
VICTORY MINES LIMITED

ABN 39 151 900 855

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 9.00am (AEDT)

DATE: Friday, 30 November 2018

PLACE: Servcorp – MLC Centre
Level 57, MLC Centre
19-29 Martin Place
SYDNEY NSW 2000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00 pm (AEDT) on Wednesday, 28 November 2018.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.

BUSINESS OF THE ANNUAL GENERAL MEETING

AGENDA

1. REPORTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018, together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018.”

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF TERENCE CLEE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of clause 11.1 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Terence Clee, a Director, retires by rotation and, being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – ELECTION OF MATHEW PERROT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of clause 11.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mathew Perrot, a Director who was appointed casually on 23 April 2018, retires and, being eligible, is elected as a Director.”

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 26,071,428 Shares and 13,035,714 attaching Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – ISSUE OF SHARES (STOCKS DIGITAL)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – PLACEMENT OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 750,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 29 October 2018

By order of the Board

**AIDA TABAKOVIC
COMPANY SECRETARY
VICTORY MINES LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

The following table sets out a summary of the Resolutions in this Notice and their effect on the Company's capital structure.

	Shares	Options
As at the date of this Notice	1,225,916,246	605,498,681
Resolution 1- Adoption of remuneration report	-	-
Resolution 2 - Re-election of Terence Clee	-	-
Resolution 3 – Re-election of Mathew Perrot	-	-
Resolution 4 – Ratification of Prior Issue of Shares and Options		-
Resolution 5 – Approval for additional 10% placement capacity	-	-
Resolution 6 – Issue of Shares (Stocks Digital)	5,000,000	-
Resolution 7 – Placement of Shares*	750,000,000	-
Assuming the issue of all securities	1,980,916,246	605,498,681

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's 2018 Annual Report to Shareholders unless specifically requested to do so. The Company's 2018 Annual Report is available on its website at www.victorymines.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting Consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You ***do not*** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy

You ***do not*** need to direct your proxy how to vote on this Resolution, and you ***do not*** need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTION 2 – RE-ELECTION OF TERENCE CLEE

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Clause 11.1 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director) must retire from office;
- (b) a Director who retires by rotation under clause 11.1 of the Constitution is eligible for re-election; and

The Company currently has two Directors subject to rotation and accordingly one must retire.

Pursuant to Resolution 2, Terence Clee is retiring by rotation under Clause 11.1 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding Terence Clee are set out in the 2018 Annual Report. The Board considers that Terence Clee is not an independent director.

3.2 Qualifications and other material directorships

Mr Clee started his professional career at KPMG Sydney, working in Corporate Audit and Tax. He then became a partner in a multidisciplinary legal practice alongside colleagues formerly of Allens Arthur Robinson and Ashurst. Mr Clee's client base comprised of large corporates in the mining and technology space. Mr Clee also has experience in the start-up and small cap space. He has advised technology companies and miners of all sizes on commercialisation, mergers and acquisitions, cross-border transactions and R&D.

Mr Clee holds a Bachelor of Commerce (Accounting) and a Bachelor of Laws from the University of NSW. Mr Clee is a solicitor admitted to the Supreme Court of NSW. He currently serves as a director of numerous ASX listed and unlisted companies.

Mr Clee was appointed as a Director on 12 August 2015 and is also a director of ASX listed companies Elysium Resources Limited (since 18 May 2016); Manalto Limited (since 15 September 2017); and JV Global Limited (since 9 February 2018).

The Directors, other than Mr Clee, recommend the re-election of Terence Clee.

4. RESOLUTION 3 – ELECTION OF MATHEW PERROT

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mathew Perrot, having been appointed by other Directors on 23 April 2018 in accordance with the Constitution, will retire in accordance with clause 11.4 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Details regarding Mathew Perrot are set out in the 2018 Annual Report. The Board considers Mathew Perrot to be an independent director.

4.1 Qualifications and other material directorships

Mathew Perrot is highly qualified and holds a Bachelor of Applied Science focused on economic geology, soil science, with a minor specialization in remote sensing as well as, a Masters of Business Administration. Mathew Perrot is also a Registered Practising Geologist and is a member of the Australian Institute of Geoscientists (since 1997). As such, Mr Perrot is considered a Competent Person under JORC and NI43-101.

