ASX Announcement

30 March 2016

Maiden Ore Reserve at Mulga Rock

Highlights

- **Maiden Probable Ore Reserve of 15.2Mt at 660ppm for a Total Metal content of 22.1Mlb U_3O_8**
- **Total Resource Estimate of 65.6Mt at 520ppm U_3O_8 for 75Mlb U_3O_8**
- **Production target of 3Mlb U_3O_8 per annum**
- **On-going Resource Estimates and Definitive Feasibility Study (DFS) are expected to increase Resource and Reserve base**
- **Test pits provide excellent geotechnical and geological data**

Details

Vimy Resources Limited (ASX:VMY) (**Vimy**) is pleased to announce its maiden Ore Reserve estimate comprising **15.2Mt** at **660ppm U_3O_8** for a Total Metal content of **22.1Mlb (10,000t**) of **U_3O_8** at its 100% owned Mulga Rock Project, Western Australia.

This Ore Reserve is derived from Mineral Resources and optimised pit schedules as reported in the Pre-feasibility Study (**PFS**) completed and reported to the ASX on 17 November 2015.

The PFS indicated that the Project is a 17 year operation, with the maiden Ore Reserve underpinning the initial 6 years of production. In addition to Probable Ore Reserves, Optimised Mining Inventory (**OMI**) has been identified which, if mined at currently modelled grades and with the same methods applied to the Ore Reserves, would provide production in the forecast years 7 - 17.

The Company advises that the OMI has a reduced level of confidence compared to production derived from the Ore Reserves, as it contains a high portion of Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources, or that the production target itself will be met by the OMI.

Vimy's CEO, Mike Young, commented*: "Our maiden Ore Reserve for Mulga Rock is a major milestone, one of many to come as we progress the Definitive Feasibility Study this year. We mean to grow the mine life significantly during 2016 through updated Mineral Resources and Ore Reserves, and the progression of the DFS.*

"Vimy's Board of Directors are on track to make a Final Investment Decision in 1Q2017 and, if market conditions allow for it, commence construction in 2017."

Mike Young
Managing Director and CEO

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Ore Reserve

The Ore Reserves (Table 1) are derived from, and are a sub-set of, the Mulga Rock Mineral Resource (Table 2) as released to the ASX on 17 September 2015. The Ore Reserves are based on the work carried out during the PFS, the full details of which are provided in the release to the ASX dated 17 November 2015. The reader should refer to that announcement in combination with this one.

Approximately 97% of the Indicated Resources in the PFS mine schedule has been converted into Ore Reserves.

The mining schedule contemplates mining the Princess deposit first, followed by Ambassador East, then Ambassador West, Shogun then Emperor. The material to be mined in years 1 to 5 comprises 97% Ore Reserves, and material in years 1 to 10 comprise 56% Ore Reserves.

A significant drilling program over all deposits and a test pit bulk sample program, have been, or are being, completed at Mulga Rock. A Definitive Feasibility Study is now underway whose work includes:

- Resource estimation update – Ambassador, Shogun and Emperor
- Disequilibrium data update – Shogun and Emperor
- Ore Reserve update – Ambassador and Shogun

Each of these work streams will add significantly to the understanding of the mineralisation and geology of each deposit and so it is anticipated that both the Mineral Resources and Ore Reserves will increase in quantity and classification.

Table 1: Mulga Rock Project Ore Reserves – 29 March 2016

Deposit / Resource	Classification	Cut-off Grade (ppm U_3O_8)	Tonnes (Mt)[1,2]	U_3O_8 (ppm)[3]	Total Metal U_3O_8 (Mlb)
Mulga Rock East					
Princess	Probable	150	1.3[1]	640[1]	1.8
Ambassador	Probable	150	13.9[1]	660[1]	20.2
Total Reserve			**15.2**[1]	**660**[1]	**22.1**

1 Tonnages and grades are reported including mining dilution
2 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.
3 Using cut combined U_3O_8 composites (combined chemical and radiometric grades).
4 Metallurgical plant recovery factors are not applied to Total Metal content

Table 2: Mulga Rock Project Mineral Resource [1, 2]

Deposit / Resource	Classification	Cut-off Grade (ppm U_3O_8)	Tonnes (Mt)[4]	U_3O_8 (ppm)[3]	U_3O_8 (Mlb)
Mulga Rock East					
Princess	Indicated	150	1.3	690	1.9
Princess	Inferred	150	2.5	380	2.1
Ambassador	Indicated	150	13.2	750	21.7
Ambassador	Inferred	150	16.1	460	16.3
Sub-Total			**33.1**	**580**	**42.0**
Mulga Rock West					
Emperor	Inferred	150	28.4	450	28.1
Shogun	Inferred	150	4.1	550	4.9
Sub-Total			**32.5**	**460**	**33.0**
Total Resource			**65.6**	**520**	**75.0**

1 As released to the ASX on 17 September 2015
2 Mineral Resources in are reported inclusive of Ore Reserves
3 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.
4 Using cut combined U_3O_8 composites (combined chemical and radiometric grades).

The information in Table 2 above is extracted from ASX announcement entitled "Improved economics for the Mulga Rock Project increases the Mineral Resource Estimate" released on 17 September 2015 and available to view on asx.com.au ASX:VMY. 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, in the case of estimates of Mineral Resources or Ore Reserves 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.

