

# Pegmont Mines Limited

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13 May 2019

The Manager  
The National Stock Exchange  
Level 3, 1 Bligh Street  
SYDNEY NSW 2000

Dear Sir,

## **Vendetta Mining Corp exercise their option to acquire Pegmont tenements**

We are pleased to announce that Vendetta Mining Corp has exercised their Option to acquire 100% interest in the Pegmont lead-zinc Project, namely Mining Leases 2620, 2621 and 2623 and EPM 26210. A copy of their announcement dated 8 May 2019 (Toronto time) is attached.

Appropriate documentation have been executed by Pegmont including the Agreement of Sale, the Amended and Restated Royalty Deed, the related Priority Deed, also other Deeds, Notices and Payment Direction.

An exercised payment of \$3,000,000 together with \$300,000 extension fee was received by Pegmont.

Completion of Vendetta's Option to purchase the Pegmont lead-zinc tenements marks a conclusion to our restructuring of the Company's previous exploration projects. The sale releases cash to pay a dividend and provides funding for new exploration copper-gold projects North and West of Mount Isa.

A further announcement will be made shortly on payment details of a special fully franked dividend to shareholders.

Kind regards,



Malcolm A Mayger  
**Managing Director**



**FOR IMMEDIATE RELEASE**

**May 8<sup>th</sup>, 2019**  
(VTT2019 – NR # 7)

## **Vendetta Closes A\$3.0M Funding Package to Complete Pegmont Acquisition and Private Placement Update**

**Vancouver, BC – May 8<sup>th</sup>, 2019** □ Vendetta Mining Corp. (the “Company” or “Vendetta”) (VTT-TSX:V) is pleased to announce that it has closed the previously announced financing package with Nebari Holdings LLC. and that, as a result, the Company is now in a position to make its final property payment to Pegmont Mines Ltd., as vendor, and acquire a 100% interest in the Pegmont Lead-Zinc project.

The Company would like to thank Pegmont Mines Ltd for assisting Vendetta with the agreements necessary to close the Nebari financing.

### **Private Placement Update**

The Company has amended the terms of the previously announced private placement (the "Offering"). The Company now plans to issue up to 15 million units at \$0.10 cents per unit to raise gross proceeds of \$1.5 million (subject to TSX Venture Approval). Each unit will comprise one common share and one-half common share purchase warrant, each whole warrant entitling the holder thereof to acquire one common share of the Company at a price of \$0.15 per share, for a period of two years following the closing of the Offering.

All shares to be issued pursuant to the Offering will be subject to a four-month hold period under applicable securities laws in Canada. The Company may also pay one or more finders fees in connection with the completion of all or a portion of the Offering

The net proceeds of the Offering will be used to advance the development of the Pegmont Lead-Zinc project and general working capital.

### **Field Work**

Immediately following the closing of the Offering, the Company will commence field work at the Pegmont Lead-Zinc project. The detailed geological mapping program commenced last year will be expanded and the Company will commence a drill program consisting of resource development drilling in Zones 2, 3 and 4, and exploration drilling on newly identified structural targets.

In addition, metallurgical test work will be completed on Zone 1 transition material from six previously drilled holes in Main Pit 1. Additional metallurgical samples will be collected during this program.

### **About the Pegmont Lead Zinc Project**

The Pegmont Lead Zinc Project is situated in the Mount Isa – McArthur Mineral Province, Australia which hosts one of the world’s richest endowments of lead-zinc-silver mineralization, including several significant lead-zinc-silver mines.

The current Mineral Resource Estimate at the Project:



Indicated 5,758 Kt @ 6.5% Pb, 2.6% Zn, 11 g/t Ag  
Inferred 8,277 Kt @ 5.1% Pb, 2.8% Zn, 8 g/t Ag

The results of a Preliminary Economic Assessment (“PEA”) on Pegmont were released by the Company by news release dated January 28, 2019. The PEA outlined a 10-year mine plan that generates a strong economic return with a (base case) pre-tax IRR of 32% (after tax 24%) and NPV8% of \$201M (\$128M after tax) using long term consensus metal prices of \$0.91/lb lead, \$1.09/lb zinc and \$16.50/oz silver.

The PEA indicated a strong sensitivity to metal prices and US\$:A\$ exchange rate with a pre-tax IRR of 37% (after tax 27%) and NPV8% of \$249M (\$158M after tax), using metal prices as of January 22, 2019 of \$0.94/lb lead, \$1.25/lb zinc and \$15.30/oz silver and US\$:A\$ of \$0.71.

The PEA identified further project enhancements and Vendetta has identified several high priority exploration targets.

### **About Vendetta Mining Corp.**

Vendetta Mining Corp. is a Canadian junior exploration company engaged in acquiring, exploring, and developing mineral properties with an emphasis on lead and zinc. It is currently focused on advancing the Pegmont Lead Zinc project in Australia. Additional information on the Company can be found at [www.vendettaminingcorp.com](http://www.vendettaminingcorp.com)

### **Technical Disclosure**

Peter Voulgaris, MAIG, MAusIMM, a Director of Vendetta, a "qualified person" as defined by NI 43-101 – *Standards of Disclosure for Mineral Projects*. Mr. Voulgaris has reviewed and approved the technical content of this press release, and consents to the information provided in the form and context in which it appears.

For details of the Pegmont Project including the effective date of the resource estimate, quality control measures applied, key assumptions, parameters and methods used to estimate the mineral resources set forth herein and any known legal, political, environmental or other risks that could materially affect the potential development of the mineral resource estimate, please refer to the technical report entitled “*Technical Report – Pegmont Mineral Resource Update and PEA*” dated effective January 21, 2019 and available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

**The Preliminary Economic Assessment (PEA) referred to herein, is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.**

### **ON BEHALF OF THE BOARD OF DIRECTORS**

“Michael Williams”

Michael Williams  
President & CEO  
604-484-7855





## **Forward Looking Information**

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

*This release includes certain statements and information that may be deemed to be “forward-looking statements” or “forward looking information” within the meaning of the applicable Canadian Securities laws. All statements in this release, other than statements of historical facts are forward looking statements or information, including without limitation, statements or information regarding the completion of the Offering, the use of proceeds of the Offering, estimated project economics, including but not limited to, mill recoveries, payable metals produced, production rates, payback time, capital and operating and other costs, IRR and mine plan; expected upside from additional exploration; expected capital requirements and timing; and other future events or developments. Forward-looking statements include statements that are predictive in nature, are reliant on future events or conditions, Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions.*

*These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.*

*Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, the failure to complete the Offering on the proposed terms, changes in commodities prices; changes in expected mineral production performance; unexpected increases in capital costs; exploitation and exploration results; continued availability of capital and financing; differing results and recommendations in the PEA; and general economic, market or business conditions.*

*In addition, forward-looking statements are subject to various risks, including but not limited to operational risk; political risk; currency risk; capital cost inflation risk; that data is incomplete or inaccurate; the limitations and assumptions within drilling, engineering and socio-economic studies relied upon in preparing the PEA; and receipt of regulatory and other approvals and/or consents in respect of the Offering in particular. There can be no assurance that the Offering will be completed on their terms or at all.*

*The reader is referred to the Company’s filings with the Canadian securities regulators for disclosure regarding these and other risk factors, accessible through Vendetta Mining’s profile at [www.sedar.com](http://www.sedar.com)*

*There is no certainty that any forward-looking statement will prove to be accurate and investors should not place undue reliance upon forward-looking statements. The Company does not undertake to provide updates to any of the forward-looking statements in this release, except as required by law.*