Mr Perrot's multi commodity background includes a variety of commodities and mineralisation styles, including Gold (Orogenic, Epithermal, Skarn), Nickel (high and low MgO systems), Base Metals (Porphyry systems, VMS) Iron Ore (Magnetite and Hematite), and Geothermal energy and he has been associated with the discovery of the Majestic (Au), Imperial (Au), Collurabie (Ni), Accumulator (Au), Batavia (Au), Taunovo (Au-Cu-Mo) and Shimba (Graphite) deposits and was associated with the development of Salt Creek (Au), Maxwell's (Au), Iron Duke (Fe – Haem), Ntaka Hill (Ni-Cu), Lionja (Ni-Cu), Wainivesi (Zn, Cu, Pb, Ag, Au), Balmoral (Fe – Mag) and Savu Savu (Geothermal).

Mr Perrot was appointed as a Director on 23 April 2018.

The Directors, other than Mathew Perrot, recommend the election of Mathew Perrot.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

5.1 General

On 30 November 2017, the Company issued a total of 26,071,428 Shares at an issue price of \$0.007 per Share, together with one free attaching Option for every two Shares subscribed for and issued (**Capital Raising**).

The Company issued the Shares and Options the subject of the Capital Raising without prior Shareholder approval out of its 15% annual placement capacity.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

5.2 ASX Listing Rule 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 26,071,428 Shares were issued to the placement subscribers;
- (b) the Shares were issued at \$0.007 per Share;
- (c) 13,035,714 quoted Options exercisable at \$0.02 each on or before 28 December 2020 were issued to the placement subscribers;
- (d) the terms and condition of the Options are set out in Schedule 1;
- (e) the Options were issued as free attaching Options to the placement and were issued for nil consideration;
- (f) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Shares and Options were issued to Mainview Holdings Pty Ltd and Horatio Street Pty Ltd both parties who were placement subscribers. None of these subscribers are related parties of the Company; and
- (h) the funds raised from this issue have been used to fund activities at the Company's current projects which included desktop reviews and sample analysis on Cobalt Prospecting Projects, ground gravity survey at Bonaparte Project and drilling activities at the Company's Bolivian asset and for general working capital.

6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$6,129,581 (based on the number of Shares on issue and the closing price of Shares on the ASX on 6 September 2018).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has two classes of quoted Equity Securities on issue, being the Shares (ASX Code: VIC) and Options (ASX Code: VICOA).

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

If Shareholders approve this Resolution, the exact number of Equity Securities which may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

6.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 6.2(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the number of Equity Securities on issue as at 10 October 2018 and the issue price of \$0.005 which is the market closing price as at 6 September 2018.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable "A" in formula in Listing Rule 7.1A.2		Issue Price		
		\$0.0025 50% decrease in issue price	\$0.005 issue price	\$0.01 100% increase in issue price
Current Variable "A" 1,980,916,246 Shares	10% voting dilution	198,091,624 Shares	198,091,624 Shares	198,091,624 Shares
	Funds raised	\$495,229	\$990,458	\$1,980,916
50% Increase in current Variable "A" 2,971,374,369 Shares	10% voting dilution	297,137,436 Shares	297,137,436 Shares	297,137,436 Shares
	Funds raised	\$742,844	\$1,485,687	\$2,971,374
100% Increase in current Variable "A" 3,961,832,492 Shares	10% voting dilution	396,183,249 Shares	396,183,249 Shares	396,183,249 Shares
	Funds raised	\$990,458	\$1,980,916	\$3,961,832

The table has been prepared on the following assumptions:

- There are currently 1,980,916,246 Shares on issue comprising:
 - 1,225,916,246 existing Shares as at the date of this Notice of Meeting; and
 - 755,000,000 Shares which will be issued if Resolutions 6 and 7 are passed at this Meeting.
- The Company has been suspended from trading since 7 September 2018. The issue price set out above is \$0.005 being the closing market price of the Shares on ASX on 6 September 2018.
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

7. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (i) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (ii) as cash consideration in which case the Company intends to use funds raised towards an acquisition of new assets or investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current or future assets and/or general working capital; or
- (iii) as non-cash consideration for the acquisition of new assets and investments in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(d) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(e) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 29 November 2017 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 29 November 2017 the Company otherwise issued a total of 732,219,290 Shares, 372,707,142 Options and 142,857,143 Performance Shares which represents approximately 172% of the total diluted number of Equity Securities on issue in the Company on 29 November 2017, which was 726,488,495.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

(f) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

6.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

6.4 Directors recommendations

None of the Directors have material personal interest in the subject matter of this Resolution. The Board recommends Shareholders vote in favour of this Resolution as it will preserve the Company's cash and provides the Company with the flexibility to issue further Securities representing up to 10%, in addition to using the Company's 15% placement capacity under Listing Rule 7.1, of the Company's share capital during the next 12 months without Shareholder approval.

