EVALUATION REVEALS MULTIPLE PRIORITY URANIUM TARGETS AT CLUFF LAKE, ATHABASCA BASIN, CANADA

HIGHLIGHTS

- **Multiple uranium targets identified with coincident uranium radiometric, EM, and radioactive boulder anomalies in a geological setting analogous to that of the Cluff Lake Uranium Mine which is located 7km east of Valor's Project:**
  - **Uranium channel radiometric response over highest priority target, covers an area of 1,400 m by 700 m.**
  - **The uranium response has a coincident Megatem EM anomaly, approximately 300m below surface and is proximal to the contact between the Athabasca Basin sediments and the Archean gneissic basement.**
- **Field reconnaissance planned to commence in September to provide further geological validation of the targets including additional ground surveys, detailed mapping, and sampling where necessary.**

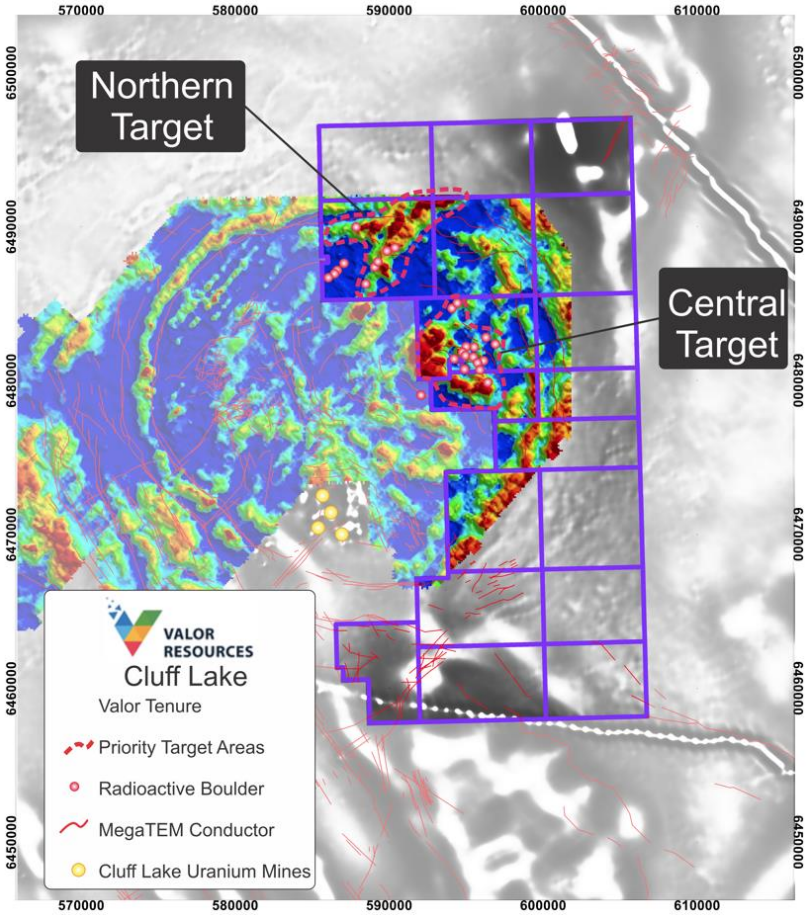

Figure 1: Map illustrating magnetics, tenure, radioactive boulders, location of Cluff Lake mine, NE structures, prospect areas

Valor Resources Limited (Valor or the Company, ASX: VAL) is pleased to provide an update in relation to the Company's Cluff Lake Uranium Project, located within the Athabasca Basin, Canada. Exploration targeting was conducted using all available geological and geophysical datasets to prioritise areas for further ground reconnaissance to be completed.

Through the modelling and processing of geophysics, the area of the Cluff Lake Uranium Mine was initially evaluated to provide a targeting signature which was utilised to compare and contrast with the geophysical responses across Valor's Cluff Lake Project. The Cluff Lake Mine operated between 1980 and 2002, producing 62.5 million pounds of U_3O_8 (Saskatchewan Mining Association, Uranium in Saskatchewan Facts on the Industry for 2016).

Numerous targets were identified within two discrete areas with geological settings analogous to that of Cluff Lake Mine. These targets were assessed and ranked in terms of uranium channel radiometric response, presence of radioactive boulders, EM anomalies and proximity to northeast trending structures.

A field-based exploration program has been devised to further assess these priority targets and will commence in September.