Project Management and Study Components

The PFS and Ore Reserve were managed by Vimy Resources and involved the input of a variety of experienced sub-consultants including:

Table 3: Sub-consultants with input to PFS and Ore Reserve

Component	Consultant
Drilling and wireline logging	Wallis Drilling, Bostech Drilling, Borehole Wireline
Analytical	Bureau Veritas (Ultratrace)
Mineral Resource estimate	AMC Consultants, Coffey Partners
Hydrogeology	Rockwater, GHD
Mining	AMC Consultants, Sandvik
Geotechnical	AMC Consultants
Trial pits	Piacentini and Son
Environmental	Soilwater, GHD, MBS, Mattiske Consulting, Ninox Consulting
Metallurgical testwork	ALS, ANSTO
Process plant and mine infrastructure	Amec Foster Wheeler
Tailings	Golder Associates
Marketing and product sales	Vimy Resources
Legal tenements	Austwide Mining Title Management

Material Assumptions for Ore Reserve

The following material assumptions apply to the Ore Reserve:

- Assumed life of mine (**LOM**), long-term price of $US75/lb U_3O_8 at an US$:A$ exchange rate of 0.7635 based on the incentive price modelling to initiate new production from 2020,
- Operational and capital costs and operating structure as identified in the PFS announcement dated 17 November 2015, and
- Unit mining rates have been estimated by AMC Consultants using a combination of actual budget pricing, recent Australian mining studies, and diesel price of A$0.90 per litre (net of fuel rebate).

Ore Reserve Classification

The classification of the Mulga Rock Ore Reserve has been carried out in accordance with the principles of the JORC Code 2012 Edition. It reflects drilling and sampling density, estimation methodology, understanding of the orebody and the proposed mining method.

All Probable Ore Reserves have been derived from Indicated Mineral Resources only as no Measured Mineral resources are yet defined at the Project.

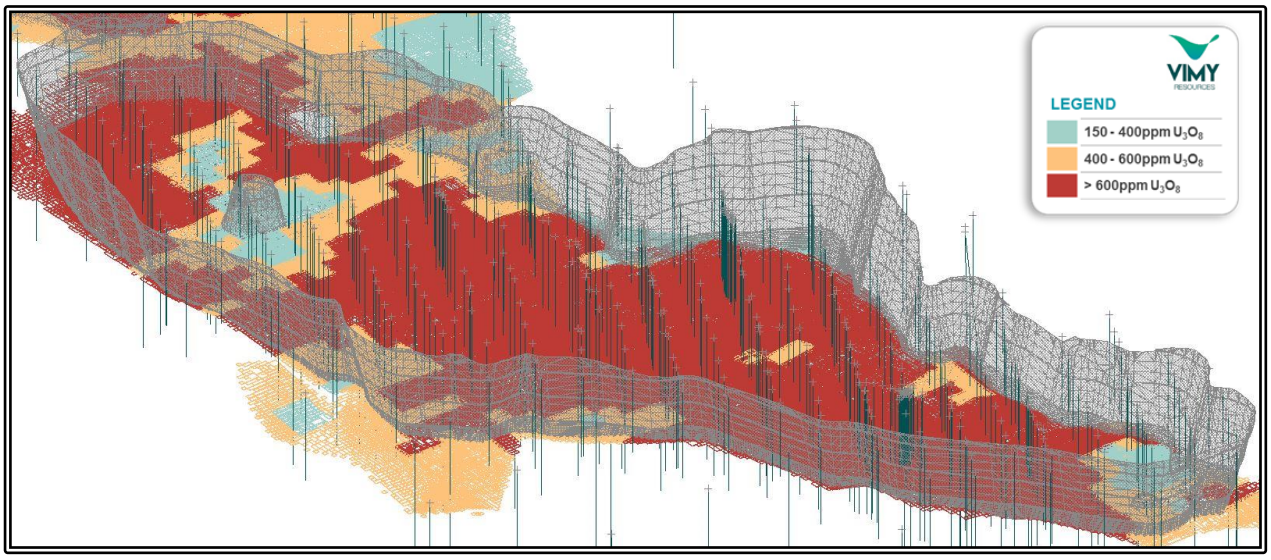

Figure 1: Perspective view of the optimised Ambassador East deposit

Mining Method

Vimy proposes to employ large-scale, open-pit mining methods using highly mechanised strip-mining equipment supported by conventional truck and shovel. The simple, flat geometry of the uranium bearing units, and nature of the free digging overburden, are very well suited for the use of strip mining methods.

Strip-mining advances systematically along the long-axis of the pit, whereby previously mined areas are backfilled with waste from the active mining area. This eliminates the need for large waste dumps and allows mining rehabilitation to progress while mining operations are ongoing, referred to as 'real-time rehab'. The strip-mining and real-time rehab will significantly reduce the operational, and eventual residual, footprint of the Project.

Once the overburden is removed, ore mining will be carried out using a conventional truck and shovel fleet very similar to that currently being used in the test pits being completed within the Ambassador deposit (Figures 2 to 4). This allows for very precise ore mining which will minimise dilution and ore loss. The carbonaceous nature of the ore, and uranium mineralisation, will allow both visual and radiometric grade control techniques.

Figure 2: Ore excavation in the East Ambassador Trial Pit

Figure 3: Loading ore in the East Ambassador Trial Pit

Figure 4: Ore haulage in the East Ambassador Trial Pit

Mining Schedule and Costs

The mining schedule is designed to maintain a constant annual production rate of 3 Mlb U_3O_8.

