
VICTORY MINES LIMITED

ABN 39 151 900 855

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10.00am (WST)
DATE: Tuesday, 26 November 2019
PLACE: Bennett + Co
Ground Floor, BGC Centre
28 The Esplanade
PERTH WA 6000

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 (WST) on Sunday, 24 November 2019

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on contact@victorymines.com.

BUSINESS OF THE ANNUAL GENERAL MEETING

AGENDA

REPORTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019, together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

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 2019.”

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.

RESOLUTION 2 – ELECTION OF ALEC PISMIRIS

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, Alec Pismiris, a Director who was appointed casually on 31 January 2019, retires and, being eligible, is elected as a Director.”

RESOLUTION 3 – ELECTION OF DAVID SANDERS

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, David Sanders, a Director who was appointed casually on 31 January 2019, retires and, being eligible, is elected as a Director.”

RESOLUTION 4 – ELECTION OF MATTHEW BLAKE

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, Matthew Blake, a Director who was appointed casually on 23 October 2019, retires and, being eligible, is elected as a Director.”

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 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, Shareholders ratify the issue of 66,666,667 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.

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE 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 7.4, Shareholders ratify the issue of 116,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of 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.

RESOLUTION 7 – ISSUE OF SHARES TO ROHAN DALZIELL IN LIEU OF CASH FEES

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 10.11, approval is given for the Company to issue up to 10,000,000 Shares to Rohan Dalziell or his nominee 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 Mr Dalziell or an associate of Mr Dalziell. 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.

RESOLUTION 8 – ISSUE OF SHARES TO ALEC PISMIRIS IN LIEU OF CASH FEES

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 10.11, approval is given for the Company to issue up to 10,000,000 Shares to Alec Pismiris or his nominee 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 Mr Pismiris or an associate of Mr Pismiris. 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.

RESOLUTION 9 – ISSUE OF SHARES TO DAVID SANDERS IN LIEU OF CASH FEES

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 10.11, approval is given for the Company to issue up to 10,000,000 Shares to David Sanders or his nominee 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 Mr Sanders or an associate of Mr Sanders. 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.

RESOLUTION 10 – PLACEMENT OF 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 7.1, approval is given for the Company to issue up to 175,000,000 Options 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.

RESOLUTION 11 – ISSUE OF SHARES FOR ACQUISITION OF TENEMENT

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, approval is given for the Company to issue 75,000,000 Shares in consideration of the acquisition of Western Australian Exploration Licence E45/5384 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.

RESOLUTION 12 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, the following resolution, with our without amendment, as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A, 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 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. As at the date of this Notice of Meeting the Company has no specific plans to issue Equity Securities pursuant to ASX Listing Rule 7.1A and therefore it is not known who (if any) may participate in a potential (if any) issue of Equity Securities under ASX Listing Rule 7.1A.

RESOLUTION 13 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass, the following resolution, without or without amendment as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act, approval is given for the Company to repeal its existing Constitution and adopt the new constitution tabled at the meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting.”

RESOLUTION 14 – APPOINTMENT OF NEW AUDITOR

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

“That, pursuant to section 327B(1)(b) of the Corporations Act HLB Mann Judd (WA Partnership), who have consented in writing to act as auditor of the Company, be appointed as auditor of the Company.”

QUESTIONS AND COMMENTS

Shareholders will be provided the opportunity to ask questions about or make comments on the management of the Company.

Dated: 23 October 2019

By order of the Board

**Dane Etheridge
COMPANY SECRETARY
VICTORY MINES LIMITED**

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 meetings@automicgroup.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.

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.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, 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 2019 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 2019 Annual Report to Shareholders unless specifically requested to do so. The Company's 2019 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 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

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 by lodging the proxy you ***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.

3. RESOLUTION 2 – ELECTION OF ALEC PISMIRIS

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 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.

Alec Pismiris, having been appointed by other Directors on 31 January 2019 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 Alec Pismiris are set out in the 2019 Annual Report. The Board considers Alec Pismiris to be an independent director.

