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QUARTERLY ACTIVITIES REPORT

Cachoeiras do Binga Copper Project (CdB Copper Project)

Background

- CdB Copper Project is located in Angola and is 65% owned by VDM.
- VDM's Phase 1 drilling program at CdB was conducted during calendar year 2018 and comprised 41 holes for a total of 3,903.30 metres. 843 samples were collected and sent for assay with the results released to market via ASX announcement on 15 March 2019 confirming presence of high-grade copper mineralisation.
- VDM's Phase 2 drilling program commenced on 6 May 2019 and was completed in late November 2019 with a total of ninety-three (93) holes having been drilled for 5,690.70 metres.
- Phase 2 drill-holes are largely to a depth of about 60 metres and are targeting near to surface mineralisation. Of the 93 holes drilled, four holes of between 120m and 150m were drilled for structural and hydrological purposes.
- 779 samples were prepared for assay and despatched to a Chinese laboratory. Delays have been experienced at the laboratory due to a shutdown to limit the impacts of COVID-19 in the region however recent advice is that the entire results are nearing finalisation for presentation to VDM.

During the Quarter

- On-the-ground activity was suspended during the entirety of the quarter due to 'raining' season in Angola.
- As such, the major focus has been on planning for the Phase 3 Drill Program. Planning for Phase 3 is only preliminary to date, with the Company awaiting receipt of assay information from Phase 2 drilling to finalise its plans.
- Phase 3 drilling can be expected to commence following the wet season; which is historically around mid-May.

Expenditure

- During the quarter, VDM paid its drilling contractor (Shandong) A\$300,000 in relation to work performed as part of the Phase 2 Drill Program, and in part payment for overseeing the assaying of the samples collected. SRK will review, plot and interpret the assay results when received.

BOARD & MANAGEMENT

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ASX CODE

VMG

Location

The CdB Project is located ~385km south of the Angolan capital city of Luanda; and covers 3,854kms². It is ~32kms from East to West and ~129kms from North to South; and shows characteristics of a typical central African sediment-hosted copper deposit.

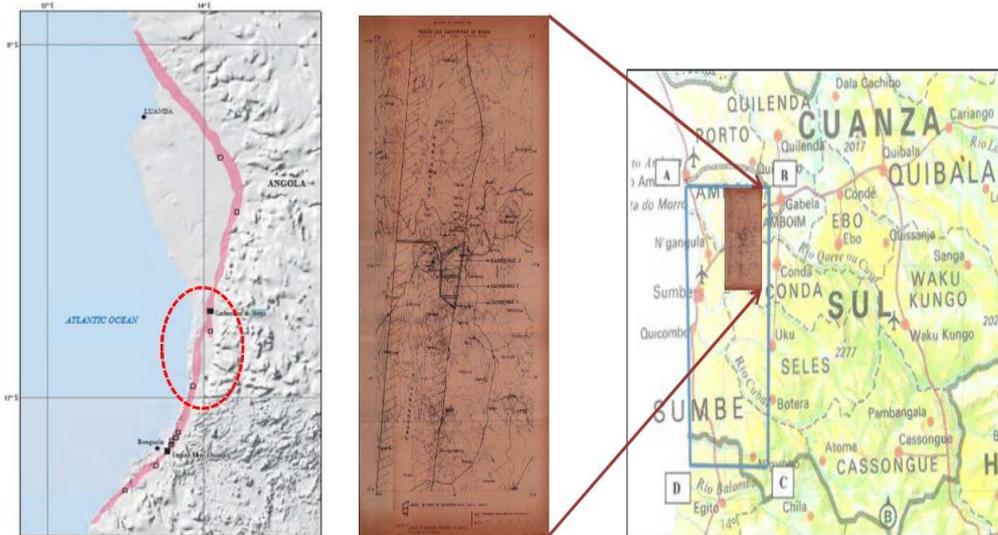


Figure 1: Location Map - CdB Project

Cage Bengo Gold Project

Background

- In August 2019, VDM entered into a Mining Investment Contract (MIC) providing exclusive rights to explore for gold and other minerals at the Cage Bengo Project located in Angola.
- VDM's ownership interest in the Cage Bengo Project is 55.25%.
- The Cage Bengo Project covers an extremely large area of approximately 9,904km² and is located in the north-west of Angola – refer location map below.

During the Quarter

- Work was focussed on securing tenure over the Project through the issue of the mineral title.
- Post the end of the quarter, on 15 April 2020, VDM, together with its joint venture partners, was issued with Prospecting Title 048/07/03 over the Cage Bengo Project by the Republic of Angola Ministry of Mineral and Petroleum Resources National Mineral Resources.
- The issue of the mineral title now paves the way for on-the-ground exploration activity to commence.
- Exploration planning has now begun with work expected to commence following the end of the raining season in Angola.

Expenditure

- As work was suspended pending the issue of the mineral title, there was no substantive expenditure on the Project during the quarter.

- The issue of the mineral right is critical for the joint venture as it evidences ownership and provides the joint venture partners the right to access the Project area and undertake exploration activity.

Location

The Cage Bengo Project is located in the north-west of Angola between the provinces of Uige and Bengo, from which it derives its name, and is approximately 300km north-east of the capital city of Luanda. Luanda is Angola’s capital and its largest city. It is Angola’s primary port and its major industrial, cultural and urban centre.

