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27 October 2020

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Activities Report for the Quarter Ended 30 September 2020

Highlights

- **Completion of acquisition of Coogee Gold Project Joint Venture Interest in Western Australia.**
- **A 30 hole, 4,000m RC drilling programme prepared at Coogee.**
- **RC drilling will target areas along strike and below the previously mined high-grade Coogee pit.**
- **The drilling will extend over the entire 600m long pit trend.**
- **Drilling aimed to outline additional gold mineralisation that could upgrade the current resource estimate.**
- **Completion of acquisition of Carmichael Prospecting Company Pty Ltd.**
- **Drilling prepared at Bonaparte.**
- **New corporate and technical personnel joined Victory to progress exploration and development of Coogee and other projects.**

The Board of Victory Mines Limited (ASX:VIC) ("Victory" or "the Company") is pleased to provide the following summary of its activities during the September 2020 quarter.

PROJECTS

COMPLETION OF COOGEE GOLD PROJECT JOINT VENTURE INTEREST ACQUISITION

On 26 August 2020 the Company announced that following shareholder approval on 14 August 2020 and satisfaction of the condition's precedent, it had completed the acquisition of Serena Mineral Limited's ("**Serena"**) rights to earn a joint venture interest in the Coogee Gold Project, located near Kambalda in Western Australia, pursuant to a 2017 Farm-in and Joint Venture Agreement with Ramelius Resources Limited ("**Ramelius"**).

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Overview of Joint Venture

The Company has now taken over Serena's rights pursuant to the Farm-in and Joint Venture Agreement to earn an 80% joint venture interest in three stages by spending a total of $2,100,000 on exploration.

Stage 1 has already been completed and accordingly the Company has now acquired a 10% joint venture interest.

Stage 2 requires further expenditure of approximately $600,000 by 31 March 2022 to earn a further 40% joint venture interest and Stage 3 requires an additional $1,000,000 expenditure by 31 March 2024 to earn the remaining 30% joint venture interest.

Upon earning an 80% joint venture interest, the Company would then be required to solely fund the Coogee Gold Project up to a decision to mine, which will require the delineation of a gold resource of at least 22,000 ounces to a bankable standard.

Upon a decision to mine, Ramelius can elect to either:

(a) Maintain its 20% joint venture interest by contributing to joint venture expenditure.

(b) Dilute its joint venture interest in accordance with a standard dilution formula.

(c) Withdraw from the joint venture and receive a 1.5% net smelter return royalty.

(d) Increase its joint venture interest by purchasing 31% of VIC's joint venture interest for the greater of:

    (i) three times expenditure incurred by Serena/VIC up to and including the date of election;

    (ii) $25 per resource ounce; or

    (iii) $100 per reserve ounce.

In addition to the rights of Ramelius, there is also a $25,000 per annum haul road compensation payment and a royalty of $5 per ounce payable to third parties in relation to the project.

Consideration for the acquisition

The consideration for the acquisition was the issue of the following securities by the Company to Serena:

(a) 500 million fully paid ordinary shares.

(b) 100 million performance rights eligible for conversion to VIC shares upon the delineation of a 25,000 ounce JORC 2012 compliant inferred gold resource with a minimum cut-off grade of 1 gram per tonne within the Coogee Project area within 3 years of completion.

(c) 100 million performance rights eligible for conversion to VIC shares upon the delineation of a 50,000 ounce JORC 2012 compliant inferred gold resource with a minimum cut-off grade of 1 gram per tonne within the Coogee Project area within 3 years of completion.

All of the shares and performance rights were approved by shareholders at the 14 August 2020 shareholder meeting. All the shares issued are subject to a voluntary escrow period of six months.

Shaw & Partners received 50 million fully paid ordinary shares as a facilitation fee, as approved by shareholders on 14 August 2020.

Capital Raising

The Company successfully raised $450,000 through a placement to sophisticated investors of 450 million fully paid shares at $0.001 and 450 million attaching unlisted options exercisable at $0.003 per share on or before 31 December 2024.

The Company successfully raised $100,000 through a placement to Serena's nominees of 100 million fully paid shares at $0.001 and 100 million attaching unlisted options exercisable at $0.003 per share on or before 31 December 2024.

The Company raised a further $50,000 through a placement of 50 million fully paid shares and 50 million attaching options to Roger and Erica Blake.

