

Vendetta Mining Ltd and Pegmont Mines Limited Execute Definitive Agreement Regarding the Pegmont Pb-Zn-Ag property

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Vancouver, BC / ACCESSWIRE / August 11th, 2014 / [Vendetta Mining Ltd.](#) (VTT-TSX:V) (the "Company" or "Vendetta") and Pegmont Mines Ltd. (the "Vendor") have executed definitive agreements for the previously announced option deal on the Pegmont Lead-Zinc-Silver deposit, in Queensland, Australia.

The Pegmont lead-zinc-silver deposit is located 25 km east of [BHP Billiton's](#) world class Cannington silver-lead-zinc mine and 28 km north of Chinova Resources' Osborne copper-gold mine. It is proximate to existing infrastructure that includes roads, railhead and natural gas for power generation. Discovered in 1971, shallow drilling has defined historic resources that the Company, in concert with AMC Consultants, has been working to bring into CIM and NI 43-101 compliance. In addition, numerous untested targets defined by drilling, geophysical and geochemical methods remain to be explored.

Updates on the option and finance terms follow below.

Option Terms (all dollar amounts are in Australian dollars)

The Company has been granted an option to acquire 100% of the Pegmont property comprising three mining leases and two exploration tenements, by a combination of cash payments, exploration commitments and advanced royalty payments.

Cash option payments totaling \$3 million are as follows: \$250,000 within 2 days of approval of the TSX Venture Exchange (the "TSXV") of the transaction; \$250,000 on the 12 month anniversary; \$500,000 on the 24 month anniversary; \$750,000 on the 36 month anniversary; and finally \$1,250,000 on the 48 month anniversary. In addition, the Company has agreed to reimburse Pegmont for \$350,000 of exploration expenses that they have incurred during the year. These expenditures will be applied to the overall expenditure requirements.

Exploration expenditures for the property comprise a minimum of \$800,000/year or meeting minimum requirements by the State of Queensland (whichever is greater) by August 10th of each year during the first 3 years of the option for a minimum commitment of \$2.4 million. A minimum 17,000 m of drilling must be completed within a 42 month period commencing the day of TSXV approval of the transaction, with 2,000 m of this total to be drilled by the end of the 2014.

In the event of Vendetta exercising the option and as part of the final transfer of project titles, the Company has also agreed to pay an advance royalty to the Vendor of \$3 million. Vendetta will receive a royalty credit of the cash option payments and advanced royalty for a total of \$6 million, to be credited against future royalty payments.

The Vendor will retain a royalty right on future concentrate production from the property of 1.25% of net smelter return, subject to the credit of \$6 million in favour of the Company. In the case where ore is sold rather than concentrate, a separate royalty formula allows for a royalty of \$1.05 per tonne of ore sold, indexed to lead prices and to be conveyed to the Vendor, again subject to the \$6 million credit. Where ore that is sold contains silver at concentrations above 64 ppm, an additional royalty amount is payable, starting at \$0.06 per gram, indexed to the price of silver.

Update on Finance Terms (all dollar amounts are in Canadian dollars unless otherwise noted)

The Company is pleased to announce an update on its previously disclosed non-brokered private placement (the "Private Placement") (see News Release Dated November 21, 2013).

The \$2.2 million financing comprises a \$0.26 unit, with each unit consisting of one common share and one-half of one common share purchase warrant with each whole warrant exercisable at a price of \$0.35 for a period of three years.

Subject to the approval of the TSXV, Vendetta expects to close the financing shortly and prior to receiving

the necessary TSXV approval of the Pegmont transaction. Subsequent to receiving TSXV approval of the Pegmont Transaction, the Company will make the initial option payment and reimburse the Vendor for the exploration expense incurred by the Vendor during the negotiation period.

A finder's fee in favour of Mr. Adrian Ryan of Mt Waverley, Victoria, Australia is payable upon the successful conclusion of this transaction. The finder's fee is subject to TSXV rules and limitation ranges and will be paid in instalments at the time of each of the option payments to the Vendor. The maximum finder's fee payable would amount to A\$182,500 should Vendetta complete its earn-in under the executed call option.

ON BEHALF OF THE BOARD OF DIRECTORS

"Michael Williams"
Michael Williams, President & CEO

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

Some statements in this news release contain forward-looking information, including without limitation statements as to planned expenditures and exploration programs. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programs on schedule and the success of exploration programs.

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