

Victory Mines Limited

ACN 151 900 855

Entitlements Issue Short Form Prospectus

For a pro rata non-renounceable Offer to Shareholders of one New Option for every four Shares held at the Record Date with an issue price of 1.0 cent (\$0.01) per New Option on application to raise approximately \$171,485 (before expenses of the Offer).

Each New Option is exercisable at 20 cents (\$0.20) before 5.00pm (WST) on 9 April 2015 for one (1) Ordinary Share in the Company.

The Company will seek quotation of the New Options on ASX within 7 days of the date of this Prospectus.

The Offer is fully underwritten by K S Capital Pty Limited (ACN 124 761 557) AFSL No. 316880

Important Notice

This is an important document which requires your immediate attention.
It should be read in its entirety before deciding to participate.

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act but refers to other documents the information of which is deemed to be incorporated in this Prospectus.

If you are in doubt about what to do, please contact your professional adviser without delay.

The investment offered pursuant to this Prospectus should be considered speculative.

Victory Mines Limited

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Victory Mines Limited

IMPORTANT INFORMATION

This Prospectus is dated 13 November 2012 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

No applications for New Options will be accepted nor will any New Options be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the New Options the subject of this Prospectus.

The Offer contained in this Prospectus is only available for acceptance by Shareholders with a registered address as at the Record Date in Australia or New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe the requirements of these laws. Non-observance by such persons may violate securities laws. Any recipient of this Prospectus residing outside Australia and New Zealand should consult their professional advisers on requisite formalities. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Investors can only apply for New Options on the accompanying Acceptance Form and on the terms and conditions referred to in this Prospectus. Please read carefully the instructions on the reverse of the Acceptance Form regarding an application for New Options pursuant to this Prospectus.

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, the Prospectus incorporates by reference information contained in a document that has been lodged with the ASIC. This Prospectus refers to the disclosure document lodged by the Company with ASIC on 4 July 2012 for the offer of 20,000,000 Shares at an issue price of 20 cents each to raise a total of \$4,000,000 ("July 2012 Prospectus") and the ASX announcements referred to in Section 2.3 of this Prospectus ("ASX Announcements").

This document is important and it should be read in its entirety. The New Options to be issued pursuant to this Prospectus should be viewed as a speculative investment and investors should refer to the Risk Factors affecting the Company set out in section 1 and 4 of the July 2012 Prospectus. Accordingly, before deciding to apply for New Options, potential investors should consider whether or not such New Options are a suitable investment having regard to their personal circumstances. If in doubt, potential investors should consult their stockbroker, solicitor, accountant or other professional adviser prior to completing and lodging an Acceptance Form.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at www.victorymines.com. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. There is no facility for Applications to be accepted electronically or by applying online. The Corporations Act prohibits any person from passing on to another person the Acceptance Form unless it is attached to or accompanied by a complete and unaltered version of the Prospectus. The Company will not accept a completed Acceptance Form if it has reason to believe that the Applicant has not received a complete and unaltered copy of the Prospectus. Any person may obtain a hard copy of this Prospectus by contacting the Company prior to the Closing Date.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 8.

Victory Mines Limited

CORPORATE DIRECTORY

Directors

Dr James Ellingford (Chairman)
Mr Danny Costick (Managing Director)
Mr Peter Peebles (Executive Director)
Mr Ashley Hood (Non-Executive Director)

Company Secretary

Elizabeth Hunt

Registered Office

Level 45, 108 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 9480 0111
Facsimile: +61 8 9480 0166
Email: info@victorymines.com
Website: www.victorymines.com

Stock Exchange Listing

Australian Securities Exchange
Code: VIC

Underwriter

K S Capital Pty Limited
Level 2, 22 Pitt Street
SYDNEY NSW 2000

Share Registry

Advanced Share Registry Services
150 Stirling Highway
NEDLANDS WA 6009

Telephone: +61 8 9389 8033
Facsimile: +61 8 9389 7871

Independent Geologist

Al Maynard & Associates
9/280 Hay Street
SUBIACO WA 6008

Legal Advisors to the Company

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Compliance Managers

Mining Corporate Pty Ltd
Level 45, 108 St Georges Terrace
PERTH WA 6000

Auditors

Bentleys Audit & Corporate (WA) Pty Ltd
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

Victory Mines Limited

CHAIRMAN'S LETTER

13 November 2012

Dear Shareholder

The Board is pleased to offer Shareholders the opportunity to participate in a pro-rata non-renounceable entitlement issue of New Options, on the basis of 1 New Option for every 4 Ordinary Shares held at the Record Date.

Each New Option will be issued at a total issue price of 1.0 cent (\$0.01) per New Option paid on acceptance of the Offer.

Each New Option is exercisable into Ordinary Shares at 20 cents (\$0.20) on or before 5.00pm (WST) on 9 April 2015. Please refer to Sections 5.1 and 5.2 of this Prospectus for full terms of the New Options and the underlying Ordinary Shares.

All Shareholders registered at 5.00pm (WST) on 27 November 2012, being the Record Date, will be entitled to participate in the pro-rata non-renounceable entitlement issue offered under this Prospectus.

The Closing Date for acceptances is 5.00pm (WST) on 12 December 2012.

The Company will seek quotation of the New Options on ASX within seven (7) days of the date of this Prospectus.

The Board encourages all Shareholders take up their entitlements and advises that each of the Directors will fully take up their respective entitlements. Funds raised from the Offer will be used for working capital purposes and to pay the expenses of the Offer.

The Board takes this opportunity to thank all Shareholders for their support and looks forward to your continued support in the future.

