

## Brief Exploration Update - CdB Copper Project

### Highlights:

- Phase 2 drilling to date has comprised forty-seven (47) holes for 2,751.66 metres.
- Holes are largely to a depth of about 60 metres and are targeting near to surface mineralisation.
- Phase 2 drilling to date has focussed on Areas 3 and 4, with thirty-two (32) holes drilled in Area 4 for 1,881.21 metres and fifteen (15) holes drilled in Area 5 for 870.45 metres.
- Drilling is ongoing and is expected to continue to November 2019 or until weather restricts access.
- 395 samples have been collected for assay

VDM Group Limited (**VDM** or the **Company**) (ASX: VMG) is pleased to advise that it Phase 2 drilling is progressing well at its Cachoeiras do Binga (**CdB**) Copper Project in Angola (65% owned in VDM).

The CdB Project is located east of the regional capital and coastal city of Sumbe (airport and port) and ~385km south of the Angolan capital city of Luanda.

The CdB Project covers 3,854kms<sup>2</sup> and is ~32kms from East to West and ~129kms from North to South, and shows characteristics of a typical central African sediment-hosted copper deposit.

#### BOARD & MANAGEMENT

Mr Luk Hiuming  
NON-EXECUTIVE CHAIRMAN

Dr Dongyi Hua  
EXECUTIVE DIRECTOR  
OF MINING

Mr Michael Fry  
DIRECTOR  
COMPANY SECRETARY

#### REGISTERED OFFICE

Suite 2, Level 2, 123 Adelaide  
Terrace, East Perth, WA 6004

#### POSTAL ADDRESS

PO Box 3347  
East Perth, WA 6892

#### CONTACT DETAILS

Tel: (08) 9221 6739

#### WEBSITE

[vdmgroup.com.au](http://vdmgroup.com.au)

#### SHARE REGISTRY

Computershare Investor  
Services Pty Limited  
GPO Box 2975  
Melbourne, VIC 3001  
Tel: 1300 850 505

#### ASX CODE

VMG

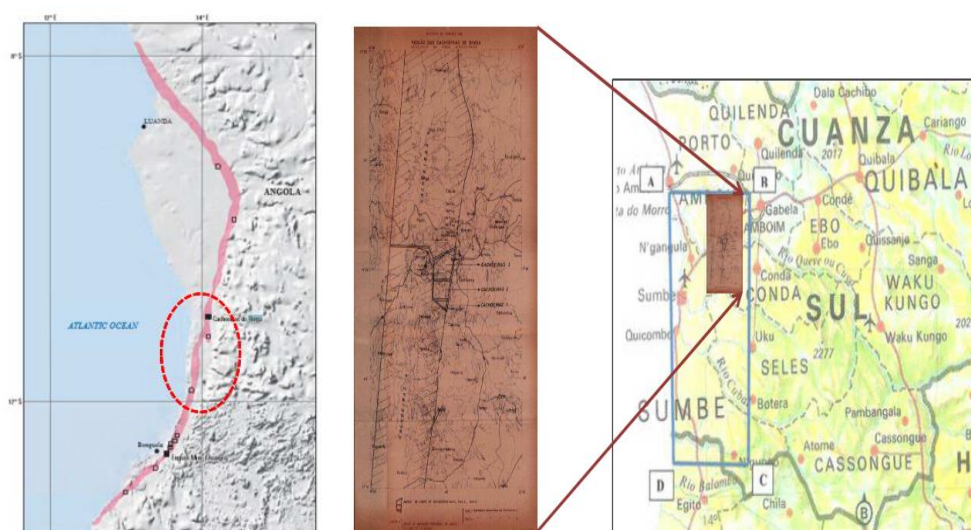


Figure 1: Location Map - CdB Project

The Phase Two Drilling Program commenced on 6 May 2019 and to date a total of forty-seven (47) diamond core holes have been drilled for a cumulative total of 2,751.66 metres.

The drilling to date has focused on Areas 3 and 4, with thirty-two (32) holes having been drilled in Area 4 and fifteen (15) holes were drilled in Area 5.