7. RESOLUTION 6 – ISSUE OF SHARES (STOCKS DIGITAL)

7.1 General

This Resolution seeks Shareholder approval for the issue of up to 5,000,000 Shares to StocksDigital (or their nominee) as consideration for marketing services provided to the Company. The Company has an independent contractual agreement with

Stocks Digital, whereby Stocks Digital has agreed to provide marketing and advertising services to the Company through the distribution of articles on various platforms and the promotion of the Company's news across a range of relevant distribution channels. The Company no longer intends to continue receiving services from StocksDigital.

A summary of ASX Listing Rule 7.1 is set out in section 5.2 above.

The effect of this Resolution will be to allow the Company to issue the Shares during the period of 3 months after the Meeting, without using the Company's 15% placement capacity.

7.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this issue:

- (a) the maximum number of Shares to be issued is 5,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on a single date;
- (c) as the Shares are being issued in consideration for the provision of marketing services to the Company, as described in Section 7.1, the Shares will be issued for nil cash consideration;
- (d) the Shares will be issued to StocksDigital (or their nominee), which is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised by the issue of these Shares.

7.3 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to issue the Shares without utilising the Company's 15% placement capacity.

8. RESOLUTION 7 – PLACEMENT OF SHARES

8.1 General

This Resolution seeks Shareholder approval for the issue of up to 750,000,000 (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 5.2 above.

The effect of this Resolution will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

The purpose of this Placement will primarily be to fund activities at the Company's Cobalt Prospecting and Bonaparte Projects.

Exploration activities planned by the Company have taken longer to commence than anticipated and accordingly exploration expenditure has been delayed. However, in the September 2018 quarter, the Company has spent approximately \$100,000 on exploration activities.

Expenditure is expected to increase as results of the current exploration programs being planned for the drilling at Company's Cobalt Prospecting Projects, Malamute and Husky and sampling and future drilling program planning at Company's Bonaparte tenements to commence in the coming months.

The Board believes it is prudent of the Company to seek to raise funds for its activities to cover a budgeted period of 12 to 24 months.

8.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 750,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (c) the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares were recorded before the date on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) the persons to whom, the Shares will be issued are not, as yet, identifiable, but will be subscribers to be identified by the Company and any brokers appointed by the Company to manage the Placement. The persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement as set out in Section 8.3.

8.3 Use of Funds

The Company intends to apply the funds raised from the Placement in accordance with the table set out below.

Use of Funds	\$
Cobalt Prospecting Pty Ltd exploration expenditure (Malamute)	650,000
Cobalt Prospecting Pty Ltd exploration expenditure (Husky)	400,000
Cobalt Prospecting Pty Ltd exploration expenditure (Peperill Hill)	100,000
Cobalt Prospecting Pty Ltd exploration expenditure (Galah Well)	50,000
Bonaparte exploration expenditure	350,000
Evaluation of additional exploration acquisition opportunities	150,000

Working capital	300,000
Total	2,000,000

The Company's recent exploration activities have been limited. As a result, the Company has recently applied funds relatively evenly between corporate costs and exploration costs. As the Company has recently acquired Cobalt Prospecting Pty Ltd and received consent from the New South Wales regulatory body to commence drilling on the Malamute and Husky Projects (refer to ASX Announcements released on 16 March 2018 and 6 July 2018), the Company is proposing to apply the majority of funds raised under the potential placement towards the completion of exploration activities, rather than administrative expenses. This intended use of funds is reflected in the above table. The above table is a statement of current intentions as of the date of this Notice. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Company intends to spend part of the raised placement funds on its Bonaparte tenements, whereby the Company intends to:

- (a) conduct review and refinement/ prioritisation of existing targets identified from the 2017 gravity survey, and 2010 VTEM survey, within tenure, and with respect to the favourable basin margin areas, and the late Devonian Cockatoo Group units (host to the Martins Gossan and Redbank occurrences). Integration with existing supplied drilling, sample data, etc.
- (b) acquire further data to extend coverage through the tenure, and to provide a higher level of screening of existing targets:
- (c) gradient IP to map marcasite/alteration halos for MVT targeting. Est \$3.6k-4.2K per day (2-3 days per sq km) plus mobilisation costs, and SGC planning/ quoting, supervision, processing & modelling/ interpretation (cost dependent on survey size and complexity);
- (d) extend the gravity survey coverage over the basin margins and/ or late Devonian units in the southern tenement. Est \$12k-16k per station plus mobilisation (eg \$18k-20k for 1400 stations) plus SGC planning/ quoting, supervision, processing & interpretation (cost dependent on survey size and complexity);
- (e) component of field mapping by Victory Mines might also be carried out to assist with targeting.

