

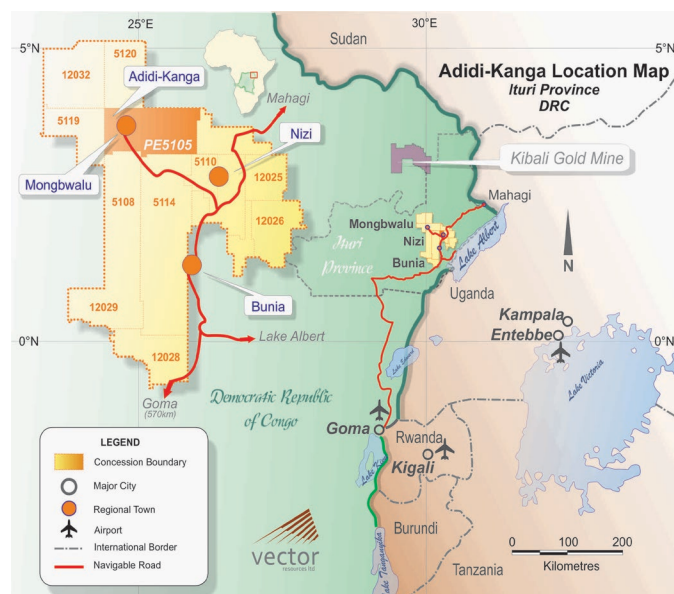


QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2019

30 APRIL 2019

HIGHLIGHTS FOR THE QUARTER

- Company announced on 11 January 2019 that it had completed its acquisition of a 60% interest in the world class Adidi-Kanga Gold Project in the DRC.
- On 7 March 2019 the Company announced that it had entered into Convertible Note arrangements to provide the first tranche of the financial settlement required under the Share Sale & Purchase Agreement for its acquisition of the Adidi-Kanga Gold Project.
- Adidi-Kanga Gold Project has a Mineral Resource Estimate of 15.0Mt @ 6.6g/t Au for 3.2Moz of contained gold reported in line with JORC 2012 guidelines with 46% in Indicated Category for 6.9MT @ 6.74g/t Au for 1.5Moz and 8.1MT @ 6.6g/t Au for 1.7Moz in Inferred Category (ASX Announcement 5 February 2018). Previous owners AngloGold Ashanti (held project between 2005 and 2013) expended over US\$520m on exploration and development activities, including 173,276m of diamond and RC drilling, completion of a Feasibility Study and the commencement of initial mine construction activities with the purchase and delivery to site of 70% of the mechanical equipment proposed to be installed under the Feasibility Study.



- **Figure 1:** Location of the Adidi-Kanga Gold Project on PE5105 in the Ituri Province of the DRC
- High calibre team has been appointed and are working to deliver the DFS.
- Capital raising completed (ASX Announcement 7 March 2019) to fund immediate working capital requirements and to commence the DFS activities at Adidi-Kanga.
- Activities at the Maniema Gold Project have been temporarily halted whilst the results of the drilling campaign are assayed and analysed by the Company.

The Board of Vector Resources Limited ("**Vector**" or the "**Company**") is pleased to provide the following operations report and quarterly cash flow report (Appendix 5B) of its activities during the three months ended 31 March 2019.



ADIDI-KANGA GOLD PROJECT

On 11 January 2019, the Company announced that it had completed the acquisition of its 60% interest in the Adidi-Kanga Gold Project (the "**Project**" or "**Adidi-Kanga**") with the completion of all Joint Venture ("**JV**") documentation and associated agreements.

Under the Share Sale & Purchase Agreement ("**Sale Agreement**") the Company was required to pay the Tranche 1 consideration of US\$5m in cash and US\$5m in Vector shares (at A\$0.022 per share). The Company had intended, based on the executed loan facility agreement it had entered into with FT General Trading LLC ("**FT General**" - a Dubai based entity), to pay this first cash portion through the drawdown of the first US\$5m of funding from FT General and to commence the DFS activities based on a second draw down of US\$5m from FT General.

FT General did not provide the funding per the drawdown requests made by the Company in the required timeframe. While the Company has continued to work with FT General in order to obtain the funding per the drawdown requests, the Company also sought to establish alternative funding in order to meet financial settlement.

