



**VALOR
RESOURCES**

ASX Announcement

03 December 2021

ASX:VAL

GROUND GEOPHYSICS IDENTIFIES COPPER DRILL TARGETS SUPPORTING SURFACE MINERALISATION AT PICHA PROJECT, PERU

HIGHLIGHTS

- ▶ First three lines of Induced Polarisation (IP) survey completed with preliminary results indicating several potential drill targets:
 - ▶ 18% of the 57 line km IP survey completed
 - ▶ 70% of the 204 line km ground magnetic survey completed
- ▶ Geophysical anomalies show good correlation with surface copper mineralisation providing more support for depth potential
- ▶ Results from a further 93 surface samples pending following the completion of the surface sampling program
- ▶ Drill planning in progress with geophysical targets now being incorporated into program
- ▶ Drill permitting process underway with environmental studies and community engagement in progress

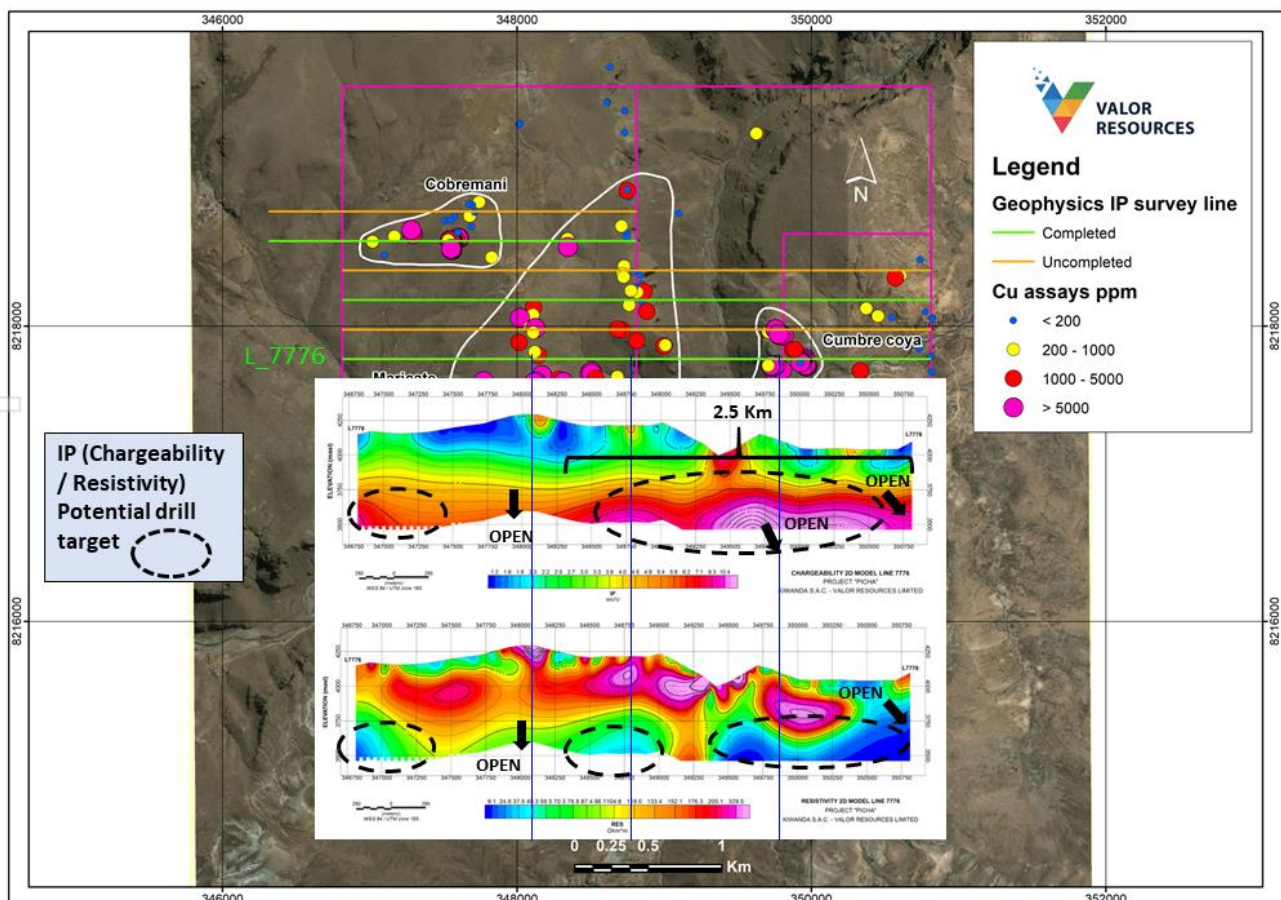


Figure 1: Picha Project IP survey section line L_7776 (aligned with plan view of surface geochemistry showing copper assay results)

