

ASX ANNOUNCEMENT

31 October 2016

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

INTERIM DEBT FUNDING SECURED TO ADVANCE PROJECT ACQUISITION

Vector Resources Limited (“**Vector**” or the “**Company**”) is pleased to announce that it has executed an unsecured A\$300,000 loan facility with Perth based, 1620 Capital Pty Limited (“**Facility**”). The Facility will be used by the Company to fund working capital costs and due diligence costs associated with its proposed acquisition of a 70% interest in the advanced Maniema Gold Project (“**Project**”) located in the Maniema Province, in the Democratic Republic of Congo.

As previously advised (refer ASX Announcement dated 20 October 2016), the Company has elected to proceed with the acquisition of the Project following completion by its consultants of technical due diligence. The proposed acquisition, now remains subject only to finalisation of legal due diligence, which is well advanced, shareholder approval and completion of the Company’s proposed A\$1,650,000 capital raising.

The Facility, which is provided on an interest free basis, has been negotiated by the Company’s appointed Lead Manager, Sanlam Private Wealth Australia (“**Sanlam**”), and is repayable at the Company’s election in cash, or subject to receipt of all necessary shareholder approvals, convert into Shares in the Company.

The Company has previously announced that to complete the Project acquisition, and to fund its future exploration obligations on the Project and up-front cash consideration payments to the Project vendors, it is proposing a A\$1,650,000 Capital Raising of comprising:

- a) a non-renounceable pro-rata offer to existing Shareholders of one new Share for every Share held at an issue price of \$0.001 per new Share (“**Rights Issue**”) to issue up to 1,349,071,146 Shares to raise up to \$1,349,071 (before costs); and
- b) a placement at an issue price of not less than \$0.001 per Share, to sophisticated investors to raise an amount which is equal to A\$1,650,000 less the total amount raised pursuant to the Rights Issue (including any placement of the shortfall from the Rights Issue) (“**Placement**”).

It is proposed that the Facility will convert into Shares issued under the Placement.

The Company will shortly be despatching a Notice of Meeting to its shareholders seeking the relevant approvals to proceed with the proposed Project acquisition, and including amongst other things the issue of Shares in satisfaction of amounts drawn under this Facility.

In addition further information on the Company's proposed Rights Issue will also be sent out in an offer document, which will be mailed to eligible shareholders shortly after the Record Date has been determined.

Shareholders may view all the Company's ASX announcements, including those relating to the proposed acquisition of the Project and the Notice of Meeting and Rights Issue on the Company's website.

N J Bassett

Company Secretary

For further information, please visit www.vectorresources.com.au

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.