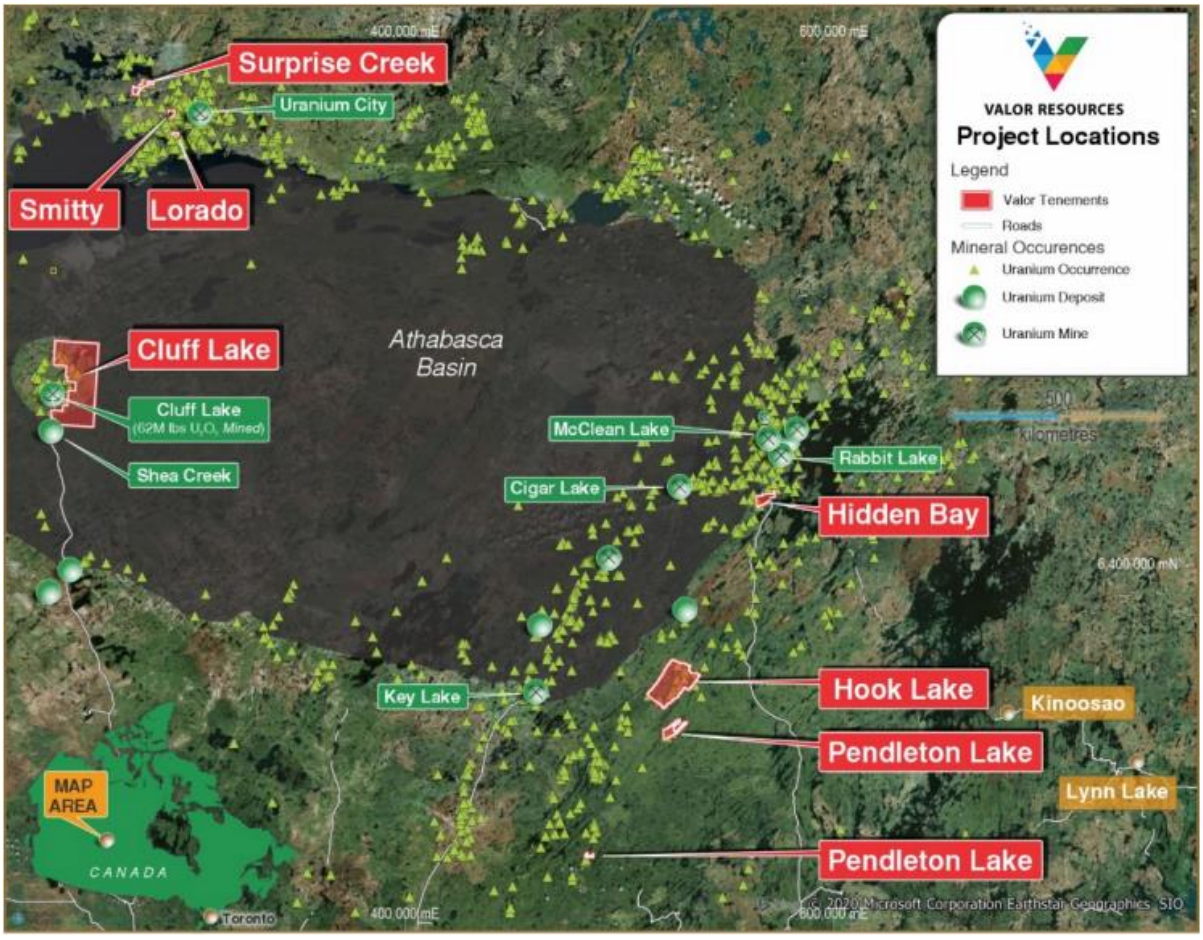

Figure 2: Valor's Athabasca Basin Project Portfolio

Cluff Lake Targeting Overview

All available geophysical and geological data including airborne magnetics, gravity, radiometrics, Megatem EM, SRTM DTM, regional geology and radioactive boulder data was acquired and collated across the Project. Where relevant, geophysical datasets were reprocessed to assist with interpretation. A 3D inversion of the available magnetic coverage was performed in order to assist with the estimation of depth to basement. Similarly, conductivity depth transform (CDT) of the Megatem data approximates the subsurface electrical conductivity variations and is used to define the geometry of EM anomalies (see Figure 3 below).

