

Notice of Annual General Meeting and Explanatory Statement

Date: Thursday, 26 November 2020

Time: 11.00 am (WST)

Location: Conference Room
Royal Perth Golf Club
Labouchere Road
South Perth WA 6151

**THIS IS AN IMPORTANT DOCUMENT
WHICH REQUIRES YOUR ATTENTION.**

IN IT YOU WILL FIND:

1. Notice of Annual General Meeting;
2. An Explanatory Statement containing information about the resolutions to be considered at the Annual General Meeting; and
3. A Proxy Form (loose leaf). If you are unable to attend the Annual General Meeting, please consider completing the Proxy Form enclosed and returning it in accordance with the instructions set out on that form.

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of the Company will be held at the Conference Room, Royal Perth Golf Club, Labouchere Road, South Perth on Thursday, 26 November 2020 at 11.00am (WST).

Business of the Meeting

ORDINARY BUSINESS

ACCOUNTS AND REPORTS

To receive and consider the financial statements and the Directors' Report and the Auditor's Report for the year ended 30 June 2020.

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2020 as set out in the 2020 Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Chairman of the meeting intends to vote all available proxies in favour of this Resolution.

Voting prohibition:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of those persons.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the person chairing the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the person chairing the meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 2: ELECTION OF DIRECTOR – LUCA GIACOVAZZI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Luca Giacobazzi, a Director who was appointed as an additional Director on 19 October 2020, retires, and being eligible, is elected as a Director."

RESOLUTION 3: RE-ELECTION OF DIRECTOR – THE HON. CHERYL EDWARDES AM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 14.2 of the Constitution and for all other purposes, The Hon. Cheryl Edwardes AM, a Director, retires by rotation, and being eligible, is re-elected as a Director."

RESOLUTION 4: RATIFICATION OF SHARES ISSUED PURSUANT TO JUNE 2020 PLACEMENT – ASX LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue of 91,834,730 Shares at \$0.036 per Share to new and existing institutional and sophisticated investors arranged by KG Capital Partners Pty Ltd, as further detailed in the Explanatory Statement."

Voting exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely, the participants in the Placement) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5: RATIFICATION OF SHARES ISSUED PURSUANT TO JUNE 2020 PLACEMENT – ASX LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue of 60,943,048 Shares at \$0.036 per Share to new and existing institutional and sophisticated investors arranged by KG Capital Partners Pty Ltd, as further detailed in the Explanatory Statement."

Voting exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely, the participants in the Placement) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

SPECIAL BUSINESS

RESOLUTION 6: APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the Company's issued capital (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

BY ORDER OF THE BOARD

Marcel Hilmer
Company Secretary
19 October 2020

Important Notes for Shareholders

These notes and Explanatory Statement form part of the Notice.

Shareholders should read this Notice and the Explanatory Statement carefully before deciding how to vote on the Resolutions set out in the Notice.

EXPLANATORY STATEMENT

The Explanatory Statement provides additional information on matters to be considered at the AGM and, together with the Proxy Form, forms part of the Notice and should be read in conjunction with it. Terms and abbreviations used in the Notice and the Explanatory Statement are defined in the Explanatory Statement.

REQUIRED MAJORITIES

Resolutions 1 to 5 are **ordinary resolutions** and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on these Resolutions. Resolution 1 is non-binding.

Resolution 6 is a **special resolution** and will be passed only if supported by at least 75% of the votes cast by Shareholders entitled to vote on this Resolution.

ENTITLEMENT TO VOTE

The Directors have determined a 'snapshot time' pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the AGM are those who are registered as Shareholders at **4.00 pm (WST) on Tuesday, 24 November 2020**.

HOW TO VOTE

You may vote by attending the Meeting in person or by proxy, attorney or authorised representative.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and at the place set out in the Notice.

APPOINTMENT OF PROXIES

A Shareholder who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote at the Meeting. A Shareholder entitled to cast two or more votes may appoint one or two proxies and may specify the proportion of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy may be, but need not be, a Shareholder and can be an individual or a body corporate. **YOUR PROXY FORM IS ENCLOSED (AS A LOOSELEAF) WITH THIS NOTICE.**

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice as soon as possible in accordance with the instructions provided prior to **11.00am (WST) on Tuesday, 24 November 2020**, being not less than 48 hours prior to the commencement of the Meeting. Proxy forms received later than this time will be invalid.

When the Proxy Form is executed under a power of attorney, the power of attorney must be lodged in the same way as the Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the AGM in person.