This alternative funding was secured through a US\$4.75m facility ("**MEF/Riverfort Facility**") with MEF I, L.P and Riverfort Global Opportunities PCC Ltd (together the "**Investors**") and has now been received. An additional US\$0.25m was also obtained by the Company under the same terms via an unrelated shareholder of the Company, Temorex Pty Ltd. The agreement entered into with the Investors also provided for the roll-up of US\$0.95m of existing debt that was owed to Riverfort Global Opportunities PCC Ltd.

The Company is disappointed that FT General did not satisfy the draw down requests made under the FT General Loan facility agreement. The Company is in the process of assessing its position in relation to the FT General Loan facility agreement and will provide further information to the market as it becomes available. Unfortunately, at the time of this quarterly report, no further information is available.

The MEF/Riverfort Facility provided by the Investors (to fund US\$4.75m) is a convertible note facility, which the Company obtained approval for subsequent to the quarter ending at a general meeting of shareholders (held in line with the agreement) on 29 April 2019. The convertible

note has a 90-day standstill preventing the Investors from converting during this standstill period.

Subsequent to the general meeting of its shareholders that was held on 29 April 2019, the Company cancelled the existing convertible notes with the Investors and reissued new Convertible Notes based on the same terms and as explained by the Company in its Explanatory Statement to the Notice of General Meeting that was issued by the Company on 28 March 2019.

The key terms of the MEF/Riverfort Facility are as follows:

- i. Term – 12 months from issue date;
- ii. Face Value – US\$1.20;
- iii. Interest – nil interest;
- iv. Early Repayment Penalty – 5% if repaid within 180 days of issue date and 10% if repaid after 180 days of issue date;
- v. Commitment fee equal to 44,700,000 shares in Vector (at a deemed price of A\$0.018)(these shares were the subject of the Appendix 3B of 7 March 2019);
- vi. Conversion Standstill – 90-day standstill, during which neither of the Investors can make any conversions;
- vii. Conversion Pricing – A\$0.018 per share or a 10% discount to the lowest volume weighted average price (VWAP) in the five days prior to conversion; and
- viii. Security – General Security Deed entered by Vector Resources Limited in favour of the Investors.

The Company entered the MEF/Riverfort Facility with the Investors to ensure that financial settlement occurs under the Sale Agreement and will now work with new funders to secure further funding (debt and/or equity) to repay this MEF/Riverfort Facility and provide further working capital to complete the Definitive Feasibility Study at Adidi-Kanga.

Vector has already received strong interest for both debt and equity solutions and the Company will actively pursue these opportunities to replace the MEF/Riverfort Facility and provide the further funding required for the activities at Adidi-Kanga.

In addition to the US\$5m of cash that has been paid, the Company has also arranged for the issue or transfer of a total of 315,656,566 ordinary shares in the Company to MGI. The total number of MGI Consideration Shares to be issued was determined by the following formula:

$$\text{MGI Consideration Shares} = (5,000,000 / 0.72) / 0.022 = 315,656,566$$

Where 0.72 is the agreed AUD/US exchange rate and 0.022 is the agreed share issue price

Adidi-Kanga Gold Project Background

The Project is located in the Moto goldfields, 84km north-west of the town of Bunia, the provincial capital of the Ituri Province of the DRC.