In addition, the Company plans to commence work on clearing of targets for follow-up drilling as initially identified in the gravity survey.

For Cobalt Prospecting Projects, exploration drilling is substantially more expensive than sampling programs, with costs such as aircore drilling, sampling, laboratory analysis, rehabilitation and landholder compensation requiring consideration.

A comprehensive exploration program has been designed with 256 boreholes across the two tenements, there is a bias towards Malamute due to the greater size of the tenement. However, the exploration program will be rolled out in phases, with progression to the next phase determined by the assay results received from the laboratory. The first phase of exploration will be approximately 40 drillholes and with positive results, additional drilling will be completed. The intention of additional drilling

is to composite samples for the purpose of metallurgical testing which shall feed into future pre-feasibility studies.

All drilling will be compiled into a geological database and incorporated into a geological model. The intention of the geological modelling is to produce a JORC (2012) compliant resource, with the additional drilling phases contributing to the upgrading of the geological model resource status.

8.4 Voting Dilution

Any issue of Shares under the Placement will dilute the interests of Shareholders who do not receive any Shares under the Placement. Assuming no Options are exercised, or other Shares issued, the maximum number of Shares under this Resolution are issued, the number of Shares on issue would increase from 1,225,916,246 (being the number of Shares on issue as at the date of this Notice) to 1,975,916,246 and the shareholding of existing Shareholders would be diluted by 37.96%.

8.5 Trading History

The volume weighted average price (**VWAP**) for Shares on the 5 days on which sales in Shares were recorded before 7 September 2018 was \$0.0052 (0.52 cents). The lowest issue price (i.e. maximum discount) of not less than 80% of this volume weighted average price would be \$0.0041 (0.41 cents) per Share.

If the Company issued the maximum number of Shares under this Resolution at an issue price of \$0.0041 per Share, the Company would raise \$3,075,000.

The Company has been suspended from trading since 7 September 2018. The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price (\$)	Date
Highest	\$0.03	13 November 2017
Lowest	\$0.005	6 August 2018, 3 – 7 September 2018
Last	\$0.005	7 September 2018

The table below sets out the possible funds that the Company could raise under this Resolution, based on a volume weighted average price of \$0.03 and \$0.005, being the highest and lowest trading prices of the Shares over the past 12 months. To calculate the potential funds that could be raised under this Resolution, discounted figures of \$0.024 and \$0.004 have been used, being an issue price, which is not less than 80% of the volume weighted average prices set out below.

VWAP	VWAP Discount (80% of VWAP)	Funds Raised
\$0.03	\$0.024	\$18,000,000
\$0.005	\$0.004	\$3,000,000

8.6 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to fund its ongoing operations and commitments.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the Proxy Form by post to Automic, GPO Box 5193, Sydney NSW 2001;
- (b) send the Proxy Form by e-mail to hello@automic.com.au; or
- (c) send the Proxy Form by facsimile to the Share Registry on facsimile number 1300 288 664 (Within Australia) or +61 2 9698 5414 (Overseas),

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

GLOSSARY

2018 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2018, which can be downloaded from the Company's website at www.victorymines.com.

AEDT means Australian Eastern Daylight Time, as observed in Sydney, New South Wales.

Annual General Meeting or **Meeting** means the Annual General Meeting of the Company convened by this Notice of Meeting.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Wednesday inclusive, except New Year's Day, Good Wednesday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Victory Mines** means Victory Mines Limited (ABN 39 151 900 855).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this Notice of the Annual General Meeting including the Explanatory Statement and Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the issue of maximum number of Shares, being 750,000,000 Shares.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means that section of the Directors' report under the heading "Remuneration Report" set out in the 2018 Annual Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time, as observed in Western Australia.

**SCHEDULE 1 – TERMS AND CONDITIONS OF \$0.02, 28 DECEMBER 2020
OPTIONS**

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00pm (WST) on 28 December 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act

and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under **Error! Reference source not found.** for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **ASX Quotation**

The Company intends to apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 29 NOVEMBER 2017