Shareholders and their proxies should be aware that, if proxy holders vote, they must cast all directed proxies as directed and any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

BODIES CORPORATE

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of the Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body corporate could exercise at a meeting or in voting on a Resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

ENQUIRIES

All enquiries in relation to the contents of the Notice should be directed to Mr Marcel Hilmer on +61 (08) 9389 2700

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM to be held at the Conference Room, Royal Perth Golf Club, Labouchere Road, South Perth WA 6151 on Thursday, 26 November 2020 at 11.00 am (WST).

You should read this Explanatory Statement in full before making any decision in relation to the Resolutions. If Shareholders are in doubt about what to do in relation to the Resolutions, they should consult a financial or other professional adviser.

There are six Resolutions to be put at the AGM. Certain voting exclusions and prohibitions are imposed by the ASX Listing Rules and the Corporations Act in relation to the Resolutions as detailed in the accompanying Notice.

The Chairman of the Meeting intends to vote all undirected proxies in favour of each Resolution.

1. ACCOUNTS AND REPORTS

The Corporations Act requires the Company to lay before the AGM the 2020 Annual Report, the declaration of the Directors, Directors' Report, the Remuneration Report and the Auditor's Report for the financial year ended 30 June 2020.

No resolution is required for this item. This item of business is intended to provide an opportunity for Shareholders to raise questions on the Directors' Report, the Remuneration Report and the Auditor's Report for the year ended 30 June 2020 and on the performance of the Company generally.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Company's 2020 Annual Report. The Remuneration Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and specified executives of the Company;
- deals with the link between the Board's policies and the Company's performance;
- sets out remuneration details for each Director and specified executive of the Company; and
- makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM. Under section 250R(2) of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to the vote. This item is included for advisory purposes only and any vote taken at the AGM does not bind the Directors or the Company.

The Board of Directors unanimously recommends that Shareholders vote in favour of this Resolution.

At the Company's previous annual general meeting held in 2019, the votes cast against the remuneration report considered at that annual general meeting were less than 25%.

3. RESOLUTION 2: ELECTION OF DIRECTOR – LUCA GIACOVAZZI

3.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Luca Giacobazzi, having been appointed by other Directors on 19 October 2020 as a Non-Executive Director in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Luca is the Head of Wyloo Metals, a company of the Forrest family's private investment group Tattarang (formerly the Minderoo Group). Wyloo Metals manages a diverse portfolio of wholly-owned exploration projects and cornerstone investments in both public and private companies. Formerly of Credit Suisse, Luca has successfully completed numerous metals and mining transactions over the course of his career both domestically in Australia and internationally. Luca holds a Bachelor of Commerce (Chartered Accounting) from the University of Johannesburg, a Masters in Management from the University of Sydney and a Masters in International Management (CEMS) from the London School of Economics.

3.3 Independence

Luca Giacobazzi is the head of the Forrest family's private investment company who are also a substantial shareholder in Vimy Resources and it may be reasonably perceived to be influenced by this relationship and therefore if elected, the Board considers Luca Giacobazzi will not be an independent director.

Mr Giacobazzi has no other interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications and character. The Company undertook such checks prior to the appointment of Luca Giacobazzi and no material adverse information was revealed.

Luca Giacobazzi has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

3.5 Board recommendation

The Board has reviewed Luca Giacobazzi's performance since his appointment to the Board and considers that Luca Giacobazzi's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Luca Giacobazzi and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3: RE-ELECTION OF DIRECTOR – THE HON. CHERYL EDWARDES AM

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

The Hon. Cheryl Edwardes AM, who has served as a Director since 26 May 2014 and was last re-elected on 30 November 2018, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

A lawyer by training, Mrs Edwardes is a former Minister in the Western Australian Legislative Assembly with extensive experience and knowledge of WA's legal and regulatory framework relating to mining projects, environmental, native title, and heritage and land access. Mrs Edwardes was appointed in August 2017 as a part-time member of the Foreign Investment Review Board for a five-year period. Mrs Edwardes assists the clients of FTI Consulting with a range of complex statutory approvals required for resources and infrastructure projects. She also chairs the Port Hedland International Airport, a joint venture company between AMP Capital and Infrastructure Capital Group, a Commissioner on the WA Football Commission and a non-executive director of Flinders Mines Limited and Nuheara Limited

During her political career, Mrs Edwardes held positions including WA Attorney General, Minister for the Environment and Minister for Labour Relations. She also has broad experience and networks within China's business community.

