

ASX ANNOUNCEMENT

27 July 2017



EXPLORATION PROGRAMME UPDATE LAVERTON PROJECT E38/3075

Highlights

- Geochemical soil sampling programme completed
- Copper, Nickel and Gold anomalies have been confirmed
- Nickel anomalies up to 1.25km in strike and 350 metres in width
- Copper anomalies up to 1.25km in strike and 250 metres in width
- Gold anomalies up to 900 metres in strike
- Most anomalous areas appear to be coincident with major geological structures

Victory Mines Limited (ASX: VIC) (“Victory” or “the Company”) is pleased to provide an update on the recently completed exploration programme at its Laverton Project (E38/3075).



Figure 1 – Project Location

Previous exploration conducted in 2013 within E38/2374 (in which E38/3075 is situated) defined several areas which were anomalous for gold (Au), nickel (Ni) and copper (Cu). Most of these anomalous regions were aligned with geological structures which were defined from a low level (25m), close spaced (50m) combined aerial radiometric and magnetic survey. A total of 1,239 samples were collected from within E38/2374, which were collected every 50 metres on lines spaced 400 metres apart.

Victory acquired E38/3075 early in 2017 and immediately planned an infill geochemical soil sampling programme to either infill the previously defined anomalous areas on a 200 x 25m pattern or to samples areas not previously sampled. A total of 810 samples were designed to be collected, but due to inclement weather, which affected access to one area, a total of 758 samples were collected.

The samples (which were approximately 1kg in size) were sent to ALS Laboratories where they were fine ground so that 95% of the sample was <75 micron. The pulps were then subject to analysis by a Niton XL3t XRF analyser. The device was calibrated in "soil" mode. The pulps were then analysed by ALS for gold using their method Au TL43, which is a method using Aqua Regia digest followed by ICP MS finish using a 25 g sample. The gold anomalous areas (Figure 2) relied on results using this analytical method, while the nickel and copper anomalies (Figures 3 & 4) are based on the results from the Niton analysis. The anomalies have been defined using the 95th percentile i.e. values in the top 5% of results are assumed to be strongly anomalous, and values within the top 10% being viewed as moderately anomalous.

The gold anomalies are shown as Figure 2 overlying the TMI magnetics. The most northern anomaly is open along strike and across strike. The other 2 anomalous regions are up to 900 m in length.

The nickel anomalies are shown as Figure 3, draped over the TMI magnetics. There is a large anomaly defined in the south of the tenement, which is approx. 1.25km in length and it is situated along a prominent geological structure while the Ni anomaly in the north is again coincident with the northerly extension of this structure.

The copper anomalies are shown as Figure 4, with the largest anomaly being over the same geological structure which contains the Ni anomaly. The other Cu anomalous regions are again aligned with or close to, other geological structures.

Currently quotes are being obtained for a proposed geophysical ground EM Survey which would potentially assist in the definition of suitable drill targets.