Valor Resources Limited (“Valor” or the “Company”) is pleased to announce the commencement of a ground geophysical survey at the Company’s Picha Project in Peru. A ground magnetic and Induced Polarisation (IP) survey has commenced with the first three lines of the IP survey completed and 70% of the ground magnetic survey completed. Preliminary results have been received for the first three lines of the IP survey which have revealed chargeability anomalies at depth which correlate with surface mineralisation at the Cumbre Coya, Maricate and Cobremani target areas (see Figures 1, 2 & 3 – IP lines L_7776, L_8176 & L_8576).

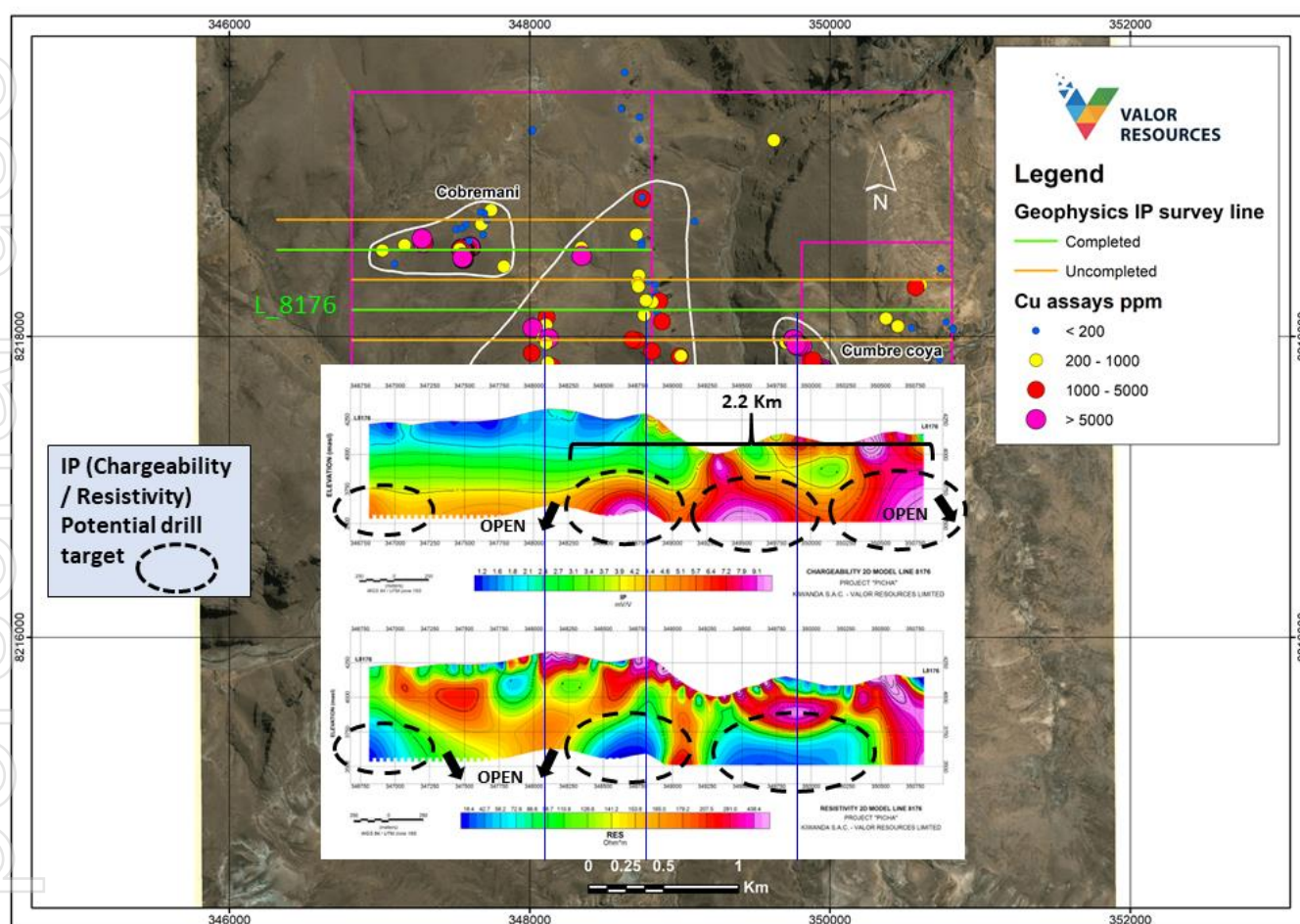


Figure 2: Picha Project IP survey section line L_8176 (aligned with plan view of surface geochemistry showing copper assay results)

