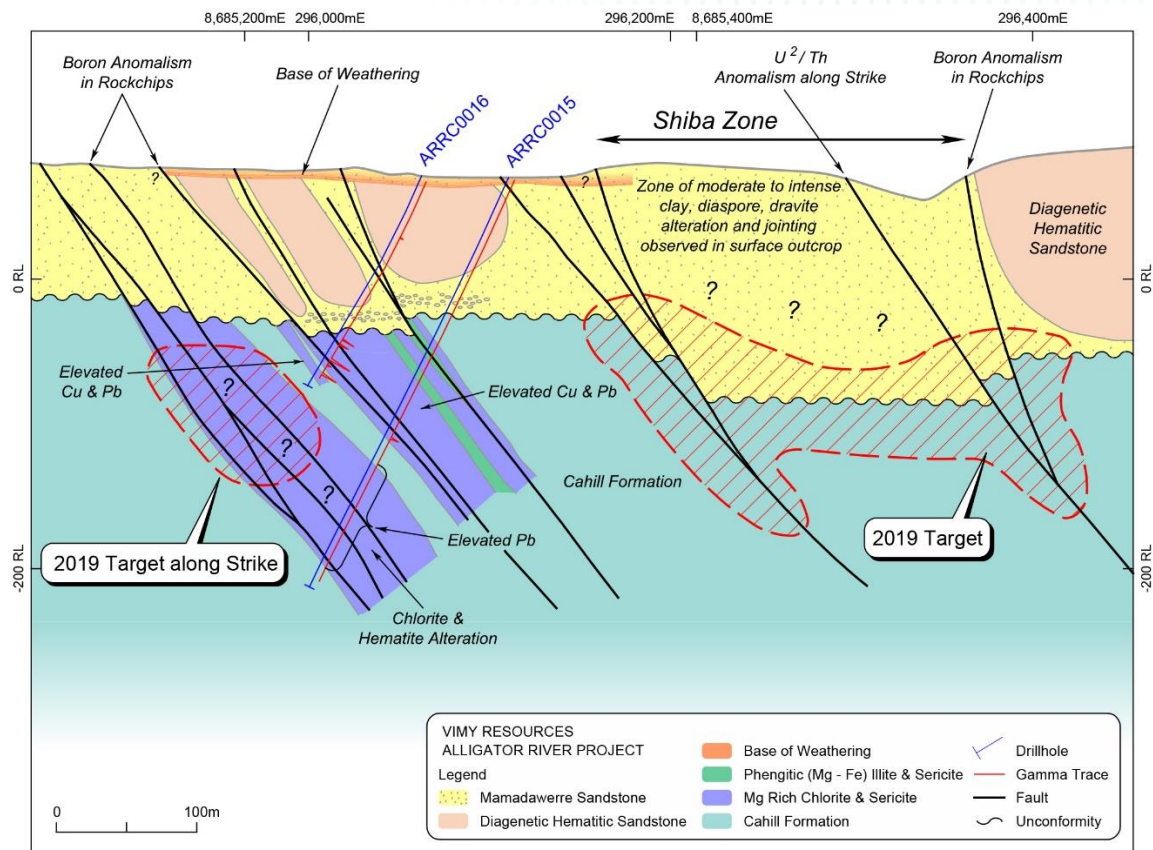


Figure 7: Such Wow prospect – Location of Shiba zone relative to 2018 drill holes and 2019 targets

Angularli Drilling Program

Drilling at Angularli has reinforced Vimy's sound understanding of the controls on mineralisation. The program confirmed that targeting prospective structures and alteration provides a way of zeroing in on high-grade uranium mineralisation. Several 'fertile' structures have been identified which require follow-up and step-out drilling during the 2019 field season. Assay results received to date reconcile closely with the gamma logging data presented in previous announcements.

The wide-spaced drilling program focused on the discovery of broad alteration haloes, similar to those surrounding the Angularli deposit, along strike and within parallel structures. Drilling comprised ten reverse circulation (RC) drill holes for a total of 2,868m.