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 30 November 2017 Appendix 3B – 30 November 2017	254,245,005	Shares ²	Professional and sophisticated investors	\$0.007 per Share (being a discount to Market Price of 56.25%)	Amount raised = \$1,779,715 Amount spent = \$1,506,949 Use of funds = exploration activities on current projects in the amount of \$651,415, settlement of creditors in the amount of \$468,603 and working capital \$386,931 Amount remaining = \$272,766 Proposed use of remaining funds ⁶ = exploration activities on current projects, settlement of creditors
	150,000,000	Quoted Options ³			
	26,071,428	Shares ²	Professional and sophisticated investors	\$0.007 per Share (being a discount to Market Price of 56.25%)	Amount raised = \$100,000 Amount spent = Nil Amount remaining = \$100,000 Proposed use of remaining funds ⁶ = exploration activities on current projects and working capital
	13,035,714	Quoted Options ³			
	40,000,000	Shares ²	Facilitators of the Bonaparte Acquisition	No issue price (non-cash consideration)	Consideration: Issued in consideration for the facilitation of the Bonaparte Acquisition. Current value⁷ Shares = \$200,000 Options = \$60,000
	30,000,000	Quoted Options ³			
	6,000,000	Shares ²	Six Degrees Group Holdings Pty Ltd	No issue price (non-cash consideration)	Consideration: Issued in consideration for the settlement of a loan between the Recipient and South American Tin Pty Ltd (a subsidiary of the Company) pursuant to Shareholder approval obtained on 29 November 2017 Current value⁷ = \$30,000
	36,560,000	Shares ²	Stock Assist Group Pty Ltd	No issue price (non-cash consideration)	Consideration: Issued in consideration for mining, geological consulting, marketing, business development and referral services provided to the Company pursuant to Shareholder approval obtained on 29 November 2017

					Current value ⁷ = \$182,800
	11,600,000	Shares ²	StocksDigital	No issue price (non-cash consideration)	Consideration: Issued in consideration for marketing services provided to the Company pursuant to Shareholder approval obtained on 29 November 2017 Current value ⁷ = \$58,000
Issue – 15 December 2017 Appendix 3B – 15 December 2017	600,000	Shares ²	James Ellingford, Peter Peebles and Terence Cleo	No issue price (non-cash consideration)	Consideration: Issued to the Directors as performance-based remuneration for services provided to the Company in accordance with Shareholder approval provided on 29 November 2017 Current value ⁷ Shares = \$3,000 Options = \$1,100
	1,100,000	Unquoted Options ⁴			
Issue – 19 March 2018 Appendix 3B – 19 March 2018	357,142,857	Shares ²	Holders of issued capital in Cobalt Prospecting Pty Ltd	No issue price (non-cash consideration)	Consideration: Consideration for the acquisition of Cobalt Prospecting Pty Ltd Current value ⁷ Shares = \$1,785,714 Options = \$357,143 Performance Shares ⁸ = \$2,000,000
	178,571,428	Quoted Options ³			
	142,857,143	Performance Shares ⁵			

Notes:

- Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
- Fully paid ordinary shares in the capital of the Company, ASX Code: VIC (terms are set out in the Constitution).
- Quoted Options, exercisable at \$0.02 each, on or before 28 December 2020, ASX Code: VICOA.
- Unquoted Options, exercisable at \$0.05 each, on or before 27 November 2020. The full terms and conditions were disclosed in the notice of meeting for the Shareholder meeting held on 29 November 2017.
- Performance Shares which will automatically convert into one Share (with one VICOA Option being issued for every two Shares issued) upon the announcement to ASX by the Company that one 4m intersection with an average grade of 300ppm scandium or 600ppm cobalt has been achieved from a drilling program on the tenements within three years of their issue date. The full terms and conditions were disclosed in the notice of meeting for the Shareholder meeting held on 15 January 2018.
- This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
- In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.005) or Options (\$0.002) as the context requires on the ASX 6 September 2018. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
- In respect of the Performance Shares, the value was determined using the performance milestone. As at the date of this notice, the Board assessed 70% likelihood of the milestone being achieved.

APPOINTMENT OF PROXY FORM

VICTORY MINES LIMITED
ABN 39 151 900 855

ANNUAL GENERAL MEETING

I /We

of:

being a Shareholder of Victory Mines Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

Name:

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit at the Annual General Meeting to be held at Servcorp, Level 57, MLC Centre, 19-29 Martin Place, Sydney NSW 2000 at 9.00am AEDT on Friday, 30 November 2018 and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Mr Terence Clee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Mr Mathew Perrot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares – Stocks Digital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact telephone (daytime): _____

E-mail address: _____

Consent for contact by e-mail in relation to this Proxy Form:

YES NO

VICTORY MINES LIMITED
ABN 39 151 900 855
Instructions for Completing "Appointment of Proxy" Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) send the Proxy Form by post to Automic, GPO Box 5193, SYDNEY NSW 2001;
 - (b) send the Proxy Form by e-mail to helo@automic.com.au; or
 - (c) send the Proxy Form by facsimile to the Share Registry on facsimile number 1300 288 664 (Within Australia) or +61 2 9698 5414 (Overseas),

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.