



PROSPECTUS

VICTORY MINES LIMITED

ACN 151 900 855

For a non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.003 per Share (**Entitlement Issue Offer**) and an offer of any entitlements issue shortfall (**Shortfall Offer**) and an offer of Shares at an issue price of \$0.003 and one attaching Option exercisable at \$0.003 within 3 years from the date of issue for every Share issued to providers of short term loan funding (**Convertible Loan Offer**) (the **Offers**).

The Offers will raise up to approximately \$1,226,000 (based on the total number of Shares on issue as at the date of this Prospectus and assuming no Options are exercised prior to the Record Date) and result in the conversion of \$200,000 of loans into Shares.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. DIRECTORS' LETTER

Dear Shareholders,

Entitlement Issue Offer

This Prospectus outlines the details of a pro-rata non-renounceable entitlement offer to Shareholders on the basis of one (1) Share for every three (3) Shares held by those shareholders registered at the Record Date at an issue price of \$0.003 per Share to raise up to approximately \$1,226,000 (before costs).

The Prospectus also outlines an offer of any entitlements issue shortfall at an issue price of \$0.003 per Share and an offer of Shares at an issue price of \$0.003 and one attaching Option exercisable at \$0.003 within 3 years from the date of issue for every Share issued to providers of short term loan funding to the Company.

Proceeds of the Entitlement Offer and Shortfall Offer (after costs) will be applied firstly to conduct the Company's previously announced drilling programs at its Husky and Malamute tenements in New South Wales. Additional funds raised will be used to meet corporate costs, further exploration and working capital. See section 7.1 for details of the intended use of proceeds raised from the Entitlement Issue Offer.

This Prospectus and your personalised Entitlement and Acceptance Form should be read carefully and in their entirety before deciding whether or not to participate in the Entitlement Issue Offer. In particular Eligible Shareholders should consider the key risk factors outlined in this Prospectus. Eligible Shareholders can, in addition to their Entitlement, also apply for Shortfall Shares regardless of the size of their present holding and other investors can also apply for Shortfall Shares after the Closing Date.

On behalf of your Board, I invite you to consider this investment opportunity.

Yours faithfully



Alec Pismiris
Director

2. CORPORATE DIRECTORY

Directors

David Grant Sanders (Non-Executive Director)

Rohan John Dalziell (Non-Executive Director)

Alec Christopher Pismiris (Non-Executive Director)

Company Secretary

Dane Rees Etheridge

Solicitors

Bennett + Co

Ground Floor, BGC Centre

28 The Esplanade

Perth WA 6000

Registered Office

Level 11

216 St Georges Terrace

PERTH, WA, AUSTRALIA, 6000

Telephone

+ 61 (8) 9482 0508

Share Registry

Automic Registry Services

Level 2, 267 St Georges Terrace

PERTH WA 6000

Telephone (within Australia)

1300 288 664

Phone (outside Australia)

+ 61 (2) 9698 5414

Email

contact@victorymines.com

Website

www.victorymines.com

ASX Code

VIC

Auditor*

Bentleys Audit & Corporate (WA) Pty Ltd

Level 1, 12 Kings Park Road

WEST PERTH WA 6005

Telephone + 61 (8) 9226 4500

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

3. IMPORTANT NOTES

This Prospectus is dated 9 April 2019 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been given to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors investors should be aware of are set out in section 5 and a detailed overview of risk factors is set out in section 9 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus may contain forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 9 of this Prospectus.

3.3 Foreign Shareholders

The Entitlements Issue Offer to which this Prospectus relates is only available to Shareholders with registered addresses in Australia and New Zealand. This Prospectus does not constitute an invitation or offer to persons with registered addresses outside Australia and New Zealand.

3.4 Rounding

Fractional entitlements will be rounded up to the nearest whole number. All references to numbers of Securities to be issued pursuant to this Prospectus are expressed subject to rounding.

4. TIMETABLE

Lodgement of Prospectus with the ASIC	9 April 2019
Lodgement of Appendix 3B with ASX	9 April 2019
Notice sent to Optionholders	10 April 2019
Notice sent to Shareholders	11 April 2019
Ex date	12 April 2019
Record Date for determining Entitlements	15 April 2019
Prospectus sent out to Shareholders & Company announces this has been completed	18 April 2019
Last day Company can extend Closing Date	1 May 2019
Closing Date*	6 May 2019
Securities quoted on a deferred settlement basis*	7 May 2019
ASX notified of under subscriptions	9 May 2019
Issue date/Securities entered into Shareholders' security holdings*	13 May 2019

* The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

5. KEY INVESTMENT HIGHLIGHTS AND INVESTMENT RISKS

5.1 Key Investment Highlights

- The Company has finalised plans for its inaugural drilling program at the Malamute and Husky projects to be funded through the proceeds of the Entitlement Issue Offer.
- Providers of short-term funding to the Company of \$200,000 have agreed to convert their loans into Shares at the same issue price as the Entitlement Issue Offer and will also be entitled to receive one Option for every Share issued in lieu of interest on their loans.
- The Entitlement Issue Offer will also provide funding to meet the Company's corporate costs and working capital requirements going forward whilst the Company completes its drilling program and continues to look for opportunities to form a joint venture to develop its Bonaparte project and buyers to divest its Laverton project.