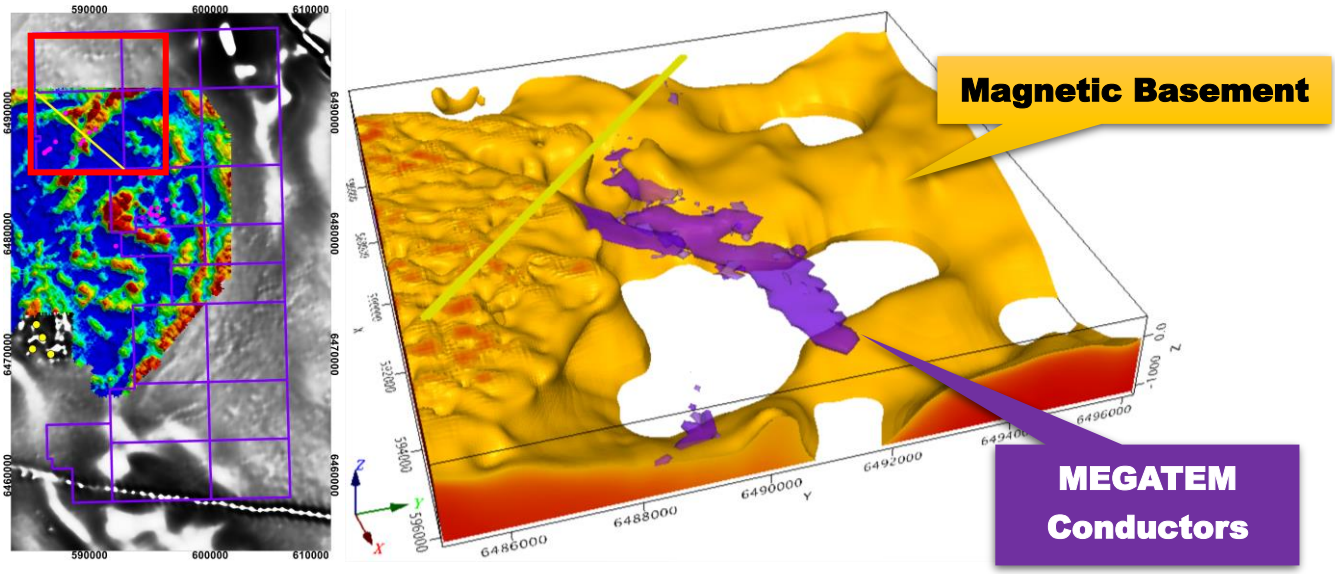

Figure 3: Left – Megatem Imagery with Radioactive Boulders (pink points), Right – Magnetic Inversion and Megatem Conductors

Executive Chairman, Mr George Bauk says, "This project comes with so much data and prospectively. It is hard to believe that no work has been undertaken for decades. It is within seven kilometres of the historic Cluff Lake mine that produced over 60 million pounds of uranium".

"We will be working with our geological consultants in Canada, Dahrouge Geological Consulting who just recently completed the groundwork at our Hook Lake Project".

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

For further information, please contact:

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ASX: VAL/VALOB

ABOUT VALOR RESOURCES

Valor Resources Limited (ASX:VAL) ("Valor" or "the Company") is an exploration company focused on creating shareholder value through acquisitions and exploration activities. The Company is focused on two key projects as outlined below in Peru and Canada.

Valor's 100% owned Peruvian subsidiary, Kiwanda SAC holds the rights to the Picha and Corona Projects located in the Moquegua Department of Peru, 17km ENE of the Chucapaca (San Gabriel – Buenaventura) gold deposit. They are two copper-silver exploration projects comprising ten granted mining concessions for a total of 6,031 hectares.

Valor is the 100% owner of Pitchblende, which holds the following interests:

- right to earn an 80% working interest in the Hook Lake Uranium Project located 60km east of the Key Lake Uranium Mine in northern Saskatchewan. Covering 25,846 hectares, the 16 contiguous mineral claims host several prospective areas of uranium mineralisation; and
- 100% equity interest in 19 contiguous mineral claims covering 62,233 hectares in northern Saskatchewan. The property is located 7km east of the former-producing Cluff Lake Uranium Mine and much of the project area is located within the Carswell geological complex that hosts the Cluff Lake Mine.
- Five additional projects within the Athabasca Basin with 100% equity interest in 12 mineral claims covering 10,512 hectares at the Surprise Creek Project, Pendleton Lake Project, Smitty Uranium Mine, Lorado Uranium Mine and the Hidden Bay Project.

COMPETENT PERSON STATEMENT

Information in this announcement is based on data compiled and reviewed by Mr. Gary Billingsley, a Non-Executive Director of Valor, who is a member of The Association of Professional Engineers of Saskatchewan in Canada. Mr. Billingsley has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Billingsley consents to the inclusion of the data in the form and context in which it appears. Mr. Billingsley has reviewed calculation of measured, indicated and inferred resources referenced according to the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information reported in this announcement.