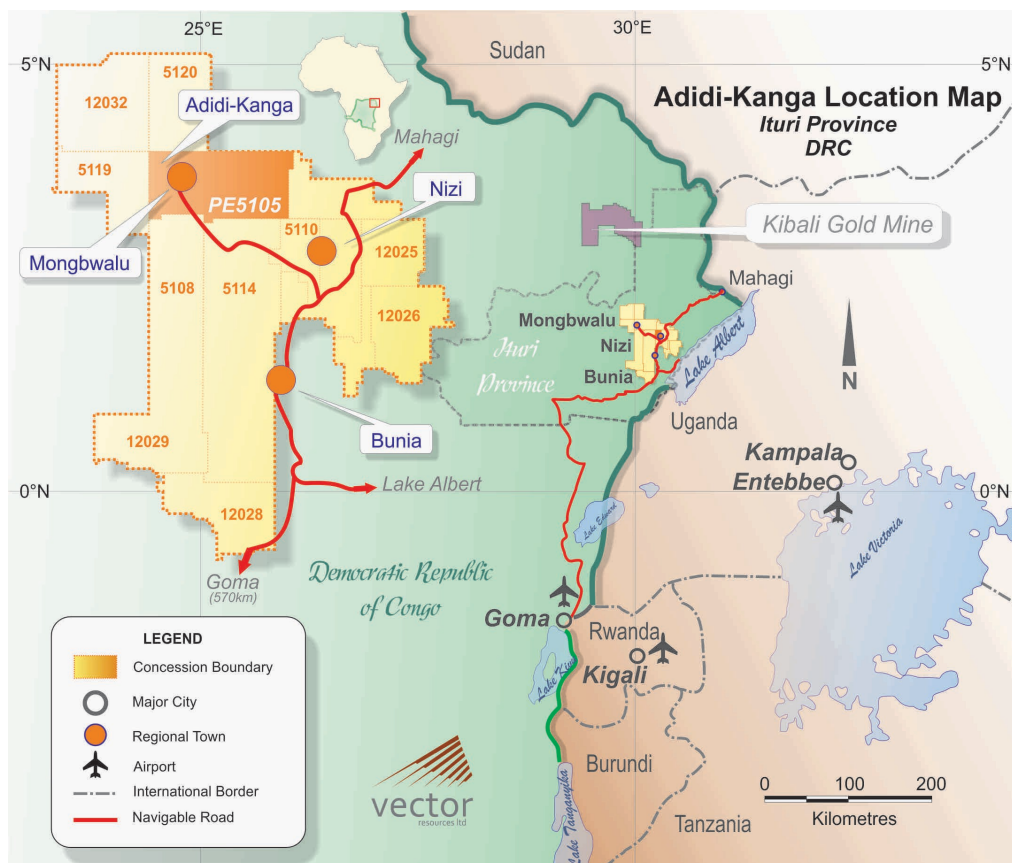


Figure 2: Location of the Adidi-Kanga Gold Project on PE5105 in the Ituri Province of the DRC

The Project comprises granted Mining License PE5105, one of 13 licenses extending over 5,033km² that were the subject of extensive exploration activities by AngloGold Ashanti.

Between 2005 and 2013, AngloGold Ashanti completed significant exploration and development activities at the Project. This included 173,276m of drilling on a 25m x 50m spacing and up to a 200m x 200m spacing across the broader license area and including 432 RC holes for 52,994m and 572 diamond holes for 119,278m.

AngloGold Ashanti reported several historical resources, including a number of SAMREC compliant Resources between 2010 and 2013 for the Project which has been reported previously by the Company in its ASX Release on 22 December 2017.



Figure 3: Adidi-Kanga Gold Project - Mongbwalu Gold Project Development Site

In February 2018, the Company completed its internal review of the 2013 Mineral Resource Estimate reported by AngloGold Ashanti under SAMREC, with independent verification completed by BM Geological Services. The verification process resulted in an upgrade in the Mineral Resource Estimate to 15.0Mt @ 6.6g/t Au for 3.2Moz of contained gold, reported in line with JORC (2012) Guidelines. The Mineral Resources Estimate includes 46% in Indicated Category for 6.9MT @6.74g/t AUD for 1.5Moz and 8.1MT @ 6.6g/t Au for 1.7Moz in the Inferred Category **(ASX Announcement 5 February 2018)**.

A Feasibility Study for the development of the Project was also completed by AngloGold Ashanti, who commenced initial mine construction activities with the purchase and delivery to site of approximately 70% of the mechanical equipment proposed to be installed under the Feasibility Study.

This equipment is documented to have been purchased at an estimated cost of approx. US\$70m and included such items as crushers, ball mill, Knelson concentrator, compressors, mobile crusher, pumps, screens and mobile mining equipment. The estimated cost of approx. US\$70m is based on historical purchase records of AngloGold Ashanti and the Company has not yet performed a market valuation of this equipment.

The Company will require further electrical and mechanical assessments prior to determining the full value and extent of potential use of this equipment in future operations.

The review of the status of the Gold Project has confirmed that the Project is already permitted for development, with Environmental and Social Impact Assessments completed and financial guarantees in place with the appropriate regulatory and administrative bodies. This confirmation was an important step in the process to ensure that the Company could achieve the completion of a DFS in a short timeframe.



Figure 4, 5 and 6: Mechanical plant, equipment and storage and camp facilities at the Adidi-Kanga site

Under the Shareholders Agreement, Vector's interest in the Project can increase to 86.22% if MGI exercise their option under the Shareholders Agreement for the sale of all of MGI's shares and its loan accounts at Fair Market Value.