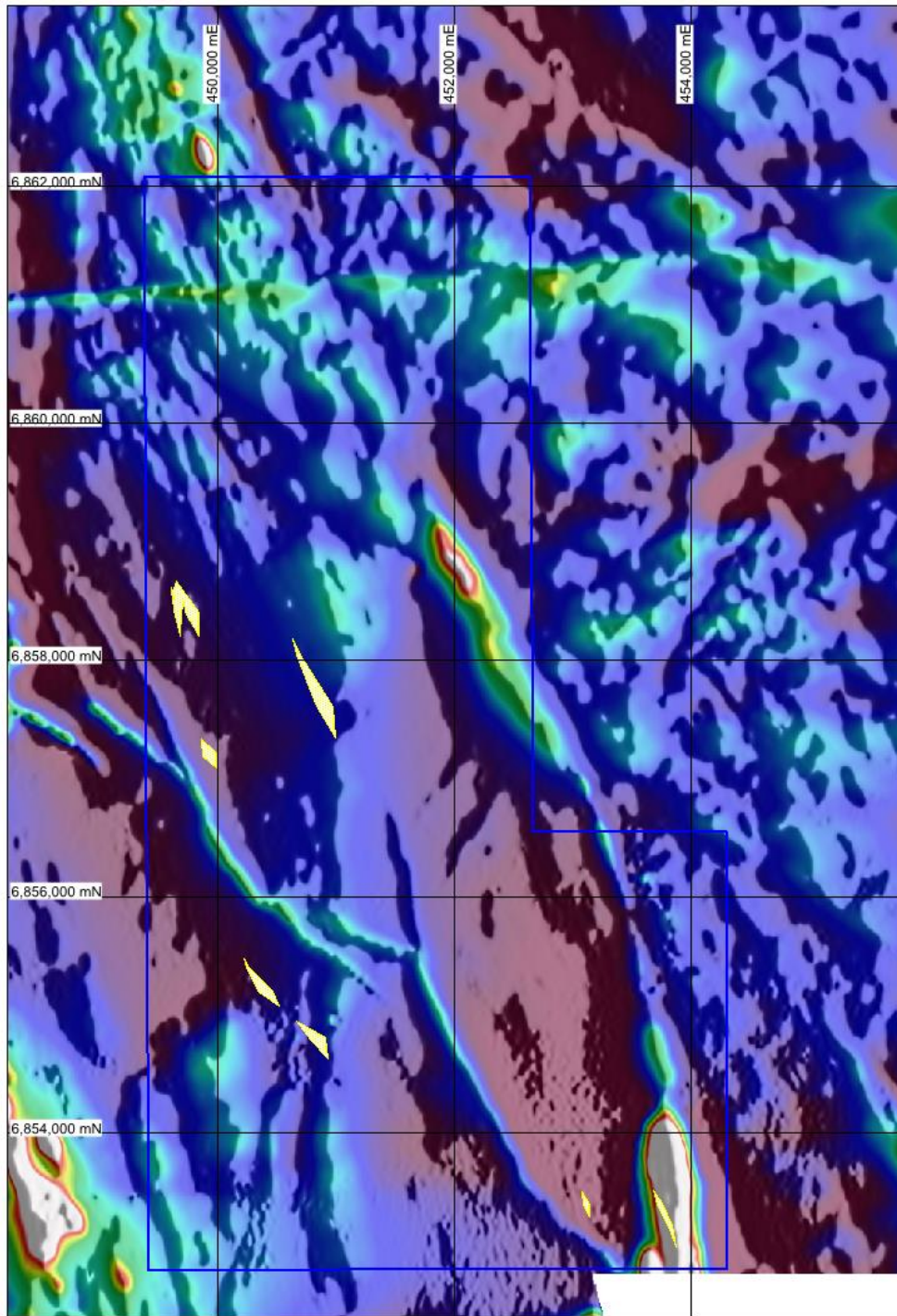


Figure 2 – Gold Anomalies over TMI

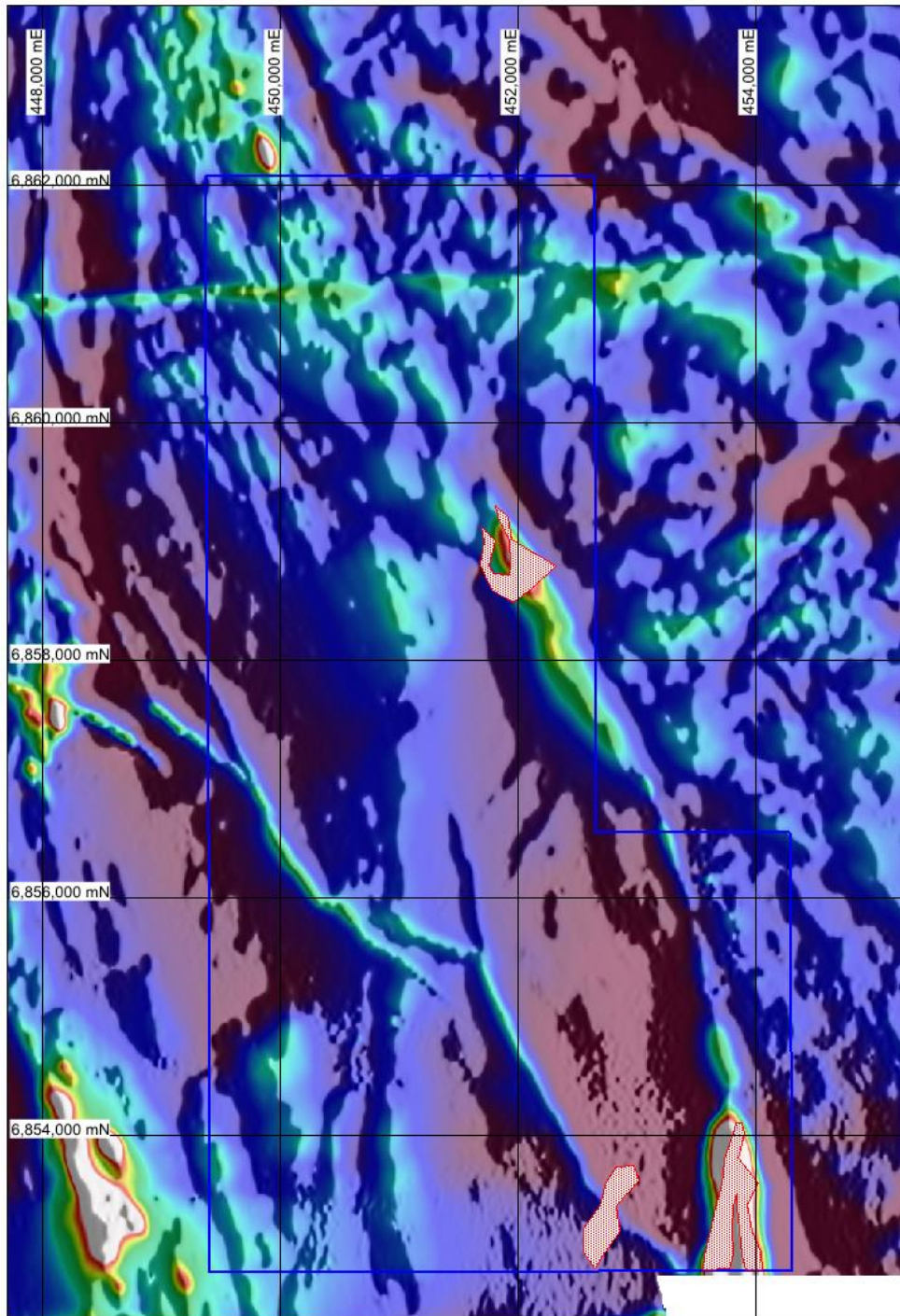


Figure 3 – Nickel Anomalies over TMI

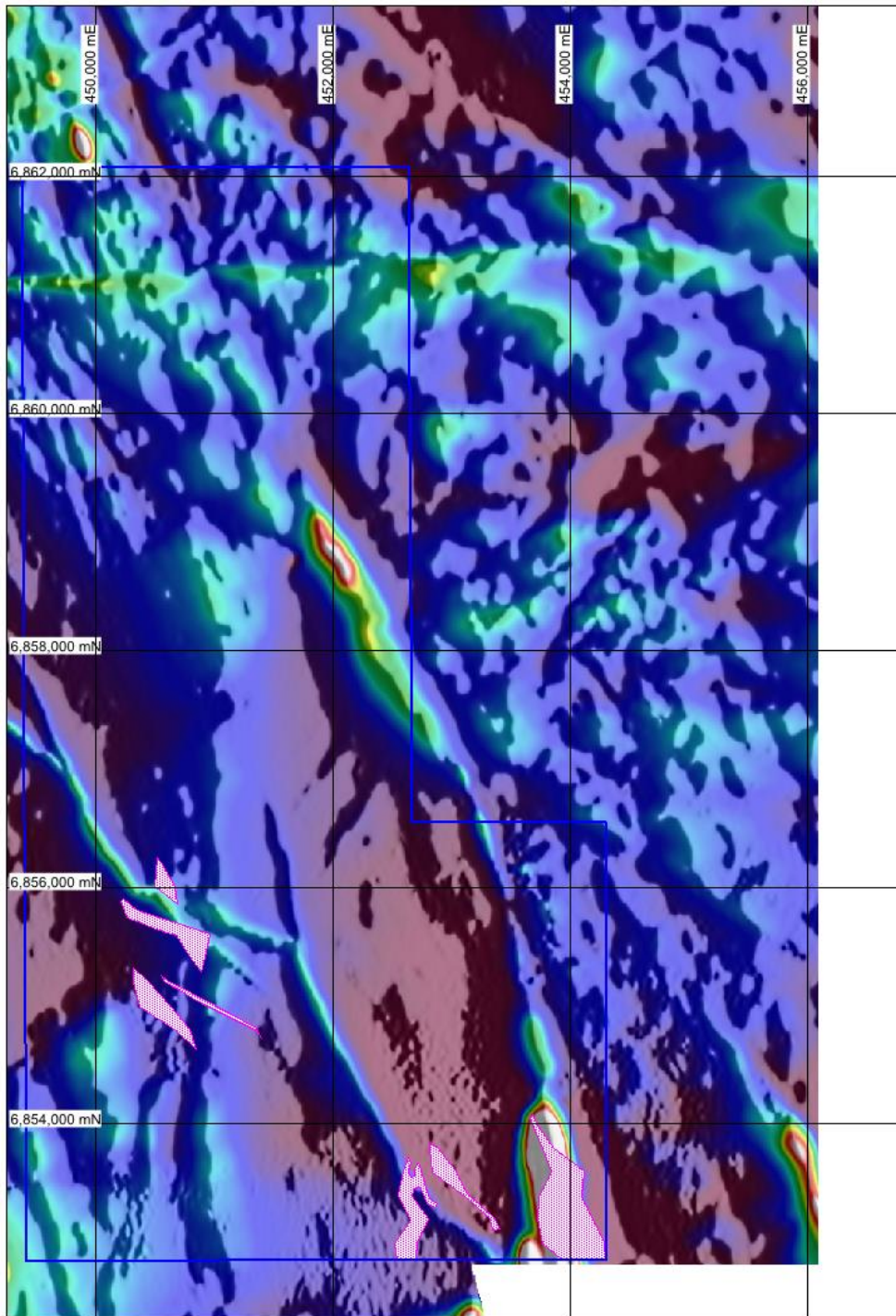


Figure 4 – Copper Anomalies over TMI

Enquiries

Elizabeth Hunt
Company Secretary

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Peebles who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the AIG. Mr Peebles is employed by Darlington Geological Services Pty Ltd and is also a Director of Victory Mines Limited. Mr Peebles 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 Peebles consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX A. JORC 2012 TABLE 1 REPORTING

Section 1. Sampling Techniques and Data

Sampling techniques	<ul style="list-style-type: none"> • Samples were collected using a hand held auger from depths of between 300mm and 500mm
Drilling techniques	<ul style="list-style-type: none"> • Not applicable, no drilling conducted.
Drill sample recovery	<ul style="list-style-type: none"> • Samples averaged approx. 1kg in weight
Logging	<ul style="list-style-type: none"> • Regolith noted