Much of the surface mineralisation at Cumbre Coya and other targets is associated with chalcedony-opaline silica and quartz veins and this is supported by the IP survey which reveals several resistivity anomalies at surface which are coincident with surface mineralisation. Previous Valor ASX announcements have reported the details of the surface geochemistry results at the Picha Project (see VAL:ASX reports dated 2nd June 2021 titled “Peru Project Initial Assays Deliver High Grade Results, 11th October 2021 titled “Widespread significant copper mineralisation at Picha” and 4th November 2021 titled “Further High-Grade copper and silver mineralisation at Picha”).

Valor Executive Chairman, Mr George Bauk commented, “These preliminary results are significant as it indicates the potential at depth. The results that have been reported over the past 5 months have shown widespread copper-silver mineralisation over the 20km² Picha project. The new geophysical

survey data presented in this announcement shows geophysical anomalies at depth that correlate to surface mineralisation and geology”.

“The ground-based IP survey is only 18% complete and is expected to be completed by January 2022. The team will continue to undertake ground-based work to firm up drill targets for the project. Results to date are outstanding and we will continue to advance the project in 2022.”

“The team have done a solid job engaging with the local community on many fronts. We are employing 18 people from the local community to support the current ground-based geophysics program. The in-country team has also commenced the process to gain all the necessary approvals for drilling in 2022.”

“Copper is an essential commodity for the push to a zero carbon emission society and what better place to explore for copper than Peru which today is the 2nd largest producer of copper in the world.”

The planned IP survey comprises a total of 57 line km with 10.5 line km completed to date. The survey is initially being completed on 400m spaced lines in an east-west orientation and then infilled at 200m. The survey methodology is a pole-multidipole configuration, with dipole spacings of 100, 200, 300 and 400m. The survey is designed to reach a greater depth and is applicable to deep, low sulphide type targets. A ground magnetic survey is being carried out at the same time as the IP survey with a total of 204 line km planned. To date, 142.8 line km of the ground magnetic survey have been completed. The surveys are being conducted by Deep Sounding High Resolution Geophysics of Lima, Peru.