Yours faithfully

Dr James Ellingford
Chairman

Victory Mines Limited

TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Prospectus lodged with ASIC	13 November 2012
Notice sent to Optionholders	13 November 2012
Lodgement of Prospectus, Announcement and Appendix 3B with ASX	14 November 2012
Notice sent to Shareholders	20 November 2012
'Ex' Date*	21 November 2012
Record Date for determining entitlements*	27 November 2012
Dispatch of Prospectus and Company announces dispatch is complete	28 November 2012
Closing Date**	12 December 2012
New Options quoted on a deferred settlement basis	13 December 2012
ASX notified of undersubscriptions	17 December 2012
Dispatch of holding statements and deferred settlement trading ends	20 December 2012
New Options commence trading on ASX	21 December 2012

These dates are indicative only and may, subject to the requirements of the Listing Rules and the Corporations Act, be changed without notice.

*** Shareholders should consult their brokers or professional advisors in regards to the definition of 'Ex' Date and Record Date to ensure that their entitlement to participate in the Offer is assured.**

**** The Directors reserve the right to vary the Closing Date, which may have a consequential effect on other dates. The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such, the date the New Options are expected to commence trading on ASX may vary.**

SECTION 1 DETAILS OF THE OFFER

1.1 Purpose of the Offer

The Offer is being undertaken to recognise Shareholders' ongoing support of the Company and to raise additional working capital. The funds raised by the Offer of approximately \$171,485 will be applied towards working capital and meeting the expenses associated with the Offer. Please refer to Section 6.6 for further details.

1.2 Details of the Offer

The Company offers for subscription approximately 17,148,506 New Options. The New Options are being offered to Shareholders on the basis of one New Option for every four Shares held on the Record Date. In the calculation of any entitlement, fractions will be rounded up to the nearest whole number.

All holders of Ordinary Shares in the Company on the Record Date are entitled to participate in the Offer. Optionholders who exercise their Options after the date of this Prospectus but prior to the Record Date are entitled to participate in the Offer.

Each New Option is offered for subscription at an issue price of \$0.01 (1 cent) payable in full on application. Each New Option is exercisable on or before 5:00pm (WST) 9 April 2015 at \$0.20 (20 cents) into one Ordinary Share.

1.3 Entitlement

The number of New Options to which each Shareholder is entitled is shown on the enclosed personalised Acceptance Form. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be the maximum Entitlement.

Shareholders may accept their Entitlement in full or part by returning a completed Acceptance Form to the Company's share registry by 5.00 pm (WST) on 12 December 2012 accompanied by the appropriate Application Money.

1.4 Non-Renounceable Issue

The offer of New Options pursuant to this Prospectus is non-renounceable. This means Shareholders cannot sell or otherwise transfer their Entitlement. Shareholders who do not accept their Entitlement will receive no benefit.

1.5 Terms and Conditions of New Options

Each New Option issued will give the holder the right to subscribe for one Ordinary Share in the Company at an exercise price of 20 cents (\$0.20) per New Option at any time up to 5:00pm (WST) on 9 April 2015.

The full terms and conditions on which the New Options are issued are set out in Section 5.1 of this Prospectus.

1.6 How to Apply for New Options

An Application for New Options in response to this Offer may only be made on the personalised Acceptance Form that accompanies this Prospectus.

Instructions as to how to complete the Acceptance Form are included on the reverse of the Acceptance Form. Applications that are not made on an Acceptance Form will not be accepted by the Company.

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Applications for New Options must be accompanied by the appropriate Application Money for the number of New Options applied for in the Acceptance Form. Cheques should be drawn on an Australian bank in Australian dollars and should be made payable to **Victory Mines Limited – Option Account** and be crossed “Not Negotiable”.

Completed Acceptance Forms and accompanying cheques should be delivered before the Closing Date to:

Advanced Share Registry Services
150 Stirling Highway
NEDLANDS WA 6009

Or posted to:

Advanced Share Registry Services
PO Box 1156
NEDLANDS WA 6909

1.7 **No Minimum Subscription**

There is no minimum subscription for the Offer.

1.8 **Oversubscriptions**

Oversubscriptions will not be accepted.

1.9 **Underwriting**

The Entitlement Issue is fully underwritten by KS Capital Pty Limited (Underwriter). Refer to Section 6.2 for the material terms of the underwriting agreement with the Underwriter. An underwriting fee of 5% on all funds raised under the Offer is payable by the Company. Additional information is also included in Section 6.2 relating to the potential control effects of the Underwriting Agreement on the Company and other information relevant to Shareholders. Shareholders should carefully consider this information in deciding whether to take up their Entitlements.

1.10 **Shortfall**

If you do not wish to take up any part of your Entitlement, you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall and will revert to the Underwriter and be treated in accordance with the Underwriting Agreement.

If any Shortfall remains after Shareholders have taken up their Entitlements, the Directors and the Underwriter reserve the right pursuant to Listing Rule 7.2 (exception 2) to allot and issue any Shortfall with parties selected by them.

All Shortfall will be placed within 3 months of the Closing Date and will be issued on the same terms as are being offered to Shareholders pursuant to this Prospectus. New Options not taken up by Shareholders will not be placed to the Directors or any related parties of the Directors, without shareholder approval.

Victory Mines Limited

1.11 Capital Structure

Pursuant to the Offer, the Company is intending to issue approximately 17,148,506 New Options.

The following is a summary of the Company's capital structure and effect of the Offer.

Prior to the Offer	
Ordinary Shares	68,594,022
Options with an exercise price of \$0.20 and an expiry date of 9 October 2015	41,500,000
Options with an exercise price of \$0.40 and an expiry date of 9 October 2015	4,658,000

On completion of the Offer *	
Ordinary Shares	68,594,022
Options with an exercise price of \$0.20 and an expiry date of 9 October 2015	41,500,000
Options with an exercise price of \$0.40 and an expiry date of 9 October 2015	4,658,000
Options with an exercise price of \$0.20 and an expiry date of 9 April 2015	17,148,506

* assuming the Offer is fully subscribed and none of the existing Options on issue are exercised.

