



ASX Announcement

13 December 2021

Mulga Rock Operational Update

Vimy Resources Limited (ASX:VMY, OTCQB:VMRSF) (**Vimy** or **Company**) is pleased to provide an operational update on the Mulga Rock Uranium Project (**Mulga Rock**).

Since the Company notified the relevant authorities of substantial commencement, significant project activities have continued and another major milestone has been achieved at Mulga Rock including:

- **Approval of the Mulga Rock Project Operational Radiation Management Plan;**
- **Commencement of mining activities** – with excavation of the Ambassador North pit ramp underway;
- **Water pipeline construction** – on-site HDPE pipe extruder commenced the Kakarook North pipeline;
- **Sandhill Dunnart camera trapping and conservation plan** – continuing and on target; and
- **Optimisation Ion Exchange test work** – delivers results above expectations.

Vimy's Executive Director and CEO, Steven Michael said:

“Commencing the starter pit at Ambassador North is another proud moment for the team and a milestone in the development of Western Australia’s first uranium mine. The on-site project team’s professionalism and technical support from the Perth team have delivered Vimy to this point and I want to congratulate them all.”

The Vimy development team’s prime focus is advancing Mulga Rock to the next development milestone and in parallel our exploration team is planning to kick off exploration at our Alligator River project in the new year. These are exciting times for Vimy and new appointments to our team will be announced soon to increase our capacity to deliver value to our shareholders.”



Figure 1 – Breaking ground at Ambassador North pit (11 December 2021)

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Mulga Rock Operational Radiation Management Plan and Commencement of Mining

Vimy has received approval from the WA Department of the Mines, Industry Regulation and Safety (**DMIRS**) for the Mulga Rock Project Operational Radiation Management Plan (**ORMP**). The grant of the ORMP allows Vimy to initiate mining activities and overburden removal in accordance with the approval Mining Proposal (see announcement on 1 October 2021).

Excavation of the Ambassador North pit ramp has now commenced.



Figure 2 – Ambassador North pit ramp looking north



Figure 3 – Ambassador North pit ramp looking south



Polyline Pipe Solutions HDPE extrusion

Last week, PPS (<https://www.ppsltd.com.au/>) mobilised its unique mobile HDPE pipe extruding system to Mulga Rock. PPS's technology removes the need to haul large quantities of pipe to site and instead manufactures directly from its mobile MPX630 pipe extruding system, minimising welding requirements, associated loss of efficiency and potential failure points.

PPS will initially produce and lay ~8.5 kilometres of black DN400 PN10 HDPE pipe in 500m lengths, representing stage-one of a total pipeline length of 32.5 kilometres from the future processing plant site to the Kakarook North borefield.

Both Vimy and PPS share a commitment to the highest standards of environmental, social and governance (ESG) practices in their operations. By recycling water and heat, reducing trucks on the road and double handling of pipe sections, PPS's MPX technology has the potential to deliver a more sustainable solution and lower environmental footprint.



Figure 4 – PPS Extruder First HDPE pipe extruded at Ambassador (8 December 2021)



Figures 5 – HDPE pipe extruded at Ambassador (9 December 2021)



Sandhill Dunnart Conservation Plan

As discussed in the announcement to the ASX dated 26 November 2021, Vimy is implementing a Sandhill Dunnart Conservation Plan (SDCP). The SDCP is designed to reduce the threat posed by feral animals to the sandhill dunnart, a small marsupial that inhabits isolated sandy arid and semi-arid areas. In accordance with Vimy's approval process under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (EPBC), Vimy has engaged highly experienced consultancy GHD Group to prepare the required SDCP.

The Sandhill Dunnart monitoring program relies on a network of 50 motion-triggered cameras deployed within the SDCP defined area to monitor the presence of sandhill dunnarts, similar critical weight range mammals and feral animals – it represents an extension of the extensive camera trapping programs and associated trapping protocol for small mammals for which Vimy Resources was short-listed for a Golden Gecko environmental award.

