

ASX ANNOUNCEMENT

Date: 24 July 2017



Significant Grade Zinc & Lead confirmed at the Bonaparte Project

- High grade assay results including 43.2% Zinc and 28.2% Lead have been independently verified at Victory Mines' Bonaparte project.
- Field mapping and sample locations confirms previous drilling did not effectively target potential high grade zones.
- Results indicate potential of regional mineralising fluids which are also suggestive of shallow drilling targets.
- Robust cash position at 30 June 2017 of \$1.699M will comfortably fund resource base expansion across recently acquired tenement package.

Victory Mines Limited (ASX:VIC) (**Victory or the Company**) is pleased to announce that it has received results from independent laboratory analysis (Bureau Veritas Minerals Pty Ltd) confirming high grade zinc and lead which confirms mineralisation from recent XRF rock samples. These results also confirm the significance of the recently announced acquisition of the polymetallic asset located on the prolific western margin of the Bonaparte Basin in Western Australia

These results provide further justification that several gossans on the Bonaparte project have clearly not been tested by previous drilling which provides the company with several potential walk up drilling targets.

Easting	Northing	Sample	Pb %	Zn %
455862	8309320	R0003	0.18	0.735
463822	8299848	R0011	28.2	25.7
463822	8299816	R0012	4.33	43.2
455867	8309318	R0037	1.73	2.65
455340	8309390	R0047	2.19	0.094
455340	8309390	R0047b	1.78	0.582
453957	8346561	R0058	0.14	0.125
454558	8346499	R0062	2.84	7.53
454585	8346455	R0063	0.08	0.232
473275	8294997	R0068	0.02	0.055
473264	8294898	R0069	0.06	0.088

Table 1- Current Assays Confirming High Grade Zinc and Lead Mineralisation

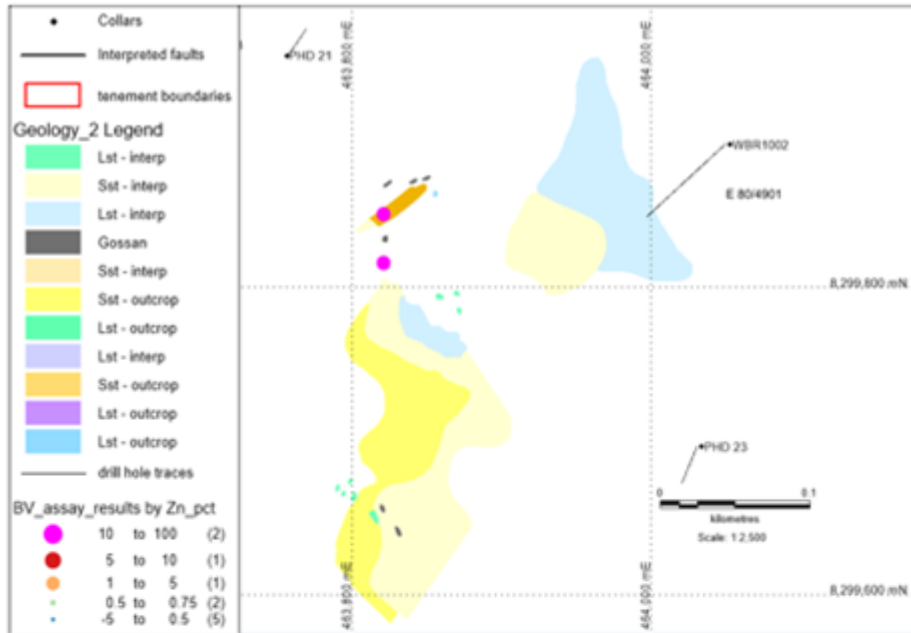
Figures 1, 2 and 3 (below) show an overview of the additional gossans that the company believes are highly prospective on the Redbank and Martins Gossans.

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Victory Mines Limited ABN 39 151 900 855