A new DRC based joint venture company, Adidi-Kanga Resources S.A. ("AKR") has also been established to own and operate the Project. Mongbwalu Goldfields Investment Holding 6 Limited ("MGIH6") will hold an 86.22% interest in AKR, (providing Vector with a 60% Project interest), with the remaining 13.78% shareholding held by DRC State gold mining company, Société Minière de Kilo Moto ("SOKIMO").

Exploration Target Defined at Adidi-Kanga

The Company finalised its review of historical exploration and mining data that it acquired in its acquisition of the Adidi-Kanga Gold Project and has now defined a significant new zone of gold mineralisation, comprising 13 exploration targets that are conceptual in nature. These targets have a size range from 102Mt to 117Mt @ grade range of 3.8g/t to 6.7g/t Au for 12.5Moz to 25.2Moz ("Exploration Target").

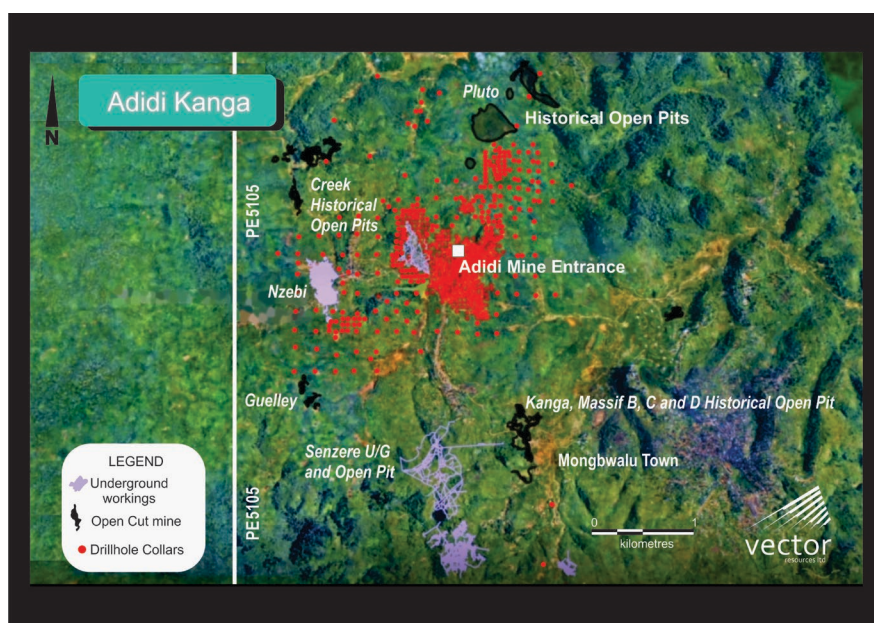


Figure 7: PE5105 – Prospects with Exploration Targets and extensive surveyed u/g and open cut colonial Mine Workings showing the extent of gold mineralisation and AGA exploration activities

Table 1 summarises the lower and upper tonnage and grade ranges for individual exploration targets within the Exploration Target, with size ranges defined by ounces.

Exploration Targets	Exploration Target Size					
	Lower limit of Target Range			Upper Limit of Target Range		
	Million Tonnes	Grade g/t Au	Million Ounces	Million Tonnes	Grade g/t Au	Million Ounces
Issuru	5.4	2.6	0.45	6.2	7.7	1.54
Creek G4	8.7	3.7	1.03	10.0	5.9	1.90
Creek D7	20.0	3.4	2.19	23.0	6.8	5.03
Adidi Kanga D7-Central	7.4	2.7	0.64	8.5	6.3	1.71
Pluto-Adidi North	6.3	1.5	0.30	7.2	5.9	1.37
MYX East - Tchangaboli	9.7	2.1	0.65	11.1	6.6	2.35
Tchangaboli SE ext.	4.8	2.1	0.32	5.5	6.6	1.16
Senzere, Maranga, Mosaba, Massifs B;C;D	25.9	5.8	4.83	29.8	6.3	6.04
Nzebi West - Guelley	3.6	7.5	0.87	4.1	12.3	1.64
Yalala	2.7	0.5	0.04	3.0	0.8	0.08
Aboa/Dala	2.7	1.0	0.09	3.1	3.5	0.35
Creek 17A	0.3	3.4	0.03	0.3	6.8	0.07
Nzebi SW	4.2	7.5	1.01	4.8	12.3	1.91
	Lower Target Range			Upper Target Range		
	Million Tonnes	Grade g/t Au	Million Ounces	Million Tonnes	Grade g/t Au	Million Ounces
	102	3.8	12.5	117	6.7	25.2

