

# ASX ANNOUNCEMENT

Date: 29 October 2013



## QUARTERLY REPORT

- FLTEM survey at Clara Hills completed with drill targets identified
- RC Drilling programme at Clara Hills completed
- Company withdraws from Clara Hills

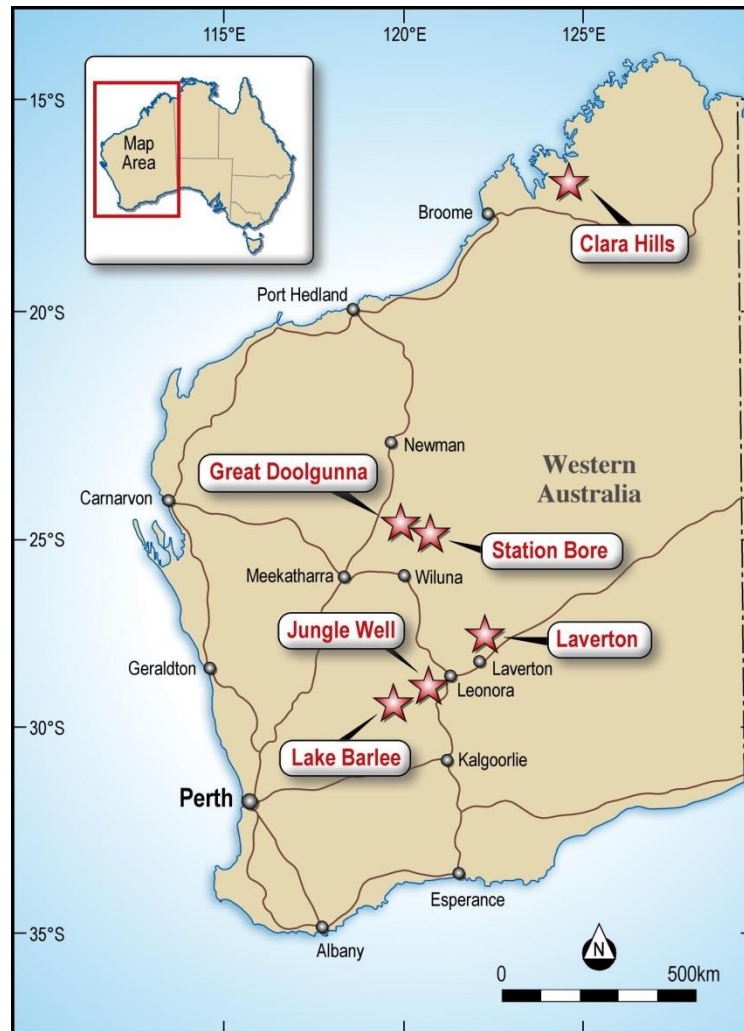


Figure 1 – Victory Mines Project Locations

Victory Mines Limited (ASX: VIC – “Victory” or “the Company”) is pleased to present the Quarterly Report for the period ending 30 September 2013.

At the Clara Hills Project (E04/1533, 2026, 2142 and 2060), during May 2013, a helicopter VTEM survey was flown over an area of 21 sq km of favourable rock units. The survey showed the existence of seven EM conductors, four of which are considered to be “strong” and three “moderate”. Field checking was conducted to determine if there were any surface expressions to assist in the interpretation of the conductors. The map below shows the