Figure 8 provides the location of Vimy's 2018 drill holes (Table 4) relative to the diamond core drilling completed by Cameco Australia. The outline of the Angularli mineral resource is also shown and provides a good indication of the relatively small footprint of these high-grade style deposits. Figure 8 also shows the high priority target areas to be tested along the Angularli West structure during the 2019 field season.

Vimy's reverse circulation holes ARRC003, -004, -006, -007 and -010 were drilled along three traverses to the southwest of the Angularli deposit targeting a known structural corridor and exploring for parallel mineralised lodes. Importantly, all of these drill holes intersected significant Angularli-style hydrothermal alteration with anomalous uranium mineralisation.

The presence of hydrothermal pyrite in the sandstone cover sequence up to 40m above the unconformity in ARRC010 is significant because it is a proximal alteration feature observed at the nearby Angularli deposit. It is also similar to the style of alteration observed in previous CCO holes WRD0116 and -0117 further north.



Figure 9 is an east-west schematic section across the Angularli West structure, located 300m west of the main Angularli resource, and demonstrates the geological setting of the uranium mineralisation, structures, and alteration zones typical of the high-angle, unconformity-style mineralisation being targeted.

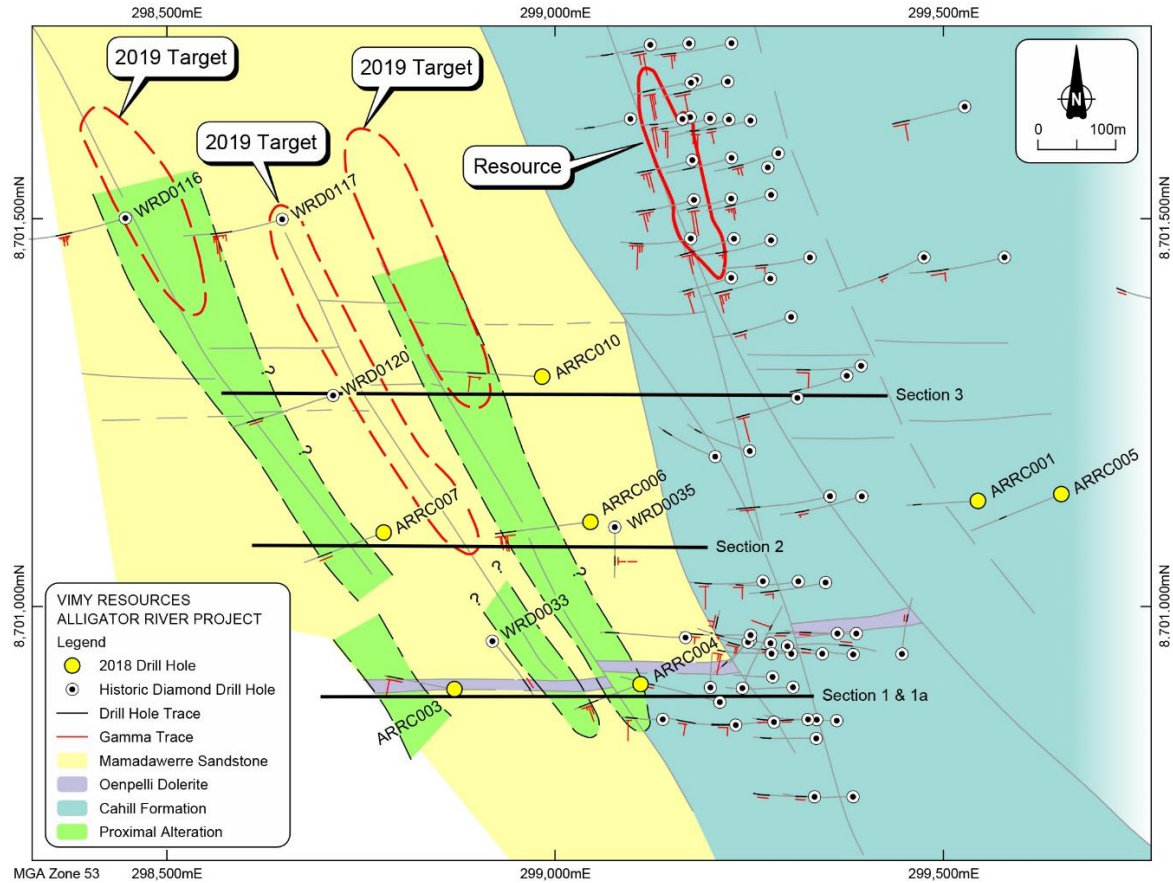


Figure 8: Angularli project area – drill hole location map (230m below sea level depth slice)

Table 4: 2018 Angularli project area RC drill hole intercepts

Hole ID	Northing	Easting	RL	Depth ¹	Dip	Azimuth	From (m)	To (m)	Grade ² (% U ₃ O ₈)
ARRC001	8701136.2	299544.4	39.6	270	-70	270	-	-	-
ARRC003	8700899.0	298871.7	43.1	360	-75	270	315.3	319.7	0.02
ARRC004	8700889.7	299114.4	37.7	360	-75	255	250.6 266.7 270.5 276.3	253.3 267.8 271.5 277.2	0.05 0.02 0.02 0.04
ARRC005	8701138.0	299655.1	31.7	264	-70	263	-	-	-
ARRC006	8701105.3	299046.8	32.4	360	-70	260	289.5 304.9	294.1 307.5	0.04 0.03
ARRC007	8701095.4	298779.3	42.3	420	-75	260	327.3	328.3	0.03
ARRC008	8702097.9	298915.9	13.0	210	-70	264	-	-	-
ARRC009	8702200.6	298946.4	14.6	192	-70	264	93.1 97.1 106.8	94.4 97.7 107.4	0.03 0.03 0.02
ARRC010	8701296.2	298983.4	18.9	384	-70	270	294.4	295.5	0.04