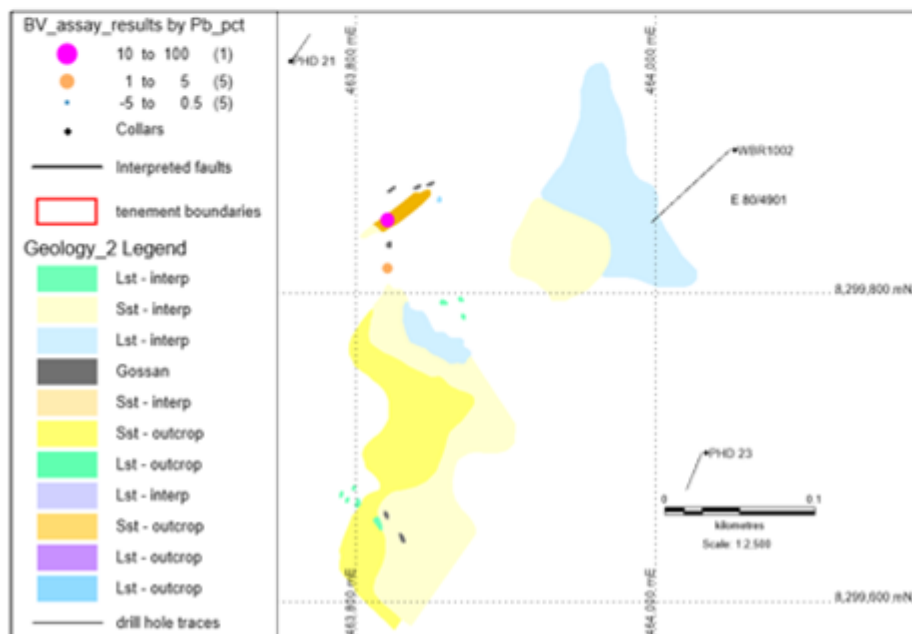
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The Company believes several large gossans and mineralised areas were not located from previous drilling campaigns and this is evidenced by the recent rock chip assay results. Evidence that previous drilling missed highly prospective gossans is evidenced from the fact that the previous drilling is quite distant from the areas which returned the high grade lead and zinc results.



Redbank - with zinc rock chips

Redbank with Lead rock chips (below)



Figures 1 and 2 – Redbank Gossan, Rock Chip Results and Previous Drill Hole Locations

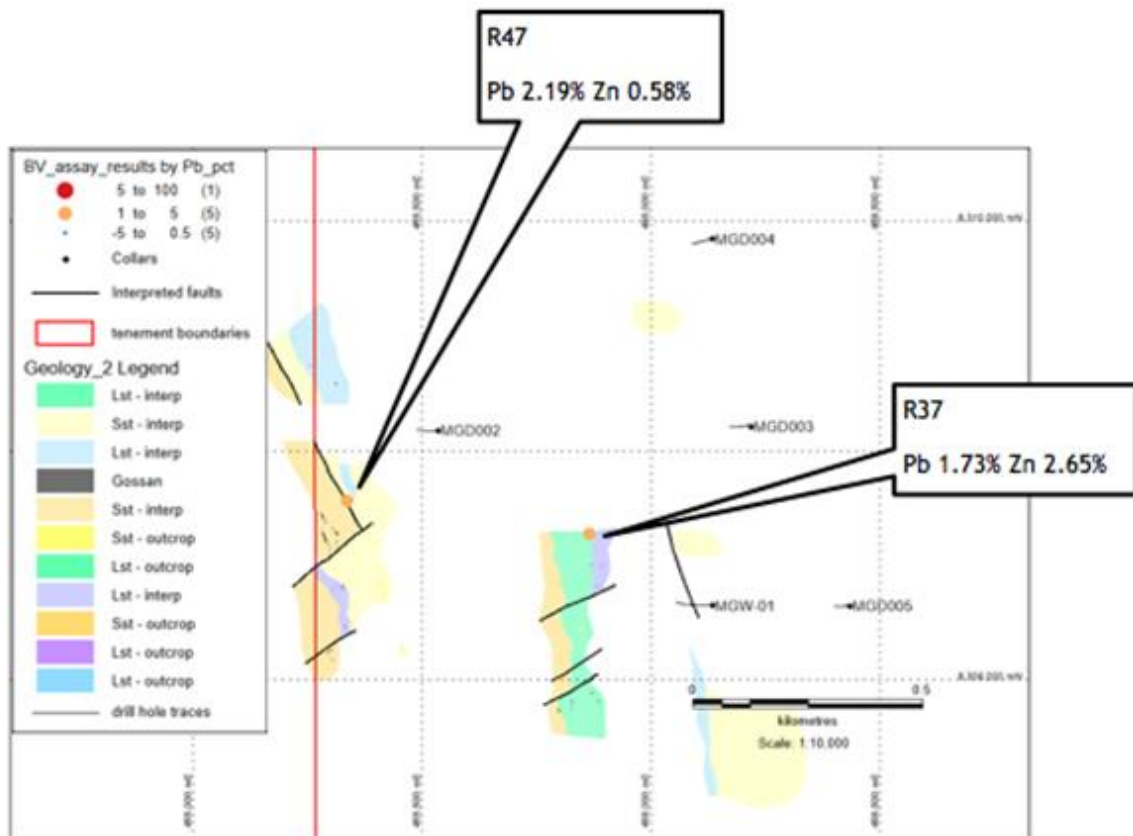


Figure 3 Martins Gossan ; Note the drill holes were completed several kilometres away from the gossanous areas.