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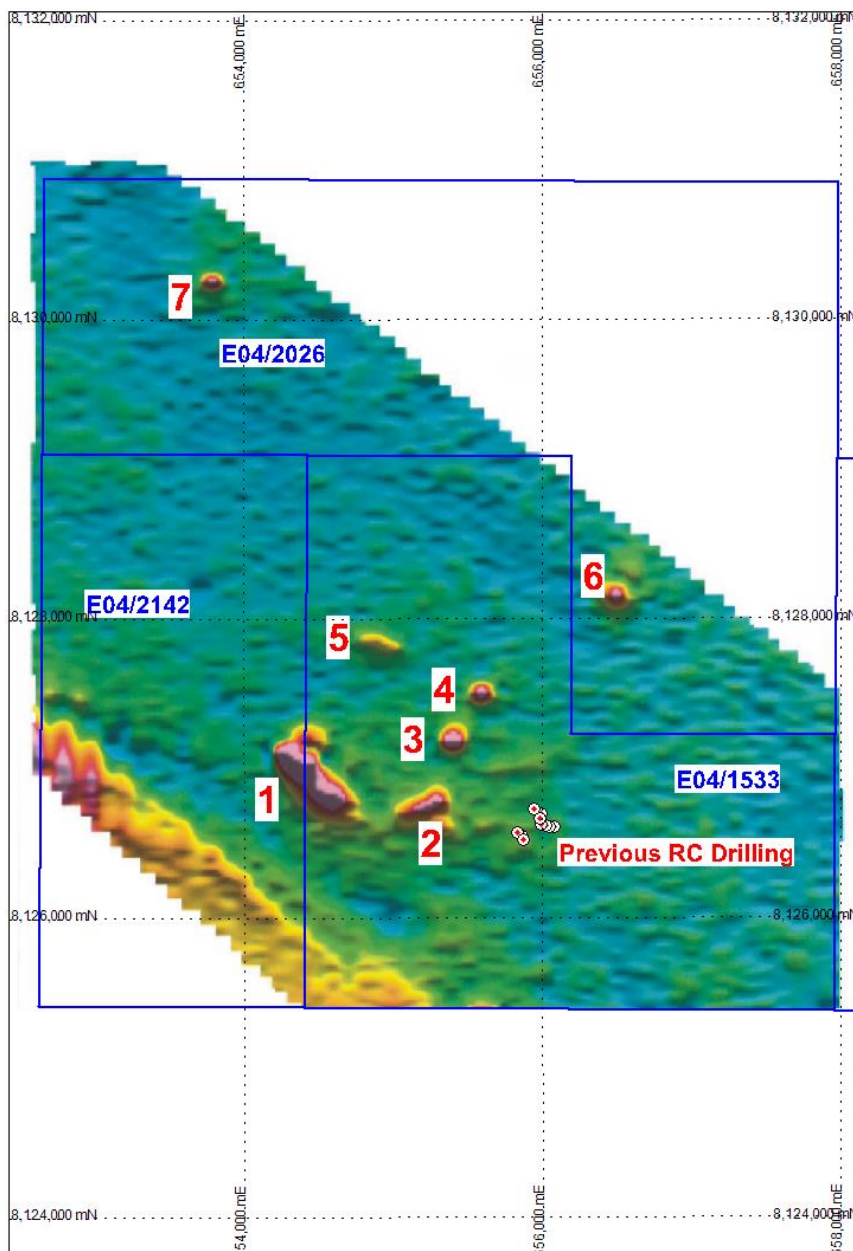
Principal Place of Business: Unit 1, 249 Balcatta Road, Balcatta WA 6021

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location of the defined EM conductors. Anomalies 1, 2, 3 and 4 were considered “strong” while anomalies 5, 6 and 7 are considered “moderate”.

