



Malamute drilling campaign to commence

Highlights:

- With funding recently secured¹, a drilling team is now on-site and commencing work across the most prospective targets at the Malamute project initially in central New South Wales focusing on nickel-cobalt-scandium mineralisation
- The drilling campaign, as articulated in the August strategy update, has been reduced to 2,000m (circa 40 drill-holes 40-50m deep) but refocused to deliver high-impact results at a lower cost of \$120,000²
- The campaign at the Malamute project is expected to last 10 days, with any expansion to program (including drilling targets within the Husky project) contingent on assay results which are likely to be returned in 4-6 weeks
- The Board is delighted that exploration work has begun and looks forward to updating shareholders as newsflow materialises

Victory Mines Non-Executive Director Rohan Dalziell commented: “The current Board members were appointed earlier in the year with a clear mandate to re-structure the group’s affairs, rationalise the asset mix, undertake recapitalisation measures to re-list and resume exploration activities. We are pleased to note that much of this has been achieved with commencement of drilling at the Malamute and Husky projects for nickel-cobalt-scandium mineralisation. With exploration activity now underway, the Board looks forward to updating shareholders as information is received.”

The Board of Victory Mines Limited (ASX:VIC) (“the Company” or “VIC”) is pleased to confirm that RC drilling is underway at the Malamute project this week. Drilling will then proceed to Husky, pending assay results.

DRILLING UNDERWAY AT MALAMUTE PROJECT

A priority for the Board has been to deliver on an earlier commitment to drill the Malamute and Husky projects in central NSW to test for nickel-cobalt-scandium mineralisation. Hence, it is pleasing to confirm that an RC drilling crew has been deployed to the Malamute project to commence work.

Considerable legacy work has been done by VIC’s geology team to select priority targets. However, following the Board’s mid-year strategic review, the campaign has been scaled back 60% to 2,000m / circa 40-50 vertical air-core drill-holes (40-50m) at a reduced cost of \$120,000 (Figure 1).

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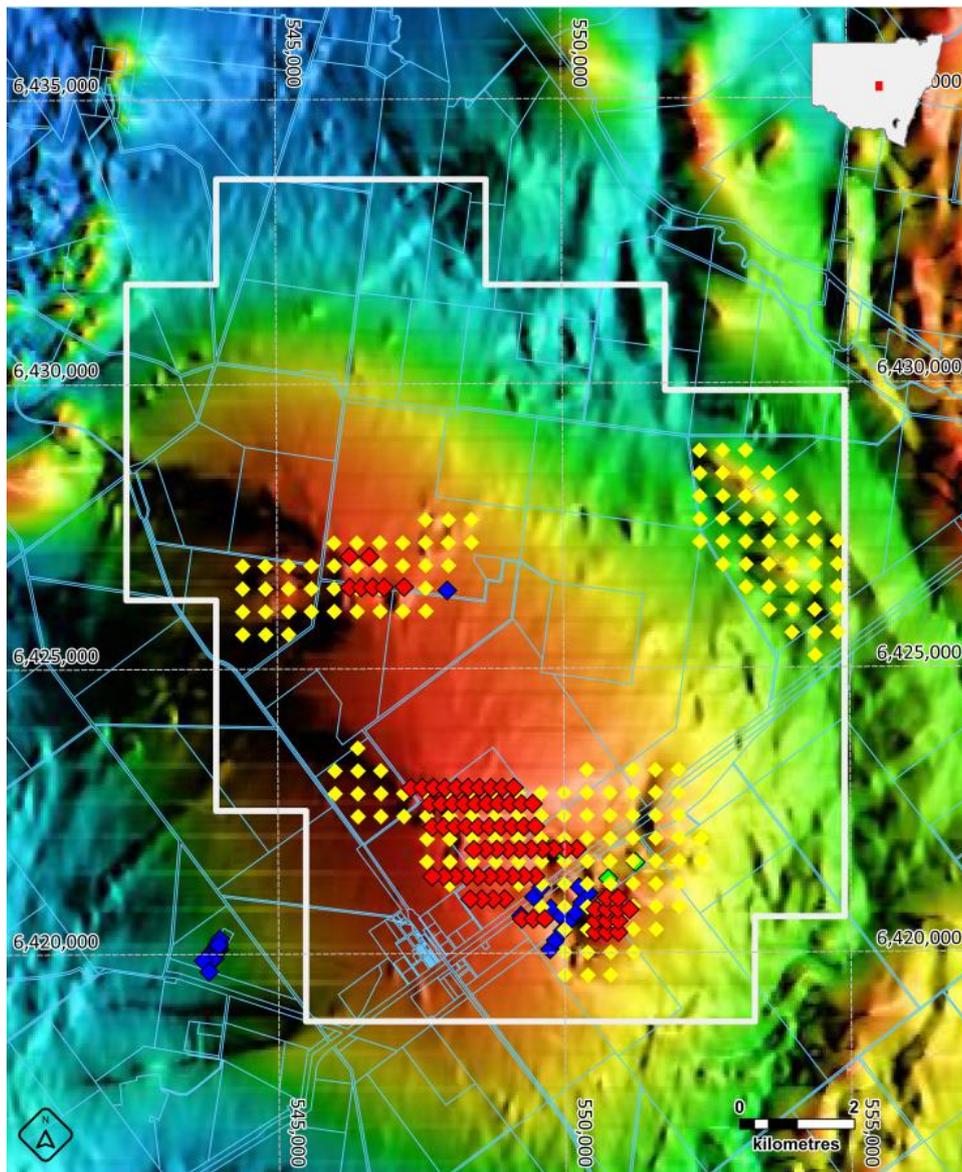
Registered Office: Ground Floor, 16 Ord Street, West Perth WA 6005

Telephone +61 8 9482 0506

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FIGURE 1: MALAMUTE PROJECT – PLANNED DRILL GRID (RED)



Note: Drill grid colour scheme – red is planned; yellow is provisional & blue/green are redundant
Source: VIC geology team

To recap, in mid-2018, after reconciling geophysics with geochemistry results, the geology team pre-selected ranked targets across the Malamute & Husky projects.

For the Malamute project specifically, the drilling strategy is to verify the prospectivity of known ultramafics for lateritic profiles that host nickel-cobalt-scandium mineralisation³. Legacy drilling records from 1993-1994 only targeted porphyry related copper/gold mineralisation, however, the drilling confirmed the presence of ultramafics & lateritic units overlying a large geophysical signature⁴ within the southern part of the Malamute project.

Consequently, VIC's proposed drilling target areas assess several prominent magnetic features associated with the wider intrusive complex which the geology team believes hosts nickel-cobalt-

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ASX ANNOUNCEMENT

8 October 2019

scandium mineralisation. The campaign has been tailored to generate high-impact results, based on currently known information.

Next Steps

Once the Malamute drilling campaign is completed, the samples will be bagged and dispatched to the laboratory for follow up analysis. The assay results will determine the next phase of exploration.

For and on behalf of the Board

Rohan Dalziell

Director

INVESTOR RELATIONS

Please visit our website for more information: <https://www.victorymines.com/>

OR

Contact Dane Etheridge, Company Secretary: +618 9842 0506

References

- 1) Prospectus – 25 September 2019
- 2) VIC ASX Release – 13 August 2019
- 3) VIC ASX Releases – 10 May & 19 June 2019

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