

ASX ANNOUNCEMENT

18 September 2017



Victory plans gravity survey for Bonaparte after encouraging rock-chip results

Highlights

- **Rock-chip sampling program at Bonaparte Project returns highly encouraging results with up to 33g/t silver, 53.8% lead and 39.1% zinc**
- **Planned Ground Gravity survey submitted to the Traditional Owners for approval**

Victory Mines Limited (ASX: VIC – “Victory” or “the Company”) is pleased to announce encouraging results of up to 33g/t silver, 53.8% lead and 39.1% zinc from a rock-chip sampling program at its Bonaparte Project in Western Australia.

Elevated cadmium (Cd) was encountered in samples RB003 and RB004. Table 1 shows the assay results for silver (Ag), cadmium (Cd), copper (Cu), lead (Pb) and zinc (Zn). Acquired by Victory in July 2017, the Bonaparte Project (which is approximately 70km north of Kununurra, WA) features high-grade, polymetallic zinc-lead-silver mineralisation.

Victory has commenced discussions with the Traditional Owners (the Miriwoong Gajerrong people), and will commence the ground gravity survey once consent of the planned program is received. The gravity survey will cover approximately 100km² over areas considered to be the most prospective including the Redbank and Martins Gossan, as well as structural features defined from an EM survey completed by a previous explorer in 2010.

Victory hopes to complete the gravity survey before the onset of the wet season in Australia’s north, typically in November. The results of the gravity survey will greatly assist in defining targets for drilling in the future.

Figure 2 below shows the Bonaparte Project tenements with the recent rock-chip results, while Figure 3 shows the area which will be covered by the proposed gravity survey.

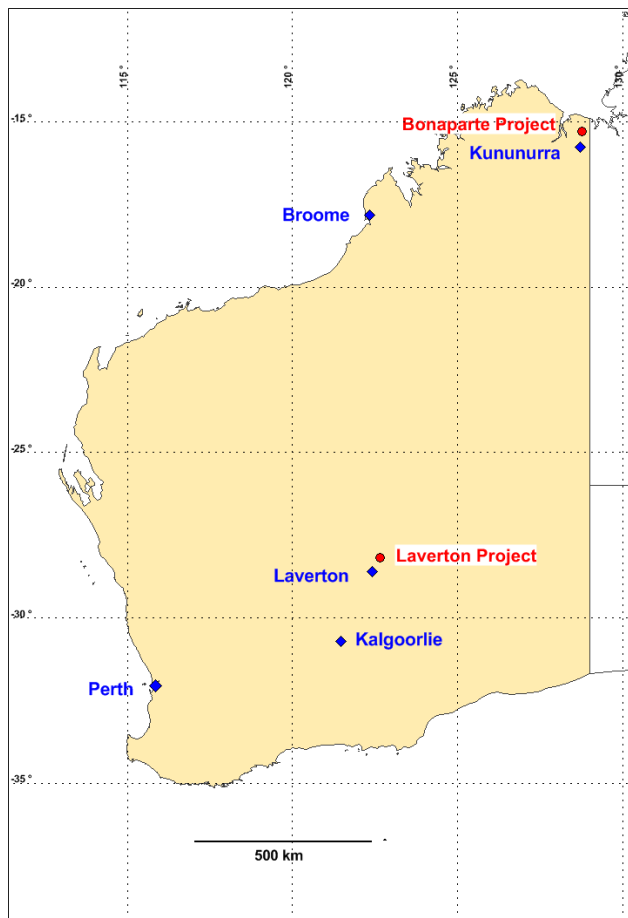


Figure 1: Locations of Victory's Bonaparte projects in WA.