Optionholders who exercise their Options after the date of this Prospectus but prior to the Record Date are entitled to participate in the Offer.

1.12 Allocation and Allotment of New Options

The Offer pursuant to this Prospectus may be accepted in whole or in part.

Subject to ASX granting approval for quotation of the New Options, the allotment of the New Options will occur as soon as practicable after the Offer closes.

Statements of New Option holdings will be dispatched as required by ASX.

1.13 Application Monies to be Held in Trust

The Application Monies for the New Options to be issued pursuant to the Offer will be held on trust in a separate bank account on behalf of Applicants until the New Options are allotted. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

1.14 Expenses of the Offer

The expenses which are payable by the Company for advisory fees, legal fees, printing fees and other costs incurred in preparing and distributing this Prospectus in respect of the Offer are estimated to be approximately \$40,000.

1.15 Quotation of New Options

The Company will apply to ASX for quotation of the New Options within seven days after the date of this Prospectus. If an application for quotation of the New Options is not made within seven days after the date of this Prospectus, or ASX does not grant permission for official quotation of the New Options within three months after the date of this Prospectus, applications will be dealt with in accordance with section 724 of the Corporations Act. No interest will be paid on any returned Application Money.

The fact that ASX may grant official quotation to the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options now offered for subscription.

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1.16 CHESS And Issuer Sponsorship

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers make up the Company's register of securities. The Company will not issue certificates to New Optionholders. Rather, holding statements (similar to bank statements) will be dispatched to New Optionholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for New Optionholders who elect to hold New Options on the CHESS sub-register) or by the Company's Share Registry (for New Optionholders who elect to hold their New Options on the Issuer sponsored sub-register). The statements will set out the number of New Options allotted under the Prospectus and provide details of a Shareholder's Holder Identification Number (for New Optionholders who elect to hold New Options on the CHESS sub register) or Reference Number (for New Optionholders who elect to hold their New Options on the issuer sponsored sub-register). Updated holding statements will also be sent to each New Optionholder following the month in which the balance of their holding of New Options changes, and also as required by the ASX Listing Rules or the Corporations Act.

1.17 Overseas Investors

The Offer contained in this Prospectus is only available for acceptance by Shareholders with a registered address as at the Record Date in Australia or New Zealand. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit a public offering of New Options in any jurisdiction outside Australia or New Zealand.

The New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

In accordance with the Securities Act (Overseas Companies) Exemption Notice 2002 (NZ), a person who, on the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time of this Offer no longer holds Shares is not eligible to participate in this Offer.

1.18 Privacy Disclosure

Persons who apply for New Options pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for New Options, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for New Options will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.19 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in the New Options. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the New Options in the Company or dealing with an Entitlement under this Offer.

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1.20 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

Questions relating to the Offer can be directed to the Company on +61 8 9480 0111.

Questions relating to the completion of the Acceptance Forms can be directed to the Company's Share Registry, Advanced Share Registry Services on +61 8 9389 8033.

SECTION 2 INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

2.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates by reference information contained in a document that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in subsections 2.2 and 2.3 and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the July 2012 Prospectus and the ASX Announcements by contacting the Company at its registered office during normal business hours during the Offer Period. The July 2012 Prospectus will also be available by searching ASIC's records in relation to Victory, or by visiting the Company's website at www.victorymines.com.

2.2 July 2012 Prospectus

Set out below is a summary of the information contained in the July 2012 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the New Options, they should obtain a copy of the July 2012 Prospectus.

Section 1 – Investment Overview

Section 1 contains details of the each of the four Directors of the Company, details of Directors' interest in the company and a summary of agreements with Directors and Related Parties.

Section 1 also contains information relating to specific risks to Victory with more general risks being set out in Section 4. The specific risk factors include contractual risk, resource estimates, specific exploration risk, uranium regulatory risk, access risk, limited operation history, operating risk, exploration cost estimate, title risks and native title and additional requirements for capital.

Section 3 – Company and Project Review

This section contains a summary of the Jungle Wells, Clara Hills, Great Doolgunna, Station Bore, Laverton and Lake Barlee projects in which Victory has acquired or is acquiring an interest. It details the objectives and strategies of the Company and provides information relating to its tenements.

Section 3 also summarises the intended exploration expenditure in regard to the Projects noted above.

Section 4 - Risk Factors

Section 4 notes that an investment in Victory has risks reasonably expected of an investment in a business of its type. The risks specific to Victory are set out in Section 1 of the July 2012 Prospectus. General risk factors are set out in Section 4 of the July 2012 Prospectus and include economic risks, commercial risk, exploration risk, development and mining risk, environmental impact constraints, environmental risks, commodity price volatility and exchange rate risks, reliance on key management and personnel, insurance risks, competition risk, government and legal risk, carbon tax, NGERs reporting regime, changes to workplace occupational health and safety legislation, access to infrastructure and liquidity risk.

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Section 5 – Corporate Governance

Section 5 refers to the corporate governance policies adopted by the Board.

Section 6 - Independent Geologists' Report

Section 6 consists of the report prepared by the Independent Geologist, Al Maynard & Associates. The report describes in detail the geological setting and historical mining and exploration on the mining tenements comprising the Jungle Well, Laverton, Clara Hills, Great Doolgunna, Station Bore and Lake Barlee Projects in which Victory has or may acquire an interest. The Independent Geologist's Report also sets out details of proposed exploration programs on the mining exploration tenements of the Projects.

