

12 October 2020

VI MINING PLC
(“VIM” or the “Company”, AQSE: VIM)

PROPOSED AQSE WITHDRAWAL, BOARD CHANGES AND NAME CHANGE

VIM announces:

1. that a circular will be posted to shareholders on or around 15 October 2020 convening a general meeting at which a resolution will be proposed to approve the withdrawal of the Company’s ordinary shares (the “Ordinary Shares”) from the AQSE Growth Market;
2. a number of changes to the board of directors (“Board” or the “Directors”); and
3. that, on 9 October 2020, the Board resolved to change the name of the Company to Sumner Group Mining plc, which had immediate effect in accordance with the resolution passed at the annual general meeting on 6 November 2019.

Proposed Withdrawal from the AQSE Growth Market

The Company will send a circular to shareholders on or around 15 October 2020 (the “Circular”) convening a general meeting (the “General Meeting”) at which a special resolution will be proposed to approve the withdrawal of the Ordinary Shares from the AQSE Growth Market (the “Withdrawal”) (the “Resolution”).

At the time of the Company’s IPO in March 2018, the objective was to become a precious metals producer in the near to mid term to generate near term cash flow and unlock further value through brownfield development. Despite the efforts of the management team, the Company has struggled to implement this plan and has not been able to become cash generative.

Throughout this period the Company has been reliant for funding from its ultimate parent, Sumner Group Holdings Limited (“SGH”), a company majority owned by the Chairman, David Sumner. The Company has not been able to attract the support of institutional investors to date and the Directors believe further restructuring will be necessary in order to generate interest in the market. The Directors believe that such restructuring would be effected more efficiently as an unquoted company

The Company will continue to seek to extract value from its Peruvian assets through the proposed consortium, details of which were announced on 6 October 2020, and look to advance the Aripuanã project in Brazil. The acquisition of further projects will be also considered.

With this background, the Directors have conducted a review of the advantages and disadvantages to the Company and its shareholders of retaining its admission to the AQSE Growth Market and believe that Withdrawal is in the best interests of the Company and shareholders as a whole.

In reaching this conclusion, the Directors have considered the following key factors:

- There are considerable costs, management time and legal and regulatory burdens associated with maintaining the admission of the Ordinary Shares to the AQSE Growth Market. These are, in the Directors' opinion, disproportionate to the benefits to the Company; and
- Liquidity in the Ordinary Shares is extremely low, which reduces their attractiveness as an investment for all types of potential investor. Therefore, it would not be feasible for the Company to raise material funds through the market. As a result, the Company has been and, in the Director's opinion, will continue to be until material revenue generation, wholly reliant on the majority Shareholder for funding.

No alternative listing or dealing mechanism is currently being sought for the Ordinary Shares at this time. It is intended that Shareholders holding Ordinary Shares electronically in CREST will continue to be able to do so following Withdrawal.

Following Withdrawal, the Company will continue to seek to extract value from its Peruvian assets through the proposed consortium and look to advance the Aripuanã project in Brazil. The acquisition of further projects will be also considered.

The Company will continue to provide Shareholders with information on the material developments of the Company through the news section of the website.

The General Meeting will be held at 11.00 a.m. (GMT) on 10 November 2020 for the purpose of considering and, if thought fit, passing with or without modifications, the Resolution as set out in the notice of General Meeting at the end of the Circular.

As a result of the Covid-19 pandemic and the imposition of measures by the UK Government, physical attendance at the General Meeting will not be possible. The General Meeting will take place with the minimum necessary quorum of two Shareholders, which will be facilitated by the Company in line with the UK Government's social distancing advice. Shareholders are strongly encouraged to vote in favour of the Resolution. In light of Covid-19 and restrictions on attendance at the General Meeting, the Board encourages Shareholders to vote through submission of their Form of Proxy either by post or email and to appoint the Chairman of the meeting as their proxy with their voting instructions.

In the event that the Resolution is passed, it is expected that Withdrawal will take place on 11 November 2020.

Board Changes

Johnny Martin Smith, previously a Non-Executive Director, has today been appointed as Chief Executive Officer of the Company. Allan Rowley, previously Chief Executive Officer, has moved to a new role with the Sumner Group, the Company's majority shareholder.

Tim Feather, who has been in the non-board position of Chief Financial Officer since November 2019, has been appointed a director of the Company and remains Chief Financial Officer.

Martin Davison has been appointed Independent Non-Executive Director.

Johnny Martin Smith

Johnny has extensive experience in the mining industry, having started as a mining analyst with the stockbroker, Davis Borkum Hare (latterly Bank of America Merrill Lynch) in 1983 in Johannesburg, before moving to London where he worked in specialist mining sales for SG Warburg. Subsequently he worked at UBS, Credit Suisse and Williams de Broe. He founded Smiths Corporate Advisory in 1999 which he developed into a leading investor relations business focused on the mining sector, and then sold to Westhouse Holdings in 2011, where he became head of mining. He is an Independent Non-Executive Director of IRC Limited and Chairman of its Remuneration Committee.

Tim Feather

Tim was appointed CFO of VI Mining in 2019 bringing over 25 years of public company experience. Having qualified as a chartered accountant with Deloitte in 1994, he subsequently went on to co-found the corporate broking division at Brown Shipley, one of the longest standing merchant banks in the City. In 2003 he co-led a management buy-out of that business, forming Westhouse Securities, where as Head of Corporate Finance he focused on natural resources. Prior to his appointment at VI Mining, Tim was a director at WH Ireland, specialising in natural resources. He has an LLB from the University of Nottingham.

Martin Davison

Martin qualified as a barrister before becoming a corporate financier focusing on natural resources. He has extensive experience in corporate finance, debt and equity fundraising, initial public offerings and merger and acquisition mandates. He was a managing director of Canaccord Genuity Limited, an investment banking and financial services company which specialises in wealth management and brokerage in capital markets where he worked from November 2015 until May 2019.

Further information on Mr. Feather and Mr. Davison in accordance with Appendix 1, Table A, paragraph 5.1.2 of the AQSE Growth Market Rules is set out in the Appendix.

Name Change – Sumner Group Mining plc

At the Company's annual general meeting on 6 November 2019 (the "AGM"), shareholders passed a resolution authorising the directors to register a change of name of the Company to Sumner Group Mining plc within a period of 12 months from the date of the AGM (the "Name Change").

The Board approved the Name Change at a meeting on 9 October 2020 and it became effective immediately. It is expected to be reflected on the AQSE Growth Market by 14 October 2020. The ticker will change to "SUGM" at the same time.

Contact:

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VSA Capital Limited

APPENDIX

Further information on Director Appointments

Timothy David Feather has been a director of Sumner Group Holdings Limited and Sumner Global Singapore Pte. Limited in the previous three years.

Martin Joseph Davison is currently a director of HPD Software Limited, Iach Limited and IRC Limited.

There is no further information required to be disclosed in accordance with Appendix 1, Table A, paragraph 5.1.2 of the AQSE Growth Market Rules.