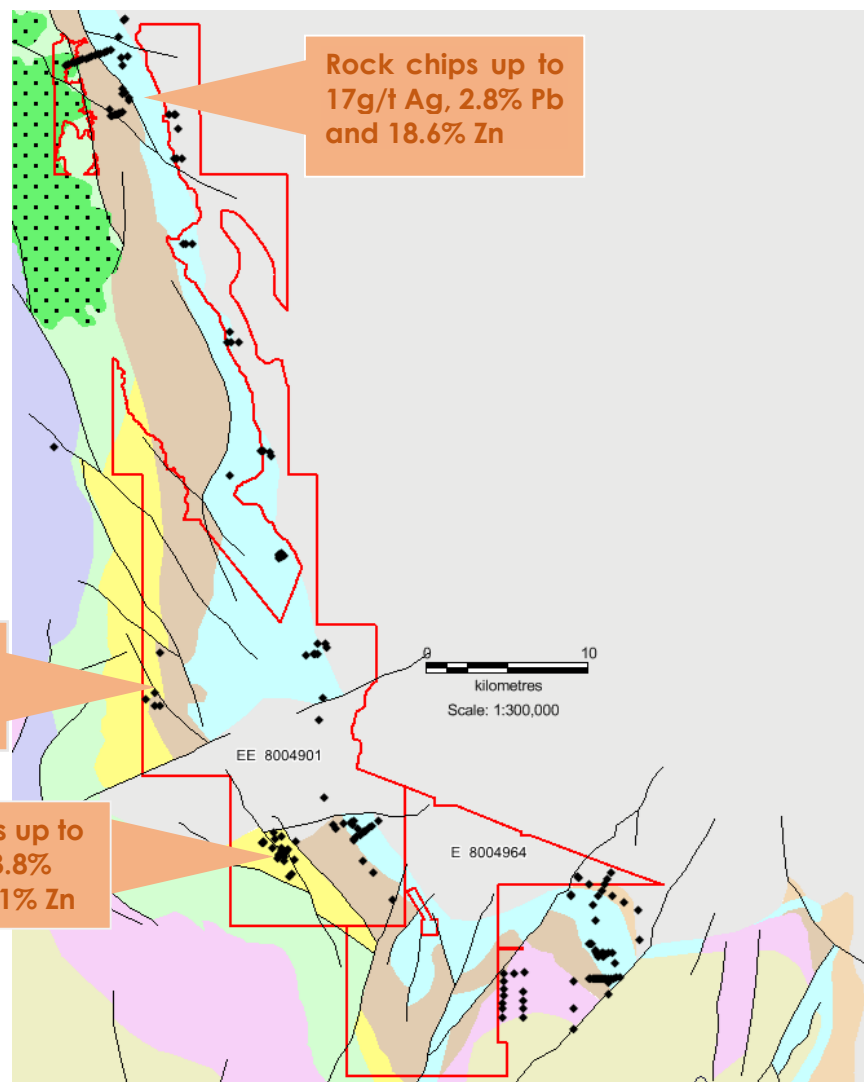


Figure 2: Bonaparte Project tenements and recent rock-chip results.

Sample No	Easting (MGA94Z52)	Northing (MGA94Z52)	Ag ppm	Cd %	Cu %	Pb %	Zn %
MG 001	455865.2211	8309317.753	1	0.002	0.025	0.337	0.94
MG 002	455878.4411	8309308.043	1	0.001	0.005	0.354	0.323
MG 003	455826.5907	8309306.944	1	0.002	0.017	0.621	1.07
MG 004	455825.4229	8309301.082	1	0.001	0.015	0.41	0.789
MG 005	455833.2548	8309304.416	1	0.001	0.013	0.347	0.688
MG 006	455338.6845	8309389.196	33	0.001	0.004	5.24	0.144
MG 007	455314.4998	8309349.107	4	0.001	0.032	0.261	0.377
MG 008	455279.4562	8309312.205	3	0.001	0.015	0.822	0.321
RB 001	462557.9722	8300519.164	1	0.001	0.288	0.019	0.116
RB 002	463818.4387	8299846.117	2	0.067	0.09	53.8	6.99
RB 003	463829.5852	8299856.75	8	0.113	0.006	1.32	4.92
RB 004	463837.9445	8299866.609	7	0.186	0.012	0.585	7.72
RB 005	463823.3152	8299816.586	1	0.013	0.054	16.25	39.1
RB 006	463879.374	8299862.687	2	0.083	0.002	0.287	2.98
RB 007	463854.703	8299785.669	1	0.081	0.016	0.163	3.66
AR 001	454690.1159	8346702.66	1	0.003	0.003	0.567	1.49
AR 002	454486.1894	8347066.612	1	0.001	0.002	0.467	1.64
AR 003	454547.5587	8346855.36	1	0.001	0.002	0.019	0.061
AR 004	454466.0889	8346721.814	1	0.001	0.005	2.11	0.876
AR 005	454447.2504	8346679.632	17	0.002	0.003	2.77	7.43
AR 006	454467.6358	8346643.283	4	0.001	0.005	2.2	18.6
AR 007	454420.7013	8346729.358	13	0.002	0.004	1.8	1.47

