**ASX ANNOUNCEMENT**
**25 June 2020**

**ABN 39 151 900 855**
Registered Office:
Level 11, BGC Centre
28 The Esplanade
Perth WA 6000
T: +61 8 6424 9299
W: www.victorymines.com

# MALAMUTE PROJECT UPDATE

## Highlights

- **Two sighter tests now completed on Malamute high-alumina content laterite.**
- **Over 66% Aluminium extraction achieved from Sighter Test 1 at modest sulphuric acid concentrations.**
- **Wet magnetic screening appears to physically reduce the iron content of the sample.**
- **Initial results justify engaging a hydrometallurgist to optimise the leaching stage in order to maximise the potential commercial viability of using a sulphuric acid leach High Purity Alumina (HPA) process.**

The Board of Victory Mines Limited (**ASX: VIC**) (‘**Victory’ or ‘the Company’**) is pleased to provide an update on its Malamute Project HPA investigations which have been conducted at Nagrom Laboratories, Perth, Western Australia.

In late 2019 the Company completed a successful drilling campaign of 40 air-core drill holes for over 2,088 metres at the Malamute Project in central New South Wales. The air-core drill holes intersected significant lateritic material overlying ultramafic and mafic units. Analyses carried out on four of the 40 drill holes identified very high alumina contents within the laterite profile and an initial 10 Kg sample of laterite was sent to Nagrom Laboratories, Perth for simple beneficiation and hydrometallurgical tests in order to determine whether a 4N HPA product could be produced.

Activities conducted by Nagrom included the following:

### Sizing and Assaying

The Malamute laterite was sized and assayed to identify the highest alumina bearing size fraction. Although the finer size fractions contained the highest alumina, they also contained the highest iron contents. However, for the purposes of future Sighter Tests, a minus 40 mesh sized sample was collected for Test work.

### Wet Magnetic Separation

High intensity wet magnetic screening was conducted on the high alumina minus 40 mesh sample which resulted in significant removal of iron bearing material.

**ASX ANNOUNCEMENT**
**22 June 2020**

**Two Sighter Leach Tests**

Two Sighter Leach Tests, the first at 20% Hydrochloric acid and the second at 20% Sulphuric acid, were both conducted at 80 degrees centigrade and 20% pulp density. Results of the sighter tests clearly showed the importance of a sulphuric acid leach which yielded over 66% extraction of the Aluminium into solution. In addition, over 55% of the remaining iron was also leached into solution.

The Company's aim for the Malamute Project is to produce a 4N HPA product for use in the lithium-ion battery and sapphire glass markets. The Company intends to achieve this goal by finalising a flowsheet which will enable aluminium to be preferentially leached from a sulphuric acid leach and washing process. Additionally, the Company will conduct tests to determine whether solvent extraction or ion exchange can be used commercially to remove impurity elements (such as sodium) from the leach solution.

Non-Executive Director Alec Pismiris commented "The Company is encouraged by these early test results and discussions are now underway to engage an experienced hydrometallurgical consultant to examine how we can remove the remaining iron which was also leached into solution in the sulphuric acid Sighter test."

**Competent Person's Statement**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Rob Mosig who is a Fellow of the Australasian Institute of Mining and Metallurgy (F.AusIMM). Mr Mosig is employed by DM Associates Limited. Mr Mosig has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mosig consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*Authorised by the board of Victory Mines Limited*

**Alec Pismiris**
**Non-Executive Director**

**For more information:**

Please visit our website for more information: www.victorymines.com
or
Contact Alec Pismiris, Non-Executive Director: +61 402 212 532

## Appendix 1 – Drillhole Collar coordinate information for samples used in Metallurgical Analysis information

| Drill hole Name | Easting (m) | Northing (m) | RL (m ASL) | Azimuth | Dip | Total Depth (m) | Survey_Method |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| MA2 | 550,532.41 | 6,420,360.47 | 214.88 | 0 | -90 | 70.00 | Diff_GPS |
| MA6 | 550,733.25 | 6,420,562.94 | 214.30 | 0 | -90 | 36.00 | Diff_GPS |