30 Hole, 4,000m Drilling Program – Coogee JV Gold Project

Victory also announced an RC drilling programme of 4,000m to commence at Coogee using leading RC drilling contractor Strike Drilling.

Coogee is located approximately 55km southeast of Kalgoorlie on the north-eastern shore of Lake Lefroy and comprises four tenements (Mining Lease M26/477, Exploration Lease E26/177 and Miscellaneous Licences L26/264 and L26/265) that cover an area of approximately 17km2.

The project's location (Figure 1) near the major mining centre of Kalgoorlie in Western Australia provides ready access to both significant exploration and mining support services and a skilled workforce.

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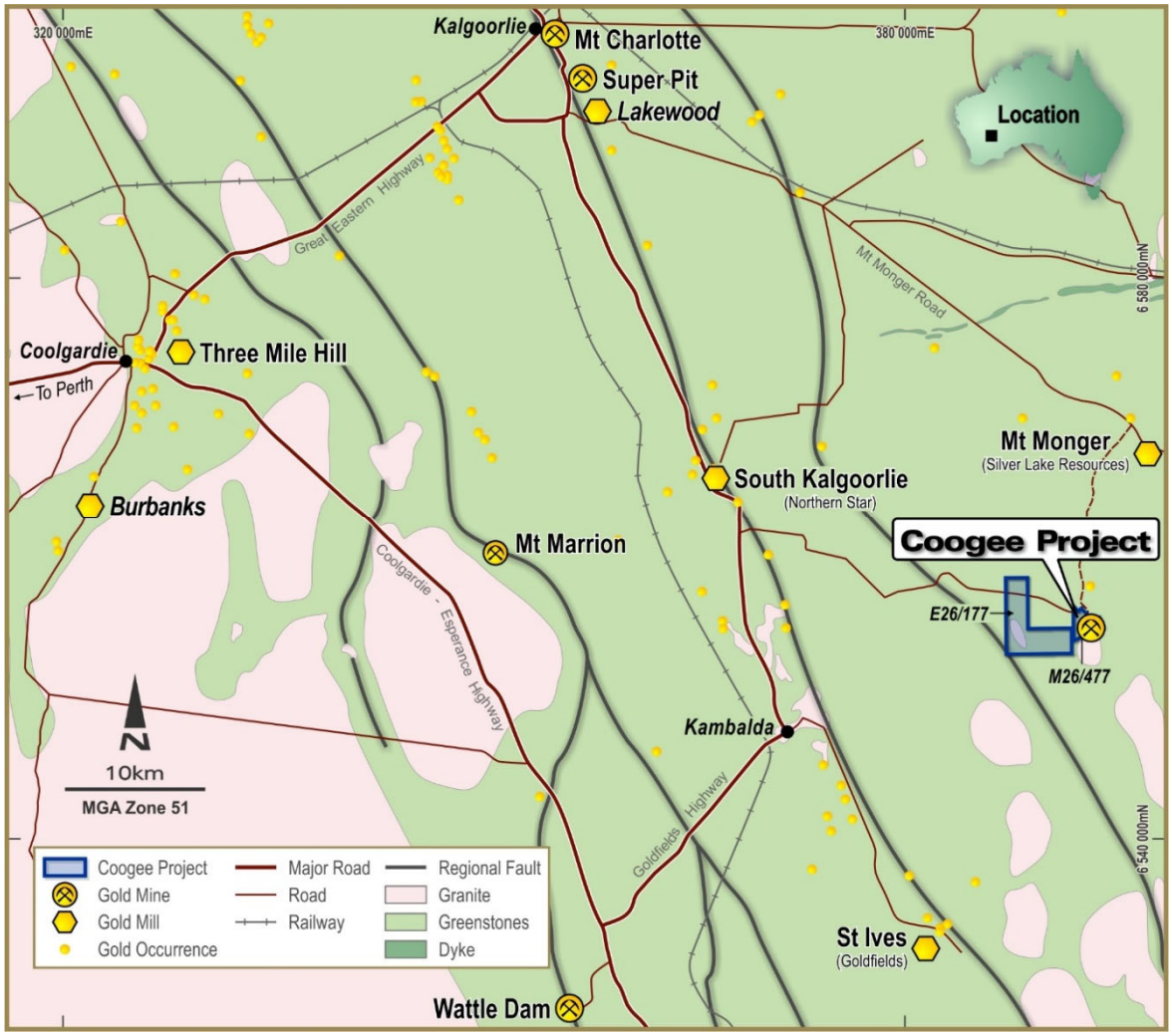


Figure 1: Location map showing Coogee Project tenements, mills and infrastructure

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Drill Program

The 4,000m RC drill program will test the down plunge extensions of a number of the high-grade gold shoots within an overall 600m strike length Coogee Pit Trend and below the previously mined Coogee Pit. A total of 30 drill holes have been planned and range in depth from 50 to 150m, with some of the deeper holes extending to a depth of 220m (Figure 2).