Ends - - - - - - - - -

JORC CODE, 2012 EDITION – TABLE 1 REPORT

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Fixed wing magnetometer and electromagnetic survey completed by Fugro Airborne Surveys of Mississauga, Ontario, between October 5 and 10, 2005. The survey was flown with a DeHavilland Dash-7 aircraft on wheels equipped with a towed bird magnetometer and a MEGATEM 20 channel system transmitting from a 406 m2 vertical loop mounted on the aircraft. The magnetometer was a Scintrex CS-2 in a towed-bird configuration with a nominal sensor height of 73m above the ground. The MEGATEM 20 channel multicoil system transmitted from the vertical loop configuration with a nominal height of 120m above the ground. The multicoil system receiver was placed 130m behind the centre of the transmitter loop at a nominal height of 70m above the ground.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The magnetometer base station consisted of a Scintrex CS-2 magnetometer mounted in a magnetically quiet area.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Not applicable – geophysical survey only.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Not applicable – no drilling completed.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Not applicable – no drilling completed.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Not applicable – no drilling completed.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable – no drilling completed.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Not applicable – no drilling completed.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Not applicable – no drilling completed.
	The total length and percentage of the relevant intersections logged.	Not applicable – no drilling completed.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable – no drilling completed
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable – no drilling completed.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Not applicable-no sampling
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Not applicable – no sub-sampling applied.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Not applicable-no sampling
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable-no sampling

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Not applicable – no assaying completed.
Quality of assay data and laboratory tests continued	*For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	Not applicable – no assaying completed
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Not applicable – no assaying completed
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Not applicable – no assaying completed
	The use of twinned holes.	Not applicable – no drilling completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Data acquisition using Fugro's GEODAS system with RMS GR-33 analogue recorder. Visuals recorded on VHS tape using a Panasonic WV-CL302 camera.
	Discuss any adjustment to assay data.	Not applicable – no assaying completed
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	GPS and electronic navigation: NovaTel Propak 4E-3151-R with 1 second recording interval and 0.00001 degree resolution. Base station used was a NovaTel measuring all GPS channels. GPS navigation was controlled daily by recovering the aircraft flight path and using C3NavG2 correction procedures to apply corrections.
	Specification of the grid system used.	The geodetic system used for the geophysical survey was NAD83 in UTM Zone 12N.
	Quality and adequacy of topographic control.	Topographic control is considered fit for purpose, using a Rosemount 1241M barometric altimeter and a King KRA405 radar altimeter, both with 1 ft sensitivity.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The Fugro survey was flown at 400m line spacing, with tie lines at 8000m and a nominal flight height of 120m above ground level.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not applicable – no Mineral Resource estimation.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The survey lines were flown at 040^{o} -220^{o} which was deemed appropriate for the structural trends in the Cluff Lake area.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not applicable – no drilling.
Sample security	*The measures taken to ensure sample security.*	Not applicable.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Results of Fugro survey assessed internally and by third-party contractors.

SECTION 2 REPORTING OF EXPLORATION RESULTS (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Cluff Lake Uranium Project is located 8km east of the former-producing Cluff Lake Uranium Mine in northern Saskatchewan. Covering 62,233 hectares, the 19 contiguous mineral claims host several prospective areas of potential uranium mineralisation. Valor is the 100% owner of Pitchblende Energy Ltd, which holds a 100% interest in the mineral claims.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area	All mineral claims are currently granted and in good standing with no known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration was previously completed on the Cluff Lake Project by several companies during the 1970s and 1980s but most recently by ESO Uranium Corp. and Uranium North Resources Ltd.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Cluff Lake project is located in the western part of the Proterozoic Athabasca Basin. Historically, the Athabasca Basin region produces over 20% of the world's primary uranium supply. The main feature of the project area is the circular Carswell Structure which hosts the former-producing Cluff Lake Mine. The project area covers the eastern portion of the Carswell Structure and is considered prospective for both sediment-hosted and basement-hosted unconformity-related uranium deposits. The Cluff Lake Project comprises several areas of interest hosting uraniferous boulders and outcrops as well as several EM conductors.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	Not applicable – no drilling completed.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable – no drilling completed.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Not applicable – no sampling or assaying completed
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not applicable – no sampling or assaying completed
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable – no metal equivalents reported.
	These relationships are particularly important in the reporting of Exploration Results.	Not applicable – no drilling completed.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Not applicable – no drilling.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	*If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Not applicable – no drilling.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures 1, 2 and 3 above in body of text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Full results of MEGATEM survey reported herein.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Compilation and re-interpretation of previous exploration data from the area has been partially completed by Valor.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work on the project will include the following: • Geological mapping of target areas. • Further geochemical surface sampling to define areas of potential mineralisation • Further ground geophysical surveys to define conductors indicative of structural controls • Geological modelling to aid in drill target definition • Define drill targets based on the above work and implement a diamond drill program.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to Figures 1 and 3 above in body of text.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Not applicable.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

Not applicable.