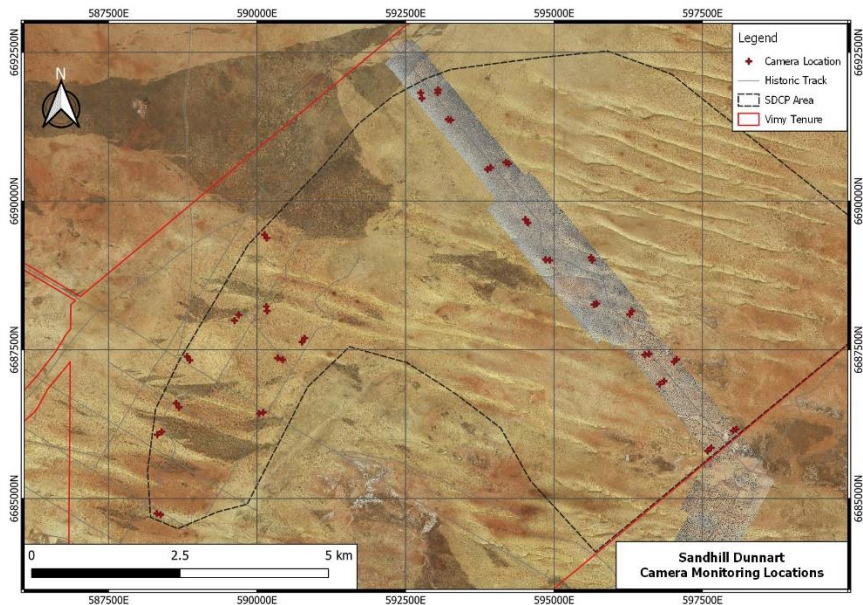


Figure 6 – Location map of the SDCP camera sites



Figure 7 – Example of camera trap layout (November 2021, photographs courtesy of GHD Group)



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Remote motion-triggered cameras are a cost effective, fauna friendly and efficient means of collecting presence/absence data over an extended timeframe.

Data gained from this monitoring program will be used in conjunction with the SDCP to manage predators or threats to the Sandhill Dunnart within the defined area.

Vimy expects the SDCP to be submitted to the Commonwealth for approval in January 2022 and approval of the SDCP will allow Vimy to commence construction of the Mulga Rock airstrip.

Process Optimisation - Ion Exchange (IX) Testwork

As part of the Company's commitment to process optimisation, the IX testwork underway at ANSTO Minerals facilities has delivered results above expectation with regards to loading and stripping (elution) of uranium on the Strong Base Anion resin being tested (see further details in announcement to the ASX dated 6 September 2021).