Access to the Project is via the road that connects the city of Caxito to Muxiluando (Nambuanguo Municipality headquarters) with the city of Uige (Capital of Uige Province).

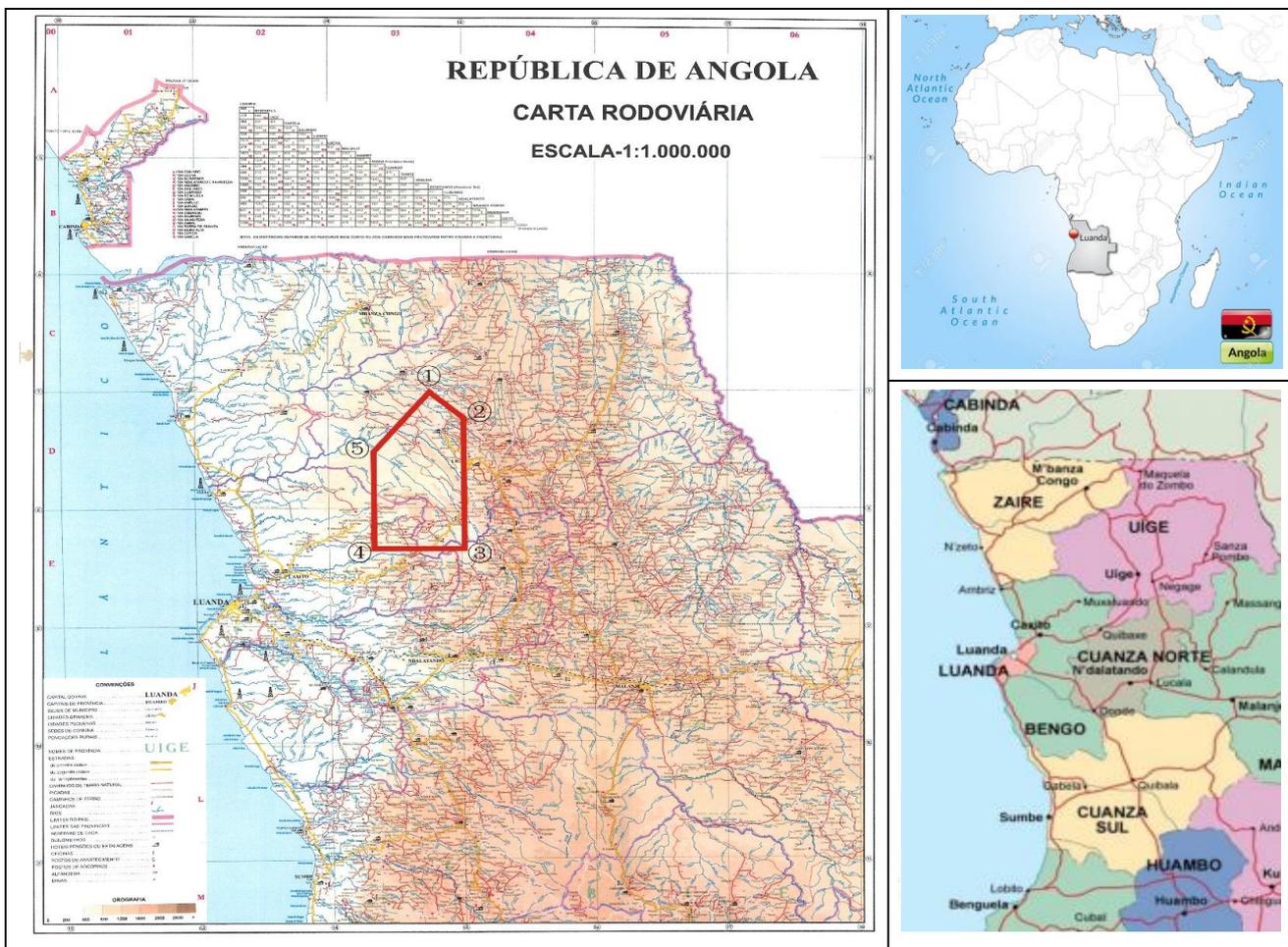


Figure 2 – Location of Cage Bengo Project

Coordinates of above exploration concession vertices:

<u>Vertices</u>	<u>Latitude</u>	<u>Longitude</u>
1	6 ° 58'26 " S	14 ° 43'24 " E
2	7 ° 16'39 " S	15 ° 01'37 " E
3	8 ° 21'42 " S	15 ° 01'37 " E
4	8 ° 21'42 " S	14 ° 20'19 " E
5	7 ° 28'11 " S	14 ° 20'19 " E

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

For further information please contact:

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Competent Person Statement

The information in this release that relates to exploration Results of the CDB Copper Project is extracted from a report released to the Australian Securities Exchange (ASX) on 15 March 2019 titled “Assay Results Confirm High Grade Copper Mineralisation at CdB Copper Project” and is available to view at www.vdmgroup.com.au and for which Competent Persons’ consents were obtained. Each Competent Person’s consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 15 March 2019 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the original ASX announcement.

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The Company estimates its reserves and resources in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves 2012 Edition (“JORC Code”), which governs such disclosures by companies listed on the Australian Securities Exchange.