Table 1 - Results from Bonaparte rock-chip sample program

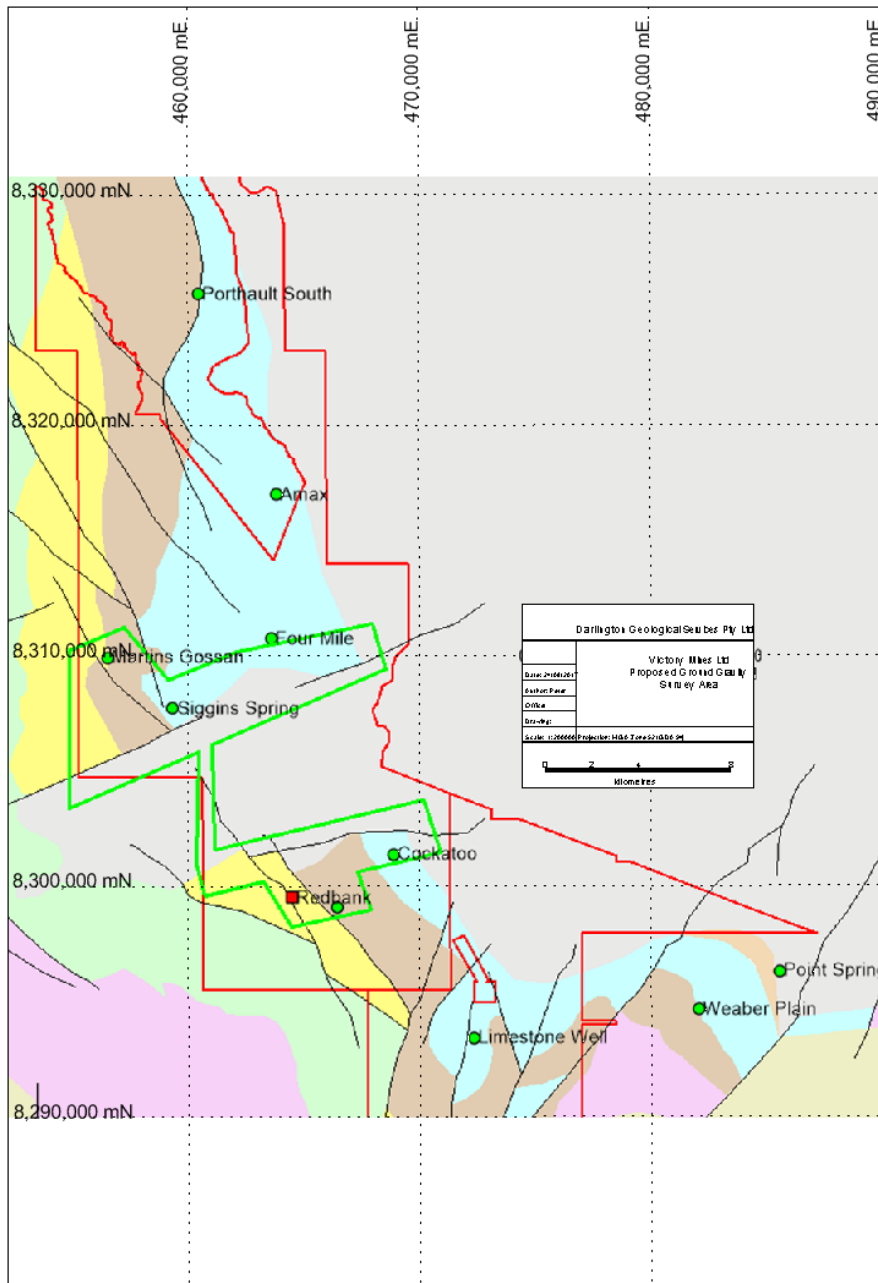


Figure 3: Area of Proposed Gravity Survey at Bonaparte

For further information, please contact:

Elizabeth Hunt
Company Secretary
Ph: +61 8 9481 0389

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Peebles who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the AIG. Mr Peebles is employed by Darlington Geological Services Pty Ltd and is also a Director of Victory Mines Limited. Mr Peebles has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Peebles consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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JORC CODE, 2012 Edition - Table 1 Reporting Template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Commentary
Sampling Techniques	Rock chips collected using a field hammer before being sent to a Commercial laboratory
Drilling Techniques	No drilling conducted
Drill Sample Recovery	No drilling conducted
Logging	Samples logged to a standard template
Sub-sampling techniques and sample preparation	Samples bagged and sent to a commercial laboratory for standard analysis. Industry accepted standards and blanks inserted as certified reference material. QA/QC results indicate the sampling is accurate and precise
Quality of Assay data and laboratory tests	Commercial Mineralogical Laboratory engaged with standard and blanks meeting standard industry practices
Verification of sampling and assaying	Independent verification has not been undertaken
Location of data points	Sample points identified using a hand held Garmin GPS. Grid system is UTM WGS84 Zone 52 South datum and projection
Data spacing and distribution	Variable sample spacing dependent upon outcrop location
Orientation of data in relation to geological structure	Variable sample spacing dependent upon outcrop location
Sample security	Samples transported to base by company geologist who then delivered the samples to the certified mineralogical laboratory
Audits or reviews	No audits or reviews have been conducted.
Mineral tenement and land tenure status	Exploration results reported are from work carried out on granted Exploration Licences E80/4901 and 4964 which have been acquired by Victory Mines Ltd in July 2017