1 Hole ARRC002 was abandoned at 48m due to ground conditions.

2 Anomalism associated with likely heavy mineral bands in the sandstone (based on portable XRF data) is not reported.

3 Rounding has been applied.

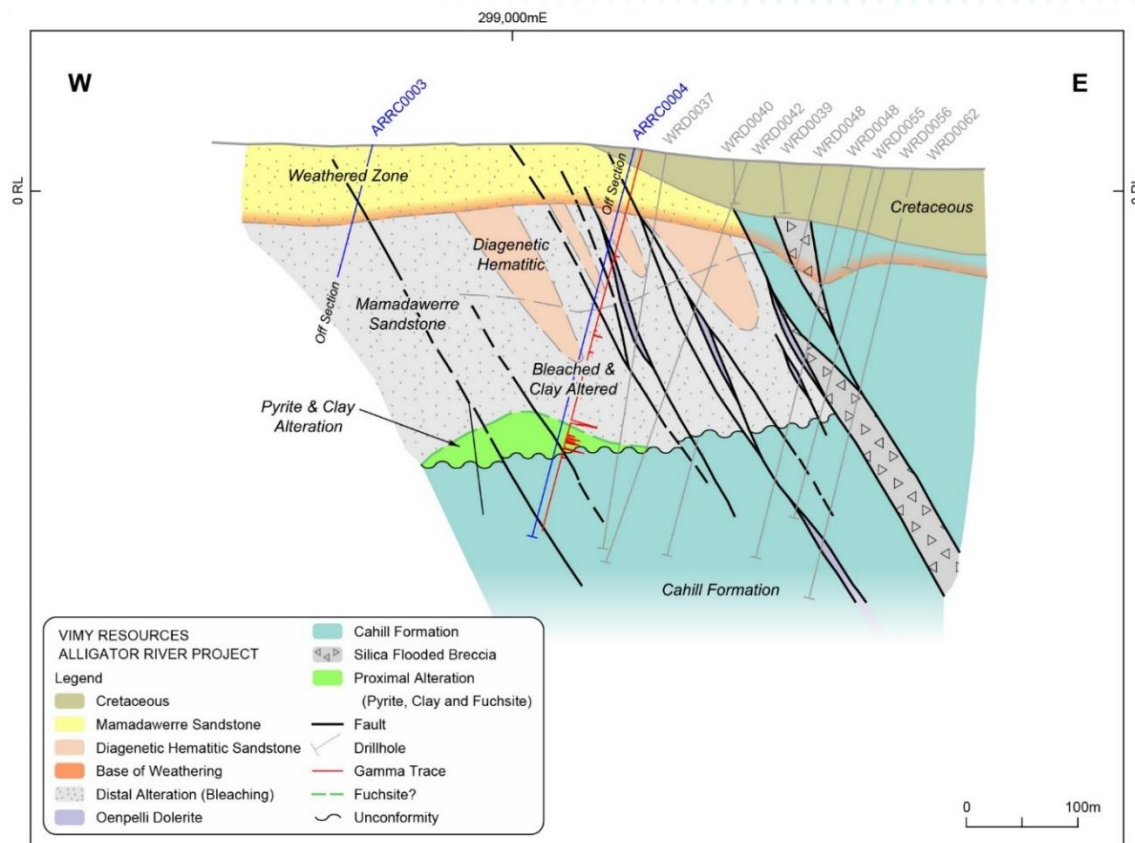


Figure 9: Angularli West prospect – Section 1

Launch of Vélo Resources

On 15 November 2018, the Company announced the acquisition of a large land holding thought to be highly prospective for base metals and located close to its flagship Mulga Rock Project through a separate corporate entity, Vélo Resources Pty Ltd (Vélo).

Vélo is a wholly-owned entity of Vimy and has one granted exploration lease, and several exploration lease applications covering 1,700km² to the northeast of Mulga Rock. Mulga Rock is located 290km east-northeast of Kalgoorlie in Western Australia.

Vimy will look to structure a future co-investment or divestment of Vélo and will consider all options including a farm-in, merger, or an initial public offering for the benefit of all Vimy shareholders.

The ownership structure of the base metals acquisition will allow Vimy to maintain its focus on uranium exploration and development at Mulga Rock and its recently acquired Alligator River Project in the Northern Territory.

The new base metals project presents a unique opportunity to apply modern exploration techniques across an entire geological province which, until now, has not been recognised as prospective for sediment-hosted base metals under shallow cover. Vélo will leverage Vimy's knowledge of local and regional geology and appropriate exploration techniques.

The target deposit type is sedimentary exhalative base metal (SEDEX) which accounts for more than 50% of the world's zinc and lead reserves and more than 25% of global production. SEDEX deposits are



characterised by their large size, high grades and significant silver credits. Typical deposits globally include Red Dog (Alaska), Sullivan (British Columbia); and McArthur River, Mount Isa, and Broken Hill (Australia).

Vélo has lodged applications over all of the prospective sedimentary sequence along a belt that extends for 130km, giving it a significant first mover advantage. One of the exploration leases was granted (E38/3203) in September 2018. Vimy expects the remaining applications to be granted in the coming months.

Vimy is pleased to advise that Andrew Haslam has joined the Board of Vélo as Non-Executive Chairman. Andrew has a great deal of experience in mining project development, having held senior executive positions in Australian junior mining companies and as head of operations for large mining contractors. He resigned from the Vimy Board on 30 November 2018 to take up this position.

