



VALOR COMPLETES HEAVILY OVERSUBSCRIBED PLACEMENT TO RAISE A\$3.4 MILLION

HIGHLIGHTS

- ▶ The Company has secured commitments for a A\$3.4m placement via CPS Capital.
- ▶ Proceeds from the Placement will be used to undertake:
 - ▶ exploration activities at the Company's Peru Picha Project;
 - ▶ non-exploration expenses for the Canadian Projects; and
 - ▶ for general working capital purposes.
- ▶ Interpretation of 2021 exploration activities being finalised including drill plan targeting a September quarter start date.

Valor Resources Limited (ASX: VAL) ("Valor" or the "Company") is pleased to announce that it has successfully completed a bookbuild and secured commitments from existing and new high net worth investors to subscribe for 309,090,090 new fully paid ordinary shares in the Company (**New Shares**) at a price of A\$0.011 per New Share to raise proceeds of A\$3.4 million (**Placement**) before costs. The placement was arranged and managed by the Company's Broker, CPS Capital Group Pty Ltd ("CPS").

USE OF PROCEEDS

The funds raised in the Placement allow for the Company to continue to undertake exploration activities at the Company's Peru Picha Project, to fund non-exploration expenses for the Canadian Projects and for general working capital purposes. Funds were raised in the Company's recent flow through funding in November 2021 for its Canadian projects. The Company is now well funded for all of its projects in Canada and Peru.

Valor's Executive Chairman, George Bauk, said: "This funding provides the Company with the ability to progress both the Canadian Uranium projects and the Peruvian Picha Copper / Silver Project. In December the Company raised A\$5.4m through the Canadian Flow Through Scheme for direct exploration expenditure on the Canadian Uranium exploration portfolio.

"The Company has commenced drilling and is planning an airborne gravity survey in April on the Hook Lake Project. At Cluff Lake, data compilation is well advanced along with permitting allowing for exploration to commence in the June Quarter. At the other 5 Uranium projects in the Athabasca Basin, data compilation has commenced. This week Cameco announced plans to recommence mining at its McArthur River/Key Lake operations by 2024."

“2021 was an exciting time for the Company at its Picha Project. During the year, many samples were taken along with a detailed mapping program over the entire 20km² project area. The year was completed with an IP and ground based magnetic survey and this along with the other data collected will be compiled into an interpretation with proposed drilling to be undertaken in the September Quarter. Permitting is progressing well and in the past week we commenced environmental studies on the project area. As recently announced, we have also increased our land holding from 20km² to over 200km². Whilst we are finalising our plans for the upcoming drilling program, we will commence exploration activities on the recently granted concessions surrounding the Picha Project.”

PLACEMENT DETAILS

The New Shares will be issued utilising Valor’s placement capacity under Listing Rule 7.1A and accordingly no shareholder approval is required in connection with the Placement. The New Shares will rank equally with the Company’s existing fully paid ordinary shares.

The New Shares will be issued at A\$0.011 which represents a 21% discount to the last closing price of Valor shares on 9 February 2022 of A\$0.014 per share and a 23% discount to the 15-day volume weighted average price of Valor shares to 9 February 2022 of A\$0.0142 per share.

The New Shares issued under Listing Rule 7.1A will be issued to sophisticated investors under a placement and not a pro-rata issue as it was considered to be the most efficient mechanism for raising capital for the Company at this time.

CPS acted as advisor to the Company under a corporate advisory mandate. Under the mandate, CPS will receive a Corporate Advisory fee of \$6,000 per month for a minimum term of twelve months and a 2% Management fee and 4% Placement Fee of funds raised under the Placement. In addition, CPS (or Nominee) will receive 51,000,000 unlisted options exercisable at A\$0.02 with an expiry date of two years from the date of issue (New Options) for managing and arranging the Placement, to be issued on the terms and conditions set out in this announcement below. The New Options will be issued utilising Valor’s placement capacity under Listing Rule 7.1 and accordingly no shareholder approval is required in connection with the New Options.

CPS’s Managing Director, Mr Jason Peterson said: “We are proud to continue our association with Valor and are pleased to have arranged the funding, and to see the placement was in such high demand, to enable the Company to fund its exploration activity to potentially add substantial value for shareholders.”

An Appendix 3B Proposed Issue of Securities has been lodged with the ASX.

This is the ASX announcement referred to in the Trading Halt request lodged with the ASX on 9 February 2022.

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

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ASX: VAL

ABOUT VALOR RESOURCES

Valor Resources Limited (ASX:VAL) (“Valor” or “the Company”) is an exploration company focused on creating shareholder value through acquisitions and exploration activities. The Company is focused on two key projects as outlined below in Peru and Canada.

Valor’s 100% owned Peruvian subsidiary, Kiwanda SAC holds the rights to the Picha and Corona 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 nineteen granted mining concessions for a total of 13,830 hectares (138km²).

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.

TERMS OF NEW OPTIONS

Entitlement	<ul style="list-style-type: none"> (a) Each New Option will entitle the holder to subscribe for one Share. (b) All Shares issued upon the exercise of the New Options will rank equally in all respects with the company's existing Shares.
Exercise price	<ul style="list-style-type: none"> (a) Each New Option shall entitle the holder to acquire one Share upon payment of an amount equal to A\$0.02 per Share (Exercise Price).
Exercise of Options	<ul style="list-style-type: none"> (a) The New Options will expire at 5.00pm WST on 21 February 2024 (Expiry Date). (b) The New Options may be exercised, in whole or in part, at any time prior to the Expiry Date, by completing and delivering a duly completed form of notice of exercise to the registered office of the Company together with the payment of the Exercise Price in immediately available funds for the number of Shares in respect of which the New Options are exercised. (c) A New Option not exercised on or before the Expiry Date will lapse. (d) Shares issued pursuant to the exercise of New Options will be issued, and a holding statement or Share certificate provided to the holders of New Options in respect of those Shares, on the above terms and conditions not more than 5 business days after the receipt of a duly completed form of notice of exercise and the Exercise Price in immediately available funds in Australian dollars in respect of the New Options exercised.
Quotation	<ul style="list-style-type: none"> (a) Application will not be made to ASX for quotation of the New Options. (b) Provided the Company is listed on ASX at the time, application will be made for quotation of the Shares issued upon exercise of New Options not later than 5 business days after the date of issue. (c) If required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if such a notice delivered is for any reason not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
Transfer	The Options are transferable.
Participation and entitlements	<ul style="list-style-type: none"> (a) There are no participating rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the New Options. (b) However, the Company must give notice to the holders of New Options of any new issue before the record date for determining entitlements to the issue in accordance with the listing rules so as to give holders the opportunity to exercise their New Options before the date for determining entitlements to participate in any issue.

**Reorganisation
of share capital**

In the event of a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of holders of New Options shall be changed to the extent necessary to comply with the Corporations Act and the ASX listing rules applying to a reorganisation of capital at the time of the reorganisation.

Bonus issue

If, from time to time before the expiry of the New Options, the Company makes a pro-rata issue of Shares to Shareholders for no consideration, the number of Shares over which a New Option is exercisable will be increased by the number of Shares which the holder would have received if the New Option had been exercised before the date for calculating entitlements to the pro-rata issue.

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