3.1 Qualifications and other material directorships

Mr Pismiris has over 30 years' experience in the securities, finance and mining industries and has participated in numerous processes by which boards have assessed the acquisition and financing of a diverse range of assets. He has a sound knowledge of ASX corporate governance guidelines, board processes and the regulatory environment in which public companies operate. Mr Pismiris completed a Bachelor of Commerce degree, is a member of the Australian Institute of Directors, and a fellow of the Governance Institute of Australia.

Other Directorships held in last 3 years:

- Agrimin Limited (current)
- Frontier Resources Limited (current)
- HotCopper Holdings Limited (current)
- Pacton Gold Inc (TSX listed) (current)
- Pelican Resources Limited (current)
- Aguia Resources Limited (till 14 June 2019)
- Impression Healthcare Limited (till 3 April 2017)

Mr Pismiris was appointed as a Director on 31 January 2019.

The Directors, other than Alec Pismiris, recommend the election of Alec Pismiris.

4. RESOLUTION 3 – ELECTION OF DAVID SANDERS

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 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.

David Sanders, having been appointed by other Directors on 31 January 2019 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 David Sanders are set out in the 2019 Annual Report. The Board considers David Sanders to be an independent director.

4.1 Qualifications and other material directorships

Mr Sanders has more than 20 years' experience in corporate law. He has advised numerous entities including ASX listed and private companies on capital raisings, mergers and acquisitions, commercial transactions, and ASX and Corporations Act compliance. In addition to his legal qualifications, he has a Bachelor of Commerce and a Graduate Diploma of Applied Corporate Finance.

Other Directorships held in last 3 years:

- Caeneus Minerals Ltd (current)
- Pura Vida Energy NL (current)
- Force Commodities Limited (till 4 February 2019)
- Marenica Energy Ltd (till 23 November 2017)
- World Titanium Resources Limited (delisted 30 January 2017)

Mr Sanders was appointed as a Director on 31 January 2019.

The Directors, other than David Sanders, recommend the election of David Sanders.

5. RESOLUTION 4 – ELECTION OF MATTHEW BLAKE

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 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.

Matthew Blake, having been appointed by other Directors on 23 October 2019 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.

5.1 Qualifications and other material directorships

Mr Blake has over 20 years' experience in the financial services industry. He joined DJ Carmichael Pty Limited in 1999 as an Investment Adviser, later becoming an Executive Director of the company until the sale of the business to Shaw and Partners Limited in 2019. Mr Blake has a Bachelor of Commerce degree from the University of Western Australia and a Graduate Diploma in Applied Finance and Investment with the Financial Services Institute of Australasia.

Mr Blake has not held any other directorships in listed companies over the last 3 years.

Mr Blake was appointed as a Director of 23 October 2019.

The Directors, other than Matthew Blake, recommend the election of Matthew Blake.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

6.1 General

On 31 May 2019, the Company issued a total of 66,666,667 Options with an exercise price of \$0.003 per Share and expiration date being 31 May 2022. The Options were issued to Converting Note holders in lieu of interest on their loans.

The Company issued the Options 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 Options.

6.2 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.

6.3 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 Resolution:

- (a) 66,666,667 Options exercisable at \$0.003 each on or before 31 May 2022 were issued to Converting Note holders in lieu of interest on the Converting Notes;
- (b) The issue price of the Options was nil;
- (c) The terms of the Options are set out in Schedule 1;
- (d) The Converting Note holders were Volta Investments Pty, Xcel Capital Pty Ltd, Mainview Holdings Pty Ltd, Klip Pty Ltd, and Timothy Kendall;
- (e) None of the Converting Note holders are related parties of the Company;
- (f) No funds were raised from the issue of Options.

6.4 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.

6.5 Directors recommendations

The Directors recommend Shareholders vote in favour of this Resolution as it will provide the Company with the flexibility to issue further securities under the

Company's 15% placement capacity under Listing Rule 7.1 without Shareholder approval.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

7.1 General

On 30 August 2019, the Company issued a total of 116,000,000 Shares at an issue price of \$0.001 per share by way of a placement to sophisticated investors.