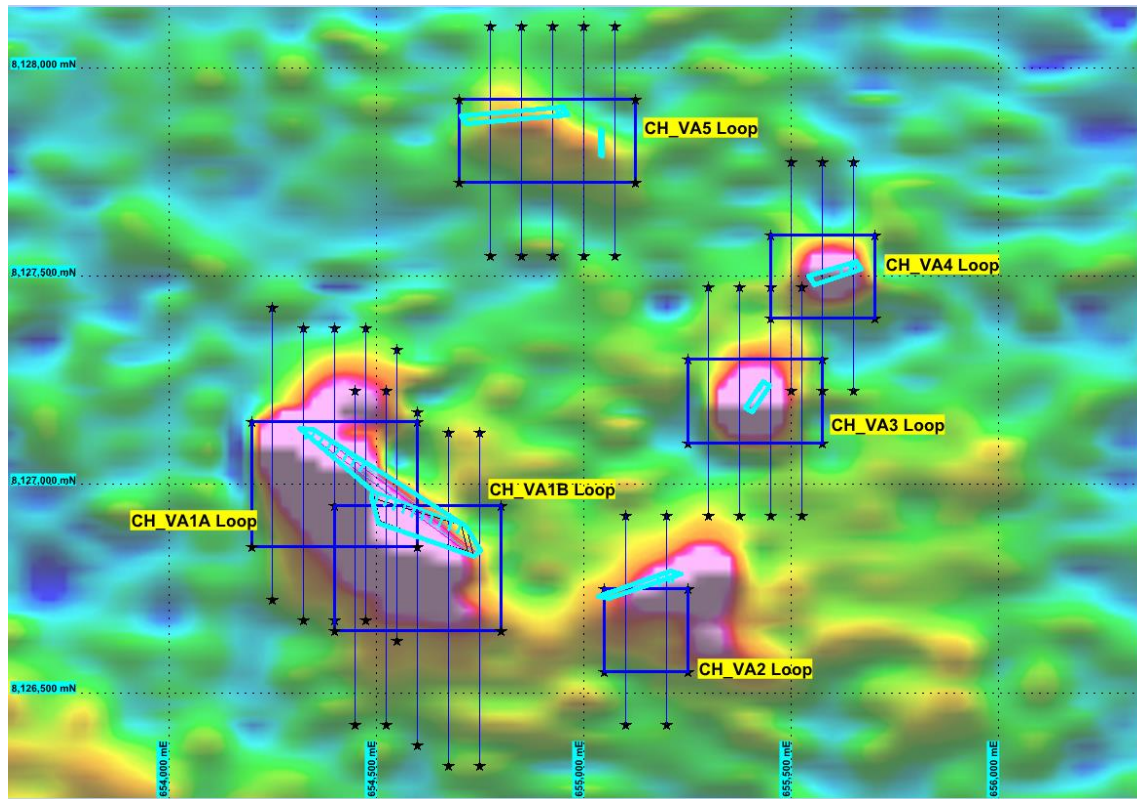


A follow up FLTEM ground EM survey was then conducted on anomalies 1, 2, 3, 4 and 5 during the September quarter. Although the VTEM survey identified anomaly 2 as being ‘strong’ the FLTEM survey was only conducted on the western portion as the terrain to the east was too rugged and steep. This survey identified strong conductors in all areas surveyed. The map below shows the FLTEM response over the areas surveyed.

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An RC drilling programme was then designed to drill test the 5 targets identified from the FLTEM survey. However, anomaly 3 could not be drilled as the terrain was too steep to allow rig access. The programme ended up consisting of 4 holes totally 672 metres.

Table 1 shows the hole details while Table 2 shows the significant assay results.

Target	Hole ID	E	N	Dip	Azimuth	EOH
1A	CHRC012	654360	8127055	-60	45	150
2	CHRC013	655158	8126656	-50	358	204
4	CHRC014	655580	8127470	-60	45	162
5	CHRC015	654870	8127850	-70	45	156

**Table 1 – Drill Hole Collar details**

Hole ID	From (m)	To (m)	Intercept (m)	Ni%	Cu%
CHRC012	107	113	6	0.449	0.131
CHRC013	148	150	2	0.216	0.071
and	151	154	3	1.28	0.212
and	156	158	2	0.299	0.236
and	191	203	12	0.391	0.143
CHRC014	No Significant results				
CHRC015	No Significant results				

**Table 2 – Significant Assay Results**

Under the terms of the Joint Venture between Victory and the other parties, Victory had to pay an additional \$250,000 for the option agreement to be extended for another three years. Victory

believes that the drilling results downgrade the project significantly and has withdrawn from the project.

At the **Jungle Well Project (E29/679)** no field work was conducted. Field work will take place during the next quarter.

At the **Laverton Project (E38/2374)** no field work was conducted. Field work will take place during the next quarter.

At the **Great Doolgunna Project (E51/1455)** no field work was conducted. The Great Doolgunna project is a Joint Venture with Victory being the manager. The project, after discussions with our JV partner, was formally surrendered on 15 October 2013.

At the **Station Bore Project (E69/2872)** no field work was conducted. Field work will take place during the next quarter.

At the **Lake Barlee Project (E29/829)** no field work was conducted. Field work will take place during the next quarter.

#### **Enquiries:**

Elizabeth Hunt, Company Secretary

#### **About Victory Mines Limited**

Victory Mines Limited is a Perth-based exploration company with a portfolio of copper, base metals, rare earth elements, uranium, gold and platinum group element prospects throughout Western Australia. The company listed on the ASX in October 2012 and is seeking to maximise shareholder wealth through the successful exploration of its prospects.

*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 the Technical Director of Victory Mines Ltd. 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 2004 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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