Next Steps

Such Wow

- Further drilling at the Shiba Zone is a high priority due to its intense surface alteration and structural complexity
- Drilling program with spacing of traverses increased up to 400-500m apart, to a level consistent with hydrothermal alteration footprints typical of this style of deposit
- Systematic surface sampling and additional mapping across the sandstone escarpment portion of the prospect
- Analysis of detailed geophysical data to consider the implications for additional prospectivity along the fault corridor, which extends under shallow Cretaceous to the northwest of the escarpment

Angularli

- Step-out drilling to follow up the several 'fertile' structures identified in 2018 program
- Further resource drilling to improve the confidence of the existing Mineral Resource
- Exploration drilling to locate down dip extensions

Vélo Resources

- Investigation into a future co-investment or divestment and consideration of all options including a farm-in, merger, or an initial public offering to benefit all Vimy shareholders
- Maximise the opportunity to apply modern exploration techniques across the entire geological province which has not previously been recognised as prospective for sediment-hosted base metals under shallow cover



Tenements

Tenement details for Mulga Rock and Alligator River Projects (Vimy Resources) and the tenements held by Vélo Resources Pty Ltd are shown in Table 5.

Table 5: Tenement details as at 31 December 2018

Tenement	Nature of Interest	Interest at Beginning of Quarter	Interest at End of Quarter
MULGA ROCK PROJECT (Mt Margaret Mineral Field, Western Australia)			
M39/1104	Granted	100%	100%
M39/1105	Granted	100%	100%
E39/876	Granted	100%	100%
E39/877	Granted	100%	100%
E39/1148	Granted	100%	100%
E39/1149	Expired	100%	0%
E39/1150	Expired	100%	0%
E39/2049	Granted	0%	100%
L39/193	Granted	100%	100%
L39/219	Granted	100%	100%
L39/239	Granted	100%	100%
L39/240	Granted	100%	100%
L39/241	Granted	100%	100%
L39/242	Granted	100%	100%
L39/243	Granted	100%	100%
L39/251	Granted	100%	100%
L39/252	Granted	100%	100%
L39/253	Granted	100%	100%
L39/254	Granted	100%	100%
P39/5844	Granted	100%	100%
P39/5853	Granted	100%	100%
ALLIGATOR RIVER PROJECT (Northern Territory)			
EL24017	Granted	75%	75%
EL25064	Granted	75%	75%
EL25065	Granted	75%	75%
EL27059	Granted	75%	75%
EL5893	Granted	75%	75%
VÉLO RESOURCES PTY LTD (Mt Margaret Mineral Field, Western Australia)			
E38/3203	Granted	100%	100%
E39/2012	Granted	0%	100%



Corporate

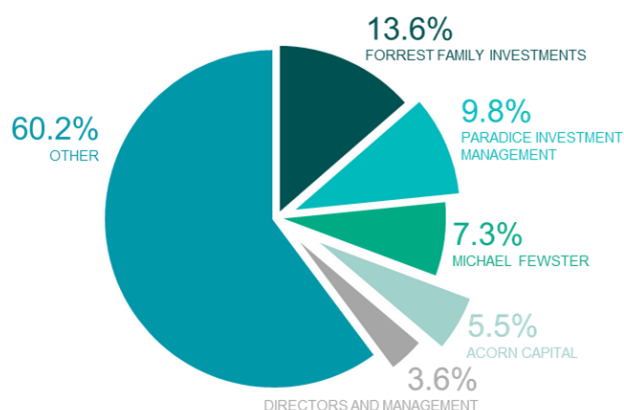
Placement

On 13 December 2018, the Company announced a well-supported placement of \$3 million. Euroz Securities Limited and Morgans Corporate Limited acted as joint lead managers and bookrunners to the placement which was well supported by both existing and new institutional and sophisticated investors, and applicants applied for more shares than could be allocated.

The Company subsequently issued 66,666,668 fully paid ordinary shares at an issue price of \$0.045 per share, representing approximately 15.9% of the shares currently on issue (on a pre-placement basis), pursuant to its existing capacity under ASX Listing Rules 7.1 (61,927,210 shares) and 7.1A (4,739,458 Shares). All new shares, once issued, will rank pari passu with existing shares.