The Company issued the Shares 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.

7.2 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.

7.3 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 Resolution:

- (a) 116,000,000 Shares were issued;
- (b) The issue price of the Shares was \$0.001 per Share;
- (c) The Shares were issued on the same terms as all existing Shares;
- (d) The Shares were issued to sophisticated investors identified by the Company and its corporate advisor, DJ Carmichael;
- (e) None of the Shares were issued to related parties of the Company;
- (f) The funds raised from the issue of Shares will be used for exploration, working capital and the non-refundable option fee for the acquisition of Exploration Licence E45/5384.

7.4 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.

7.5 Directors recommendations

The Directors recommend Shareholders vote in favour of this Resolution as it provides the Company with the flexibility to issue further securities under the Company's 15% placement capacity under Listing Rule 7.1 without Shareholder approval.

8. RESOLUTIONS 7, 8 AND 9 – ISSUE OF SHARES TO DIRECTORS IN LIEU OF CASH FEES

8.1 General

These Resolutions seek Shareholder approval for the issue of up to 10,000,000 Shares each to Rohan Dalziell, Alec Pismiris and David Sanders (or their nominees) in lieu of \$10,000 in directors fees owed to each. The Shares will be issued at an issue price of \$0.001 per Share.

The purpose of the proposed issue is to preserve cash for exploration and working capital purposes, as the Company would otherwise be obliged to pay the directors fees in cash.

8.2 Information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Resolutions:

- (a) The Shares will be issued to Rohan Dalziell, Alec Pismiris and David Sanders (or their nominees);
- (b) The maximum number of securities to be issued is 10,000,000 Shares to each of Mr Dalziell, Mr Pismiris and Mr Sanders (or their nominees);
- (c) The Shares will be issued as soon as practicable after Shareholder approval is obtained and in any event no more than 1 month after the date of the Meeting;
- (d) The Shares will be issued at an issue price of \$0.001 per Share and the Shares will be issued on the same terms as all existing Shares;
- (e) No funds will be raised from the issue of Shares but if the Shares are issued the Company will not need to pay the equivalent amount of directors fees in cash.

8.3 Voting Exclusion

As Rohan Dalziell, Alec Pismiris and David Sanders have a material personal interest in the Resolutions, they and their associates are excluded from voting on the Resolutions.

8.4 Directors' Recommendation

Rohan Dalziell, Alec Pismiris and David Sanders have a material personal interest in the subject matter of the Resolutions. Matthew Blake recommends that Shareholders vote in favour of the Resolutions as the Shares will be issued at the same price as the recent share placement and rights issue and the proposed Share issue will enable the Company to preserve cash to be used for exploration and working capital.

9. RESOLUTION 10 – PLACEMENT OF OPTIONS

9.1 General

This Resolution seeks Shareholder approval for the issue of 175,000,000 Options exercisable at \$0.002 expiring five years from issue at an issue price of \$0.0001 per Option to sophisticated investors.

The purpose of this issue will be to fund exploration activities and supplement working capital.

The effect of this Resolution would be to allow the Company to issue the Options pursuant to the Resolution during the 3 months after the Meeting (or a longer period if allowed by ASX).

9.2 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 Resolution:

- (a) The maximum number of Options to be issued is 175,000,000.
- (b) The Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver of the ASX Listing Rules) and it is intended that the Issue of all Options will occur at the same time as soon as practicable after the Meeting.
- (c) The Issue price will be \$0.0001 per Option.
- (d) The persons to whom the Options will be issued are not, as yet, identifiable but will be sophisticated investors to be identified by the Company and its corporate advisor, Shaw and Partners (formerly DJ Carmichael). The subscribers will not be related parties of the Company.
- (e) The Options will be exercisable within five years from the date of Issue at an exercise price of \$0.002 per Option. Full terms are set out in Schedule 2.
- (f) The funds raised will be used to fund exploration activities and supplement working capital.