A Program of Work (POW) has been approved by the Department of Mines Industry Regulation and Safety (DMIRS) and Heritage surveys have been completed.

Within the Coogee Pit Trend, gold mineralisation occurs in a moderately south-west dipping shear that varies between 2m and 8m in thickness. Within the shear there are a number of high-grade shoots, which plunge towards the south at shallow to moderate angles.

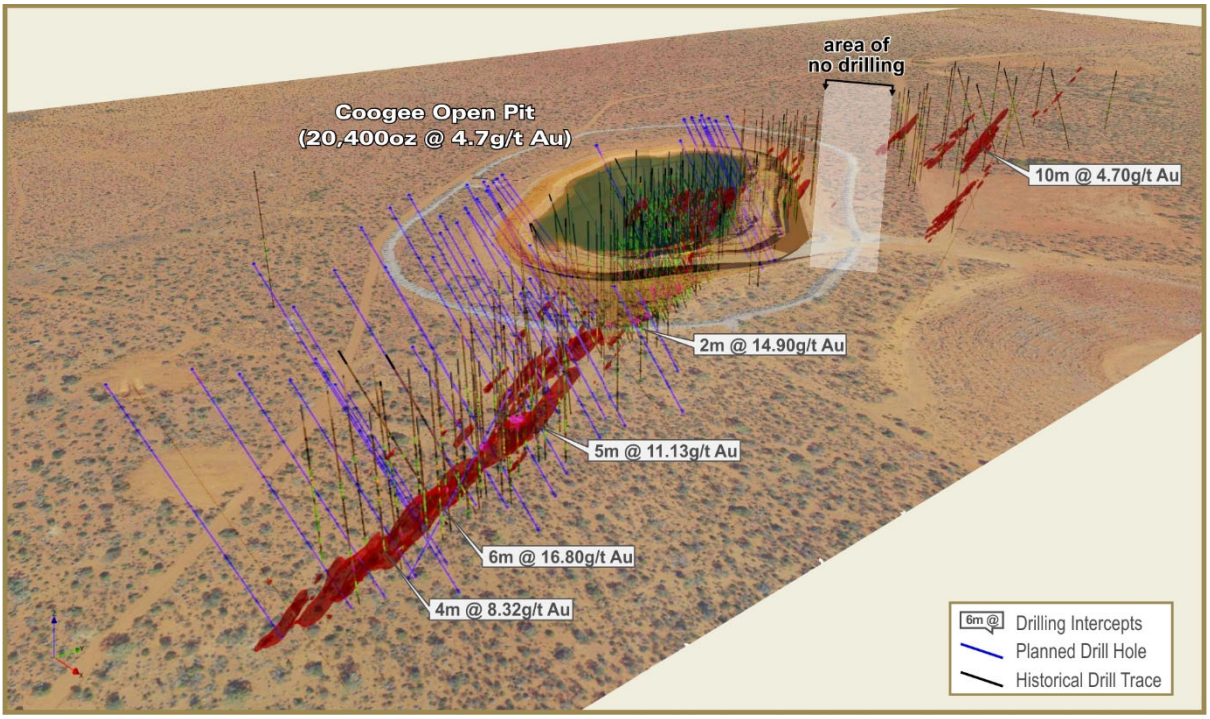


Figure 2: Coogee Pit Model, showing 1g/t mineralisation shells, highlighting the plunge of the gold mineralisation with historical (black) and planned RC drilling (blue). Looking north northwest.

Gold is hosted in quartz-carbonate-pyrite veins within dacite, andesite and rhyolite lithologies with a skarn-like assemblage comprising garnet, actinolite, phlogopite, epidote and magnetite.