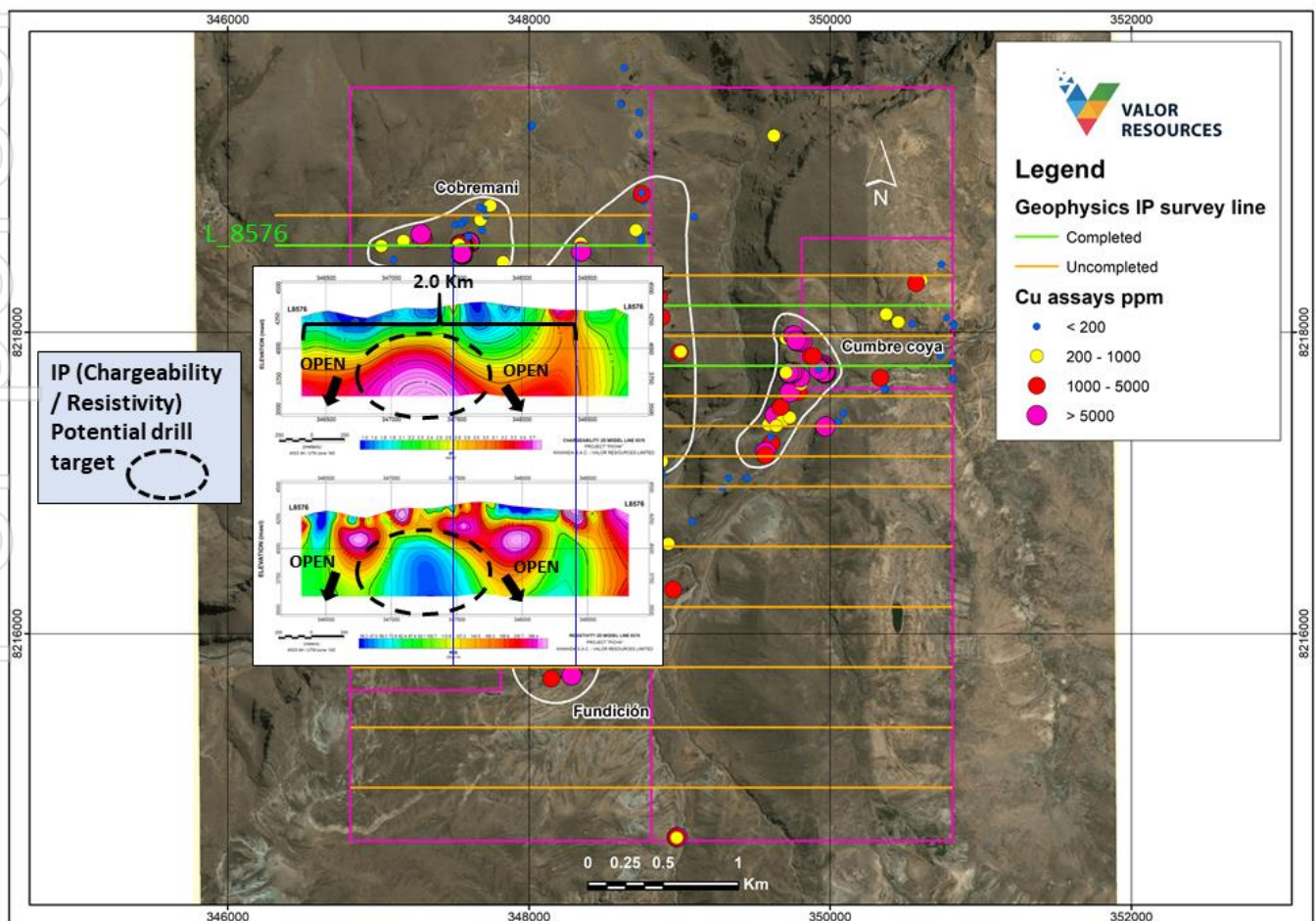


Figure 3: Picha Project IP survey section line L_8576 (aligned with plan view of surface geochemistry showing copper assay results)

This announcement has been authorised for release by the Board of Directors.

For further information, please contact:

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ASX: VAL/VALOB

ABOUT VALOR RESOURCES

Valor Resources Limited is an exploration company focussed on creating shareholder value through acquisitions and exploration activities. The Company is focussed on two key projects in Peru and Canada, as outlined below.

In Peru, Valor's 100% owned Peruvian subsidiary, Kiwanda SAC holds the rights to the Picha and Berenguela South Projects located in the Moquegua Department of Peru, 17km ENE of the Chucapaca (San Gabriel – Buenaventura) gold deposit. They are two copper-silver exploration projects comprising ten granted mining concessions for a total of 6,031 hectares.

In Canada, Valor is the 100% owner of the following interests:

- ▶ right to earn an 80% working interest in the Hook Lake Uranium Project located 60km east of the Key Lake Uranium Mine in northern Saskatchewan. Covering 25,846 hectares, the 16 contiguous mineral claims host several prospective areas of uranium mineralisation; and
- ▶ 100% equity interest in 19 contiguous mineral claims covering 62,233 hectares in northern Saskatchewan. The property is located 7km east of the former-producing Cluff Lake Uranium Mine and much of the project area is located within the Carswell geological complex that hosts the Cluff Lake Mine.
- ▶ Five additional projects within the Athabasca Basin with 100% equity interest in 12 mineral claims covering 10,512 hectares at the Surprise Creek Project, Pendleton Lake Project, Smitty Uranium Mine, Lorado Uranium Mine and the Hidden Bay Project.

COMPETENT PERSON STATEMENT

The information in this documents that relates to exploration results is based on information compiled by Mr. Gary Billingsley a Non-Executive Director of Valor, who is a member of The Association of Professional Engineers and Geoscientists of Saskatchewan in Canada. Mr. Billingsley has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr. Billingsley consents to the inclusion of this information in the form and context in which it appears.

Additionally, some of the information in this report that relates to exploration results is extracted from the ASX Announcements dated 2nd June 2021, 11th October 2021, and 4th November 2021 ("Announcements"). The Company confirms that it is not aware of any new information (including the new geophysical information presented in this report) or data that materially affects the exploration information included in the Announcements. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Announcements.