Table 1: PE5105 Exploration Target Tabulation

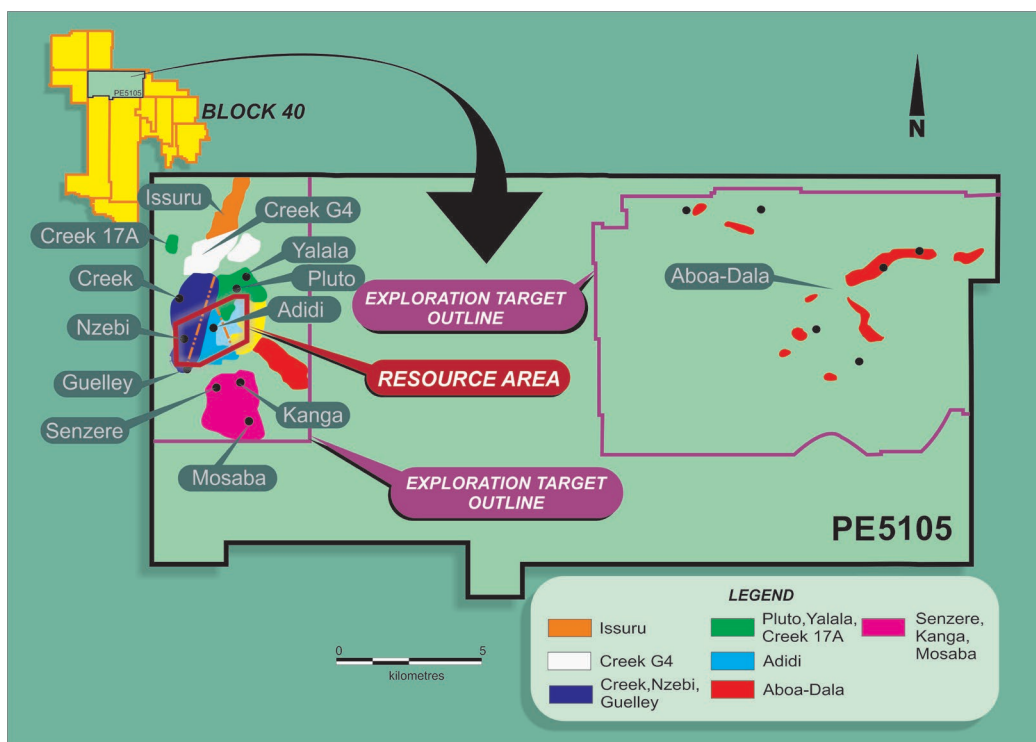


Figure 8: PE5105 Exploration Targets with Resource Area outlined which is excluded from the Exploration Target range calculation showing ~15km North South strike

