

ASX Release

31 January 2020

VALOR RESOURCES LIMITED
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Directors

Brian McMaster
Nicholas Lindsay
Paula Smith

Company Secretary
Paula Smith

ASX Code:
VAL

Ordinary Shares:
1,893,192,258

Options:
400,000,000 (\$0.015 – 31/12/2021)



**VALOR
RESOURCES**

DECEMBER 2019 QUARTERLY ACTIVITIES REPORT

Valor Resources Limited (**Valor**) or (**the Company**) (ASX: VAL) is pleased to provide its report for the quarter ended 31 December 2019.

QUARTER HIGHLIGHTS

- High grade Radio Gold Mine advancing towards production
- Drilling at Berenguela completed and data processed
- Additional mining tenements granted in Peru add 3,900 hectares to project area

OPERATIONAL UPDATE

Radio Gold Project

On 4 September 2019, Valor announced a binding Heads of Agreement to earn an interest in the Radio Gold Mine located 40km north of Southern Cross in Western Australia by acquiring 100% of the fully paid ordinary shares of Bullfinch One Pty Ltd (Bullfinch One).

Bullfinch One holds the contractual rights to earn up to 75% interest in the Radio Gold Mine owned by Resources & Energy Group Limited (ASX: REZ). Settlement of the acquisition was conditional on the satisfaction of certain conditions precedent which were progressed during the quarter.

Berenguela Project

As announced on 14 January 2019, the Company entered a JV option agreement with Kennecott Exploration Company (KEX), a wholly owned subsidiary of Rio Tinto. Pursuant to the JV, KEX was required to spend US\$2 million on exploration expenditure on the Berenguela Project. This expenditure was completed during the quarter by the drilling of 1,427 metres of diamond drilling.

Subsequent to quarter end, the Company announced the results of KEX's exploration program and KEX's election not to proceed with the JV Agreement (Refer to announcement dated 31 January 2020 titled "*Berenguela Copper-Silver Project Update*").

Berenguela South Project

During the quarter, the Company through its wholly owned Peruvian subsidiary Kiwanda S.A.C was granted five new tenements totalling 3,900 hectares. The tenements were applied for in order to expand the exploration potential of the Peru project.

CORPORATE UPDATE

The Company held its Annual General Meeting on 29 November 2019 and all resolutions as detailed in the Notice of Meeting lodged with the ASX on 29 October 2019 were passed.

As announced on 5 December 2019, 86,333,333 listed options (VALOA) expired unexercised on 4 December 2019.

**This announcement has been authorised for release by the Board of Directors.
For further information, please contact:**

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Appendix 1 – Interests in Mining Tenements Held

Project	Concession Name	Tenement	Location	Ownership at beginning of quarter	Ownership at end of quarter	Acquired During the Quarter	Disposed of During the Quarter
Berenguela Project	Berenguela	13-000001Y03	Peru	100%	100%	-	-
	Berenguela 01-09	01-01116-09					
	Berenguela 01-18	01-00819-18					
	Berenguela 02-18	01-00904-18					
	Berenguela 02-09*	01-01115-09*					
	Berenguela 03-09**	01-01341-09**					
	Berenguela 04-09	01-01342-09					
	Berenguela 05-09	01-01344-09					
	Berenguela 06-09	01-01345-09					
	Berenguela 07-09	01-01340-09					
	Berenguela 08-09	01-01343-09					
	Berenguela 97	01-01289-97					
	Lagunillas 01-04	01-01350-04					
	Lagunillas 02-04	01-01351-04					
	Lagunillas 08-04	01-01512-04					
Lagunillas 10-04*	01-02710-04*						
Berenguela South	Corona 02-18	01-01209-18	Peru	-	100%	100%	-
	Corona 03-18	01-01210-18					
	Corona 04-18	01-01211-18					
	Corona 05-18	01-01212-18					
	Corona 06-18	01-01213-18					
Picha Project	Picha 2	01-03853-05	Peru	100%	100%	-	-
	Picha 3	01-03854-05					
	Picha 7	01-00578-07					
	Leon 3	01-04638-08					

* 01-02710-04 and 01-01115-09 overlap a pre-existing and current title known as Santa Lucia 14.

** 01-01341-09 overlaps a pre-existing and current title known as Lucia Josefina I.

Appendix 2 - Summary of Expenditure Incurred per Project

Project	Quarter Cash Spend \$A'000
Berenguela Project	3,010
Picha Project	-
Total	3,010