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • Samples fine ground to 75 micron, split to 300g, then subsamples for 25g for Aqua Regia digestion (AuTL43) with ICP MS finish. Pulps then analysed by Niton XL3t XRF analyser.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • XRF geochemical data taken from field portable XRF device calibrated in Soil Mode. Au analysed by ALS Laboratories in Perth.
Verification of sampling and assaying	<ul style="list-style-type: none"> • Laboratory QA/QC supplied • Niton analytical results are deemed fit for purpose to indicate anomalism.
Location of data points	<ul style="list-style-type: none"> • Sample points have been surveyed utilising hand held Garmin GPS. • Grid system is UTM GDA94 Zone 51 South datum and projection.
Data spacing and distribution	<ul style="list-style-type: none"> • Samples collected on a nominal 25 x 200 metre pattern
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Sample lines approx. normal to interpreted geology
Sample security	<ul style="list-style-type: none"> • Company representative delivered all samples to a certified laboratory
Audits or reviews	<ul style="list-style-type: none"> • No audits have been conducted on this data.
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • E 38/3075 - holder Victory Mines Ltd
Exploration done by other parties	<ul style="list-style-type: none"> • Exploration has been performed previous operators
Geology	<ul style="list-style-type: none"> • Greenstones intruded by granites
Drill hole information	<ul style="list-style-type: none"> • Not applicable, no drilling conducted.
Data aggregation methods	<ul style="list-style-type: none"> • Not applicable, no drilling conducted.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • Not applicable, no drilling conducted.
Diagrams	<ul style="list-style-type: none"> • Diagrams of soil anomalies and the location of tenements are included in this announcement.
Balanced reporting	<ul style="list-style-type: none"> • All assay results received are reported in the diagrams included in this announcement.
Other substantive exploration data	<ul style="list-style-type: none"> • Data from previous explorers has been obtained.