The mining unit rates (Table 4) are inclusive of labour, loading, haulage, fuel, equipment maintenance, drill and blast – if required - dewatering, stockpiling, ancillary fleet, clearing and grubbing and development of temporary mine infrastructure.

Mining of the ore will rely on a smaller conventional mining fleet resulting in a higher unit cost in ore.

Table 4: Mining unit rates

Mining Item	A$/t
Mechanised system mining cost	
Bulk Waste Removal – Shovel and Convey	0.83
Silcrete (<2m thick)	0.83
Silcrete (>2m thick)	1.34
Ore Mining	2.31
Truck and shovel mining cost	
Bulk Waste Removal – Truck and Shovel	1.65
Silcrete (<2m thick)	1.65
Silcrete (>2m thick)	2.16
Ore Mining	2.31

Processing Method

Beneficiation Process Plant

The mineralised zone comprises carbonaceous, clastic sediments across all deposits. The uranium, and most of the base metals mineralisation, is very fine-grained and disseminated, mostly amorphous, and adsorbed on the organically derived carbonaceous material.

The beneficiation plant will reject 60% of ore feed mass whilst limiting uranium losses to approximately 4% through a combination of ore scrubbing, screening, cyclone de-sliming and gravity separation. Rejected matter comprises mainly inert silica sands and grits. The resultant beneficiated slurry is therefore upgraded in U_3O_8 content by a factor of 2.5 and is pumped to the main process plant for further treatment

Main Process Plant

The main process plant will grind the beneficiated ore using a semi-autogenous (**SAG**) mill circuit then feed into a conventional acid leach circuit, carried out under atmospheric conditions at mild temperatures and using sulphuric acid.

The leach discharge will be pumped to a resin-in-pulp (**RIP**) circuit where the slurry is contacted with an ion-exchange (**IX**) resin to recover the uranium present in solution. The leach and RIP circuits are analogous in appearance and process to a gold treatment plant using cyanide leach and carbon-in-pulp circuit.

Uranium will be stripped from the resin and precipitated from solution using hydrogen peroxide to generate a final uranyl peroxide hydrate ($UO_4 \bullet nH_2O$) product. The $UO_4 \bullet nH_2O$ is then refined, dried and packed into steel drums for road transport to Adelaide.

Project Summary

The Ore Reserves are based on the outcomes of the Pre-feasibility Study, completed in November 2015, which indicated that the Project can sustain a greater than 17 year mine life. The PFS release provides significant details on the resource estimation, geology, proposed mining methods, and processing route to be used at Mulga Rock.

During the PFS, several significant activities continued on site including significant infill drilling, geotechnical drilling, and two test pits all of which have been completed as of the time of writing.

The data from these programs is expected to result in significant upgrades to the Mineral Resource estimates and Ore Reserves during 2016. Two large bulk ore samples were taken from the test pits and they clearly demonstrate that the highest grades of Uranium mineralisation occur at the top of the ore zone at the weathering/fresh contact (i.e. the “redox front”). This material will be used for a metallurgical pilot plant to test the flow sheet at scale. And finally, the geotechnical information will allow a better understanding of slope angles, dig rates and wear rates of the overburden and ore, and bulk densities.

The DFS is underway and GR Engineering Services Limited was recently appointed Study Manager. The DFS timetable is targeting a Final Investment Decision in Q1 CY2017.

The Public Environmental Review (**PER**) public submission period closed on 8 March 2016, in line with expected final approval in Q3 CY2016. Where possible, secondary approvals are being advanced concurrently with the PER process.

Material Modifying Factors and Study Component

Table 5: Accountability for individual modifying factors

Modifying Factor	Responsible person(s)
Mining	Adrian Jones (AMC Consultants)
Mineral Resource estimate	Ingvar Kirchner (AMC Consultants) and Xavier Moreau (Vimy Resources)
Geotechnical	Owen Watson (AMC Consultants)
Metallurgical specialist and process plant	Deon van Tonder (Amec Foster Wheeler)
Plant and mine infrastructure	Mike Stern (Amec Foster Wheeler)
Transport and logistics	Mike Stern (Amec Foster Wheeler)
Financial model	Mike Stern (Amec Foster Wheeler)
Marketing and product sales	Julian Tapp (Vimy Resources)
Legal tenements and permitting	Xavier Moreau (Vimy Resources)
Environmental	Adam Pratt (Vimy Resources)

The information in this announcement that relates to the Exploration Results for the Mulga Rock Resource Estimate U_3O_8 and base metals, Resource Database, Geology and Bulk Densities are based on information compiled by Xavier Moreau, who is a Member of the Australian Institute of Geoscientists. Mr Moreau is a full time employee of Vimy Resources Limited. Mr Moreau has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Moreau consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the Mulga Rock Mineral Resource estimates U_3O_8 and base metals is based on information compiled or reviewed under the supervision of AMC Consultants as consultants to the Company and reviewed by Ingvar Kirchner, who is a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy, and is an employee of AMC Consultants. Mr Kirchner consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Kirchner has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in this announcement that relates to Mulga Rock Ore Reserves is based on information compiled by Adrian Jones, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Jones is an employee of AMC Consultants. Mr Jones consents to the inclusion, form and context of the relevant information herein as derived from the original Ore reserve report. Mr Jones has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Vimy Resources – *Mining a Cleaner Tomorrow*

Vimy Resources Limited (**ASX: VMY**) is a Perth-based resource development company. Vimy's primary focus is the development of 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.

