



VALOR RESOURCES

DRILLING TO COMMENCE FOLLOWING OVERSUBSCRIBED CAPITAL RAISING, SHAREHOLDER APPROVAL & BOARD CHANGES

ASX Release

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LIMITED
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ASX Code:

VAL

Placement to Sophisticated Investors

Valor Resources Limited ("VAL" or the "Company", ASX: VAL) is pleased to announce that it has received firm commitments from sophisticated and institutional investors to raise A\$2.2 million at \$0.01 per share. The book build was oversubscribed with strong support from new and existing shareholders.

CPS Capital Group Pty Limited ("CPS") acted as Lead Manager & Broker to the Placement.

The funds will be raised via a two tranche placement. The first tranche of 50,000,000 fully paid ordinary shares, is within the Company's existing 15% placement capacity under ASX Listing Rule 7.1 and will be issued shortly. The first tranche of funds (amounting to \$500,000) will be used for current working capital purposes associated with the Company's existing assets, as well as to cover the costs associated with getting the, recently announced, Berenguela Project acquisition to the stage of shareholder approval under Listing Rule 11.1.2.

The second tranche of 170,000,000 fully paid ordinary shares will be subject to obtaining shareholder approval in accordance with Listing Rules 11.2 and 7.1 in respect of the acquisition of the Berenguela Project and associated resolutions. A general meeting for this purpose will be convened shortly.

It is intended that, subject to the relevant shareholder approvals and settlement of the acquisition of the Berenguela Project, the second tranche of the placement (raising \$1,700,000) will fast track the Berenguela Project with the majority of the funds raised to be applied towards a 5000m drilling programme, sample analysis, a metallurgical processing study and updating the JORC resources estimate. Drilling is expected to commence within the 4 weeks following settlement of the acquisition.

Managing Director Mark Sumner commented "We are delighted with the overwhelming response from investors and look forward to commencing our maiden drill campaign on the Berenguela Project. Recent review of the 2015 drill program and sampling data highlights the prospective nature of the Berenguela Project and the additional funds will allow us to accelerate and expand our exploration program over the coming months."

Changes to the Board of Directors

The Company wishes to advise that Mr Mark Reilly and Mr Gregory Wood have resigned as Non-Executive Directors from the Company effective immediately.

The board restructure is a continuation of the planned transformation of the Company's business with a focus on developing its metals business in Peru.

The Company wishes to thank Messrs Reilly and Wood for their contribution to the Company.

For further information, please contact:

Mark Sumner
Chairman