

ASX Announcement

30 September 2016

Early Settlement of Placement, with \$6.3 million raised

Vimy Resources Limited (**Vimy** or the **Company**, ASX:VMY) is pleased to advise that it has allotted 24,093,845 shares today under the Company's existing ASX Listing Rule 7.1 placement capacity, to new and existing institutional and sophisticated investors to raise \$6.3 million before costs.

On 23 September 2016, the Company announced that it had received commitments from new and existing institutional and sophisticated investors at \$0.26 per share to raise \$6.6 million with the funds to be received in two tranches:

- **Tranche 1** to raise \$3.5 million consisting of \$1.2 million from Resource Capital Fund VI L.P. (RCF) and \$2.3 million from institutional and sophisticated investors.
- **Tranche 2** to raise an additional \$3.1 million, consisting of \$0.3 million from institutional and sophisticated investors and \$2.8 million from RCF. The placement to RCF VI was subject to FIRB approval and no Vimy material adverse changes.

Early settlement of the majority of Tranche 2 has occurred as FIRB approval is not required. The Company still expects to receive \$0.3 million from institutional and sophisticated investors in the month of October 2016.

The Company has entered into a Subscription Agreement with RCF which includes:

- a right for RCF to nominate a representative to the Board of Vimy, for so long as RCF maintains a 10% shareholding interest; and
- an undertaking by Vimy to offer to RCF the right to participate in future equity fundraising initiatives by Vimy, so as to allow RCF to maintain its proportionate shareholding interest.

RCF have been issued a total of 15,384,615 new ordinary shares today and now hold a 13.3% interest in the Company. The balance of the shares issued today have been to new institutional and sophisticated investors.

The funds raised will be used to optimise the key technical inputs of the Mulga Rock Project prior to completion of the DFS, and to fast-track the bankability of the project, including offtake and project finance arrangements.

CEO and Managing Director, Mike Young said:

"Early settlement of the Placement allows us to start the important drilling program and fully investigate the bulk sample anomaly from the Ambassador test pits. We are once again very pleased to have RCF's ongoing support".

A handwritten signature in blue ink, appearing to read "M Young".

Mike Young
Managing Director and CEO

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About Vimy

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 AM – Chairman

Mike Young – CEO and Managing Director

Julian Tapp – Executive Director

David Cornell – Non-Executive Director

Mal James – Non-Executive Director

Andy Haslam – 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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