Section 7 - Investigating Accountant's Report

Section 7 comprises the Investigating Accountant's Report prepared by Bentleys Audit & Corporate (WA) Pty Ltd, dated 3 July 2012. The report was included in the July 2012 Prospectus to assist investors and their financial advisers in making an assessment of the financial position of the Company.

The Investigating Accountant's Report contains the unaudited Statement of Financial Position of the Company as at 31 March 2012 and pro-forma Statement of Financial Position as at that date reflecting the position of the Company on the basis that various transactions, including the issue of all the Shares offered under the July 2012 Prospectus, and the estimated expenses associated with the preparation, sponsorship and issue of the July 2012 Prospectus, has been completed.

Based on its review, the Investigating Accountant stated that nothing had come to its attention that caused it to believe that:

(a) the historical financial information does not present fairly the historical statement of financial position of the Company as described in Appendices 1 and 2, in accordance with the recognition and measurement principles (but not the disclosure requirements) prescribed in Accounting Standards and other mandatory professional reporting requirements, and accounting policies adopted by the Company disclosed in Appendices 1 and 2;

(b) the pro-forma financial information has not been properly prepared on the basis of the pro-forma transactions.

Subsequent to lodgement of the July 2012 Prospectus with the ASIC, the annual report for the period ended 30 June 2012 was announced to ASX by way of pre-quotations disclosure on 4 October 2012.

Section 8 - Solicitor's Report on Tenements

Section 8 consists of a report prepared by Steinepreis Paganin on the mining tenements acquired, or which may be acquired or in which an interest may be earned, by Victory. The report details the titleholders of the mining tenements and the agreements entered into by the Company with various parties. The report also details contracts entered into by the Company which have been identified as material and relevant to potential investors.

Section 9 - Additional Information

Section 9 sets out additional information required to be disclosed in the Prospectus including:

- Rights Attaching to Shares and Options;
- Summary of Material Contracts;
- Interests of Persons Named in the July 2012 Prospectus;
- Details of the Consents of persons to be named in the July 2012 Prospectus;
- Expenses of the Offer;
- Taxation;
- Continuous disclosure obligations;
- Litigation;
- Availability of an Electronic Prospectus;

Victory Mines Limited

- Privacy statement

2.3 ASX Announcements

The Company is listed on ASX and its Shares are quoted on ASX.

The Company is a “disclosing entity” for the purposes of the Corporations Act 2001. As such, it is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules that require it to immediately notify ASX of any information (subject to any relevant exception) of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

As at the time of lodging this Prospectus with the ASIC, the following documents had been lodged by the Company with ASX:

Date	ASX Announcement
12/11/2012	Details of Company Address
12/11/2012	Clara Hills Rock Chip Sampling and RC Drilling Completed
07/11/2012	Change of Director's Interest Notice
05/11/2012	Change of Director's Interest Notice
30/10/2012	PRW: Clara Hill Drilling, Mt Veters and Placement
25/10/2012	Appendix 3B
25/10/2012	Release from Escrow
25/10/2012	Drilling Commences at Clara Hills
16/10/2012	Aerial Surveys in Progress at Jungle Well and Laverton
15/10/2012	Becoming a substantial holder
15/10/2012	Change of Director's Interest Notice
12/10/2012	Becoming a substantial holder from PRW
12/10/2012	Becoming a substantial holder
12/10/2012	Jungle Well High-Grade Rare Earth Confirmed
11/10/2012	Change of Director's Interest Notice
10/10/2012	Clara Hills JV Maiden Drilling Programme
09/10/2012	Initial Director's Interest Notices
04/10/2012	Notice of meeting
04/10/2012	Escrowed Securities
04/10/2012	Annual Report
04/10/2012	Constitution
04/10/2012	Appendix 1A
04/10/2012	Pre Quotation Disclosure
04/10/2012	Admission Circular
04/10/2012	Admission to Official List
09/08/2012	Extension of Initial Public Offer
12/07/2012	Victory Mines Ltd - Prospectus

Please note that all of the above documents are available from the ASX webpage at www.asx.com.au.

SECTION 3 COMPANY OVERVIEW

3.1 Overview and Reference to July 2012 Prospectus

A comprehensive overview of the Company is set out in the July 2012 Prospectus that was lodged with ASIC on 4 July 2012 for the initial public offering of 20,000,000 Shares. Persons considering subscribing for New Options under this Prospectus should refer to Section 2 of this Prospectus for a summary of the information contained in the July 2012 Prospectus deemed to be incorporated in this Prospectus.

As detailed in Section 3.4 of the July 2012 Prospectus, Victory had proposed an exploration budget of \$2,025,000 over 24 months on the Jungle Wells, Clara Hills, Great Doolgunna, Station Bore, Laverton and Lake Barlee projects.

The actual manner in which the exploration expenditure is incurred may vary having regard to numerous factors, including the results of ongoing exploration activities and other matters as outlined in Section 3 of the July 2012 Prospectus.

On 3 October 2012, the Directors resolved to allot and issue 20,010,350 Shares at an issue price of 20 cents each pursuant to applications received under the July 2012 Prospectus.

Victory was admitted to the Official List on 3 October 2012 with Official Quotation of its Shares commencing on 9 October 2012.

The Company now has 68,594,022 Shares on issue.

The Company also has on issue 41,500,000 Options exercisable at \$0.20 on or before 9 October 2015 and 4,658,000 Options exercisable at \$0.40 on or before 9 October 2015.