5.2 Key Investment Risks

- No drilling has previously been undertaken on the Malamute and Husky projects. Exploration is speculative in nature and there is no guarantee that the drilling program will result in the discovery of any minerals, or if minerals are discovered, the discovery of minerals that could lead to an economic ore deposit.
- There is no assurance the Company will be able to find a joint venture partner to develop the Bonaparte project in which case the Company will need to fund further exploration in relation to that project if it wishes to retain the project.
- There is no assurance that the Company will be able to find a purchaser for its Laverton project in which case the Company will need to fund further exploration in relation to that project if it wishes to retain the project.
- No resource estimates have been released in relation to any of the Company projects and there can be no assurance that exploration of the projects will result in any resources being identified.

6. DETAILS OF THE OFFERS

6.1 The Entitlement Issue Offer

The Entitlement Issue Offer is being made as a non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.003 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus a maximum of 408,638,749 Shares will be issued pursuant to this Offer to raise up to approximately \$1,226,000.

As at the date of this Prospectus the Company has 605,452,013 Options on issue. Existing holders of Options must exercise their Options prior to the Record Date in order to participate in the Entitlement Issue Offer. Please refer to section 7.5 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 8 for further information regarding the rights and liabilities attaching to the Shares.

The Entitlement Issue Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

The purpose of the Offers and the intended use of funds raised are set out in section 7.1 of this Prospectus.

6.2 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Issue Offer will form part of the Shortfall Offer.

Eligible Shareholders may apply for additional Shares under the Shortfall Offer by completing the prescribed area on the Entitlement and Acceptance Form designated to the Shortfall and by paying the appropriate Application Monies or by paying additional monies by BPAY® in accordance with the instructions set out in the Entitlement and Acceptance Form.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall may apply for Shortfall Securities using the Shortfall Application Form by following the instructions set out on the Shortfall Application Form and paying the appropriate Application Monies.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date. All Shares issued under the Shortfall Offer shall be issued on the same terms as Shares being offered under the Entitlement Issue Offer (including the issue price).

The Directors, reserve the right to determine the allocation of the Shortfall. As such there is no guarantee that subscribers will receive any additional Securities applied for under the Shortfall. The Directors reserve the right to issue to an Applicant a lesser number of Shortfall Shares than the number for which the Applicant applies, or to reject an Application, or to not proceed with placing the Shortfall. In that event, Application Monies will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

6.3 Acceptance

Eligible Shareholders may participate in the Entitlement Issue Offer and the Shortfall Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
 - (ii) if paying by BPAY®, make a BPAY® payment in respect of your full Entitlement by following the instructions on the Entitlement and Acceptance Form (refer to section 6.5 for further details); or
- (b) if you wish to accept your **full** Entitlement and apply for additional Shares from the Shortfall:
 - (i) fill in the number of Shortfall Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency for the appropriate application monies (at \$0.003 per Share); or
 - (ii) if paying by BPAY®, make a BPAY® payment in respect of both your Entitlement and the additional number of Shortfall Shares that you wish to take up by following the instructions on the Entitlement and Acceptance Form (refer to section 6.5 for further details); or
- (c) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.03 per Share); or
 - (ii) if paying by BPAY®, make a BPAY® payment in respect of the portion of your Entitlement that you wish to take up by following the instructions on the Entitlement and Acceptance Form (refer to section 6.5 for further details); or
- (d) if you do not wish to accept your Entitlement, you are not obliged to do anything.

The Entitlement Issue Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

6.4 Payment by cheque/bank draft

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed “Not Negotiable” and made payable to “Victory Mines Ltd — Subscription Account” and lodged and received, at any time after the issue of this Prospectus and on or before 5:00pm (WST) on the Closing Date, at the Share Registry (by post) at:

By Post Victory Mines Ltd
C/- Automic Registry Services
Level 2, 267 St Georges Terrace
PERTH WA 6000

6.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 3.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares will be refunded. No interest will be paid on any application monies received or refunded.

6.6 New Zealand Shareholders

In addition to the payment options set out above, New Zealand resident Shareholders can also pay by EFT. If you would like to pay by EFT please contact the Company by email at contact@victorymines.com for further details.

6.7 Minimum subscription

There is no minimum subscription.

6.8 Underwriting

Directors and their related entities have agreed to underwrite the Entitlement Issue Offer in the amount of \$56,000. Further details in relation to the underwriting are set out in section 10.5.