9.3 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 the Issue. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

9.4 Directors' Recommendation

The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to raise funds from the Issue of the Options and potentially raise additional funds if the Options are exercised.

10. RESOLUTION 11 – ISSUE OF SHARES FOR ACQUISITION OF TENEMENT

10.1 General

This Resolution seeks Shareholder approval for the issue of 75,000,000 Shares to acquire Western Australian Exploration Licence E45/5384 in the event that the Company exercises its option to acquire that tenement, as announced by the Company to ASX on 30 August 2019.

The effect of this Resolution will be to allow the Company to issue the Shares pursuant to the Resolution during the 3 months after the Meeting (or a longer period if allowed by ASX).

10.2 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 Resolution:

- (a) The maximum number of Shares to be issued is 75,000,000.
- (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 an ASX waiver of the ASX Listing Rules). The Shares are intended to be issued after the tenement has been granted and in the event that the Company exercises its option to acquire the tenement.
- (c) The Issue price will be \$0.001 per Share.
- (d) The Shares will be issued to Carmichael Prospecting Company Pty Limited, the applicant for the tenement. Carmichael Prospecting Company Pty Limited is not a related party of the Company.
- (e) The Shares will be issued on the same terms as all existing Shares.
- (f) No funds will be raised from the issue of the Shares, which will be issued in consideration of the acquisition of Exploration Licence E45/5384.

10.3 Voting Exclusion

A voting exclusion statement is included in this Notice. Carmichael Prospecting Company Pty Limited and its associates are excluded from voting on this Resolution.

10.4 Directors' Recommendation

Matthew Blake has an indirect interest in Carmichael Prospecting Company Pty Limited. The other Directors recommend that Shareholders vote in favour of this Resolution as it will enable the Company to acquire the exploration licence in the event that the Company exercises its option to acquire that licence.

11. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT FACILITY

11.1 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 approximately \$3,000,000 (based on the number of Shares on issue and the closing price of Shares on the ASX on 11 October 2019).

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 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.

11.2 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 11.2(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 11 October 2019 together with the Shares proposed to be issued under the Company's fully underwritten rights issue which are due to be issued on 23 October 2019 and the issue price of \$0.002 which was the market closing price as at 11 October 2019.

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		
		\$0.001 50% decrease in issue price	\$0.002 issue price	\$0.004 100% increase in issue price
Current Variable "A" 2,958,464,348 Shares	10% voting dilution	295,846,435 Shares	295,846,435 Shares	295,846,435 Shares
	Funds raised	\$295,846	\$591,693	\$1,183,386
50% Increase in current Variable "A" 4,437,696,522 Shares	10% voting dilution	443,769,652 Shares	443,769,652 Shares	443,769,652 Shares
	Funds raised	\$443,770	\$887,539	\$1,775,079

Variable "A" in formula in Listing Rule 7.1A.2		Issue Price		
		\$0.001 50% decrease in issue price	\$0.002 issue price	\$0.004 100% increase in issue price
100% Increase in current Variable "A" 5,916,928,696 Shares	10% voting dilution	591,692,870 Shares	591,692,870 Shares	591,692,870 Shares
	Funds raised	\$591,693	\$1,183,386	\$2,366,771

The table has been prepared on the following assumptions:

1. 2,958,464,348 on issue comprising:
 - (a) 1,479,232,174 existing Shares as at the date of this Notice of Meeting; and
 - (b) 1,479,232,174 issued in accordance with the fully underwritten Rights Issue announced on 30 August 2019.
2. The issue price set out above is \$0.002 being the closing market price of the Shares on ASX on 11 October 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
5. 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.
6. This table does not set out any dilution pursuant to Shares issued other than under ASX Listing Rule 7.1A.
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%.

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 to raise funds for 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.

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), but not 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).

(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 30 November 2018 (**Previous Approval**).

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

During the 12 month period preceding the date of finalising this Notice of Meeting, the Company issued a total of 251,315,928 Shares and 66,666,667 Options which represents approximately 16% of the total diluted number of Equity Securities on issue in the Company 12 months prior, which was 1,974,225,402.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of finalising this Notice of Meeting are set out in Schedule 3.