The Project will have the capacity to produce 1,360 tonnes per annum of uranium oxide for up to seventeen years. The Project is expected to result in the creation of approximately 490 new jobs in Western Australia and to create payments of around A$19m per year to the State government in the form of royalty payments and payroll tax. The amount of uranium produced if used in nuclear reactors to displace coal fired electricity would offset more than 50 million tonnes of carbon dioxide equivalent emissions which is around 10% of Australia's total greenhouse gas emissions.

Vimy harnesses science and technology to maintain the environment.

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.

Directors and Management

The Hon Cheryl Edwardes – Chairman
Mike Young – CEO and Managing Director
Julian Tapp – Executive Director
David Cornell – Non-Executive Director
Aaron Hood – Non-Executive Director
Ron Chamberlain – Chief Financial Officer and Company Secretary
Tony Chamberlain – Chief Operating Officer
Xavier Moreau – General Manager, Geology and Exploration

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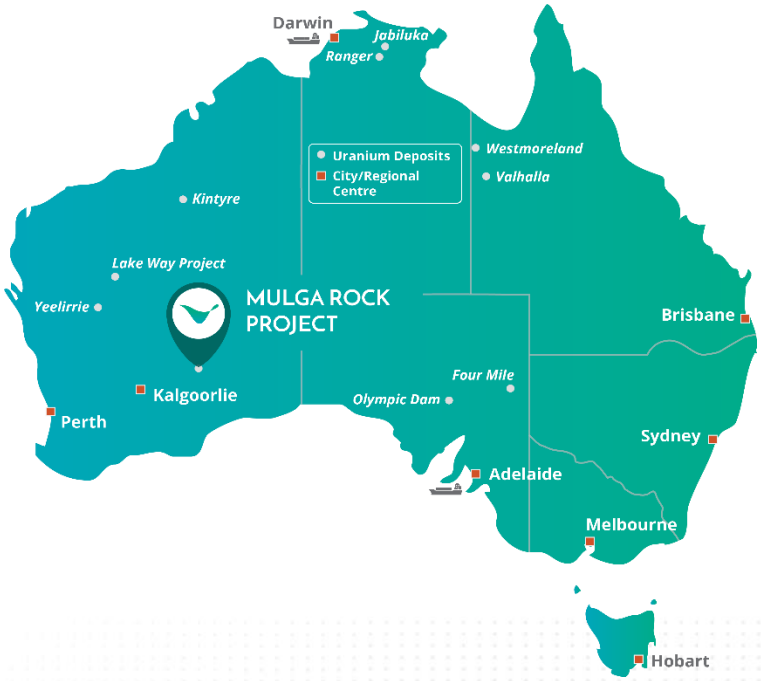

JORC Code – Table 1 Mulga Rock Uranium Project 2015 Pre-feasibility Study, 29 February 2016

The Company has provided information for Sections 1 to 3 in announcements to the ASX dated 20 April 2015 and 17 September 2015.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource estimates for the Mulga Rock East and West Mining Centres which form the basis of this Ore Reserve estimate, were compiled by Vimy Resources' Competent Person and the Mineral Resource estimates (U_3O_8 and base metals) compiled or reviewed by AMC Consultants' Competent Person. • The Mineral Resources are reported inclusive of the Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Adrian Jones from AMC Consultants (Competent Person) visited the Mulga Rock Project in December 2015, and completed the following activities: ○ Inspection of site access and general ground conditions ○ Inspection of Ambassador East trial pit, proposed extent of Princess, Ambassador and Shogun pits ○ Observation of geotechnical and resource drilling activities ○ Inspection of core yard to gain a better understanding of weathering profile and nature of the ore
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• The Ore Reserve estimate is the result of a Pre-feasibility Study (**PFS**) for the Mulga Rock Project, completed by Vimy Resources, AMC Consultants and Amec Foster Wheeler and reported to the ASX on 17 November 2015. • Financial modelling completed as part of the PFS shows that the project is economically viable under a range of analysts' consensus long-term contract uranium price scenarios based on the incentive price required for new production.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• A number of factors have been considered in establishing an initial cut-off grade for the Project and for its recent revision (refer to announcement to the ASX dated 17 September 2015), including: ○ Forecast uranium and base metals prices and US$:A$ exchange rate ○ Operating costs ○ Process uranium recovery ○ Transport, refining and general and administrative costs

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).*	• Vimy proposes to use large scale, open-pit, strip-mining methods using a combination of conventional truck and shovel and mechanised strip-mining systems. All processes are commonly used in coal mines world-wide. • The regular geometry of a strip mine, with a fixed distance to the waste dumps, supports a continuous mechanised waste haulage system, with continuous backfill thus minimising waste movement. • There is a reduction in process plant capital and operating expenditure through the use of upfront beneficiation and in-pit tailings disposal. • Geotechnical parameters: A large number of slope configurations were analysed to determine the design slope angles, with logging data, typical geology and preliminary models of the main overburden sequence silcrete used as guides to develop stability sections. The analyses show that the stability of the slopes is significantly influenced by: ○ The weak shear strength of basal domains ○ The presence of cohesionless sand domains (‘running sands’) ○ The thickness and the spatial distribution of the various duricrusts in the overburden. Pit slopes were devised by AMC and have been field-tested via geotechnical investigation trenches recently completed at Mulga Rock. Pit slopes vary depending on the weathering zone and lithology as follows: Batter angles: 40 to 50 degree Berm width: 5 m Overall slope: 36 to 43 degrees • Subsequent to the determination of the above parameters, Vimy mined two small test pits to assess the geotechnical quality of the overburden and this new data will be incorporated into future designs. • Mining schedule: ○ The mining schedule is based on a processing plant with a nameplate capacity of 3Mlbs pa U_3O_8 production and a maximum annual waste movement of 45Mtpa ○ The schedule uses the MineMax software and based on the diluted model with Indicated Resource category only (no Measured Resource category material is currently present), with all Inferred Mineral Resources considered as waste during the pit optimisation and production scheduling process. ○ The schedule assumes effective operation of the mining fleet and is based on realistic utilisation estimates.

