

ASX ANNOUNCEMENT

29 August 2017



Market Update Bonaparte Gravity Survey Planned, Laverton EM Survey Underway

Highlights

- Rock-chip sampling completed at the Bonaparte Project, WA
- Results expected by mid-September
- Ground Gravity survey planned for the Bonaparte Project
- Ground EM Survey underway at Laverton Project, WA
- Survey expected to be completed by mid-September
- Results to determine targets for follow-up.

Victory Mines Limited (ASX: VIC – “Victory” or “the Company”) is pleased to provide an update on exploration at its Bonaparte Project in Western Australia.

Bonaparte Project (E80/4901 and 4964)

Acquired by Victory in July 2017, the Bonaparte Project features high-grade, zinc-lead-mineralisation with rock-chip assay results of up to 28% lead and 43% zinc. The project area is approximately 70km north of Kununurra, WA.

Following a site reconnaissance visit by Victory’s Technical Director Peter Peebles and a consultant geologist during which rock-chip samples were collected, the Company is planning a ground gravity survey. The survey of about 100km² will cover the most prospective areas including the Redbank and Martins Gossan, as well as structural features defined from an EM survey completed by a previous explorer in 2010.

Victory will shortly commence discussions with the Traditional Owners, and will commence the ground gravity survey once consent of the planned program is received. Victory aims to complete the survey before the onset of the wet season in Australia’s north, typically in November.

Rock chips collected during the recent site visit are being analysed at a commercial laboratory in Perth. Victory will announce results from this analysis once they have been received

Figure 2 below shows the Bonaparte Project tenements and prospects while Figure 3 shows the area which will be covered by the proposed gravity survey.

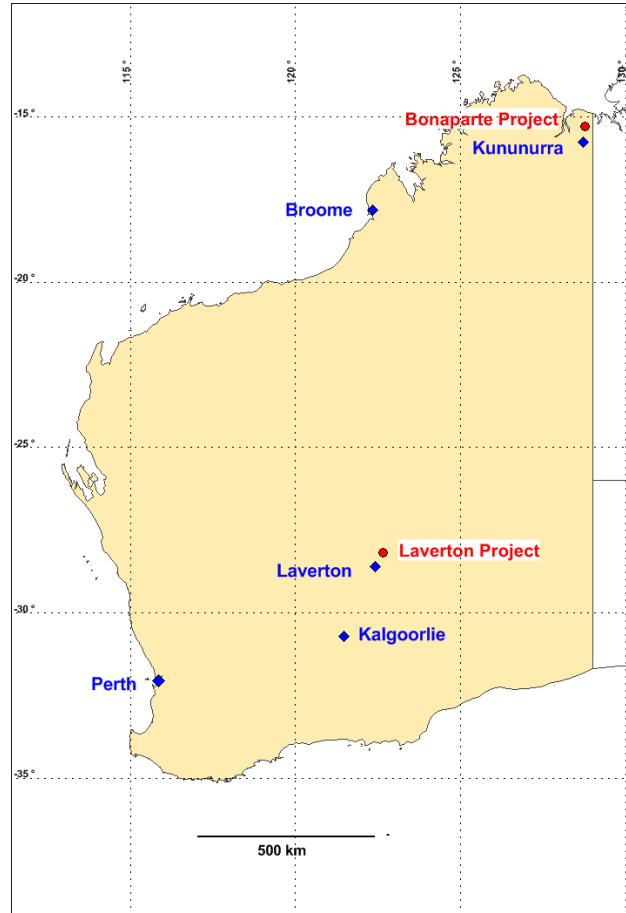


Figure 1: Locations of Victory's Laverton and Bonaparte projects in WA.