Historical drilling has returned high-grade gold intercepts within the 600 metre Coogee Pit Trend, as shown in Figure 3, from a number of shoots including:

- 2m @ 28.7 g/t Au from 63 metres
- 2m @ 14.9 g/t Au from 74 metres
- 5m @ 11.13 g/t Au from 82 metres
- 6m @ 16.80 g/t Au from 36 metres
- 3m @ 21.03 g/t Au from 104 metres

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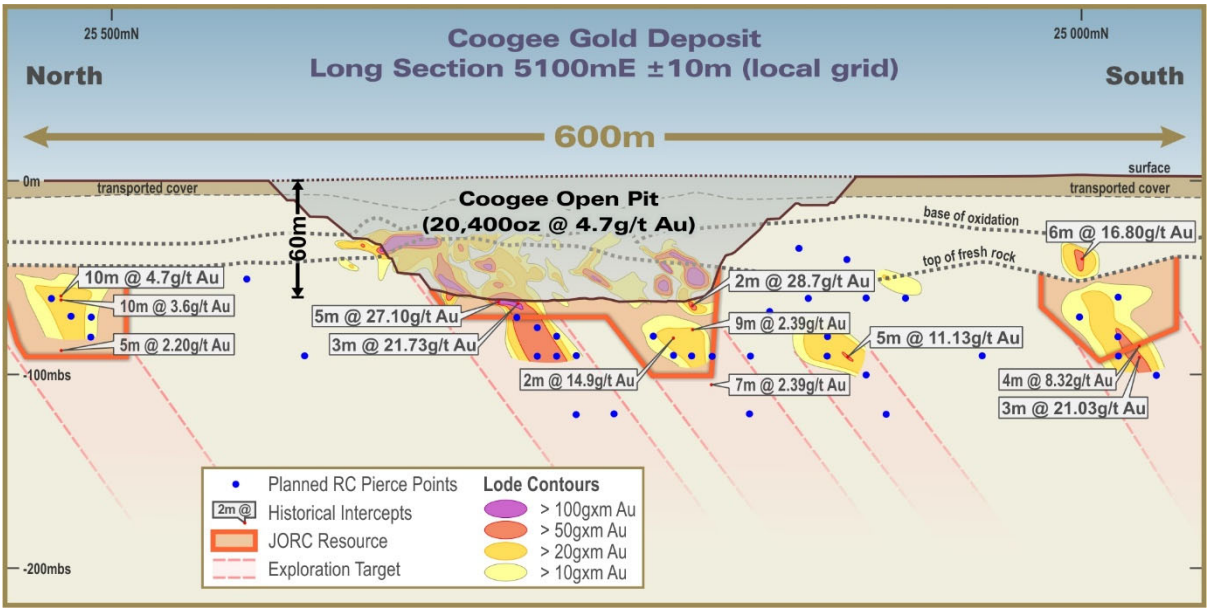


Figure 3: Coogee Pit Trend long section, highlighting high grade gold intersections and planned drilling pierce points.

ACQUISITION OF CARMICHAEL PROSPECTING COMPANY PTY LTD (CPC)

The acquisition of CPC was approved by shareholders at the shareholder meeting on 14 August 2020 and completion occurred on 25 September 2020.

Grant of Copper Mountain Project tenement – E45/5384

CPC has been granted tenement E45/5384, after entering into a Land Access and Mineral Exploration Agreement with the Western Desert Lands Aboriginal Corporation, representing the Native Title Holders for the area over which the tenement is located.

The Copper Mountain Project is located approximately 360kms east north east of Newman and 60kms east of the Telfer Copper/Gold Mine site. The historical exploration activities undertaken on the tenement area include Normandy Gold in 1997 and more recently FMG from 2009 to 2013.

Application for additional tenement – E45/5751

CPC has also applied for an additional adjacent tenement - E45/5751. It is over 2 blocks to the southwest of E45/5384 and is currently subject to the 35-day Mining Act objection period, which will be followed by the 4 month notification period under the Native Title Act.

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BONPARTE, KIMBERLEY REGION WA

The Company previously undertook a thorough desktop review of the Bonaparte project which included an analysis of the historical exploration and known geology. The outcome of this review was the decision to relinquish tenement E80/4964, the partial surrender of E80/4901 and the formulation of an exploration-drilling program for the remaining ground.

Historical gravity survey work undertaken at the Bonaparte project has verified targets for copper anomalism that reconcile with historic rock-chip samples.

Work Conducted during the quarter

The Company's consulting geologist recently completed a field trip to the Bonaparte Project (E80/4091) in the North Kimberley region of Western Australia. Activities undertaken included the collection and analysis of rock chip samples, recovery and re-analysis of historical drill cores, locating historical drill hole collars and meetings with the MG Corporation, a group representing the relevant native title holders. Results from the field trip now confirm the importance of a drilling program which will commence later this year.