Criteria	JORC Code explanation	Commentary

	• *The mining dilution factors used.*
	• *Any minimum mining widths used.*
	• *The infrastructure requirements of the selected mining methods.*
		• Waste material from mining activities will be disposed by use of mine integrated land forms (i.e. waste dumps) with the bulk of the material being dumped back into used pit voids by way of strip-mining methodology. Growth medium will be managed appropriately.
		• Mining infrastructure: The proposed mining operation includes a number of overburden landforms, pit dewatering and process water holding dams, surface dewatering bores, light and heavy vehicle workshop facilities as well as technical (beneficiation and hydrometallurgical plants, power plant) and administration facilities.
		• The following design considerations were applied to general pit design:
		  ○ Pit design limited to the current granted mining lease boundary and provided surface exclusions zones
		  ○ A minimum mining width of 50m
		  ○ Mainly internal temporary ramps will be used to haul material, as well as to access the deepest portions of the pits.
		• The slope design parameters considered a dual haul road and common slope angles for all domains, with a single lane haul road designed to access the bottom levels of the pits.
		• Dilution, loss and recovery: Modifying factors associated with mining dilution and recovery were simulated by regularising the resource block model in order to achieve a better spatial representation of the mineralised zones within the mining areas.
		The process combines smaller sub-blocks or divides larger parent blocks within the resource model to derive mining unit, selected as 10 x 10 x 1m. The regularisation process incorporates ore loss and dilution at the edges of mineralisation. The selected SMU yielded the following global results:
		  Ambassador — Princess
		  Mining dilution — 19.5% — 15.3%
		  Ore loss (tonnes) — 8.6% — 5.3%
		  Ore loss (metal U_3O_8) — 4.5% — 3.4%
		  Mining recovery — 96.6% — 97.5%
		• Pit optimisations were carried out using Whittle Four-X pit optimisation software. Multiple optimisation runs were carried out to establish sensitivity to pricing, processing and mining costs, in order to derive the key drivers to the development of the mining process best suited to an economic extraction of the deposits. The effects on project ore tonnage, total tonnes mines and undiscounted cash flow were tested.

Criteria	JORC Code explanation	Commentary

		• A sensitivity analysis was run over the base case shell selected for parameter variance over variations of -20% to + 20% in 5% increments, investigating the following parameters:
		  ○ Mining cost
		  ○ Uranium price
		  ○ Processing cost
		  ○ Plant recovery
		  ○ Pit slope wall angle
		The Resource models for the Ambassador and Princess deposits were supplied by Vimy Resources and corresponded to the reported Mineral Resource reported to the ASX on 17 September 2015.
		The Ambassador Resource model is titled – ema_amb2015.dm
		The Princess Resource model is titled – ema_pr20141106.dm
		Regularisation of the resource models was carried out in order to achieve a better spatial representation of the mineralized zones for mining activities. Regularisation combines smaller sub-blocks or divides larger parent blocks within the resource model to form Selective Mining Units (**SMU**). The process uses a volume weighted average to combine the smaller resource model blocks into SMU blocks. A regularised block size of 10 m x 10 m x 1 m was used in the optimisation.
		Regularisation serves as a method for applying ore loss and dilution to the resource model.
		A minimum mining width of 50 m was applied to all pit designs.
		Appropriate service and supply infrastructure has been developed to support the selected mining method employed to recover the Ore Reserve. Details of this supporting infrastructure are detailed within the PFS (Amec Foster Wheeler), as announced on 17 November 2015.

Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.*	• Multiple mineralogical studies on representative ore samples have been performed, and continue to be performed by commercial labs. • Sufficient metallurgical test work has been undertaken to support a Pre-feasibility Study on the proposed process, including the operation of a pilot plant using bulk samples from three composites (Princess, Ambassador East and Ambassador West, see ASX announcement dated 14 July 2015). There are aspects of the proposed process flow sheet which still need to be assessed in the Feasibility Study and further test work is required to confirm metallurgical extractions and reagent consumptions, assisted by the operation of a semi-continuous pilot plant. • Each unit operation of the metallurgical process has been tested and proven to be technically feasible.