A map of the location of the drill-holes overlaid on the tenement blocks follows at Figure 2 in Appendix A.

The depths of the completed Phase Two diamond core holes have varied from 32 metres to 87 metres with an average depth of ~60 metres. A list of the hole collars is included at Table 1 in Appendix A.

A total of 395 samples have been collected from the half cores of the mineralised intervals and boundaries.

Drilling is ongoing and expected to continue to the onset of the rainy season, or until weather restricts access.

The Executive Director of Mining – Dr Dongyi Hua comments:

“Drilling is progressing well. The drilling crew is running 24 hours a day, 7 days a week with three rigs operating, good progress is being made.”

**For further information please contact:**

Michael Fry  
Company Secretary  
VDM Group Limited  
(08) 9221 6739

### **Competent Person Statement**

The information in this release that relates to sampling techniques and data, exploration results, geological interpretation and Exploration Targets, Mineral Resources or Ore Reserves has been compiled by Mr Pengfei Xiao from SRK Consulting China Ltd, a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). SRK is engaged by VDM Group Limited providing independent consulting services and Mr Xiao has twice visited the CdB Project, respectively in May and November 2018.

Mr Xiao has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Xiao consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

### **Forward looking statements**

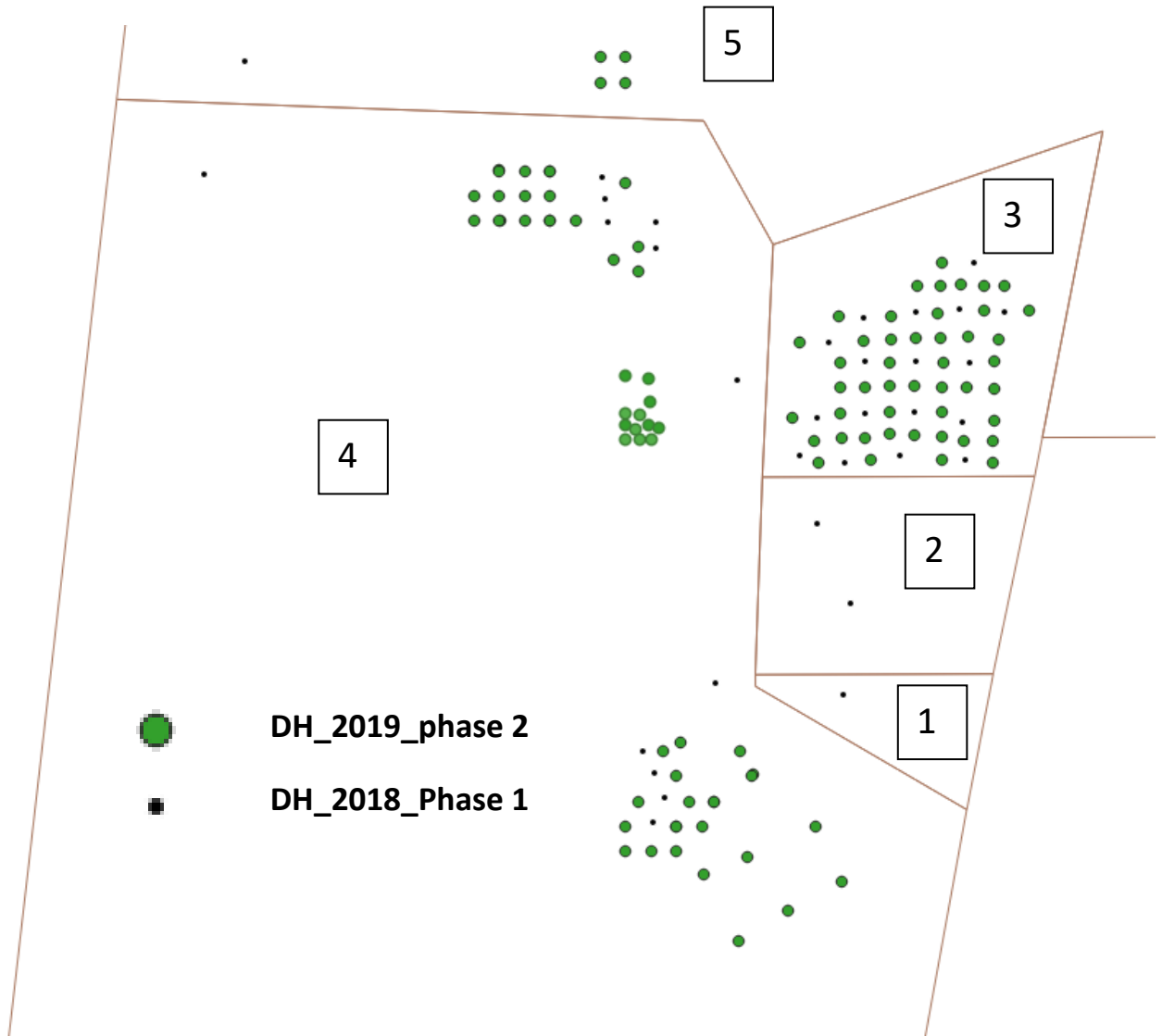
Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Figure 2: Drill Plan Overlaid on Tenement Blocks (Areas 1 to 5)