**Malamute Air-core drilling laboratory assayed sample results**

| Drillhole | Sample | *From (m)* | To (m) | Al2O3 (%) | Al (%) | Co (%) | Sc (%) |
|---|---|---|---|---|---|---|---|
| **MA07** | 62 | *14* | 18 | 22.70 | 12.01 | <0.001 | 0.003 |
| **MA07** | 63 | *18* | 22 | 25.50 | 13.50 | <0.001 | 0.003 |
| **MA07** | 64 | *22* | 26 | 22.60 | 11.96 | <0.001 | 0.002 |
| **MA07** | 65 | *26* | 30 | 20.00 | 10.58 | <0.001 | 0.002 |
| **MA07** | 66 | *30* | 31 | 23.90 | 12.65 | <0.001 | 0.01 |
| **MA07** | 67 | *31* | 32 | 18.75 | 9.92 | <0.001 | 0.036 |
| **MA07** | 68 | *32* | 33 | 21.30 | 11.27 | 0.002 | 0.038 |
| **MA07** | 69 | *33* | 34 | 23.80 | 12.60 | <0.001 | 0.024 |
| **MA07** | 70 | *34* | 35 | 20.30 | 10.74 | 0.002 | 0.036 |
| **MA07** | 71 | *35* | 36 | 8.15 | 4.31 | 0.004 | 0.03 |
| **MA07** | 72 | *36* | 37 | 8.57 | 4.54 | 0.12 | 0.035 |
| **MA07** | 73 | *37* | 38 | 5.11 | 2.70 | 0.067 | 0.024 |
| **MA07** | 74 | *38* | 39 | 3.45 | 1.83 | 0.015 | 0.012 |
| **MA07** | 75 | *39* | 40 | 3.20 | 1.69 | 0.01 | 0.016 |
| **MA07** | 76 | *40* | 41 | 4.83 | 2.56 | 0.013 | 0.007 |
| **MA07** | 77 | *41* | 42 | 3.73 | 1.97 | 0.015 | 0.016 |
| **MA07** | 78 | *42* | 43 | 4.58 | 2.42 | 0.015 | 0.021 |
| **MA07** | 79 | *43* | 44 | 3.60 | 1.91 | 0.009 | 0.017 |
| **MA07** | 80 | *44* | 45 | 6.56 | 3.47 | 0.016 | 0.024 |
| **MA07** | 81 | *45* | 46 | 4.93 | 2.61 | 0.013 | 0.018 |
| **MA07** | 82 | *46* | 47 | 5.21 | 2.76 | 0.014 | 0.018 |
| **MA07** | 83 | *47* | 48 | 2.31 | 1.22 | 0.006 | 0.01 |
| **MA07** | 84 | *48* | 49 | 2.08 | 1.10 | 0.007 | 0.009 |
| **MA07 (FD)** | 85 | *30* | 31 | 23.10 | 12.23 | <0.001 | 0.011 |
| **MA07 (FD)** | 86 | *38* | 39 | 3.65 | 1.93 | 0.016 | 0.015 |
| **MA08** | 87 | *5* | 6 | 8.10 | 4.29 | <0.001 | <0.001 |
| **MA08** | 88 | *6* | 7 | 9.65 | 5.11 | <0.001 | <0.001 |
| **MA08** | 89 | *7* | 8 | 10.55 | 5.58 | 0.002 | 0.009 |
| **MA08** | 90 | *8* | 9 | 13.85 | 7.33 | 0.002 | 0.017 |
| **MA08** | 91 | *9* | 10 | 12.15 | 6.43 | 0.001 | 0.015 |
| **MA08** | 92 | *10* | 11 | 13.20 | 6.99 | <0.001 | 0.012 |
| **MA08** | 93 | *11* | 12 | 15.85 | 8.39 | 0.001 | 0.015 |
| **MA08** | 94 | *12* | 13 | 21.40 | 11.33 | <0.001 | 0.009 |
| **MA08** | 95 | *13* | 14 | 17.85 | 9.45 | <0.001 | 0.02 |
| **MA08** | 96 | *14* | 15 | 19.10 | 10.11 | 0.002 | 0.032 |
| **MA08** | 97 | *15* | 16 | 25.10 | 13.28 | <0.001 | 0.027 |
| **MA08** | 98 | *16* | 17 | 21.70 | 11.48 | <0.001 | 0.03 |
| **MA08** | 99 | *17* | 18 | 28.20 | 14.92 | <0.001 | 0.009 |
| **MA08** | 100 | *18* | 19 | 22.70 | 12.01 | <0.001 | 0.005 |
| **MA08** | 101 | *19* | 20 | 23.10 | 12.23 | <0.001 | 0.004 |
| **MA08** | 102 | *20* | 21 | 20.80 | 11.01 | <0.001 | 0.003 |
| **MA08** | 103 | *21* | 22 | 21.30 | 11.27 | <0.001 | 0.004 |
| **MA08** | 104 | *22* | 23 | 17.90 | 9.47 | <0.001 | 0.004 |
| **MA08** | 105 | *23* | 24 | 18.20 | 9.63 | <0.001 | 0.003 |
| **MA08** | 106 | *24* | 25 | 21.70 | 11.48 | <0.001 | 0.005 |