Criteria	JORC Code explanation	Commentary

	• *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*
	• *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.*
	• *Any assumptions or allowances made for deleterious elements.*
		• Metallurgical composite samples have been generated from representative core obtained from resource and dedicated bulk metallurgical drilling.
		• Metallurgical test work has been performed to assess the proposed flow sheet.
		• The proposed following treatment process is proposed:
		  ○ The run-of-mine (**ROM)** ore is hauled by truck to a semi-mobile beneficiation plant. The ROM ore is initially reduced in size via a mineral sizer before being presented to a logwasher. Once the ore is pulped, it is then subjected to beneficiation using conventional screening and a gravity circuits to separate the light uranium-bearing organic matter from the heavy medium to coarse-grained sands and gravels. For design purposes, it has been assumed that 60% of ROM feed is rejected during beneficiation for a 4% uranium loss. The final beneficiated slurry, which has been subsequently upgraded in uranium by approximately 2.5 times the original head grade, will be pumped to the main process plant for further treatment.
		  ○ The main process plant will receive beneficiated ore from the mine and then grind this feed to 80% passing 150µm using a SAG mill circuit. The milled ore will then be leached for around 4 hours at 60ºC using sulphuric acid at an addition of 30kg acid per tonne of leach feed.
		  ○ The leach discharge will then be pumped to a resin-in-pulp (**RIP**) circuit, with the slurry contacted with an ion-exchange (**IX**) resin to recover the uranium present in solution. Uranium will be stripped from the resin and precipitated from solution using hydrogen peroxide to generate a final uranyl peroxide or “yellowcake” product. The final uranium product will be washed, filtered and dried before being packed into steel drums for road transport via Kalgoorlie to Adelaide. Approximately 6 to 7 sea containers per month will be exported through the Port of Adelaide which has established infrastructure for the storage and shipping of yellowcake product.
		  ○ A final stage will involve further processing of the barren slurry from the uranium RIP circuit to recover the base metals still in solution. The slurry will be neutralised to pH ~4.0 using limestone resulting in a gypsum precipitate forming containing iron, aluminium and other impurities in the presence of the barren solids. The base-metal containing solution will be recovered using a counter current decantation (**CCD**) circuit and the solids discharged to tails. The recovered base metal solution will then be contacted with sodium sulphide to produce separate copper-zinc and nickel-cobalt mixed sulphide, high-grade precipitates. These products will be thickened, filtered, washed and packaged into 2 tonne bulk bags for shipment.
		• Based on an independent review of test work results by Amec Foster Wheeler the following overall metals recoveries from ore feed have been determined; 89.3% for uranium, 45% for copper, 71% for zinc, 57% for nickel and 54% for cobalt. The uranium is recovered independently of the base metals.
		• A small amount of uranium concentrate that has been produced in test work does not contain penalty concentrations of deleterious elements therefore no allowance is needed for deleterious elements.

Criteria	JORC Code explanation	Commentary
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• The Mulga Rock Project (**MRP**) Environmental Scoping Document (**ESD**) was approved on 26 February 2015 by the Western Australian Environmental Protection Authority. However, following the successful Scoping Study which was announced to the ASX on 6 May 2015, it was determined that the life-of-mine for the Project was likely to be longer than had been initially believed when the ESD was prepared and that it would be necessary to amend the ESD to reflect the longer duration associated with the proposal and the larger clearance area. • Vimy applied for approval under section 43A of the *Environmental Protection Act 1986* (**EP Act**) to change its proposal in a manner that was unlikely to significantly increase any impact on the environment. Vimy received approval for this s.43A request from the Chairman of the EPA on 4 December 2015. • Vimy also requested a variation to its referred action under section 156A of the *Environment Protection and Biodiversity Conservation Act 1999* (**EPBC Act**). Vimy received acceptance of this request from the delegate of the Minister in accordance with s.156B of the EPBC Act on 11 December 2015. • Vimy's PER document (Mulga Rock Uranium Project; Assessment No.1979), which had been revised to reflect the approved changes to the proposal under s.43A of the EP Act, was approved on 4 December 2015 for release for a twelve week public review period starting on 14 December 2015 and ending on 8 March 2016. Final Environment Ministerial approval is anticipated in Q3 CY2016.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• The Project is located 290km by road from Kalgoorlie, a well-established mining service town. • There is an existing and well maintained road from Kalgoorlie to within 40km of the Mulga Rock Project, which can support all logistical requirements such as transport of equipment, diesel, reagents and shipping of product to final points of delivery. • A newly commissioned natural gas transmission pipeline (East Goldfields Pipeline) operated by APA will also have spare capacity and may result in significant cost savings for the proposed mining operation. • Adequate land is available to construct the Project. • Preliminary proposals have been obtained from two established remote power suppliers. Both these companies have a proven track record within a 300km radius of the project location in supplying and operating remote build-own and operate (**BOO**) power stations using either diesel or natural gas. • Sufficient process water has been identified to support project development. Borefield pump tests have been carried out showing sustainable water extraction rates. Reinjection tests are planned for the Feasibility Study component of the project. • A remote accommodation and airstrip will be developed for the project, which can support a work force of approximately 330 staff and contractors. It is proposed for personnel to fly-in/fly-out from Perth, working on a 2 weeks on and 1 week off roster.