**Table 1: Information about the drilled hole locations**

**1. Diamond Drilling in 2018: Phase 1- drilled holes**

No	Hole_ID	Depth (m)	Northing (m)	Easting (m)	RL (m)	Area	Type
1	B50001	236.39	8,789,351	399,799	80	5	DD
2	B50002	241.59	8,790,150	399,793	83	5	DD
3	B5W0801	264.61	8,789,348	398,991	93	5	DD
4	JS3_C5	124.75	8,787,515	400,233	116.67	5	DD
5	JM_C5	121.51	8,787,206	400,290	118.52	5	DD
6	JS33_C3	81.64	8,783,412	399,865	166.76	3	DD
7	JS29_C3	160.27	8,783,892	399,491	144.65	3	DD
8	JS21_C3	101.65	8,784,038	398,868	108.44	3	DD
9	B4W1701	121.2	8,783,739	398,095	12.72	3	DD
10	B4W1901	161.38	8,781,431	397,913	19.17	4	DD
11	B4W2401	113.63	8,784,981	397,416	55.84	4	DD
12	B4W2402	74.47	8,784,806	397,421	99.2	4	DD
13	B4W2801	273.14	8,784,995	397,012	84.72	4	DD
14	B4W2802	31.42	8,785,174	397,036	74.26	4	DD
15	B4W2803	39.04	8,785,349	397,007	61.7	4	DD
16	B4W2403	71.22	8,780,803	397,330	90	4	DD
17	B4W2404	64.23	8,780,622	397,423	101	4	DD
18	JS18_C2	78.14	8,782,603	398,715	76.85	2	DD
19	B4W2301	63.21	8,780,430	397,511	104	4	DD
20	JS4B_C1	36.21	8,781,245	398,919	149	1	DD
21	JS3_C2	72.3	8,781,966	398,981	140	2	DD
22	B4W2405	66.97	8,780,238	397,410	122.43	4	DD
23	B3W1201	47.24	8,783,445	398,712	130.48	3	DD
24	B3W0702	50.68	8,783,481	399,087	148.44	3	DD
25	B3W0701	82.08	8,783,888	399,091	130	3	DD
26	B3W0301	69.15	8,783,493	399,483	168	3	DD
27	B3W1202	40.49	8,783,141	398,570	107	3	DD
28	B3W0703	47.25	8,784,239	399,084	145.14	3	DD
29	B3W0401	81.13	8,783,139	399,368	129.94	3	DD
30	B3W0801	71.29	8,783,091	398,926	123.45	3	DD
31	B3E0101	43.8	8,783,882	399,920	161.04	3	DD
32	B3W0302	69.94	8,784,281	399,498	159	3	DD
33	B3E0102	58.56	8,784,296	399,837	147.54	3	DD
34	B3E0103	83.48	8,783,093	399,880	170.56	3	DD
35	B3E0104	44.13	8,784,663	399,953	133.24	3	DD
36	B3E0401	81.13	8,784,284	400,192	176	3	DD
37	B5E0801	61.48	8,789,550	400,614	140	5	DD
38	B5E0201	71.29	8,790,669	400,021	82.14	5	DD
39	B4W6001	65.3	8,785,376	393,867	5.04	4	DD
40	B5W5601	98.48	8,786,270	394,187	7.84	5	DD
41	B5E0901	137.44	8,799,396	400,700	41.54	5	DD