| Drillhole | Sample | *From (m)* | To (m) | Al2O3 (%) | Al (%) | Co (%) | Sc (%) |
|---|---|---|---|---|---|---|---|
| **MA08** | 107 | *25* | 26 | 19.60 | 10.37 | <0.001 | 0.003 |
| **MA08** | 108 | *26* | 27 | 17.95 | 9.50 | <0.001 | 0.003 |
| **MA08** | 109 | *27* | 28 | 24.00 | 12.70 | 0.002 | 0.006 |
| **MA08** | 110 | *28* | 29 | 7.48 | 3.96 | 0.009 | 0.011 |
| **MA08** | 111 | *29* | 30 | 6.06 | 3.21 | 0.01 | 0.011 |
| **MA08 (FD)** | 112 | *11* | 12 | 15.65 | 8.28 | <0.001 | 0.014 |
| **MA09** | 294 | *9* | 10 | 14.10 | 7.46 | <0.001 | 0.001 |
| **MA09** | 295 | *10* | 11 | 13.75 | 7.28 | <0.001 | 0.002 |
| **MA09** | 296 | *11* | 12 | 14.50 | 7.67 | <0.001 | 0.002 |
| **MA09** | 297 | *12* | 13 | 15.95 | 8.44 | <0.001 | 0.001 |
| **MA09** | 298 | *13* | 14 | 15.85 | 8.39 | <0.001 | 0.002 |
| **MA09** | 299 | *14* | 15 | 25.20 | 13.34 | <0.001 | 0.005 |
| **MA09** | 300 | *15* | 16 | 27.00 | 14.29 | <0.001 | 0.006 |
| **MA09** | 301 | *16* | 17 | 25.60 | 13.55 | <0.001 | 0.006 |
| **MA09** | 302 | *17* | 18 | 25.40 | 13.44 | <0.001 | 0.007 |
| **MA09** | 303 | *18* | 19 | 19.75 | 10.45 | 0.004 | 0.005 |
| **MA09** | 304 | *19* | 20 | 21.60 | 11.43 | <0.001 | 0.006 |
| **MA09** | 305 | *20* | 21 | 17.70 | 9.37 | 0.016 | 0.005 |
| **MA09** | 306 | *21* | 22 | 15.35 | 8.12 | 0.045 | 0.007 |
| **MA09** | 307 | *22* | 23 | 12.85 | 6.80 | 0.023 | 0.008 |
| **MA09** | 308 | *23* | 24 | 15.80 | 8.36 | 0.027 | 0.006 |
| **MA09** | 309 | *24* | 25 | 16.95 | 8.97 | 0.02 | 0.005 |
| **MA09** | 310 | *25* | 26 | 15.70 | 8.31 | 0.014 | 0.006 |
| **MA09** | 311 | *26* | 27 | 13.70 | 7.25 | 0.014 | 0.006 |
| **MA09** | 312 | *27* | 28 | 13.00 | 6.88 | <0.001 | 0.005 |
| **MA09** | 313 | *28* | 29 | 16.85 | 8.92 | 0.005 | 0.003 |
| **MA09** | 314 | *29* | 30 | 15.95 | 8.44 | 0.007 | 0.004 |
| **MA37** | 357 | *4* | 5 | 5.02 | 2.66 | <0.001 | <0.001 |
| **MA37** | 358 | *5* | 6 | 12.80 | 6.77 | 0.003 | 0.003 |
| **MA37** | 359 | *6* | 7 | 14.00 | 7.41 | 0.006 | 0.006 |
| **MA37** | 360 | *7* | 8 | 9.66 | 5.11 | 0.008 | 0.009 |
| **MA37** | 361 | *8* | 9 | 13.65 | 7.22 | 0.015 | 0.007 |
| **MA37** | 362 | *9* | 10 | 11.70 | 6.19 | 0.011 | 0.007 |
| **MA37** | 363 | *10* | 11 | 10.45 | 5.53 | 0.009 | 0.006 |
| **MA37** | 364 | *11* | 12 | 15.60 | 8.26 | 0.006 | 0.004 |
| **MA37** | 365 | *12* | 13 | 15.45 | 8.18 | 0.006 | 0.003 |
| **MA37** | 366 | *13* | 14 | 16.25 | 8.60 | 0.003 | 0.003 |
| **MA37** | 367 | *14* | 15 | 16.10 | 8.52 | 0.004 | 0.003 |
| **MA37** | 368 | *15* | 16 | 13.65 | 7.22 | 0.005 | 0.003 |
| **MA37** | 369 | *16* | 17 | 12.35 | 6.54 | 0.002 | 0.002 |
| **MA37** | 370 | *17* | 18 | 13.60 | 7.20 | 0.001 | 0.001 |
| **MA37** | 371 | *18* | 19 | 13.25 | 7.01 | 0.002 | 0.002 |
| **MA37** | 372 | *19* | 20 | 12.45 | 6.59 | <0.001 | 0.002 |
| **MA37** | 373 | *20* | 21 | 14.85 | 7.86 | 0.016 | 0.004 |
| **MA37** | 374 | *21* | 22 | 13.80 | 7.30 | 0.016 | 0.004 |