Under the ASX Listing Rules, 38,729,671 Shares and 45,158,000 Options were subject to escrow restrictions. Accordingly, the Company's share registry has implemented holding locks on the relevant holdings and will not release them without ASX approval. The numbers and periods of remaining escrow as at the date of this Prospectus are as follows:

- 2,562,000 Shares for 12 months from 14 November 2011;
- 1,125,000 Shares for 12 months from 16 November 2011;
- 825,000 Shares for 12 months from 25 November 2011;
- 750,000 Shares for 12 months from 20 December 2011;
- 350,000 Shares for 12 months from 2 February 2012;
- 950,000 Shares for 12 months from 22 February 2012;
- 50,000 Shares for 12 months from 1 March 2012;
- 1,375,000 Shares for 12 months from 9 March 2012;
- 30,742,671 Shares for 24 months from date of ASX listing;
- 2,450,000 \$0.20 Options for 12 months from 8 November 2011;
- 3,708,000 \$0.40 Options for 12 months from 25 November 2011;
- 500,000 \$0.40 Options for 12 months from 21 December 2011;
- 38,050,000 \$0.20 Options for 24 months from date of ASX listing; and
- 450,000 \$0.40 Options for 24 months from date of ASX listing.

The balance of the issued capital of the Company, being 29,864,351 Shares, is quoted on ASX. None of the Company's Options are currently quoted on ASX.

3.2 Other Circumstances or Matters subsequent to July 2012 Prospectus

Following listing on ASX, the agreements subject to successful listing were formalised and exploration has commenced as disclosed by way of ASX releases as listed in section 2.3. Exploration Licence E04/2060, which forms part of the Clara Hills Joint Venture, was granted to Proto Resources & Investments Ltd on 19 July 2012, with the Company's registrable interest in that tenement not being transferable to the Company until 19 July 2013.

The Company is not aware of any material matter or circumstance that would materially impact on the contents of the July 2012 Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

Victory Mines Limited

SECTION 4 EFFECT OF THE OFFER

4.1 Use of Funds

Under the Offer, approximately 17,148,506 New Options are available for issue and will be issued if the Offer is fully subscribed (either by Shareholders accepting the offer under this Prospectus or pursuant to the Underwriting agreement to place any Shortfall referred to in Section 1.9 of this Prospectus).

After expenses of the Offer, the proceeds from the Offer of New Options will be approximately \$130,265 (assuming that the Offer is fully subscribed and none of the existing Options on issue are exercised). These funds will be applied to the general working capital requirements of the Company over the next 12 months, specifically ongoing exploration, project generation and administration.

The proceeds of the Offer will be used as follows (assuming full subscription):

	Use of Funds	Full Subscription (\$)
1.	Additional working capital (as detailed above)	130,265
2.	Expenses of the Offer ¹	41,220
	Total Proceeds	171,485

Note: ¹ Please refer to Section 6.6 of this Prospectus for further details of the expenses of the Offer.

If less than the full subscription is received, the funds will be applied firstly to the costs of the Offer and then to the Company's working capital.

4.2 Effect of the Offer

Assuming the Offer is fully subscribed, and none of the existing Options on issue are exercised, the principal effect of the Offer will be to increase cash reserves by approximately \$130,265 after deducting estimated expenses of the Offer.

Please see Section 1.10 of this Prospectus for further details regarding the effect of the Offer on the Company's capital structure.

4.3 Pro Forma Consolidated Statement of Financial Position

Set out below is:

- (a) an audited Consolidated Statement of Financial Position of the Company as at 30 June 2012; and
- (b) an unaudited pro-forma Consolidated Statement of Financial Position of the Company as at 30 June 2012 incorporating the effect of the Offer.

Victory Mines Limited

	Audited as at 30 June 2012	Unaudited Proforma Statement of Financial Position as at 30 June 2012
	(\$)	(\$)
Current Assets		
Cash and cash equivalents	196,065	327,850
Trade and other receivables	19,258	19,258
Other assets	33,641	33,641
Deferred Capital Raising Costs	298,324	298,324
Total Current Assets	547,288	679,073
Non-Current Assets		
Exploration & evaluation expenditure	110,200	110,200
Total Non-Current Assets	110,200	110,200
Total Assets	657,488	789,273
Current Liabilities		
Trade and other payables	160,476	160,476
Total Current Liabilities	160,476	160,476
Total Liabilities	160,476	160,476
Net assets	497,012	628,797
Equity		
Issued Capital	1,093,726	1,225,511
Reserves	170	170
Accumulated losses	(596,884)	(596,884)
Total Equity	497,012	628,797

The audited Consolidated Statement of Financial Position as at 30 June 2012 and the unaudited Pro Forma Statement of Financial Position as at 30 June 2012 shown above have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all New Options pursuant to the Offer in this Prospectus are issued.

The audited Statements of Financial Position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company.

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SECTION 5 RIGHTS ATTACHING TO SECURITIES

5.1 Terms and Conditions of New Options

The New Options are granted on the following terms and conditions:

- (a) Each New Option entitles the holder to acquire one fully paid Ordinary Share in the Company.
- (b) The New Options may be exercised at any time on or before 5.00pm (WST) on 9 April 2015. Each New Option may be exercised by forwarding to the Company at its principal office the exercise notice, duly completed, together with payment of the sum of 20 cents (\$0.20) per New Option exercised. The New Options will lapse at 5.00pm (WST) on 9 April 2015.
- (c) The New Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of New Options at any time until 5.00pm (WST) on 9 April 2015, being the date the New Options expire. This right is subject to any restrictions on the transfer of a New Option that may be imposed by ASX.
- (d) New Optionholders can only participate in new issues of securities provided they have first exercised their New Options in which case the New Optionholders shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the New Options.
- (e) Ordinary Shares issued on the exercise of New Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Ordinary Shares allotted pursuant to the exercise of a New Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Ordinary Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (f) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (g) If there is a bonus issue to shareholders, the number of Ordinary Shares over which the New Option is exercisable may be increased by the number of Ordinary Shares which the holder of the New Option would have received if the New Option had been exercised before the record date for the bonus issue.
- (h) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

5.2 Terms and Conditions of Ordinary Shares

The rights attaching to the Ordinary Shares are derived through a combination of statute, the Company's constitution, common law, the Listing Rules and other applicable legislation. The following is a broad summary (though not an exhaustive or definitive statement) of the current rights that attach to Ordinary Shares in the Company.