Change in Substantial Holders

On 23 November 2018, the Company announced that Resource Capital Funds VI L.P. (RCF) had concluded a sell-down of its Vimy holding, resulting in a nil holding. The sell-down was managed by Euroz Limited. RCF retains an ongoing interest in the Mulga Rock Project through its holding of a 1.15% royalty on all revenue from the project. Paradise Investment Management Pty Ltd lodged a Form 603 notice of initial substantial holder on 22 November 2018 noting a 9.8% interest.



Substantial Shareholders at 31 December 2018

Changes to Board and Executive Team

During the Quarter, the Company announced changes to the Vimy Board, with Andrew Haslam, Julian Tapp and Dr Vanessa Guthrie resigning from the date of the Annual General Meeting on Friday 30 November. Andrew will remain with the Vimy Group as Non-Executive Chairman of Vélo Resources while Julian will continue in his current executive role as Chief Nuclear Officer, managing uranium markets and economics, stakeholder engagement and approvals. Vanessa was the shareholder nominee representative of RCF who concluded the sell-down of their holding in November 2018.

On 8 January 2019, the Company announced the resignation of Tony Chamberlain as Chief Operating Officer of the Company and his appointment to the Vimy Board as Non-Executive Director effective from 1 February 2019.

Expenditure

Cash spend on exploration, evaluation, staff, administration, corporate and uranium marketing activities in the December 2018 Quarter amounted to \$2.6 million.

This was higher than the September 2018 quarter cash spend of \$2.3 million as a consequence of completing the Alligator River Project 2018 field season exploration drilling and scoping study work programs, and the timing of Mulga Rock Project annual rent and rate payments.

Cash at Bank

Cash at 31 December 2018 amounted to \$3.6 million.



Office Relocation

The Company changed its registered and principal office address on 5 November 2018 to the First Floor, 1209 Hay Street, West Perth. Lease commitments for the new office are significantly lower than those for the previous West Perth premises.

Mike Young
Managing Director and CEO

Tel: +61 8 9389 2700

31 January 2019

John Gardner/Henry Downing
Citadel-MAGNUS

Tel: +61 8 6160 4900

Compliance Statement

The information in relation to the Angularli Deposit Mineral Resource that is contained in this announcement is extracted from ASX announcement entitled 'Maiden Mineral Resource at Angularli Deposit Alligator River Project' released on 20 March 2018 and available to download from asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person Statements

The information in relation to the Angularli Scoping Study that is contained in this announcement is extracted from ASX announcement entitled 'Angularli Uranium Project Scoping Study Update' released on 3 September 2018 and available to download from asx.com.au ASX:VMY. The information relating to the metallurgical testwork results for the Angularli Uranium Project was compiled by Dr Anthony Chamberlain, who is a Member of the Australian Institute of Mining and Metallurgy. Dr Chamberlain is a full-time employee of Vimy Resources. The metallurgical results were derived from test work completed by ANSTO and ALS Metallurgy. Dr Chamberlain has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the JORC code. Dr Chamberlain consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.



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
Non-Executive Chairman

Mike Young
CEO and Managing Director

David Cornell
Non-Executive Director

Mal James
Non-Executive Director

Ron Chamberlain
Chief Financial Officer
and Company Secretary

Julian Tapp
Chief Nuclear Officer

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 and vimyresources.com.au respectively.

Principal Place of Business

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E: info@vimyresources.com.au

ABN: 56 120 178 949

Share Registry

Computershare Investor Services

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+61 3 9415 4000 (outside Australia)
F: +61 3 9473 2500
W: www.computershare.com
E: www.investorcentre.com/contact



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



64 million tonnes
of carbon dioxide equivalent
emissions which is
around 12%

of Australia's total greenhouse
gas emissions.



**STATE & FEDERAL
MINISTERIAL
APPROVALS**