| Drillhole | Sample | *From (m)* | To (m) | Al2O3 (%) | Al (%) | Co (%) | Sc (%) |
|---|---|---|---|---|---|---|---|
| **MA37** | 375 | *22* | 23 | 13.85 | 7.33 | 0.012 | 0.003 |
| **MA37** | 376 | *23* | 24 | 12.10 | 6.40 | 0.006 | 0.001 |
| **MA37** | 377 | *24* | 25 | 11.40 | 6.03 | 0.007 | 0.001 |
| **MA37** | 378 | *25* | 26 | 13.20 | 6.99 | 0.002 | 0.002 |
| **MA37** | 379 | *26* | 27 | 13.35 | 7.07 | 0.003 | 0.002 |
| **MA37** | 380 | *27* | 28 | 15.95 | 8.44 | 0.006 | 0.005 |
| **MA37** | 381 | *28* | 29 | 15.25 | 8.07 | 0.004 | 0.004 |
| **MA37** | 382 | *29* | 30 | 12.05 | 6.38 | 0.004 | 0.003 |
| **MA37** | 383 | *30* | 31 | 15.05 | 7.97 | 0.003 | 0.005 |
| **MA37** | 384 | *31* | 32 | 15.35 | 8.12 | 0.004 | 0.005 |
| **MA37** | 385 | *32* | 33 | 14.75 | 7.81 | 0.003 | 0.004 |
| **MA37** | 386 | *33* | 34 | 15.60 | 8.26 | 0.004 | 0.005 |
| **MA37** | 387 | *34* | 35 | 14.60 | 7.73 | 0.003 | 0.005 |
| **MA37** | 388 | *35* | 36 | 12.80 | 6.77 | 0.003 | 0.003 |
| **MA37** | 389 | *36* | 37 | 13.15 | 6.96 | 0.002 | 0.004 |
| **MA37 (FD)** | 390 | *10* | 11 | 10.15 | 5.37 | 0.009 | 0.005 |

Note: Drillholes with (FD) are samples which were collected as "Field Duplicates" for certified laboratory testing (refer to Appendix B).

**Appendix B - JORC Code, 2012 Edition – Table 1 report**

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br><br>*In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • – In 2019, samples were originally collected from Malamute Exploration Licence EL8666 in 1m intervals from an air-core drilling program;<br>• Samples were then delivered to Australian Laboratory Services (ALS), Orange, N.S.W., where the initial sample preparation occurred.<br>• ALS Orange riffle split (if necessary) to create a ~250g sample.<br>• The samples were then dried and pulverized to a nominal 85% of the sample passing 75µm.<br>• ALS, Orange, N.S.W., then dispatched the pulps to Australian Laboratory Services (ALS), Brisbane, QLD for analytical testing.<br>• In early 2020, air-core samples as listed in Appendix 1 were despatched to Nagrom Laboratories Perth for additional metallurgical testing. |
| *Drilling techniques* | *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | Not applicable to this announcement. For further information regarding drilling techniques, refer to ASX Announcement 2 December 2019 |