Criteria	JORC Code explanation	Commentary

Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.*	• All costs are based on budget pricing for major items from suppliers and in-house database of Amec Foster Wheeler and AMC Consultants as at the third quarter of 2015.
		• The capital cost estimate has an accuracy of +/- 25%.
		• Mine development capital costs were developed from a combination of inputs from AMC Consultants and Amec Foster Wheeler. The basis of the estimate was derived using the following information:
		  ○ Yearly mine schedule developed,
		  ○ Mining and ancillary equipment selection using vendor and industry benchmark data to achieve the required yearly waste and ore material movements,
		  ○ Mining equipment quotations from multiple vendors,
		  ○ Earthworks quantities determined from surface Lidar,
		  ○ Mine dewatering requirements derived from hydrogeological modelling,
		  ○ Heavy vehicle workshop facilities derived using mechanical equipment pricing and material take-offs from plant layout drawings.
		• Processing and infrastructure development capital costs have been estimated by Amec Foster Wheeler on the basis of:
		  ○ *Earthworks quantities determined from site layout drawings and surface Lidar.*
		  ○ *Concrete and structural quantities derived from site layouts and then applying unit rates obtained from budget quotations.*
		  ○ *A mechanical equipment list developed from the recommended process design criteria.*
		  ○ *Budget quotations obtained from single or multiple equipment suppliers.*
		  ○ *Accuracy provision or Growth Allowance of 14% of the direct capital cost has been calculated based on the level of engineering completed for each component of the Project.*
		  ○ *Project contingency allowance of 11% of directs was calculated using At Risk software on a line by line basis of the capital estimate and associated project execution risks.*
		  ○ *Project owner's costs estimated based on resourcing requirements for Vimy to manage the construction and commissioning phases of the Project.*

Costs	• *The methodology used to estimate operating costs.*	• The operating cost estimate has an accuracy of +/- 25%. • Mining operating costs have been estimated by AMC using first principles by establishing yearly waste and ore material movements and then applying unit mining rates determined for the selected mining equipment.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>

Equipment utilisations and maintenance costs have been included in the estimate and were derived based on equipment vendor information and industry benchmark data.
Additional costs associated with grubbing and clearing have been estimated on the required yearly clearance area for each deposit.
Drill and blast costs have been assigned to silcrete zones where its thickness is greater than 2 metres.
A diesel price of A$0.90/L has been assumed for the Project.
Processing and infrastructure operating costs have been estimated by Amec Foster Wheeler.
Reagent costs have been derived by determining the yearly usage using a mass and energy balance process model and then applying reagent unit pricing obtained from suppliers.
Power costs were calculated based on expected power draw from the mine, process plant and infrastructure and then applying a power tariff obtained from one of two potential power providers.
Labour requirements for the mine and processing plant were estimated based on existing operations of similar size and manning required for each work area.
Labour rates were based on a FIFO operation and benchmarked against remuneration databases provided by independent third party providers

</td></tr>
<tr><td></td><td>Allowances made for the content of deleterious elements</td><td>No allowance is made for deleterious elements since test work to-date on ore from Mulga Rock has not shown the presence of deleterious elements and the final yellowcake product is expected to meet converter specifications.</td></tr>
<tr><td></td><td>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.</td><td>

Vimy has utilised the prevailing spot copper, zinc, nickel and cobalt prices on a flat, real LoM basis. The spot metal prices were based on the final market closing price quoted by the LME on 1 September 2015 (see table below).

<table>
<tr><th>Basis</th><th>Copper Price US$/t</th><th>Zinc Price US$/t</th><th>Nickel Price US$/t</th><th>Cobalt Price US$/t</th></tr>
<tr><td>Real $</td><td>5,853</td><td>2,001</td><td>13,805</td><td>27,700</td></tr>
</table>

Uranium price is based on a consensus incentive price estimated to stimulate development of new uranium projects sufficient to meet a range of market demand forecasts. Uranium prices utilised were reviewed by an independent party (See PFS Release 17 November 2015) for reasonableness against various published independent commentary, long run price forecasts and peer presentations.

</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	• *The source of exchange rates used in the Study.*	• Certain cost items are subject to foreign exchange rate fluctuation. The exchange rates used in the estimates are as follows: ○ US$1.00 = A$1.310 A$1.00 = US$0.7635
	• *Derivation of transportation charges.*	• Transport charges for delivery of reagents have been obtained from supplier budget quotations • Transport and packaging of the final uranium product has been calculated using first principles based on FOB terms to the Adelaide container port facility. • Transport and packaging of mixed sulphide products has been calculated using first principles on FOB terms to Fremantle container port facility.
	• *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.*	• Revenue assumptions for the two separate base metal concentrates (Cu-Zn and Ni-Co) assumes sale terms of 75% London Metal Exchange (**LME**) pricing as of 1 September 2015. This reflects an anticipated high metal content and concentrates free of deleterious elements as a result of precipitation.
	• *The allowances made for royalties payable, both Government and private.*	• Western Australia Royalty of 5% has been applied on gross revenues from uranium and mixed sulphide production. • Resource Capital Finance Fund VI has secured a 1.15% royalty against all products produced by the project over the life of mine.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• A financial model has been developed for the MRP Pre-feasibility Study by AMEC Foster Wheeler. • The quantity of ore and head grade delivered to the mill each year is estimated using the optimised block model over the life-of-mine. • Metallurgical recoveries are then applied to the mine schedule to calculate final yearly production volumes. • Fixed and variable unit costs for mining on an A$/t waste or ore and A$/t ROM for processing have been applied to generate the annual operating cost for the Project. • Uranium price is based on the long term consensus incentive price to stimulate development of new uranium projects sufficient to meet a range of market demand forecasts. • Base metal prices provided in this study are based on the final market closing price quoted by London Metal Exchange (**LME**) at 1 September 2015. • Calculated metal production and supplied price decks have been used to generate production revenue numbers for the financial model.