(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.

11.3 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.

11.4 Directors recommendations

The Board recommends Shareholders vote in favour of this Resolution as it provides the Company with the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months without Shareholder approval.

12. RESOLUTION 13 – REPLACEMENT OF CONSTITUTION

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 11 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution updated to ensure it reflects the current provisions of the Corporations Act and the ASX Listing Rules as well as changes to the ASX Listing Rules scheduled to take effect on 1 December 2019 in relation to the issue of restricted securities pursuant to transactions to which ASX Listing Rules 10.1 or 11.1.3 apply.

The Directors are of the view that it is preferable in the circumstances to replace the existing Constitution with a new Constitution rather than to amend specific provisions.

A copy of the new Constitution can be obtained by contacting the Company through its website at <https://www.victorymines.com/contact-victory.html>. Shareholders are invited to contact the Company if they have any queries or comments.

13. RESOLUTION 14 – APPOINTMENT OF NEW AUDITOR

The Company's current auditor, Bentleys Audit & Corporate (WA) Pty Ltd, has given notice to the Board of its intention to resign as auditor of the Company pursuant to sub-section 329(5) of the Corporations Act.

Sub-section 329(5) of the Corporations Act provides that an auditor of a company may, by giving notice in writing, resign as auditor of the company if:

- (a) The auditor by notice in writing given to the Australian Securities and Investments Commission (**ASIC**) applied for consent to the resignation; and
- (b) The consent of ASIC has been given.

Bentleys Audit & Corporate (WA) Pty Ltd have applied to ASIC for its consent to its resignation as auditor of the Company. The application for consent lodged with ASIC by Bentleys Audit & Corporate (WA) Pty Ltd indicates that it wishes its resignation to take effect on the date of the Company's AGM.

Upon Bentleys Audit & Corporate (WA) Pty Ltd's resignation, it will be necessary for the Company to appoint a new auditor pursuant to sub-section 327B(1) of the Corporations Act. Section 327B(1) provides that a company shall at each Annual General Meeting, if there is a vacancy in the office of auditor of the company appoint a person, firm or company to fill the vacancy.

David Grant Sanders, a member of the Company, has nominated the firm HLB Mann Judd (WA Partnership) as auditor of the Company pursuant to sub-section 328B(1) of the Corporations Act. HLB Mann Judd (WA Partnership) are eligible and have consented to be appointed as auditor of the Company as required by sub-section 328A(1) of the Corporations Act. Pursuant to sub-section 328B(3) of the Corporations Act the written notice nominating HLB Mann Judd (WA Partnership) as auditor is *attached* to this Explanatory Memorandum as an annexure.

The Board recommends the appointment of HLB Mann Judd (WA Partnership) as the auditor of the Company.

GLOSSARY

2019 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 2019, which can be downloaded from the Company's website at www.victorymines.com.

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.

Converting Note means a converting note to acquire a Share upon conversion.

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.

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 2019 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.

For personal use only

**SCHEDULE 1 – TERMS AND CONDITIONS OF \$0.003, 31 MAY 2022
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 \$0.003 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00pm (WST) on 31 May 2022 (**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 clause e 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) **Transferability**

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

SCHEDULE 2 – TERMS AND CONDITIONS OF \$0.002 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 \$0.002 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00pm (WST) on the date being five years from Issue Date (**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 clause e 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) **Transferability**

