



ASX Announcement

10 March 2021

Vimy to acquire balance of Alligator River Project

Vimy Resources Limited (ASX:VMY, OTCQB:VMRSF) is pleased to announce that it has executed a binding term sheet with Rio Tinto Exploration Pty Limited (RTX) to acquire RTX's interest (20.89%) in the Wellington Range and King River Joint Venture at the Alligator River Project in the Northern Territory. This will result in Vimy holding 100% of the Alligator River Project on settlement through its wholly-owned subsidiary Viva Resources Pty Ltd.

Key Terms

- **Acquisition price of \$2 million to be fully satisfied by the issue of fully paid shares in Vimy**
- **Subject to certain future events, a further on-sale payment and/or uranium upside payment may be payable to RTX**
- **Vimy will hold 100% of the Alligator River Project on settlement**
- **The term sheet is subject to customary terms and conditions precedent**

The consideration is to be satisfied by the issue to RTX of that number of fully paid ordinary shares in Vimy calculated at a deemed issue price equal to a 10% discount to the volume weighted average price of Vimy's shares on the ASX over the ten-day period ending on the ASX trading day immediately prior to settlement.

An additional on-sale payment may be payable to RTX in the event that Vimy disposes of an interest in the Alligator River Project within three years from the date of settlement at an implied price (on a proportional basis) that is higher than the \$2 million paid for RTX's interest. RTX would receive 30% of any proportionate gain (over \$2 million) on any such on-sale by Vimy of an interest in the Alligator River Project. Secondly, a uranium upside payment is payable to RTX if the average daily spot price indicator of uranium exceeds US\$60/lb (of U₃O₈) over the last 180 days of the three-year period that commences on the settlement date. If satisfied, Vimy agrees to pay to RTX a further consideration amount equal to A\$1.1 million less the total on-sale payment(s) that may have been made during the three-year period.

Managing Director and CEO Mike Young said, *"The acquisition of the balance of the Alligator River Project is a very exciting step for Vimy as progressing new uranium project opportunities such as Alligator River is integral to providing the pipeline of supply considered vital for US utilities and emerging nuclear power countries.*

"We thank RTX for their joint venture support and continued interest in Vimy via the acceptance of shares as consideration. We are committed to progressing this project through further exploration and study work towards potential future development."



Conditions Precedent

The term sheet is subject to and conditional on the following conditions precedent being satisfied (or waived by Vimy):

- i) receipt of all relevant government and regulatory approvals or consents to give effect to the assignment and transfer of the Alligator River Project tenements to Vimy, including consent from the Northern Land Council and Ministerial consent under the Northern Territory Mineral Titles Act; and
- ii) receipt of the consent of Cameco Australia Pty Ltd (Cameco) to the acquisition and the termination of the joint venture agreement for the purposes of the “Combination Security Deed” entered into between Vimy and Cameco.

Mike Young
Managing Director and CEO

Tel: +61 8 9389 2700

Released for and on behalf of the Board of Vimy Resources Limited



About Vimy Resources

Vimy Resources Limited (ASX: VMY, OTCQB: VMRSF) 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 290km by road 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

Luca Giacobazzi
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 and vimyresources.com.au respectively.

Principal Place of Business

First Floor
1209 Hay Street
West Perth WA 6005

Postal Address:
PO Box 23
West Perth WA 6872

T: +61 8 9389 2700
F: +61 8 9389 2722
E: info@vimyresources.com.au

ABN: 56 120 178 949

Share Registry

Automic Group

T: 1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)
W: investor.automic.com.au
E: hello@automicgroup.com.au