Criteria	JORC Code explanation	Commentary
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The uranium market is currently in a surplus position largely as a result of strong low cost production growth from Kazakhstan coupled with the significant global demand shock following the Fukushima reactor incident in March 2011. • A significant future increase in nuclear generation capacity is expected to be driven by China with production targets for an increase from current operational capacity (22GW) to 58GW by 2020 with a further >30GW under construction at that time. The increase in Chinese capacity is consistent with growing Chinese energy demand and a recently stated emissions target for 20% of energy to be generated from non-fossil fuel sources by 2030 from 9.8% in 2013. • The increase in nuclear generation capacity will require a significant increase in uranium mine production. Under current uranium prices (spot US$34/lb and term US$44/lb) there is a lack of identifiable projects with the returns sufficient to justify new mine investment. As such, post the ramp up of Cigar Lake and Husab there is minimal new production growth expected in primary mine supply. Leading industry participants are highlighting around US$65/lb as a potential floor price for development of their higher quality projects in more stable jurisdictions. • No final uranium yellowcake product has yet been generated from Mulga Rock ore. Future metallurgical test work will generate typical final yellowcake product and checked against uranium converter specifications.
Economic	• *The inputs to the economic analysis to produce the net present value (**NPV**) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Amec Foster Wheeler performed an economic and financial review of the MRP using a range of uranium price scenarios and spot base metal prices as described above. A discounted cash flow model has been developed with a valuation date of July 2016. • Financial analysis of the project is based on a “100% equity” basis and the cost of capital is ignored. All results are inclusive of a 5% Western Australian Royalty and a 1.15% RCF VI Royalty entitlement as part of a A$30M funding package to Vimy as announced to the ASX on 17 August 2015. Results are on a pre-tax basis in A$, unless stated otherwise. Financial modelling is inclusive of all capital items including mining fleet, mining pre-strip, process plant, project infrastructure and LoM sustaining capital.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The table below shows the variance in NPV, IRR and project payback period for different uranium prices. The all-in breakeven uranium price for the project is US$50/lb U_3O_8 using a discount rate of 10%. Uranium prices were selected based on the breakeven price then arbitrarily increasing increments of 10$US/lb U_3O_8.
<table>
<tr><th rowspan="2">Item</th><th rowspan="2">Unit</th><th colspan="4">Uranium Price (US$/lb U_3O_8)</th></tr>
<tr><th>US$49.87/lb</th><th>US$55.00/lb</th><th>US$65.00/lb</th><th>US$75.00/lb</th></tr>
<tr><td>NPV_{10} (including royalties, pre-tax)</td><td>A$ M</td><td>0</td><td>146</td><td>431</td><td>716</td></tr>
<tr><td>IRR</td><td>%</td><td>10.0</td><td>15.7</td><td>25.1</td><td>33.6</td></tr>
<tr><td>Payback</td><td>Years</td><td>7.2</td><td>5.6</td><td>3.9</td><td>3.0</td></tr>
</table></td></tr>
<tr><td>Social</td><td>• The status of agreements with key stakeholders and matters leading to social licence to operate.</td><td>• The Mulga Rock Project Exploration and Mining Leases are located on unallocated Crown Land.
• No native title claims cover the Mulga Rock Project.
• All heritage matters are carried out in accordance with the WA Aboriginal Heritage Act 1972.
• The nearest population centre is Laverton, 220 km to the north, and the nearest business is the Tropicana Gold Mine located 110km northeast of MRP.</td></tr>
<tr><td>Other</td><td>• To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:
○ Any identified material naturally occurring risks.
○ The status of material legal agreements and marketing arrangements.
○ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-feasibility or Feasibility Study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</td><td>• No material naturally occurring risks have been identified.
• Mining and gas pipeline contract negotiations have not yet commenced. There are reasonable prospects to anticipate that commercially competitive contract terms will be achieved.
• A number of work programs are underway, or recently completed, including: infill resource drilling at Shogun and Ambassador West, trial pits at Ambassador and secure secondary approvals and complete pilot plant metallurgical testing of bulk samples collected within the Ambassador east and West deposits, with all results anticipated in the 3rd Quarter 2016.
• Project commissioning is targeted for 2018.
• There are reasonable grounds to expect that all necessary Government approvals will be received with the timeframes anticipated, however project approval may be affected by the Western Australian State electoral cycle.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Ore Reserves reported here are all classified as Probable as they are derived from Indicated Mineral Resources in accordance with the JORC Code (2012). There is no Measured Mineral Resources present at Mulga Rock. • The results of the Ore Reserve estimate reflect the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• Contributing reports have been reviewed by appropriate technical personnel.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Reporting of the Project Ore Reserve considers the Mineral Resources compliant with the JORC Code 2012 Edition, the conversion of these resources into an Ore Reserve, and the costed mining plan capable of delivering ore from a production schedule. • A technical mining study has been prepared at a level of accuracy of the order of ±25% and the mining modifying factors are at a level of confidence that would allow an Ore Reserve to be estimated in accordance with the JORC Code 2012. • The mine plan has been revised to support the Mineral Reserve estimate with updated open pit optimisation incorporating accepted product pricing and current project costs and operational parameters. The open pit optimisation underpinned revised mine staging, mine designs and mine production scheduling. • The Ore Reserve is the part of the Mineral Resource which can be economically mined by open cut mining methods. Dilution of the Mineral Resource model and an allowance for ore loss was included in the Ore Reserve estimate. All the Mineral Resources intersected by the open pit mine designs, classified as Indicated were classed as Probable Ore Reserves after consideration of all mining, metallurgical, social, environmental, statutory and financial aspects of the Project. • Non-mining modifying factors for the Ore Reserve estimate are drawn from contributions provided by various sources. Significant contributors to this report are identified in Table 5, together with their area of contribution.