Victory Mines Limited

(a) **Voting Rights**

Subject to any rights or restrictions attached to any class of shares, whether by their issue, the Constitution, the Listing Rules or the Corporations Act, at a general meeting each Shareholder present in person or by proxy, company representative or attorney, is entitled to one vote on a show of hands. Upon a poll, every Shareholder present in person or by proxy, company representative or attorney, is entitled to one vote for each fully paid Ordinary Share that the Shareholder holds.

(b) **General Meetings**

Each Shareholder is entitled to receive notice of and to be present, to vote and to speak at a general meeting of the Company. Further, each Shareholder is entitled to receive all notices, accounts and other documents required to be furnished to Shareholders under the constitution of the Company, the Listing Rules or the Corporations Act.

(c) **Dividend Rights**

The Company may in general meeting declare a dividend which shall not exceed the amount recommended by Directors. The Company does not expect to pay dividends in the short to medium term.

(d) **Transfer of Shares**

Subject to the constitution of the Company, the Corporations Act, the ASX Settlement Operating Rules and the Listing Rules, Ordinary Shares are freely transferable. Ordinary Shares may be transferred as set out in the Constitution, including by way of a market transfer. The Company may decline to register a transfer (other than a market transfer) where permitted by law, the Listing Rules or the ASX Settlement Operating Rules.

(e) **Changes in Capital**

Subject to the Corporations Act, the constitution of the Company and the Listing Rules, the Directors may consolidate, or divide the Ordinary Shares, allot, issue or otherwise dispose of new Ordinary Shares on such terms and conditions as they determine.

(f) **Variation of Rights**

The Company may only modify or vary the rights attaching to any class of Ordinary Shares with the consent in writing of three quarters of the issued shares of that class or by a special resolution of the Company passed at a meeting of the holders of the issued Ordinary Shares of that class.

(g) **Rights on Winding Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, any shares classified as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

SECTION 6 ADDITIONAL INFORMATION

6.1 Continuous Reporting and Disclosure Obligations

The Company is listed on ASX and its Ordinary Shares are quoted on ASX under the code "VIC".

The Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The Company will provide a copy of all documents used to notify ASX of information relating to the Company under the provisions of the Listing Rules since the lodgement of the Company's Annual Report on 4 October 2012 free of charge to any Shareholder who so requests prior to the Closing Date. A list of those documents for the period ended 30 September 2012 to the time of lodging this Prospectus is set out in Section 2.3.

6.2 Underwriting Agreement and Potential Control Effects

Summary of Underwriting Agreement

The Company entered into an underwriting agreement with KS Capital ("Underwriter") on or about 9 October, 2012 ("Underwriting Agreement"). Pursuant to the Underwriting Agreement, the Underwriter agreed to manage and underwrite the Offer on the terms and conditions summarised below:

- (a) The Underwriter will either subscribe for or allocate to sub underwriters or nominees at the Underwriter's discretion any New Options offered by the Company under the Offer which are not the subject of valid acceptances by eligible Shareholders on or before the Closing Date.
- (b) The Company will pay to the Underwriter an underwriting fee of \$8,574 (being 5% of all funds raised under the Offer). The Company will also reimburse the Underwriter for the Underwriter's reasonable out of pocket expenses incurred in connection with performing its services in respect of the Offer.
- (c) The Underwriter's obligation to subscribe for the Shortfall is conditional on, among other matters:
 - (i) satisfactory due diligence enquiries being completed in respect of the Prospectus and the Offer; and
 - (ii) ASX granting permission for the quotation of the New Options.
- (d) The Company must give the Underwriter a shortfall notice by no later than 5 Business Days after the Closing Date and the Underwriter must lodge or cause to be lodged Applications for the Shortfall by no later than 5 Business Days after the shortfall notice is given.
- (e) The Underwriter may at any time appoint sub-underwriters to sub-underwrite up to the total number of Shortfall.
- (f) Under the Underwriting Agreement the Company provides various representations, warranties, undertakings and indemnities to the Underwriter in connection with the Company and the Offer which are considered standard in an agreement of this type.
- (g) The Underwriter may terminate its obligations under the Underwriting Agreement in the event that a number of specified circumstances occur, including any of the following:

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- (i) the Company or its subsidiary is in breach of any provision of the Underwriting Agreement, which, in the Underwriter's reasonable opinion, is material;
- (ii) the "All Ordinaries Index" of the ASX is at any time at a level which is at any time on 3 consecutive Business Days prior to allotment of the New Options 90% or less of the level that Index attained at the close of trading on the Business Day before the date of signing the Underwriting Agreement;
- (iii) the "ASX Small Ords Index" is at any time on 3 consecutive Business Days prior to allotment of the New Options 90% or less of the level that Index attained at the close of trading on the Business Day before the date of signing the Underwriting Agreement;
- (iv) the "S&P/ASX 300 Resources Index" of the ASX is at any time on 3 consecutive Business Days prior to allotment of the New Options at a level which is 90% or less of the level that Index attained at the close of trading on the Business Day before the date of signing the Underwriting Agreement;
- (v) any adverse change occurs to the condition, financial position or prospects of the Company that is, in the Underwriter's reasonable opinion, material;
- (vi) there is a significant change in the board or senior management of the Company without the approval of the Underwriter;
- (vii) the Prospectus contains a material statement which is untrue, misleading or deceptive or omits a material matter; and
- (viii) various other specified circumstances occur in relation to the Company and its operations, which are considered usual in an agreement of this type.

