

# ASX ANNOUNCEMENT

Date: 13 April 2017



## March 2017 Quarterly Report

Victory Mines Limited (ASX:VIC) ('Victory' or 'the Company') provides a review of its activities during the March 2017 quarter.

### Corporate Update

During the quarter, Victory completed placements totalling 220,903,615 shares to raise over \$2.5M (before costs).

Victory also completed a share purchase plan, originally announced on 25 January 2017. The Company issued 88,398,223 Shares at an issue price of \$0.01155 per share to raise a total of \$1.021M (before costs).

On 27 March 2017, Victory issued a notice of general meeting to shareholders which includes resolutions seeking approval for the issue of attaching options to both the placement subscribers and participants in the share purchase plan.

### Exploration - Bolivia

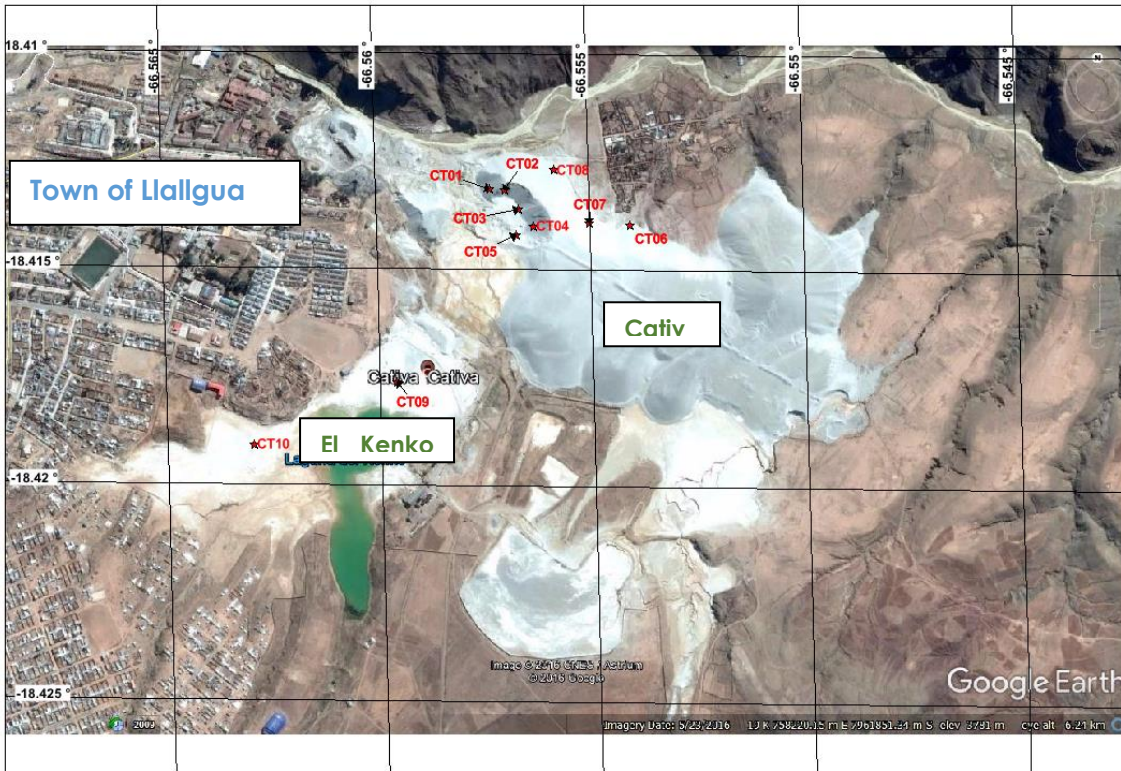
During the quarter, Victory's technical director, Peter Peebles undertook an initial small scale sampling programme of tin tailings at Victory's Bolivian interests.

A total of 10 samples were collected - named CT01 to CT10 (8 from the NW corner of the Cativa tailings area and 2 from the El Kenko tailings area). Figure 1 shows the location of the samples taken.

### Appointment of Bolivian Country Manager

Subsequent to quarter end, Victory announced the appointment of mining professional Mr Alberto Galvez as its Bolivian Country Manager.

Mr Galvez has a wealth of experience and is a seasoned Metallurgical Engineer who holds both a Master of Science and Master of Engineering degrees. He has approximately 22 years of experience in the processing of silver, zinc, copper, iron ore, gold, lithium, iron and steel working for organisations such as BHP Billiton, Western Mining and Xstrata in the past.



