

# ASX ANNOUNCEMENT

Date: 14 October 2016



## September Quarterly Report

Victory Mines Limited (ASX:VIC) ('Victory' or 'the Company') provides a review of its activities during the September 2016 quarter.

### Corporate Update

On 17 August 2016, Victory withdrew from the conditional binding Heads of Agreement ('Heads of Agreement' or "HoA") to acquire 100% of the issued capital in Milestone Sport Ltd (an entity incorporated in Israel) ("Milestone") ("Milestone Acquisition"). The withdrawal from the Milestone Acquisition and termination of the HoA, was mutually agreed with Milestone and with no acknowledgement of fault by either party.

Additionally and as part of the Milestone Acquisition, Victory advanced a loan in the amount of USD\$500,000 to Milestone as announced on 6 April 2016. Victory agreed to allow Milestone until 30 April 2017 to repay this loan.

On 22 August 2016 Company announced the appointment of Mr Peter Peebles as a Non-Executive Director. Mr Peebles previously served as a Director of the Company from 2011 until May 2016 when he stepped down as a Director in May 2016 as Victory progressed toward the acquisition of Milestone Sport, Ltd.

During the quarter, the Company entered into an agreement for short term working capital loan of \$350,000 from an unrelated party for a term of up to two years, and to be repaid in cash or, if the borrower agrees in writing, repaid in shares at a 20% discount to the 5-day VWAP.

On 12 October 2016, the Company has issued a notice of general meeting which includes a resolution seeking approval for a placement of up to \$2,500,000.

### Exploration of Bolivian mining projects

During the period April to August 2016, Victory's focus was on the Milestone Acquisition and the re-compliance requirements associated with that transaction.

Victory has now refocused its efforts on its existing exploration operations and, given that there is significant renewed interest in the resources sector, the Company now seeks to raise additional funding for its existing resource projects.



The Company intends to allocate \$700,000 of the placement funds (referred to above) towards continued exploration and development of its Bolivian mining projects.

Victory maintains its interest in the Bolivian projects despite not having progressed them during the period of the proposed Milestone Acquisition.

***ENDS***

**For further information please contact:**

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