| | | |
|---|---|---|
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | Not applicable to this announcement. For further information regarding drilling techniques, refer to ASX Announcement 2 December 2019 |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>•<br>*The total length and percentage of the relevant intersections logged.* | Not applicable to this announcement. For further information regarding drilling techniques, refer to ASX Announcement 2 December 2019 |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriatenessof the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Samples were despatched to Nagrom Laboratories Perth in early February 2020 for metallurgical testing to establish whether a High Purity Alumina product could be prepared from the Marmalute aircore samples.<br><br>Initially Nagrom collected a representative sub-sample from each sample delivered and carried out a sizing process and then repeat assayed each sized fraction for Aluminium content using XRF analysis.<br><br>• A test 9.655 kg sample was prepared using samples from Appendix 1<br><br>The sighter tests involved the splitting of the Test sample into two separate samples. One sample was subjected to hydrochloric acid leaching whilst the second sample had sulphuric acid added. XRF analysis was carried out after a set time to establish the amount of aluminium, iron and other elements which were dissolved by the acids. |

| | | |
|---|---|---|
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br><br>*Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • The metallurgical results are suitable for the reporting of 'preliminary tests' for potential HPA extraction, additional metallurgical test work would have to be completed in order to define the grade and quality of any HPA produced.<br><br>• Initially, all 106 samples (1m intervals) underwent certified laboratory testing at ALS, Brisbane, additionally included were 4 in-field duplicates, the duplicates comprised a test ratio of approximately 1:27<br>• 106 samples (1m increments) underwent certified laboratory testing at ALS, Brisbane, had the following QAQC checks and balances completed at ALS Brisbane:<br>  ◦ 3 blanks, were inserted by ALS at a ratio of 1:40 – the batch actual test ratio was approximately 1:35;<br>  ◦ 11 laboratory duplicates were inserted by ALS at a ratio of 1:15 – the actual batch actual test ratio was approximately 1:18;<br>  ◦ 6 standards were inserted to the analytical testing by ALS;<br>  ◦ The review of the above QAQC information that had been completed at the time of writing the current ASX Release identified no issues for concern in regards for further metallurgical testing.<br><br>The laboratory analytical method conducted was XRF which involved Fusion XRF for Laterite Ore– this method is accurate for the quantification of aluminium within the sample. The analytical results were reported for: $Al_2O_3$, BaO, CaO, $Cr_2O_3$, Cu, $Fe_2O_3$, $K_2O$, MgO, MnO, $Na_2O$, $P_2O_5$, $SO_3$, $SiO_2$, $TiO_2$, & Sc (all reported in %).<br><br>• " Loss on Ignition" (LOI) had been analyzed using Thermogravimetric Analyser (TGA) Furnace for all samples tested.<br><br>• The air-core drilling samples are suitable for the metallurgical testing of potential HPA content, extraction and purity. Additional metallurgical investigations would need to be completed in order to define a commercial HPA flowsheet. Additionally, more drilling is |

| | | |
|---|---|---|
| | | required to define the extent and grade of a high Al-rich laterite resource and requires more work to geologically model and then estimate a mineral resource. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br><br>*Discuss any adjustment to assay data.* | • The Sighter tests for potential HPA evaluation were carried out by an independent laboratory, Nagrom Laboratories in Kelmscott, Perth.<br>• Drillhole folders were assembled for all the field sheets, photos, and data obtained for each drillhole, this included but was not limited to the geological and rehabilitation information.<br>• The four (4) air-core drillholes that intersected mafic, ultra-mafic, and/or lateritic mineralisation via XRF Fusion for lateritic ore have had 1m chip trays for the collection of representative sampled material, photographic records were kept of the chip trays.<br>• The air-core drilling results are suitable for the reporting of 'exploration results' for mineral prospectivity, additional exploration work would have to be completed in order to define the extent and grade in order to geologically model and then estimate a mineral resource |
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br><br>*Quality and adequacy of topographic control.* | • Not applicable to this metallurgical report. Refer to ASX announcement dated December 2019. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br><br>*Whether sample compositing has been applied.* | • The air-core drilling results are suitable for the reporting of 'exploration results' for mineral prospectivity, additional exploration work would<br>have to be completed in order to define the extent and grade in order to geologically model and then estimate a mineral resource. |

