



26 September 2019

Dear Optionholder,

NON-RENOUNCEABLE RIGHTS ISSUE OFFER

On 30 August 2019, Victory Mines Limited (**Company**) announced that it would be offering shareholders the opportunity to participate in a rights issue of a one (1) Share for every one (1) Share held at an issue price of \$0.001 (**New Shares**) to raise up to \$1,479,000 before costs of the offer (**Offer**).

The Directors intend to apply the net proceeds from the Issue to provide funds for the purposes of:

- (a) Undertaking the previously announced exploration program on the Company's Husky and Malamute projects;
- (b) Undertake a site survey of its Peperill Hill tenement and its recently granted Galah Well tenement;
- (c) Exploration and evaluation of the Company's other projects in WA and pursuit of potential acquisitions in the resources sector that have the capacity to add significant long-term shareholder value; and
- (d) Corporate costs and working capital.

This letter is to inform you about the Offer and to explain why you will not be able to participate in the Offer with respect to your options. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares.

You are not required to do anything in response to this letter.

Information about the Offer

1. The Offer is being made to Eligible Shareholders on the basis of the number of fully paid ordinary shares in the Company (**Shares**) held at 5.00pm (AWST) on 1 October 2019 (**Record Date**). Under the Offer, Eligible Shareholders with a registered address in Australia or New Zealand will be able to subscribe for one (1) New Share for every one (1) Share held on the Record Date at an issue price of \$0.001 per New Share.
2. The Offer opens on 4 October 2019 and is expected to close at 5.00pm (AWST) on 16 October 2019.
3. The Offer is non-renounceable which means that Eligible Shareholders cannot sell their rights under the Offer.
4. A person is an Eligible Shareholder and is eligible to participate in the Offer if they are a registered holder of Shares on the Record Date and they have a registered address listed on the Company's share register in Australia, or New Zealand only;
5. The Offer is not extended to security holders who do not meet these criteria.



6. To the extent that a person holds Shares on behalf of another person resident outside Australia or New Zealand, it is that person's responsibility to ensure that any acceptance complies with all applicable foreign laws.
7. Up to 1,479,232,174 New Shares may be issued under the Offer (based on the current capital structure of the Company and assuming that no existing options are exercised, vest or are converted before the Record Date). New Shares issued under the Offer will rank equally with the Company's existing fully paid ordinary shares.
8. There is no minimum subscription under the Offer.
9. Eligible Shareholders who take up their Rights in full may also apply for additional New Shares under any shortfall.

Eligibility to participate

A person is eligible to participate in the Offer if they are a registered holder of Shares on the Record Date and have an address in Australia or New Zealand.

The Offer does not extend to the holders of options in the Company and unless you also hold Shares, you will not be sent documents relating to the Offer.

You are not entitled to participate in the Offer **unless you exercise your options and you are registered (with an address in Australia or New Zealand) as the holder of Shares by 5.00pm (AWST) on the Record Date.**

Options may only be exercised, in accordance with the terms of issue together with payment of the relevant exercise or conversion price (if any).

If you do not exercise your options, then after the Closing Date of the Offer an adjustment may be made to the terms of those securities in accordance with any formula set out in their terms and conditions.



Timetable for the Offer

30 Aug 2019	Announcement to ASX of the Offer.
25 Sept 2019	Offer Document lodged with ASIC and ASX (Appendix 3B lodged with ASX)
27 Sept 2019	Notice of Offer sent to Shareholders
30 Sept 2019	Shares commence trading on the ASX on an ex-rights basis.
5.00pm (AWST) 1 Oct 2019	Record Date – the date for identifying eligible shareholders entitled to participate in the Offer.
4 Oct 2019	Offer Document with Entitlement and Acceptance Forms sent to eligible shareholders.
4 Oct 2019	Opening Date – the first day for receipt of acceptances under the Offer and the shortfall offer.
5.00pm (AWST) 16 Oct 2019	Closing Date – the last day for receipt of acceptances under the Offer and the shortfall offer.
17 Oct 2019	New Shares quoted on ASX on a deferred settlement basis.
21 Oct 2019	Announcement to ASX of the results of the Offer and any shortfall.
23 Oct 2019	Issue date - New Shares issued under the Offer
23 Oct 2019	New Shares expected to commence normal trading on ASX.

Note: these dates are indicative only and may be subject to change.

This letter is provided for your information only and does not constitute an offer of New Shares under the Offer. We encourage you to speak to your financial adviser before making any investment decision whether to exercise your options before the Record Date and whether to take up any resulting entitlement under the Offer.

For further information on the Offer, please see the Company's announcements on ASX (www.asx.com.au) or alternatively contact the Company on +61 8 9482 0500 from 9.00am to 5.00pm (AWST), Monday to Friday.

The board thanks you for your continued support of the Company.

Yours faithfully

Dane Etheridge
Company Secretary