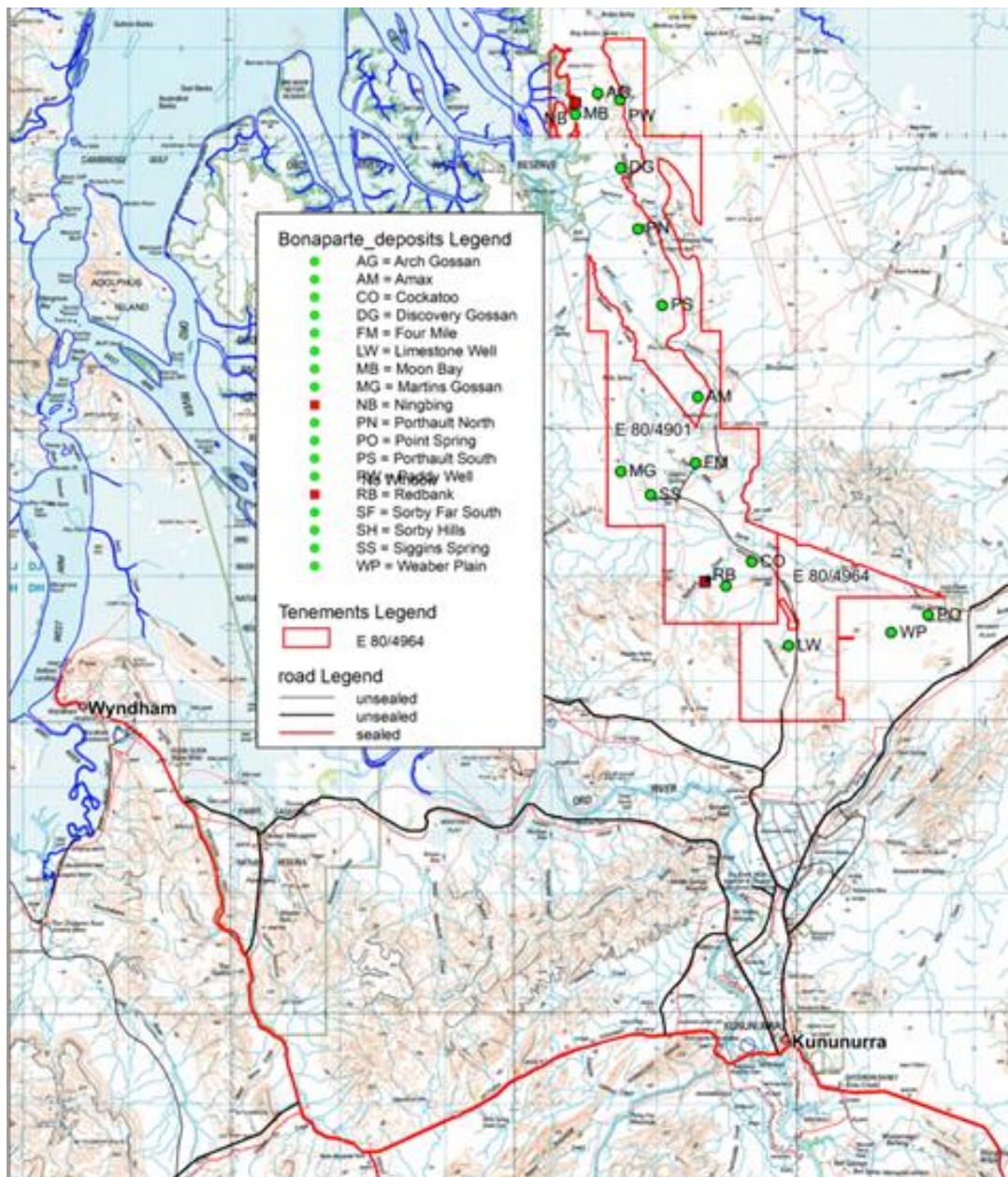


Figure 2: Bonaparte Project Tenements and Prospects

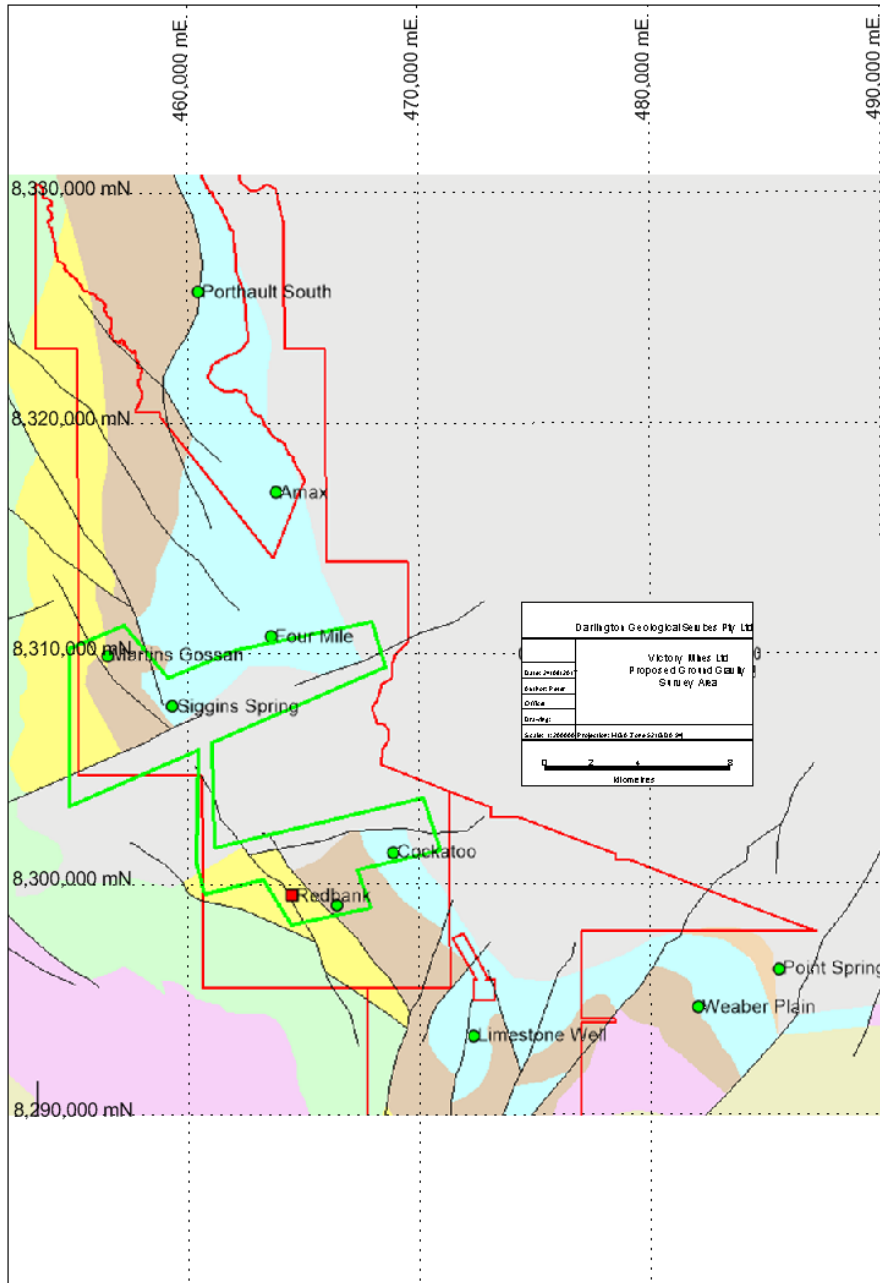


Figure 3: Area of Proposed Gravity Survey at Bonaparte

Laverton Project (E38/3075)

Victory is also pleased to provide an update on exploration at its Laverton Project (E38/3075), near Laverton in Western Australia.

Victory has previously identified nickel, copper and gold anomalies at the project, with nickel anomalies up to 1.25km in strike and 350m in width, copper anomalies up to 1.25km in strike and 250m in width and gold anomalies up to 900m in strike, with most anomalous areas appearing to be coincident with major geological structures.