| | | |
|---|---|---|
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br><br>*If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Not relevant to this metallurgical report. Further exploration work would have to be completed to assess the geological structures and units associated with the sub-surface geology. |
| *Sample security* | *The measures taken to ensure sample security.* | • sample security, due care with all field sub-sampling techniques were undertaken at the time of the air- core drilling and metallurgical testing campaign.<br>• Pending further certified laboratory testing are being held in storage operated by a certified testing laboratory. |
| *Audits or reviews* | *The results of any audits or reviews of sampling techniques and data.* | • no formal audits of the collected historical technical information have been completed by an Independent Third party.<br><br>All testing laboratories have taken all care in the interpretation of the assay results, in conjunction with the information collected during the metallurgical testing campaign. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>*The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The mineral tenements referred to in this Release are held by Victory Mines Limited (ASX: VIC). The mineral tenures are in the name of the tenure Holder:<br>○ NSW – Malamute Exploration Licence EL8666 consisting of 50 sub blocks, granted on the 30/Oct/2017, expires on the 30/Oct/2023; and<br>. |
| *Exploration done by other parties* | *Acknowledgment and appraisal of exploration by other parties.* | No previous metallurgical testing carried out by other parties. |
| *Geology* | *Deposit type, geological setting and style of mineralisation.* | • The granted tenements (EL8666 & EL8667) in New South Wales are targeted at laterites that contain elevated levels of cobalt and scandium. The laterites are formed from the physical and chemical weathering of the Ordovician Alaskan Type Intrusions, ultramafic igneous rocks of the Fifield Suite.<br>• Malamute Exploration Licence EL8666 - the air-core drilling programme had been designed to cover the expanse of the 11km by 8km elliptical Minemoorong magnetic anomaly, which is interpreted to be a Fifield Suite type intrusion |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.* | • Appendix 1 contains relevant drill hole information used in the metallurgical testing<br>• the the air-core drilling programme had been designed to cover the expanse of the 11km by 8km elliptical Minemoorong magnetic anomaly, which is interpreted to be a Fifield Suite type intrusion .<br>• The drill hole collar locations can be described, loose pattern of scout drilling (ranging from approximately 250m to 2,000m apart) over the Minemoorong magnetic anomaly, the drill hole collars were pegged during the field campaign using a Handheld |

| | | |
|---|---|---|
| | *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | GPS unit.<br>• Thirty-seven (37) drill hole collars were surveyed using Differential GPS by 'Langford and Rowe Consulting Surveyors Pty Ltd' based in Dubbo, the drill hole collar locations were recorded using MGA94 Zone55 were<br><br>(accuracy +/-0.01m for Easting and/or Northing, and +/-0.10m for Elevation): refer to Appendix A of the current ASX Release for the tabulated Drill hole Collar information, and the Body of the current ASX Release for appropriate maps showing the drillhole locations.<br><br>(3) drill hole collars were only surveyed using a Handheld GPS by 'Xplore Resources Pty Ltd', the drill hole collar locations were recorded using MGA94 Zone55 were (accuracy +/-10.00m for Easting and/or Northing, and +/-1.00m for Elevation): refer to Appendix A of the current ASX Release for the tabulated Drill hole Collar information, and the Body of the current ASX Release for appropriate maps showing the drillhole locations.<br><br>• The air-core drilling results are suitable for the reporting of 'exploration results' for mineral prospectivity, additional exploration work would have to be completed in order to define the extent and grade in order to geologically model and then estimate a mineral resource. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure usedfor such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>*The assumptions used for any reporting of metal equivalentvalues should be clearly stated.* | • Al2O3 (%) as determined by ALS, Brisbane, was converted by dividing the certified laboratory assay result for the sample by 1.8895 to obtain Al (%). |

| | | |
|---|---|---|
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br><br>*If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • in the air-core drilling programme the geological intersections are considered vertical with no deviations reported.<br>• For all reported exploration drilling results the competent person has reported 'down hole length' from the drilling results. Further exploration work, specifically drilling would need to be completed in order to interpret the lateral extent and thickness of any mineralisation.<br>• The air-core drilling results are suitable for the reporting of 'exploration results' for mineral prospectivity, additional exploration work would have to be completed in order to define the extent and grade in order to geologically model and then estimate a mineral resource. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | Not relevant to this metallurgical report. |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | Not relevant to this metallurgical report. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | This Announcement is the first metallurgical report on the potential Malamute HPA process. |

| | | |
|---|---|---|
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | High iron was still recorded in the sighter test results. Further work will focus on the potential removal of iron from the sulphuric acid leacg and the fine tuning of solvent extraction to remove sodium and trace levels of rare earths. |