



ASX ANNOUNCEMENT

5 December 2018

\$6 Million Funding Secured to Advance Exploration

VDM Group Limited (**VDM** or the **Company**) (ASX: VMG) is pleased to announce that it has secured commitments for \$6 million via a private placement offer made to Professional and Sophisticated Investors at a price of \$0.01 per share (i.e. 1 cent per shares) (**Private Placement**).

The issue price under the Private Placement of \$0.01 per share represents a 400% premium to the last closing share price on 4 December 2018 of \$0.002 per share.

On completion, the Company's cash reserves will total circa \$7.689 million; based upon closing cash at bank and on deposit as at 30 November 2018.

The funds raised from the private placement will be used for ongoing exploration activities at the Company's Cachoeiras do Binga (**CdB**) Copper Project in Angola (65% owned in VDM), where the Company has plans to undertake an aggressive drilling program in the new calendar year with a view to publishing a JORC compliant resource within 12 months.

The funds raised will also be used to identify and secure additional mining rights as part of an overall strategy of acquiring mineral projects highly prospective for copper (predominantly) in west Africa with the capability to be advanced rapidly towards production and potentially of a scale that is significant on a world scale.

The funds will also be used for working capital purposes.

The private placement will be completed under VDM's 15% placement capacity under ASX Listing Rule 7.1 and VDM's additional 10% placement capacity under ASX Listing Rule 7.1A as follows:

under LR 7.1:	12,233,905
under LR7.1A:	<u>587,766,095</u>
Total:	<u>600,000,000</u>

The new shares will be issued when the entire funds have been received.

Commenting on the private placement, VDM's Board of Directors stated:

"We are extremely pleased to have secured this funding which will enable VDM to continue to advance our highly prospective Cachoeiras do Binga Copper Project in Angola and allow the Company the means to identify and secure additional mining rights consistent with our strategy of growing our mineral exploration business"

For further information please contact:

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BOARD & MANAGEMENT

Mr Luk Hiuming
NON-EXECUTIVE CHAIRMAN

Dr Dongyi Hua
EXECUTIVE DIRECTOR
OF MINING

Mr Michael Fry
DIRECTOR
COMPANY SECRETARY

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ASX CODE

VMG