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

SCHEDULE 3 – ISSUES OF EQUITY SECURITIES SINCE 12 OCTOBER 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Consideration
Issue – 15 March 2018 Appendix 3B – 31 May 2018	51,982,593	Shares ²	Rights Issue Participants	\$0.003 per Share (being a discount to Market Price of 0%)	Amount raised = \$155,948 Amount spent = \$155,948 Use of funds = costs of offer, and payment of creditors
	66,666,668	Shares ²	Converting Security Noteholders	\$0.003 per Share (being a discount to Market Price of 0%)	Amount raised = \$200,000 Amount spent = \$200,000 Use of funds = payment of creditors and costs of preparing Rights Issue prospectus
	16,666,667	Shares ²	Rights Issue Underwriters	\$0.003 per Share (being a discount to Market Price of 0%)	Amount raised = \$50,000 Amount spent = \$50,000 Use of funds = payment of creditors and costs of preparing Rights Issue prospectus
	66,666,668	Options ³	Professional and sophisticated investors	N/A	Consideration: Issued in lieu of interest on Converting Loans Current value ⁵ = \$6,667
Issue – 30 August 2019 Appendix 3B – 2 September 2019	116,000,000	Shares	Professional and sophisticated investors	\$0.001 per Share (being a discount to Market Price of 0%)	Amount raised = \$116,000 Amount spent = \$50,000 Use of funds = option fee, working capital, preparation for exploration activities Proposed expenditure of balance ⁴ : Exploration expenditure

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).
- Options exercisable at \$0.003 each on or before 31 May 2022. The full terms and conditions are set out in Schedule 1.
- 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.
- 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.

ANNEXURE – NOMINATION OF AUDITOR

16 October 2019

The Board of Directors
Victory Mines
Ground Floor
16 Ord Street
WEST PERTH WA 6005

I, David Grant Sanders, being a member of Victory Mines Limited ACN 151 900 855 (Company) nominate HLB Mann Judd (WA Partnership) in accordance with section 328B(1) of the Corporations Act fill the office of the auditor of the Company.

Please distribute copies of this notice of nomination as required by section 328B(3) of the Corporations Act.



DAVID GRANT SANDERS



Victory Mines Limited | ABN 39 151 900 855

AGM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Vote by Proxy: VIC

Your proxy voting instruction must be received by **10.00am (WST) on Sunday 24 November 2019**, being not later than **48 hours** before the commencement of the Meeting. Any Proxy Voting Instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1- APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or be corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individuals: 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 lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

SAMPLE ONLY

For personal use only

SAMPLE PROXY FORM

For personal use only



Contact	Return your completed form		All enquiries to Automic	
	BY MAIL Automic GPO Box 5193 Sydney NSW 2001	IN PERSON Automic Level 5, 126 Phillip Street Sydney NSW 2000	BY EMAIL meetings@automicgroup.com.au	WEBCHAT https://automic.com.au/

STEP 1: Appoint Your Proxy	Complete and return this form as instructed only if you do not vote online I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Victory Mines Limited to be held at 10.00am (WST) on Tuesday 26 November 2019 at Bennett + Co, Ground Floor, BGC Centre, 28 The Esplanade, Perth WA 6000 hereby:													
	Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy 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 and at any adjournment thereof. <table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table> <p>The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.</p> <p>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 Resolutions 1, 7, 8 & 9 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7, 8 & 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.</p>													

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
	1. ADOPTION OF REMUNERATION REPORT (NONBINDING)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. ISSUE OF SHARES TO ALEC PISMIRIS IN LIEU OF CASH FEES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. ELECTION OF ALEC PISMIRIS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. ISSUE OF SHARES TO DAVID SANDERS IN LIEU OF CASH FEES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. ELECTION OF DAVID SANDERS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. PLACEMENT OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. ELECTION OF MATTHEW BLAKE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. ISSUE OF SHARES FOR ACQUISITION OF TENEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5. RATIFICATION OF PRIOR ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. APPROVAL OF 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6. RATIFICATION OF PRIOR ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. REPLACEMENT OF CONSTITUTION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7. ISSUE OF SHARES TO ROHAN DALZIEL IN LIEU OF CASH FEES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14. APPOINTMENT OF NEW AUDITOR AUDITOR	<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.

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<small>Sole Director and Sole Company Secretary</small>	<small>Director</small>	<small>Director / Company Secretary</small>
	Contact Name:		
Email Address:			
Contact Daytime Telephone:			
Date (DD/MM/YY)			
By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).			

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