The Company now plans to analyse this data further and decide the best way forward for further exploration. Peter Peebles, Victory Mines' Director and Chief Geologist said, "The results at the newly acquired Bonaparte Project as extremely encouraging and our plans now are to aggressively target the areas in question".

For further information please contact:

Elizabeth Hunt
Company Secretary
Victory Mines Limited

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.

JORC 2012 TABLE 1 REPORTING

Section 1. Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	<ul style="list-style-type: none"> Rock chips were collected using a field hammer before being sent to a Commercial Laboratory
Drilling techniques	<ul style="list-style-type: none"> No drilling conducted.
Drill sample recovery	<ul style="list-style-type: none"> No drilling conducted.
Logging	<ul style="list-style-type: none"> rocks logged to standard template
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Samples were bagged and sent to a Commercial Laboratory for standard analysis Industry acceptable standards and blanks were used as certified reference material QAQC results indicate that the sampling is accurate and precise.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Commercial Mineralogical Laboratory engaged with Standards and Blanks meeting standard industry practices.
Verification of sampling and assaying	<ul style="list-style-type: none"> Independent verification has not been undertaken on these results.
Location of data points	<ul style="list-style-type: none"> Sample points have been surveyed utilising hand held Garmin GPS. Grid system is UTM WGS84 Zone 52 South datum and projection.
Data spacing and distribution	<ul style="list-style-type: none"> Variable spacing dependent on rock outcrop location
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Variable spacing dependent on rock outcrop location
Sample security	<ul style="list-style-type: none"> Samples are transported back to Camp by company drivers Company representative delivered all samples to a certified laboratory
Audits or reviews	<ul style="list-style-type: none"> No audits have been conducted on this data.
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The exploration results reported in this announcement are from work carried out on granted prospecting licence E80/4091, E80/9464, which are owned by Lowrie Hearn Pty Ltd and Perrot Gordon Pty Ltd (50:50). Prospecting licences E80/4091, E80/9464, are in good standing.
Exploration done by other parties	<ul style="list-style-type: none"> Exploration has been performed by the owners of the tenements
Geology	<ul style="list-style-type: none"> The regional geology is late Devonian limestone, dolomite and sandstone of the Cockatoo Group.
Drill hole information	<ul style="list-style-type: none"> No drilling conducted.
Data aggregation methods	<ul style="list-style-type: none"> No drilling conducted.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> No drilling conducted.

Criteria	Explanation
Diagrams	<ul style="list-style-type: none"> Diagrams of rock sample locations and the location of samples are included in this announcement.
Balanced reporting	<ul style="list-style-type: none"> All assay results received are reported in the diagrams included in this announcement.
Other substantive exploration data	<ul style="list-style-type: none"> A substantive body of work remains to be incorporated into the announcement. This data is on open file with the department of mines and petroleum Western Australia.

Section 2 Reporting of Exploration Results

Mineral tenement and land tenure status	<ul style="list-style-type: none"> The exploration results reported in this announcement are from work carried out on granted prospecting licence E80/4091, E80/9464, which are owned by Lowrie Hearn Pty Ltd and Perrot Gordon Pty Ltd (50:50).
Exploration done by other parties	<ul style="list-style-type: none"> Exploration has been performed Lowrie Hearn Pty Ltd and Perrot Gordon Pty Ltd Placer Prospecting estimated the resource based on 24 percussion holes totalling 2745 feet. This was carried out in 1972 and does not meet JORC requirements.
Geology	<ul style="list-style-type: none"> The regional geology is late Devonian limestone, dolomite and sandstone of the Cockatoo Group.
Drill hole Information	<ul style="list-style-type: none"> No drilling conducted.
Data aggregation methods	<ul style="list-style-type: none"> No drilling conducted.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> No drilling conducted.
Diagrams	<ul style="list-style-type: none"> Refer to figures within the main body of this report.
Balanced reporting	<ul style="list-style-type: none"> A substantive body of work remains to be incorporated into the announcement. This data is on open file with the department of mines and petroleum Western Australia
Other substantive exploration data	<ul style="list-style-type: none"> A substantive body of work remains to be incorporated into the announcement. This data is on open file with the department of mines and petroleum Western Australia
Further work	<ul style="list-style-type: none"> Gravity program to map out structures and target mineralisation is planned, to be followed up by drilling