Possible Control Scenarios and the Appointment of Sub-underwriters

The Board has resolved to appoint an underwriter to underwrite the Offer, to provide certainty to the Company regarding the amount which will be raised under the Offer.

The Underwriter currently has a relevant interest of 0.22% in the voting shares on issue in the Company (equal to 150,000 Shares). If no eligible Shareholders subscribe under the Offer, and the Underwriter applies for and is issued the entire Shortfall, the Underwriter will be issued 17,148,506 New Options and, assuming exercise of the New Options and no exercise of any other Options or issue of further Shares, will increase its relevant interest in the voting shares of the Company to up to approximately 20.17%.

However, the Company understands that the Underwriter intends to exercise its right to appoint sub-underwriters to sub-underwrite some of or the entire Shortfall, as well as nominate allottees of some of the entire Shortfall, such that no person acquires a greater than 20% relevant interest in the voting shares of the Company as a result of subscribing for the Shortfall. The identity of such allottees or sub-underwriters are not known as at the date of this Prospectus.

The Underwriter has also advised the Company that it does not intend to exercise any relevant interest it acquires by way of subscribing for the Shortfall to change the composition of the Board, the Company's ongoing business and operations or the financial or dividend policies of the Company.

6.3 Market Prices of Ordinary Shares

The highest and lowest recorded closing market sale prices of the Ordinary Shares quoted on ASX during the period from commencement of ASX quotation to immediately prior the date of this Prospectus were \$0.20 on 9 October 2012, 10 October 2012, 11 October 2012, 12 October 2012, 15 October 2012 and 25 October 2012 and \$0.15 on 22 October 2012 respectively.

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The last closing market sale price of the Ordinary Shares on ASX on the last day that trading took place in the Ordinary Shares prior to the date of this Prospectus was \$0.195 on 12 November 2012.

6.4 Litigation

So far as the Directors are aware, the Company is not involved in any legal proceedings, current, pending or threatened.

6.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director:

- to induce him to become, or to qualify him as, a Director; or
- for services rendered by him in connection with the formation or promotion of the Company or the Offer.

All Directors have stated that they intend to take up their full Entitlement under the Offer. The direct and indirect interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

Director	Ordinary Shares		Options		Entitlement
	Direct	Indirect	Direct	Indirect	
James Ellingford	540,000	10,000	1,250,000	-	130,000 New Options
Danny Costick	-	-	1,000,000	-	-
Peter Peebles	522,055	60,000	250,000	-	145,514 New Options
Ashley Hood	505,616	-	250,000	-	126,404 New Options

- James Ellingford has received, or is due to receive, cash fees of \$43,333 prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2012. Dr Ellingford is entitled to receive cash remuneration of \$130,000 per annum (inclusive of superannuation).
- Danny Costick has received, or is due to receive, cash fees of \$109,000 prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2012. Mr Costick is entitled to receive cash remuneration of \$327,000 per annum (inclusive of superannuation).
- Peter Peebles has received, or is due to receive, cash fees (or equivalent*) of \$5,000 prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2012. Mr Peebles is entitled to receive cash remuneration of \$15,000 per annum (inclusive of superannuation). Mr Peebles is also entitled to receive up to \$1,050 per day for consulting services provided to the Company. During the period 1 July 2012 to the day before the date of this Prospectus, Mr Peebles has received, or is due to receive, consulting fees of \$92,400.

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- Ashley Hood has received, or is due to receive, cash fees (or equivalent*) of \$13,333 prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2012. Mr Hood is entitled to receive cash remuneration of \$40,000 per annum (inclusive of superannuation). Mr Hood is also entitled to receive up to \$850 per day for consulting services provided to the Company. During the period 1 July 2012 to the day before the date of this Prospectus, Mr Hood has no received, or due to receive, any fees for consulting services. The annual financial report for the period ended 30 June 2012 details amounts paid to Directors prior to 1 July 2012.

** On 25 October 2012, the Company issued Mr Peebles and Mr Hood 62,055 Shares and 155,616 Shares respectively in lieu of cash directors fees for the period the commencement of their director agreement (24 October 2011 and 14 November 2011 respectively) to 24 August 2012. The issue of the Shares to Messrs Peebles and Hood were approved by Shareholders at the annual general meeting held 5 October 2012.*

- Each Director is a party to a Deed of Access and Indemnity with the Company.
- The Company has effected Directors' and Officers' Liability and Corporate Reimbursement insurance on behalf of the Directors. The Company intends to maintain this insurance.

6.6 Costs of the Offer

The costs of the Offer are estimated as follows:

Advisor Fees	10,000
ASIC Fees	2,171
ASX Fees	10,595
Share registry fees	5,000
Underwriting fees	8,574
Other costs including printing & postage	4,880
Total	\$41,220

6.7 Consents

Steinepreis Paganin has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as solicitors to the Company in the form and context in which it is named and to the inclusion by reference into this Prospectus of the Solicitor's Report on Tenements that was included in section 8 of the July 2012 Prospectus, in the form and context in which it is included in this Prospectus. Steinepreis Paganin has not caused or authorised the issue of the Prospectus.

Mining Corporate Pty Ltd has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as the Company's compliance manager in the form and context in which it is named.