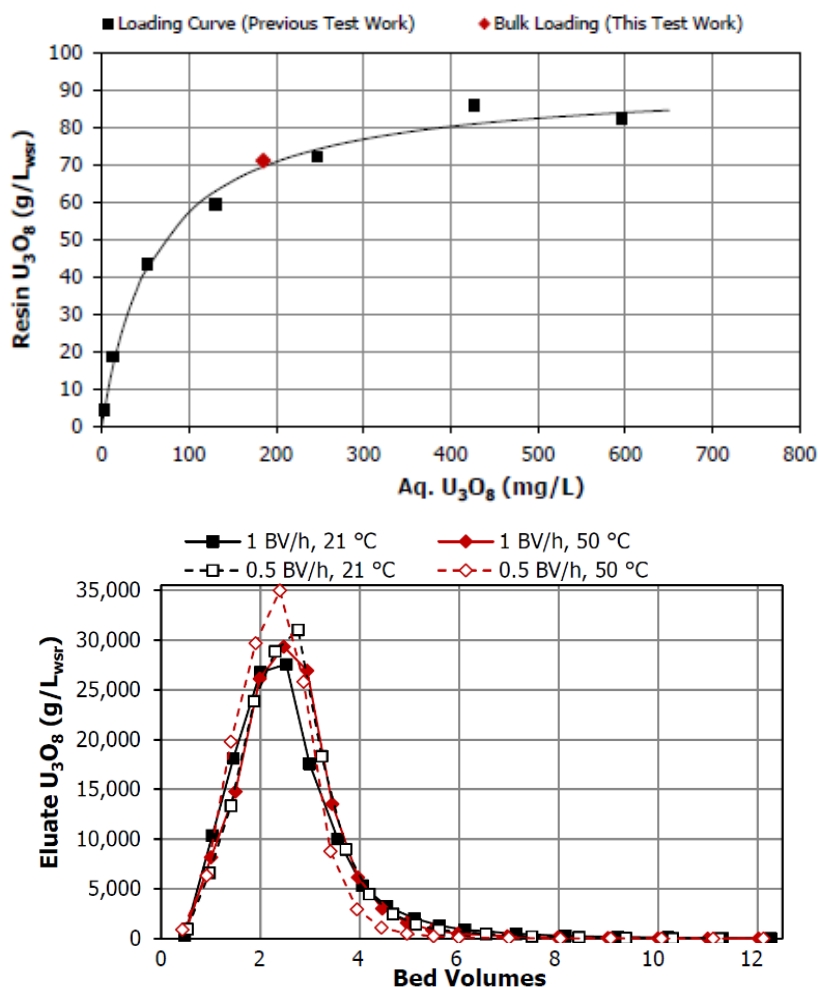


Figure 8 – Bulk loading and elution optimisation tests (ANSTO Minerals)

A bulk loading test completed in the current test program compares favourably with the batch tests reported in that announcement.



A separate set of elution tests using ANSTO Minerals elution technology has shown further improvements with 99.7% elution of uranium achieved in 10 Bed Volumes (BV) and residual resin loading of ~0.2 g/L_{WSR}, under base conditions. Test conditions of 0.5 BV/hr flow rate and 50°C delivered an average eluate concentration of 16 g/L U₃O₈, a circa eight-fold improvement on the 2018 DFS process design criteria.

These results will inform the elution plant design and a pilot plant program planned to commence in 1Q 2022 at ANSTO Minerals facility in New South Wales.

Looking Forward

Vimy expects to provide the following updates over the next few months:

- Alligator River (NT, Vimy 100%) project update;
- Great Victoria Desert (WA, Vimy 100%) project update;
- Management and Board appointments; and
- Strategic Review Process update.

Steven Michael
Executive Director & CEO

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



Prior ASX announcements relevant to the Mulga Rock uranium process plant

Date	Title	Component
6 September 2021	<i>Mulga Rock Project - Positive results from metallurgical optimisation testwork</i>	Mechanical tests Loading tests Elution tests Implications for continuous operation Next steps
26 August 2020	<i>DFS Refresh significantly improves Mulga Rock Project economics</i>	DFS Refresh Uranium market Implementation timeline Future opportunities
30 January 2018	<i>Mulga Rock Project Definitive Project Feasibility Study confirms world-class uranium project</i>	DFS Executive summary Key project physical and financial metrics Uranium Mineral Resources and Ore Reserve Mining Process flow sheet (uranium and base metals) Metallurgical Piloting (uranium and base metals) Infrastructure and logistics Project implementation plan Capital cost estimate Operating cost Uranium market Financial evaluation
4 September 2017	<i>Major Ore Reserve update – “Moving to the go line”</i>	Maiden Proved Ore Reserve Ore Reserves update Updated Project economics
12 July 2017	<i>Significant uranium resource upgrade – Mulga Rock cracks 90Mlbs</i>	Uranium Mineral Resource update
6 March 2017	<i>Vimy’s Project approved by Federal Minister</i>	Commonwealth environmental Ministerial approval of Mulga Rock Project, subject to conditions
19 December 2016	<i>Vimy’s Project approved by WA Government</i>	State environmental Ministerial approval of Mulga Rock Project, subject to conditions
23 June 2016	<i>Significant resource upgrade for Mulga Rock Project</i>	Uranium Mineral Resources
17 November 2015	<i>Pre-feasibility study reaffirms Mulga Rock Project as one of Australia’s leading undeveloped uranium projects</i>	Pre-feasibility study for the Mulga Rock Project (uranium and base metals) Physical and financial metrics Diluted Mineral Inventory Metallurgical Processing Capital and Operating costs estimate Project financial analysis Project development schedule

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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
Executive Director & CEO

Paula Arthur
Manager Approvals and ESG

Shannon Coates
Company Secretary

Scott Hyman
Vice President Sales and Marketing

Xavier Moreau
General Manager, Geology and Exploration

Martin Nicholson
Chief Operating Officer

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:

ESG

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