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JORC CODE, 2012 EDITION – TABLE 1 REPORT TEMPLATE

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	The Induced Polarisation (IP) and ground magnetics survey is being completed by Deep Sounding High Resolution Geophysics an independent geophysical contractor based in Lima, Peru. The survey methodology uses a Pole-multidipole configuration which optimises the depth penetration. A high-power Transmitter (10 Kw Walcer) is used, as well as Multichannel receivers in conjunction with a multiplexer box, which allows simultaneous readings of multiple dipole spacings with a single current injection per station. For each dipole spacing, 03-level measurements, with dipole spacings of 100, 200, 300 and 400 m. The potential cables used are 24-wire. For each station there is a minimum of two repetitions in the IP reads. IP receiver - A 32 Channels IP Receiver Model GRx8-32 is used which reads up to 32 channels simultaneously in poles or dipoles.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Not applicable – no sampling reported herein.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Not applicable – geophysical survey only.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Not applicable – no drilling completed.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Not applicable – no drilling completed.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not applicable – no drilling completed.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not applicable – no drilling completed.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Not applicable – no drilling completed.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Not applicable – no drilling completed.
	<i>The total length and percentage of the relevant intersections logged.</i>	Not applicable – no drilling completed.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable – no drilling completed.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable – no drilling completed.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Not applicable – geophysical survey only.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not applicable – geophysical survey only.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Not applicable – geophysical survey only.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Not applicable – no sampling reported herein.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Not applicable – geophysical survey only.
Quality of assay data and laboratory tests continued	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Not applicable – no assaying reported herein.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Not applicable – no assaying reported herein.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Internal verification of significant results by consultant geophysicist
	<i>The use of twinned holes.</i>	Not applicable – no drilling completed.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All data checked by responsible in-country geologist and digitally transferred to Perth office.
	<i>Discuss any adjustment to assay data.</i>	Not applicable – no assaying reported herein.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Not applicable – geophysical survey only.
	<i>Specification of the grid system used.</i>	The grid system used is WGS84 UTM Zone 19S. All reported coordinates are referenced to this grid
	<i>Quality and adequacy of topographic control.</i>	Topographic control is considered adequate for early-stage exploration.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	IP survey lines initially 400m apart to be infilled to 200m in second stage of survey. Dipole spacings of 100m, 200m, 300m and 400m.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Not applicable – no Mineral Resource estimation.
	<i>Whether sample compositing has been applied.</i>	Not applicable – no sampling reported herein.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Not applicable – no sampling reported herein.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Not applicable – no drilling.
Sample security	<i>The measures taken to ensure sample security.</i>	Not applicable – no sampling reported herein.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Not applicable for early-stage exploration

SECTION 2 REPORTING OF EXPLORATION RESULTS (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Picha project comprises Mining Concessions Picha 2, Picha 3, Picha 7 and Leon 3, which are 100% owned by Kiwanda S.A.C, a wholly-owned Peruvian subsidiary of Valor Resources. The Picha project is located 127km SW of the City of Juliaca, in southern Peru, and near the village of Jesus Maria in the San Antonio de Esquilache district, province of Sanchez Cerro and the Moquegua department.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area	All mining concessions are currently granted and in good standing with no known impediments.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Exploration was previously completed on the Picha project area by several companies including Minera Teck Peru S.A., Minera del Suroeste S.A.C, Maxy Gold Corp and most recently Lara Exploration Ltd. These companies completed surface geochemical sampling and geophysics, including an Induced Polarization survey. Lara Exploration and Maxy Gold Corp proposed drilling programs to test the five target areas, but the drilling was never implemented.
Geology	Deposit type, geological setting and style of mineralisation.	Picha mineralisation is considered similar to other copper-silver stratabound deposits in Peru and Chile hosted mainly in andesitic volcanics. Further exploration work is required to test this model. The project area is covered mostly by andesite lava flows, basaltic andesites, tuffs and agglomerates of the Tacaza Group. These rocks are unconformably overlain by lacustrine sediments made up of sandstones, limolites, shales, limestones and some intercalations of andesites, rhyolites and reworked tuffs of the Maure Group of Miocene age. While most of the copper mineralisation is hosted by the Tacaza Group, some copper mineralisation also reaches the level of the Maure Group rocks.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 	Not applicable – no drilling completed.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable – no drilling completed.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.	Not applicable – geophysical survey only.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not applicable – geophysical survey only.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents reported – geophysical survey only.

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Not applicable – no drilling.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Not applicable – no drilling.
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Not applicable – no drilling.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures above in body of text.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Preliminary results from first three completed IP lines reported herein. Remaining lines of survey still in progress and will be reported at a later date once completed.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Geochemical surface data shown above was reported in previous Valor Resources ASX announcements (detailed in report). The ground geophysics program currently underway is the first geophysical survey conducted by Valor Resources at the Picha project.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Further work on the project will include the following: <ul style="list-style-type: none"> • Completion of IP and ground Magnetic survey – interpretation of results. • Interpretation of further geochemical surface sampling assay results to define the extent of mineralisation • Geological modelling to aid in drill target definition • Define drill targets based on the above work and implement a diamond drill program.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to Figures above in body of text.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Not applicable.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

Not applicable.