



## ASX Announcement

11 November 2019



### R&D Tax Incentive Received

### Share Purchase Plan participants entitled to JMEI tax credits

#### Highlights:

- Vimy receives \$1.0m from approved **Research and Development (R&D) Tax Incentive** scheme for 2018/19
- Eligible shareholders who participate in the Company **Share Placement Plan (SPP)** to receive a proportional allocation of JMEI tax incentive credits

Vimy Resources Limited (ASX: VMY) ("Vimy" or "the Company") is pleased to announce that the Company received \$1.0m rebate from the R&D tax incentive scheme for the 2018/19 tax year. The Australian Taxation Office R&D tax incentive provides a tax benefit to companies to offset some of the cost of conducting eligible research and development activities.

The Company announced on 18 July 2019, the successful allocation of \$715,000 Junior Minerals Exploration Incentive (JMEI) credits. Australian resident shareholders who are issued an exploration credit will be entitled to a refundable tax offset or, if the shareholder is a corporate tax entity, additional franking credits. "Eligible Shareholders" must be Australian residents who apply for, and are issued, shares in Vimy's nominated capital raising activities between 1 July 2019 and 30 June 2020.

The exploration credits that can be issued to an investor are limited to the amount paid by the investor to acquire the new shares, multiplied by the corporate tax rate. **Those Eligible Shareholders participating in the Company's Share Purchase Plan (SPP) will be entitled to the JMEI tax incentive credits.**

Details of the SPP were announced on 28 October 2019 and mailed to all shareholders at the record date.

The Company has completed a preliminary assessment of the possible benefit to Eligible Shareholders based on:

- the two completed Company share placements made this income year;
- an estimate of the additional SPP shares to be issued;
- no further share placements before 30 June 2020; and
- a forecast of eligible greenfields exploration to 30 June 2020.



Preliminary forecasts of eligible greenfields exploration fall within a range and are reflected in five possible scenarios in the table below. The table is provided as a **guide only** as to the eventual credits that will be issued, and should be read in conjunction with Allocation Criteria and Forward-Looking Statement below. The distribution of JMEI credits will occur after year end and will be based on actual eligible expenditure.

Scenarios	Estimates			
	Greenfields Exploration	Total JMEI Credits	JMEI Credit per share	(%) Credit of SPP price
1	\$500,000	\$137,500	0.1c	-2%
2	\$1,000,000	\$275,000	0.2c	-4%
3	\$1,500,000	\$412,500	0.3c	-6%
4	\$2,000,000	\$550,000	0.4c	-8%
5	\$2,500,000	\$687,500	0.5c	-10%

For example, Scenario 3 estimates tax incentive credits of approximately 0.3c per share, equating to a 6% discount to the SPP share price of 5.0c.

### Allocation Criteria

The maximum amount of credits Vimy can create for the 2020 income year is the lesser of the following:

- actual greenfields exploration expenditure for the 2020 income year, multiplied by Vimy's corporate tax rate for that year, or
- amount of exploration credits allocated.

Vimy cannot guarantee that Eligible Shareholders will receive the maximum number of JMEI credits available as the actual number of JMEI credits received by each Eligible Shareholder for the 2019/20 income year is dependent on several factors including:

- the eligible exploration expenditure incurred by Vimy in the 2020 income year;
- the total number of new Vimy shares issued between 1 July 2019 and 30 June 2020;
- Vimy's tax losses for the 2019/20 financial year, and
- each shareholder's financial circumstances.

Upon lodgement of its 2019/2020 tax return, Vimy will notify Eligible Shareholders of their JMEI credit entitlement. These JMEI credits will apply to income tax assessment for the year ended 30 June 2020.

**Marcel Hjlmer**  
**CFO and Company Secretary**

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### FORWARD-LOOKING STATEMENT

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.



## 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 240km ENE of Kalgoorlie in the Great Victoria Desert of Western Australia.

Vimy also owns (79%) 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

Dr Tony Chamberlain  
Non-Executive Director

Marcel Hilmer  
Chief Financial Officer  
and Company Secretary

Julian Tapp  
Chief Nuclear 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.

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#### Share Registry

Computershare Investor Services

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+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)