**Figure 1 – Sample Locations**

**Exploration – Western Australia**

As announced on 6 March 2017, Victory has acquired tenement E38/3075 (a gold and base metals project near Laverton in Western Australia) (**Laverton Project**), through a Tenement Sale Agreement with Empire Resources Ltd.

The Laverton Project is considered prospective for gold, nickel and copper as previous exploration has defined geochemical soil anomalies for those commodities.

Figure 3 shows the Laverton Project location along with interpreted underlying geology.

Previous exploration within the tenement has consisted of a low level, close spaced combined aerial magnetic and radiometric survey which identified several major geological structures (see Figure 3) with associated splays. This structural setting is considered to be very favourable as a geological setting for various types of deposits (gold, nickel, copper etc).

Almost all of the current and past producing gold mines are either on, or very close to major faults and associated splays, and E38/3075 appears to be in a very similar geological setting.

Previously, a geochemical soil sampling programme consisting of 1,239 samples was conducted. This sampling highlighted several anomalous areas for gold, copper and nickel which were all either on or close to the structures identified in the aerial magnetic survey.

Victory will allocate sufficient funds to allow for a thorough exploration programme, with the first stage likely to be an infill geochemical soil sampling programme to more accurately define the geochemical anomalies as well as extending the previous geochemical sampling programme to other areas of the tenement which have not been previously sampled.

Previous exploration within the tenement has consisted of a low level, close spaced combined aerial magnetic and radiometric survey which identified several major geological structures (see Figure 2) with associated splays. This structural setting is considered to be very favourable as a geological setting for various types of deposits (gold, nickel, copper etc).

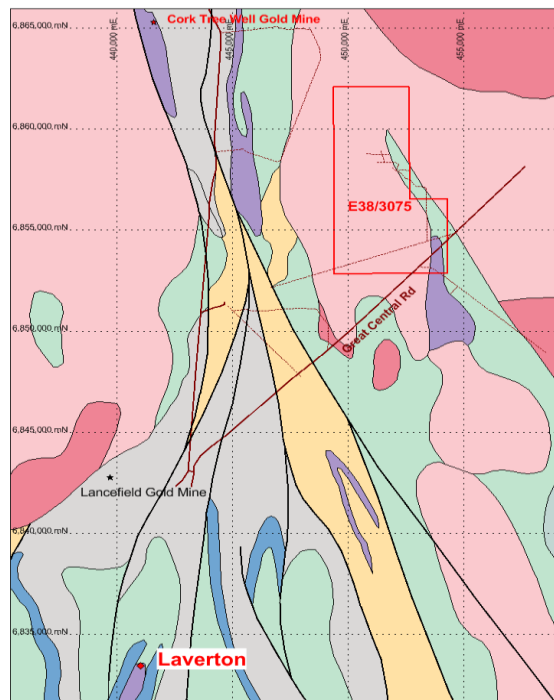
Victory will commence exploration by both infilling the anomalous areas on a 25 metre x 100 metre pattern as well as extending the sampling programme to areas not previously sampled. It is anticipated that the first phase of sampling will involve the collection of approximately 1,000 samples, which will be analysed primarily for gold, copper and nickel as well as other selected elements.

Phase 2 of the exploration strategy will be dependent upon the results of the first phase. If the anomalies remain as robust areas, then further infill geochemical sampling programme will be undertaken to clearly define areas for future drilling.

Phase 3 of the exploration strategy will be a RAB drilling programme to drill test the targets generated from the first 2 phases of exploration.



**Figure 2 – Laverton Project Location**



**Figure 3 – Tenement Location with Underlying Geology**

### ASX Listing Rule 5.3.3

The Company presents the tenement information in Table 1 below in accordance with ASX Listing Rule 5.3.3.

**Table 1: Tenement Information**

| Project Name | Location | Tenement Licence | Interest held at 31 December 2016 | Interest acquired/disposed of | Interest held at 31 March 2017 |
|--------------|----------|------------------|-----------------------------------|-------------------------------|--------------------------------|
| Laverton     | WA       | E38/3075         | 0%                                | 100%                          | 100%                           |

**ENDS**

**For further information please contact:**

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.*