Bentleys Audit & Corporate (WA) Pty Ltd has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as the Company's auditors in the form and context in which it is named and to the inclusion by reference into this Prospectus of the Investigating Accountant's Report that was included in section 7 of the July 2012 Prospectus, in the form and context in which it is included in this Prospectus.

Al Maynard & Associates has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as the Company's independent geologist in the form and context in which it is named and to the inclusion by reference into this Prospectus of the Independent Geologist's Report that was included in section 6 of the July 2012 Prospectus, in the form and context in which it is included in this Prospectus.

KS Capital Pty Limited has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as the Company's Underwriter in the form and context in which it is named.

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Advanced Share Registry Services has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in the Prospectus as the Company's share registrar in the form and context in which it is named.

None of Steinepreis Paganin, Mining Corporate Pty Ltd, Bentleys Audit & Corporate (WA) Pty Ltd, Al Maynard & Associates, KS Capital Pty Limited, nor Advanced Share Registry Services have made any statement included in this Prospectus, nor any statement on which a statement in this Prospectus is based and do not accept any responsibility for the contents of this Prospectus.

6.8 Disclosure of Interests of Non-Directors

No person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus holds, or has held within two years before lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer, other than as set out below or elsewhere in this Prospectus.

No person has paid or agreed to pay any amount or has given or agreed to give any benefit to an underwriter, or a person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, for services rendered by that person in connection with the formation or promotion of the Company or the Offer, other than as set out below or elsewhere in this Prospectus.

Mining Corporate has acted as corporate advisors to the Offer. The Company estimates as at the date of this Prospectus that it will pay amounts totalling approximately \$10,000 (excluding GST and disbursements) to Mining Corporate for this work. Work in relation to the Offer after the date of this Prospectus will be charged at usual rates. Mining Corporate have been paid fees totalling approximately \$386,274 (exclusive of GST) for services provided to the Company in relation to accounting and secretarial matters since incorporation of the Company.

Steinepreis Paganin are legal advisors to the Company and will be paid approximately \$5,000 (exclusive of GST) for services in relation to this Prospectus. Steinepreis Paganin have been paid fees totalling approximately \$81,000 (exclusive of GST) for services provided to the Company in relation to legal matters since incorporation of the Company.

6.9 Electronic Prospectus

Pursuant to Class Order 00/044, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Acceptance Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic version of the Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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SECTION 7 DIRECTORS' CONSENT

This Prospectus is dated 13 November 2012 and is issued by Victory Mines Limited.

The Directors have made all reasonable enquires and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquires and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors knowledge, before any issue of New Options pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of Victory Mines Limited has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

Signed for and on behalf of Victory Mines Limited.

Danny Costick
Managing Director
13 November 2012

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SECTION 8 DEFINITIONS

“**Acceptance Form**” means the personalised Acceptance Form accompanying this Prospectus.

“**Applicant**” means an applicant for New Options who duly completes an Acceptance Form and pays the applicable Application Money.

“**Application**” means a valid application for New Options under this Prospectus.

“**Application Money**” means the aggregate amount of money payable for New Options applied for in the Acceptance Form.

“**ASIC**” means the Australian Securities and Investments Commission.

“**ASX**” means ASX Limited (ABN 98 008 624 691).

“**Business Day**” means any day which is defined to be a Business Day pursuant to Listing Rule 19.12 of the Listing Rules.

“**CHESS**” means Clearing House Electronic Sub-register System of ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532).

“**Closing Date**” means 5:00 pm (WST) on 12 December 2012 or such other date as may be determined by the Directors consistent with this Prospectus.

“**Company**” means Victory Mines Limited (ACN 151 900 855).

“**Corporations Act**” means the Corporations Act 2001 (Cth).

“**Constitution**” means the constitution of the Company.

“**Cth**” means the Commonwealth of Australia.

“**Directors**” means the directors of the Company.

“**Dollars**” or “**\$**” means dollars in Australian currency.

“**Entitlement**” means the entitlement of a Shareholder who is eligible to participate in the Offer.

“**Exercise Price**” means the exercise price of the New Options being \$0.20 (20 cents).

“**GST**” means goods and service tax levied in Australia pursuant to A New Tax System (Goods and Services Tax) Act 1999 (Cth).

“**Listing Rules**” means the Listing Rules of the ASX.

“**New Option**” means an option to acquire one fully paid Ordinary Share in the Company issued pursuant to this Prospectus at an exercise price of \$0.20 (20 cents) per New Option at any time up to 5.00pm (WST) 9 April 2015.

“**New Optionholders**” means any holders of New Options in the Company.

“**Offer**” means the offer of approximately 17,148,506 New Options under this Prospectus.

“**Option**” means an option to acquire an Ordinary Share in the capital of the Company.

“**Optionholder**” means the holder of an Option as recorded in the register of the Company.

“**Optionholders**” means any holders of Options in the Company.

“**Ordinary Share**” means a fully paid ordinary share in the Company.

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“**Projects**” means the Jungle Well, Clara Hills, Great Doolgunna, Station Bore, Laverton and Lake Barlee projects in which the Company has acquired or intends to acquire an interest.

“**Prospectus**” means this prospectus dated 13 November 2012.

“**Record Date**” means the date to determine who is eligible to be offered New Options in accordance with this Prospectus which is 5:00pm (WST) on 27 November 2012.

“**SCH Business Rules**” means the business rules of ASX Settlement Pty Ltd (ACN 008 504 532) as the approved Securities Clearing House under the Corporations Act.

“**Share**” means a fully paid Ordinary Share in the Company.

“**Shareholder**” means the holder of an Ordinary Share as recorded in the register of the Company.

“**Shortfall**” means those New Options under the Offer not applied for by Shareholders under their Entitlement.

“**WST**” means Western Standard Time in Perth, Western Australia.