Rock chip sampling were collected during the field mapping exercise which was conducted across selected parts of the tenement and demonstrated that Cu, Pb and Zn anomalism could be much greater than initially considered. In addition, the historical drill core re-analyses confirmed that previous drilling over the Company's Redbank structure did intersect significant copper mineralisation. Reinterpretation of the available diamond drill core combined with field mapping, historical gravity and EM data indicate that the Redbank structure(s) may be mineralised over a strike length of 2.8 km.



Figure 4: drill core showing the cross-cutting nature of the copper mineralisation

The structure in the recovered drill core can be traced in outcrop and in gravity images through other areas where significant copper anomalism exists.



***Figure 5**: Exceptional exposure of malachite and chrysocolla on limonite. Gossan is developing as a vein/fracture network amongst a fine grained quartz arenite host. Image courtesy of Dr Robert Madden of Microanalysis Australia. Latitude: 15° 22' 20.802" S Longitude: 128° 39' 6.078" E*

Tenement Extension

The Company has been granted an extension for the tenement E80/4901 until 15 July 2025.

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MALAMUTE PROJECT

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.

During the quarter, the Company continued to 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.

GALAH WELL & PEPERILL HILL, GOLDFIELDS WA

No further work was conducted at Galah Well and Peperill Hill during the quarter.

CORPORATE

Mr Zaffer Soemya was appointed to the board as a Non-executive Director.

Mr Alec Pismiris resigned due to other commitments and the Board thank him for his contribution to the Company since January 2019.

The Board elected Non-executive Director Mr David Sanders to the position of Chairman.

Non-executive Director Mr Matthew Blake was been appointed as an Executive Director.

Mr Harjinder Kehal was appointed as a consultant to assist the Company in development of the Coogee Project on an initial 6-month contract.

Mr Rob Mosig's appointment as a consultant has been extended for a further 6 months to 31 March 2021 on the same terms as his existing contract.

The Company's principal place of business and registered office has been changed to C/- Bennett + Co, Ground Floor, 28 The Esplanade, Perth Western Australia.

Exploration expenditure by project

Coogee:	$29,307
Copper Mountain:	$33,460
Bonaparte:	$3,2190
Malamute:	$12,486
Galah Well & Peperill Hill:	$1,610

Payments to related parties of the entity and their associates

During the quarter, there were $27,000 paid to related parties for Directors fees.

ENDS

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This ASX announcement is authorised for market release by the Board of Victory Mines Limited.

For more information:

Please visit our website for more information: www.victorymines.com
or
contact Matthew Blake, Executive Director: +61 419 944 396

Competent Person's Statement

The information in this report on Galah Well, Peperill Hill and Bonaparte that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Mathew Perrot who is a Registered Practising Geologist and Member of the AIG. Mr Perrot is employed by Mathew Perrot Consulting Geologist Pty Ltd. Mr Perrot 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 Perrot consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report on the Malamute Project 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.

The information in this ASX release that relates to Mineral Resources is based on information compiled by Rob Hutchison who is a Competent Person and Member of The Australasian Institute of Mining and Metallurgy. Rob Hutchison is a full-time employee of Ramelius Resources Limited. Rob Hutchison has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Rob Hutchison consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the above original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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TENEMENT SCHEDULE AS AT 30 SEPTEMBER 2020

Project Name	Location	Tenement Licence	Interest held at 30 June 2020	Interest acquired / disposed of	Interest held at 30 Sept 2020
Bonaparte	WA	E80/4901	100%	-	100%
Galah Well	WA	E29/1023	100%	-	100%
Peperill Hill	WA	E29/1024	100%	-	100%
Malamute	NSW	EL8667	100%	-	100%
Husky	NSW	EL8666	100%	-	100%
Coogee Gold Project *	WA	M26/477	0%	10%	10%
Coogee Gold Project *	WA	EL26/177	0%	10%	10%
Coogee Gold Project *	WA	L26/264	0%	10%	10%
Coogee Gold Project *	WA	L26/264	0%	10%	10%
Copper Mountain Project	WA	E45/5384	0%	100%	100%

*Victory earns 80% in JV with Ramelius Resources by spending $2.1M over 5 years. To date VIC has earned a 10% interest in Coogee, by spending a further $550K by March 2022 it will have earnt a 50% interest in the Coogee Project.