Victory announced on 7 August 2017 that it would conduct a Ground Electromagnetic (EM) Survey over the three most extensive anomalous regions at Laverton as its next phase of exploration. The three areas to be surveyed have a combined area of 5.2sq km. The proposed EM survey lines are shown as Figure 2.

The Company is pleased to announce that the EM survey has now commenced and is expected to take approximately three weeks to complete. Once complete, Victory will use the results to define targets for follow-up exploration.

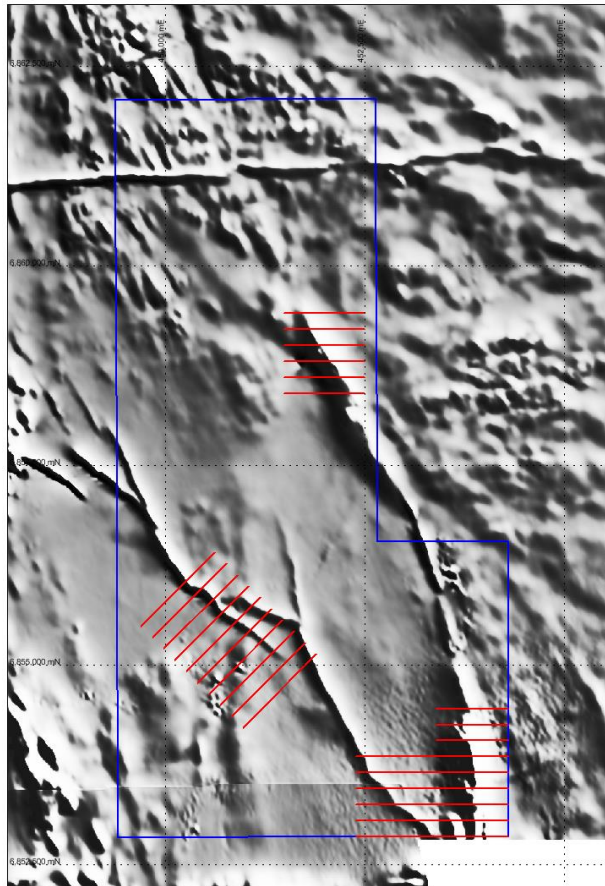


Figure 4: Proposed EM Survey Lines

For further information, please contact:

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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.