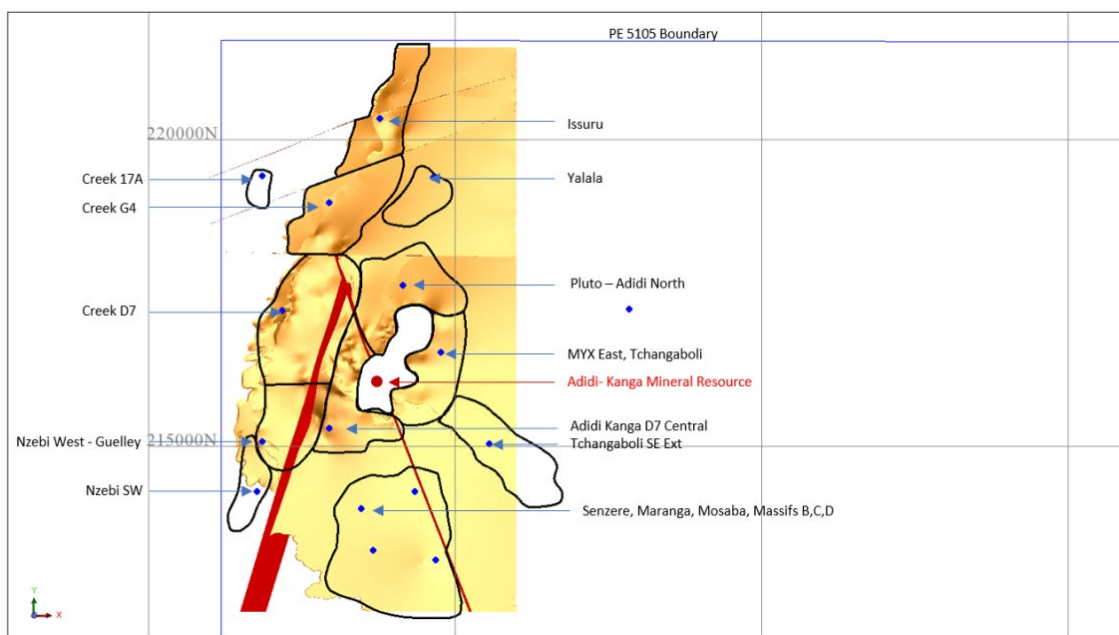


Figure 49 Western Exploration Targets PE5105 with Adidi Kanga's 3.2Moz JORC 2012 Mineral Resource excluded

This Exploration Target adds to the existing Adidi-Kanga Mineral Resource of 15.0 Mt at 6.6g/t gold for 3.2Moz, which includes 46% in Indicated Category for 6.9MT @6.74g/t Au for 1.5Moz and 8.1Mt @ 6.6g/t Au for 1.7Moz in the Inferred Category (ASX Announcement 5 February 2018).

High Calibre team Appointed to Deliver DFS

A Project team with extensive gold and sub-Saharan experience is being deployed to site. The depth, quality and immediate availability of the team is a testament to the scale and underlying quality of the Project;

Key appointments include:

- Globally Experienced Project Director – Chris O’Brien (former Principal Advisor - Mining and Studies – Newmont Mining) - appointed to lead the DFS;
- Technical Leads appointed with extensive experience in mining, geology, metallurgy and engineering, including in-depth African gold knowledge; and
- DRC experienced Project Controls and Commercial Managers have also been appointed to support the global, multi-currency, project development;

Vector plans to transition the project team into construction, commissioning and operating of the Adidi-Kanga Gold Project upon completion of DFS.

The DFS has now commenced with an active project development program also underway including detailed evaluations of the historical drilling database, mine design and layout planning and follow-up geological studies.



MANIEMA GOLD PROJECT

Kabotshome Drilling Update

During the Quarter, the Company temporarily suspended all drilling activities at Maniema. The Company will be reviewing results of the work and drilling to date before further work or resources will be allocated to the project.



CORPORATE ACTIVITIES

To ensure the activities at Adidi-Kanga are not delayed, the Company completed (**ASX Announcement 7 March 2019**) a capital raising using its additional 10% placement capacity under LR 7.1A to fund immediate working capital requirements and to commence DFS activities at Adidi-Kanga.

The Company is now well advanced in its capital raising activities to provide the funding required by the Company to fund its working capital and the full DFS activities at Adidi-Kanga. The Company is working to finalise these discussions and secure funding prior to the 90 day standstill expiring on the Convertible Notes owing to the Investors.

During the Quarter, it was announced that Jason Brewer resigned as a director of the board due to his other increased work commitments (**ASX Announcement 11 February 2019**) and the Company appointed Mr Guy-Robert Lukama and Mr Yves Ilunga, both representatives of MGI, to the Board (**ASX Announcement 31 January 2019**).

– ENDS –

Simon Youds

Chief Executive Officer

For further information:

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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 exploration and development of gold assets in the DRC.

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.

Information included in this release relating to the JORC (2012) Mineral Resource Estimate for the Adidi-Kanga Gold Project in the Democratic Republic of Congo is extracted from the Company's ASX Release of 5 February 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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.

Tenement Information as required by Listing Rule 5.3.3

The following is a table setting out the information as required by ASX Listing Rule 5.3.3, namely:

1. Mining tenements held at the end of the Quarter and their location;
2. Mining tenements disposed during the Quarter and location;
3. Beneficial percentage interests held in farm-in or farm-out agreements at end of Quarter; and
4. Beneficial percentage interests held in farm-in or farm-out agreements acquired or disposed of during the Quarter.

Location	Tenement	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
Democratic Republic of Congo – Maniema Province	PR4792	70	-	-	70
	PR4801	70	-	-	70
	PR4803	70	-	-	70
	PR4804	70	-	-	70
	PR4805	70	-	-	70
	PR4806	70	-	-	70
	PR4812	70	-	-	70
Democratic Republic of Congo – Adidi-Kanga Gold Project	PE5105	-	-	60%	60%