



ASX Announcement

29 December 2021



Shareholder Approval – Issue of Director Shares and Options

Vimy Resources Limited (ASX:VMY, OTCQB:VMRSF) (**Vimy** or **Company**) advises, as part of its ongoing compliance review program, that it has identified ASX Listing Rule breaches associated with the award of shares and options to directors.

The shares were issued pursuant to the 2019 Vimy Salary Sacrifice Share Plan (**SSSP**) and the options issued pursuant to the 2019 Vimy Employee Option Plan (**Option Plan**). The SSSP and Option Plan were approved by shareholders on 13 August 2019.

Due to some unfortunate corporate compliance issues, the Company did not seek specific ASX Listing Rule 10.14 shareholder approval for the issue of shares and options to directors, over and above the approval received from shareholders of Vimy for the two equity incentive plans themselves.

The Company also failed to notify the ASX of the issue of options under the Option Plan (see announcement on 28 October 2021) and did not lodge appendices 3Y for directors participating in the Option Plan.

Upon identifying these errors, the Company immediately informed the ASX and has agreed to remedy the breaches by:

1. conducting an extensive review of its compliance procedures to ensure it does not continue to breach the Listing Rules;
2. seeking ratification of the issues made in breach of Listing Rule 10.14 at a general meeting of Vimy shareholders to be called no later 30 June 2022;
3. undertaking to ASX that the securities issued in breach of Listing Rule 10.14 which do not receive ratification from shareholders at the general meeting will be cancelled or selectively bought back;
4. imposing a holding lock and preventing the exercise of all securities issued in breach of Listing Rule 10.14 until the matter is dealt with under item 2 or 3 above; and
5. lodging appropriate appendices 3Y in relation to the issue of options to directors under the Option Plan.

The SSSP was introduced for employees and directors to sacrifice a portion of their cash remuneration for each financial year to be contributed towards the purchase of Vimy shares. The Company utilised the issue of shares under the SSSP to conserve its cash reserves. The number of shares to be issued is calculated quarterly and issued and “paid” at the start of each new financial year at a 15% discount to the calculated market price.

The Option Plan was adopted to enable the Company to secure and retain employees and directors who can assist the Company in achieving its objectives, by encouraging continued improvement in performance over time and by encouraging personal to acquire and retain securities in the Company.

The terms of the Option Plan required the option exercise price to be no less than 150% of the average market price of Vimy shares in the five days immediately prior to the offer of the options.



Vimy's Interim CEO, Steven Michael said:

"All securities issued under the SSSP and Option Plan were on fair and reasonable commercial terms and under plans approved by shareholders at the time. Shares and options were issued to Vimy staff on identical terms and these securities have been issued and vested.

Vimy has made changes to its management team and internal compliance processes and would like the ratification of the historic issue of shares and options to directors to be put to shareholders as soon as possible and will be lodging a Notice of Meeting in early January 2022.

The Board of Vimy holds its regulatory and compliance obligations in the highest regard and, as such, appointed a highly experienced Company Secretary, Shannon Coates, in October 2021."

The Company acknowledges the following issues were identified and notified to ASX:

1. The failure to seek shareholder approval pursuant to Listing Rule 10.14 for the issue of a total of 5,572,776 shares to directors on 13 July 2020 pursuant to the SSSP;
2. The failure to seek shareholder approval pursuant to Listing Rule 10.14 for the issue of a total of 3,858,404 shares to directors on 7 July 2021 pursuant to the SSSP;
3. The failure to seek shareholder approval pursuant to Listing Rule 10.14 for the issue of a total of 6,222,000 options to directors on 13 August 2019 pursuant to the Option Plan;
4. The failure to lodge appendices 3Y for each of Mr Young, Ms Edwardes and Mr Chamberlain in relation to the director option issues; and
5. The failure to notify ASX of the issue of a total of 19,790,000 options on 13 August 2019 comprising the director option issues plus 13,568,000 options issued to Vimy employees under the Option Plan.

Further details of share and options issued to directors under the SSSP and Option Plan are contained in Appendix A.

Steven Michael
Interim CEO

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



Appendix A – Details of Shares and Options Issued

For the financial years ended 30 June 2020 and 30 June 2021, the Company issued 16.42 million shares pursuant to the SSSP, of which 9.43 million shares were issued to directors of Vimy.

On 13 August 2019, the Company agreed to issue 19.79 million options of which 6.22 million were issued to directors. The options have an expiry date of 30 July 2022 and exercise price of 8.2¢ – a 150% premium to the average market price of Vimy share prior to the option issue of 5.45¢.

The following table details the shares and options issued to directors under the SSSP and Option Plan which are subject to shareholder approval:

Director	FY 2020 SSSP	FY 2021 SSSP	Option Plan
Ms Cheryl Edwardes	1,414,754	781,044	818,000
Dr Tony Chamberlain	565,901	312,418	364,000
Mr Michael Young ¹	3,458,869	2,146,406	5,040,000
Mr David Cornell ²	133,252	249,934	Nil
Mr Luca Giovacuzzi ³	Nil	368,602	Nil
Total	5,572,776	3,858,404	6,222,000

1. Ceased being a director on 30 August 2021

2. Ceased being a director on 22 November 2021

3. Ceased being a director on 23 July 2021



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 (100%), 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 wholly owns 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.

Vimy acknowledges the Traditional Custodians of the country on which we work and travel, throughout Australia, and respects their associated connections.

Directors and Management

The Hon. Cheryl Edwardes AM
Non-Executive Chairman

Wayne Bramwell
Non-Executive Director

Dr Tony Chamberlain
Non-Executive Director

Steven Michael
Interim Chief Executive Officer

Paula Arthur
Manager Approvals and ESG

Shannon Coates
Company Secretary

Scott Hyman
Vice President Sales and Marketing

Xavier Moreau
General Manager, Geology and Exploration

Matthew Owen
Chief Financial Officer

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.

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Towards Sustainable Mining®

Vimy has adopted an award-winning accountability framework which helps minerals companies evaluate, manage and communicate their sustainability performance.

Adopting the independently verified system will reinforce Vimy's commitment to continuous improvement in safety, environmental and social governance (ESG).

Committed to:



The amount of natural uranium produced from Mulga Rock (3.5Mlbs pa U₃O₈) if utilised in nuclear reactors which displaced coal-fired electricity would reduce carbon dioxide equivalent emissions by approximately

64 million tonnes



That is equivalent to **about 12%** of Australia's and **70%** of Western Australia's greenhouse gas emissions