## 2. Diamond Drilling in 2019: Phase 2 drilled holes

No	Hole_ID	Depth (m)	Northing (m)	Easting (m)	RL (m)	Area	Type
1	B3W0303	61.99	8,783,676	399,478	193	3	DD
2	B3W0101	66.36	8,783,491	399,693	183	3	DD
3	B3W0105	44.1	8,783,674	399,705	202	3	DD
4	B3W0305	86.99	8,783,303	399,479	201	3	DD
5	B3W0501	42.81	8,783,490	399,290	174	3	DD
6	B3W0504	44.09	8,783,705	399,247	181	3	DD
7	B3W0506	48.42	8,783,315	399,291	172	3	DD
8	B3W0706	47.12	8,783,309	399,052	152	3	DD
9	B3W0707	56.64	8,783,147	399,124	171	3	DD
10	B3W0901	64.42	8,783,483	398,906	162	3	DD
11	B3W0903	65.23	8,783,266	398,906	166	3	DD
12	B3W1102	63.1	8,783,086	398,701	140	3	DD
13	B3W0107	86.43	8,783,295	399,708	188	3	DD
14	B3W0502	68.26	8,783,874	399,291	161	3	DD
15	B3W0704	47.01	8,783,684	399,092	181	3	DD
16	B3W0904	38.13	8,783,677	398,907	162	3	DD
17	B3W0505	73.7	8,784,067	399,292	179	3	DD
18	B3W0104	61.05	8,783,109	399,702	191	3	DD
19	B3W0902	36.75	8,783,872	398,868	164	3	DD
20	B3E0107	80.51	8,783,268	399,869	188	3	DD
21	B3W0705	71.18	8,784,052	399,066	184	3	DD
22	B3W0304	62.2	8,784,081	399,487	137	3	DD
23	B3E0302	62.37	8,783,410	400,082	239	3	DD
24	B3E0105	45.45	8,783,609	399,906	211	3	DD
25	B3W0106	58	8,784,042	399,679	169	3	DD
26	B3W0102	51.46	8,783,887	399,713	188	3	DD
27	B3E0303	67.86	8,784,284	400,042	175	3	DD
28	B3E0307	40.7	8,784,072	400,156	217	3	DD
29	B3E0106	78.17	8,784,102	399,896	154	3	DD
30	B3W1101	65.59	8,783,278	398,681	157	3	DD
31	B3W1301	38.9	8,783,425	398,565	147	3	DD
32	B3E0308	56.22	8,784,507	400,022	174	3	DD
33	B4W2407	64.05	8,783,365	397,345	111	4	DD
34	B4W2302	38.04	8,780,798	397,493	89	4	DD
35	B4W2201	40.93	8,780,594	397,584	108	4	DD
36	B4W2603	73.83	8,783,383	397,204	118	4	DD
37	B4W2501	41.85	8,780,391	397,292	105	4	DD
38	B4W2601	32.05	8,780,191	397,199	115	4	DD
39	B4W2602	35.7	8,779,995	397,210	98	4	DD
40	B4W2408	67.42	8,783,747	397,387	118	4	DD
41	B4W2604	53.21	8,783,782	397,213	113	4	DD
42	B4W2605	71.31	8,783,268	397,199	119	4	DD
43	B4W2406	38.28	8,779,995	397,405	144	4	DD
44	B4W2101	44.64	8,780,393	397,700	125	4	DD
45	B4W2202	61.23	8,780,187	397,607	161	4	DD
46	B4W2503	71.03	8,783,348	397,279	123	4	DD
47	B4W1902	62.04	8,780,340	397,879	150	4	DD