Mrs Edwardes was awarded an Order of Australia in the Queen's Birthday Honours 2016 for "significant service to the people and Parliament of Western Australia, to the law and to the environment, and through executive roles with business, education and community organisations."

Listed company directorships in the last three years: Atlas Iron Limited May 2015 to October 2018, AusCann Group Holdings Limited May 2016 to present, CropLogic Limited March 2018 to February 2019, Flinders Mines Limited June 2019 to present and Nuheara Limited January 2020 to present.

4.3 Independence

If re-elected the Board considers The Hon. Cheryl Edwardes AM will be an independent Director.

4.4 Board recommendation

In recommending Mrs Edwardes' re-election, the Board took into account factors including her performance, the skills, experience and leadership she provides to the Board and Vimy as we continue to execute on our strategy, the length of time she has served as Chairman (and as a Director) and the importance of continuity on the Board, in particular in light of the current COVID-19 environment. The Board believes that, notwithstanding her period of service on the Board, Mrs Edwardes has retained her independence of character and judgement and continues to bring invaluable experience and expertise to the Board. Accordingly, the Board (other than Cheryl Edwardes) supports the re-election of The Hon. Cheryl Edwardes AM and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTIONS 4 AND 5: RATIFICATION OF SHARES ISSUED PURSUANT TO JUNE 2020 PLACEMENT

5.1 Background

As announced on 11 June 2020, the Company completed a placement of 152,777,778 Shares (**Placement Shares**) at an issue price of \$0.036 per Share to both existing and new institutional and sophisticated investors arranged by KG Capital Partners Pty Ltd, to raise approximately \$5.5 million before associated expenses (**Placement**).

91,834,730 Placement Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1 (being, the subject of Resolution 4) and 60,943,048 Placement Shares were issued pursuant to the Company's 7.1A mandate (being, the subject of Resolution 5) which was approved by Shareholders at the 2019 annual general meeting.

KG Capital Partners Pty Ltd acted as lead manager and bookrunner to the Placement. The Company has paid KG Capital Partners Pty Ltd a fee of 5.5% plus GST on the total funds raised under the Placement in consideration for services provided.

Resolutions 4 and 5 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

5.2 ASX Listing Rules 7.1 and 7.1A

ASX Listing Rule 7.1 provides that subject to certain exceptions, a listed company may not issue equity securities equal to more than 15% of that company's issued share capital in any 12 months without obtaining shareholder approval.

Under ASX Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at its 2019 annual general meeting. The Company's ability to utilise the additional 10% capacity provided for in ASX Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed by the requisite majority at this Meeting.

The issue of the Placement Shares does not fit within any of the exceptions set out in ASX Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit under ASX Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under ASX Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

5.3 ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where a company's shareholders ratify a previous issue of equity securities or agreement to issue equity securities, those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and so the issue does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

As set out in Section 5.1 above, Resolutions 4 and 5 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

5.4 Technical information required by ASX Listing Rule 14.1A

If Resolutions 4 and 5 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit under ASX Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 4 and 5 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit under ASX Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for under ASX Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed at this Meeting.

5.5 Technical information required by ASX Listing Rule 7.5

The following information is required to be provided by ASX Listing Rule 7.5 in relation to Resolutions 4 and 5:

- (a) The 152,777,778 Placement Shares were issued to existing and new institutional and sophisticated investors. The recipients were identified through a bookbuild process, which involved KG Capital Partners Pty Ltd seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that:
 - (i) Paradise Investment Management Pty Ltd is (and was at the time of the Placement) a substantial holder of the Company and was issued more than 1% of the issued capital of the Company by participating in the Placement;
 - (ii) other than as set out in paragraph (b)(i) above, none of the other recipients were:
 - (A) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (B) issued more than 1% of the issued capital of the Company;
- (c) The 152,777,778 Placement Shares were issued on the following basis:
 - (i) 91,834,730 Shares issued pursuant to ASX Listing Rule 7.1 (ratification of which is sought under Resolution 4); and
 - (ii) 60,943,048 Shares issued pursuant to ASX Listing Rule 7.1A (ratification of which is sought under Resolution 5);
- (d) The issue price was \$0.036 per Placement Share under both the issue of Placement Shares pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (e) The Placement Shares were issued on 17 June 2020;
- (f) The Placement Shares issued were all fully paid ordinary shares in the capital of the Company which rank equally in all respects with the Company's existing Shares;
- (g) The purpose of the issue of the Placement Shares was to raise \$5.5 million before associated expenses, which funds will be used for exploration work programs for the Alligator River Project, to refresh the Mulga Rock Project Definitive Feasibility Study and for working capital purposes; and
- (h) The Placement Shares were not issued under an agreement.

Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 4 and 5.

<h2>6. RESOLUTION 6: APPROVAL OF 7.1A MANDATE</h2>
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6.1 General

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under ASX Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in ASX Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit under ASX Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under ASX Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in ASX Listing Rule 7.1.

6.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 6.2(b)(i), the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for development of its existing projects, in particular the Alligator River Project and the Mulga Rock Project, the acquisition of new resources, assets and investments and for general working capital.

(d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 7 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.017	\$0.034	\$0.051
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	777,390,727	77,739,072	\$1,321,564	\$2,643,128	\$3,964,692
50% increase	1,166,086,091	116,608,609	\$1,982,346	\$3,964,692	\$5,947,039
100% increase	1,554,781,454	155,478,145	\$2,643,128	\$5,286,256	\$7,929,385

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 777,390,727 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 7 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;

- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, the Company issued 60,943,048 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 9.83% of the total diluted number of Equity Securities on issue in the Company on 25 November 2019, which was 620,280,389.

Further details of the issues of Equity Securities by the Company pursuant to ASX Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with ASX Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 17 June 2020 Date of Appendix 2A: 17 June 2020
Recipients	Existing and new institutional and sophisticated investors. The recipients were identified through a bookbuild process, which involved KG Capital Partners Pty Ltd seeking expressions of interest to participate in the placement from non-related parties of the Company. Please refer to Section 5.5 for further details of the recipients.
Number and Class of Equity Securities Issued¹	60,943,048 Shares
Issue Price and premium to Market Price² (if any)	\$0.036 per Share (at a premium of 16.13% to Market Price)
Total Cash Consideration and Use of Funds	Amount raised: \$2,193,950 from the issue of Shares under ASX Listing Rule 7.1A (total raise \$5.5 million) Amount spent: \$969,871 Use of funds: exploration work programs for the Alligator River Project, to refresh the Mulga Rock Project Definitive Feasibility Study and for working capital purposes Amount remaining: \$1,224,079 Proposed use of remaining funds³: exploration work programs for the Alligator River Project and for working capital purposes

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: VMY (terms are set out in the Constitution).
2. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount or premium is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

6.3 Voting Exclusion

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

DEFINITIONS

In this Explanatory Statement and Notice:

'\$' means Australian dollars.

'7.1A Mandate' has the meaning given in Section 6.1.

'2020 Annual Report' means the annual report of the Company for the year ended 30 June 2020.

'AGM' or 'Annual General Meeting' or 'Meeting' mean the annual general meeting of the Shareholders of the Company convened by the Notice.

'ASIC' means Australian Securities and Investments Commission.

'ASX' means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

'ASX Listing Rules' or 'Listing Rules' means the Listing Rules of the ASX.

'Auditor's Report' means the auditor's report of KPMG dated 24 September 2020 included in the 2020 Annual Report.

'Board' means the board of Directors.

'Business Day' means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

'Chair' means the chair of the Meeting.

'Closely Related Party' of a member of Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) an entity the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

'Company' means Vimy Resources Limited ACN 120 178 949.

'Constitution' means the Constitution of the Company in effect immediately prior to and during the AGM.

'Corporations Act' means the *Corporations Act 2001* (Cth).

'Director' means a director of the Company.

'Directors' Report' means the report of the Directors as set out in the 2020 Annual Report.

'Equity Securities' has the same meaning as in the ASX Listing Rules.

'Explanatory Statement' means the explanatory statement accompanying the Notice.

'Key Management Personnel' means the key personnel as disclosed in the Remuneration Report.

'Notice' or **'Notice of Meeting'** means this notice of AGM, including the Explanatory Statement and the Proxy Form.

'Option' means an option to acquire a Share.

'Placement' has the meaning provided in Section 5.1.

'Placement Shares' has the meaning provided in Section 5.1, being the Shares issued pursuant to the Placement.

'Proxy Form' means the proxy form attached to the Notice.

'Remuneration Report' means the remuneration report of the Company for the year ended 30 June 2020 as set out in the 2020 Annual Report.

'Resolution' means a resolution to be considered at the Meeting as contained in the Notice.

'Section' means a section of this Explanatory Statement.

'Share' means a fully paid ordinary share in the capital of the Company.

'Shareholder' means a holder of Shares.

'Trading Day' means a day determined by ASX to be a trading day in accordance with the ASX Listing Rules.

'Variable A' means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

'WST' means Western Standard Time as observed in Perth, Western Australia.