Exploration done by other parties	Exploration has been done by previous explorers from 1972 onwards and 2107 by previous owners
Geology	Regional geology Devonian limestones, dolomites and sandstones of the Cockatoo Group
Drill Hole Information	No drilling conducted

Criteria	Commentary
Data Aggregation methods	No drilling conducted
Relationship between mineralised widths and intercept lengths	No drilling conducted
Diagrams	Diagrams of rock chip sample results, proposed gravity survey area are included in this announcement
Balanced Reporting	Results from all samples collected are reported in this announcement
Other substantive exploration data	A substantial amount of data has been collected relating to previous exploration. This data is on "Open File" within the Department of Mines and Petroleum

Section 2 Reporting of Exploration Results

Mineral tenement and land tenure status	Exploration results reported are from work carried out on granted Exploration Licences E80/4901 and 4964 which have been acquired by Victory Mines Ltd in July 2017
Exploration done by other parties	Exploration has been done by previous explorers from 1972 onwards and 2107 by previous owners
Geology	Regional geology Devonian limestones, dolomites and sandstones of the Cockatoo Group
Drill hole information	No drilling conducted
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Relationship between mineralised widths and intercept lengths	No drilling conducted
Diagrams	Diagrams of rock chip sample results, proposed gravity survey area are included in this announcement
Balanced Reporting	Results from all samples collected are reported in this announcement
Other substantive exploration data	A substantial amount of data has been collected relating to previous exploration. This data is on "Open File" within the Department of Mines and Petroleum
Further work	A ground gravity survey has been planned over approximately 100 sq km covering areas considered to be the most prospective including the Redbank and Martins Gossan, as well as structural features defined from an EM survey completed by a previous explorer in 2010.