6.9 Convertible Loan Offer

The Convertible Loan Offer is being made to lenders of the Company who have provided short term loan finance in the sum of \$200,000 and have agreed to convert their loans into Shares at an issue price of \$0.003. The Shares to be issued under the Convertible Loan Offer will be issued from the Shortfall of the Entitlement Issue Offer to the extent there is sufficient Shortfall available. Any remaining Shares will be issued under the Company's placement capacity pursuant to ASX Listing Rule 7.1. The Lenders are also entitled to one (1) option for every Share issued, exercisable at \$0.003 on or before the date that is three (3) years after the date of issue of the Options in lieu of interest on their loans. The Convertible Loan Offer will not raise any funds but will reduce the Company's liabilities by \$200,000.

6.10 Brokerage

No brokerage will be payable by Shareholders who take up their Entitlements or Shortfall.

In respect of the Shortfall Offer the Company intends to pay a commission of 6% of any funds introduced by AFSL holders or their Authorised Representatives to those AFSL holders or Authorised Representatives.

6.11 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all Application Monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

6.12 Issue of Securities

Shares issued pursuant to the Entitlement Issue Offer will be issued in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer may be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account.

Holding statements for Shares issued under the Entitlement Issue Offer will be dispatched in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

Shares and Options issued pursuant to the Convertible Loan Offer will be issued at the same time as Shares are issued pursuant to the Entitlement Issue Offer and holding statements will be dispatched at that time.

6.13 Overseas shareholders

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than New Zealand) having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

6.14 Enquiries

Any questions concerning the Offer should be directed to Dane Etheridge, Company Secretary, on +61 (8) 9481 0389 or by email to contact@victorymines.com.

7. PURPOSE AND EFFECT OF THE OFFERS

7.1 Purpose of the Offer

The purpose of the Offers are to raise up to approximately \$1,226,000 (based on the total number of Shares on issue as at the date of this Prospectus and no Options are exercised prior to the Record Date) and to provide for the conversion into Shares of short term loan funding provided to the Company in the sum of \$200,000 into Shares.

The funds raised from the Offers (assuming full subscription) are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1	Exploration Program	250,000	20%
2	Expenses of the Offers ¹	55,966	5%
3	Corporate costs, further exploration and working capital	920,034	75%
	Total	1,226,000	100%

Notes:

1. Refer to section 10.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis. The Company's current cash resources and additional capital proposed to be raised by the Offers are sufficient to meet its current stated objectives.

The Company does not seek to raise a minimum amount under the Offers. The underwritten amount of the Entitlement Issue Offer is sufficient to meet the costs of the Offers.

In the event that the Entitlement Issue Offer is not fully subscribed (and the Shortfall Offer is also not fully subscribed), the Company shall apply the proceeds of the Offers first towards the estimated expenses of the Offers, then towards the exploration program with the balance (if any) applied towards corporate costs, further exploration and working capital. The Board reserves the rights to alter the priority in which funds raised are applied.

7.2 Exploration Program

Subject to raising sufficient funds pursuant to this Prospectus, the Company intends to undertake the previously announced drill program on the Company's Husky and Malamute tenements in New South Wales.

The drill program will involve air core drilling of approximately 5,000 metres on a number of locations across both tenements with approximately 100 holes proposed to be drilled. The objectives of the drilling program is to confirm the prospectivity of the tenements for laterite-hosted cobalt, scandium nickel and/or platinum group element mineralisation in the mafic/ultramafic source rock. The budget for the exploration program is approximately \$250,000 and it is intended for the program to start in the second half of May 2019 subject to the Company raising sufficient funds from the Entitlement Issue Offer or the Shortfall Offer to fund the exploration program.

Once the results of the drill program have been received further exploration programs will be planned based on those results.

7.3 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by approximately \$1,170,000 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers;
- (b) reduce the Company's liabilities by \$200,000 from the conversion of the short term loan funding into Shares; and
- (c) increase the number of Shares on issue from 1,225,916,246 as at the date of this Prospectus to 1,701,221,661 Shares and Options on issue from 605,452,013 as at the date of this Prospectus to 672,118,680 Options (assuming no Options are exercised prior to the Record Date).

7.4 Pro-forma statement of financial position

The audit reviewed statement of financial position as at 31 December 2018 and the pro forma statement of financial position as at 31 December 2018 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offers. It has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to financial statements.

	AUDIT REVIEWED 31-Dec-18	PRO-FORMA 31-Dec-18
CURRENT ASSETS		
Cash and cash equivalents ¹	\$77,579	\$ 1,447,529.25
Trade and other receivables	\$50,808	\$50,808
Other assets	\$21,142	\$21,142
TOTAL CURRENT ASSETS	\$149,529	\$ 1,519,479

	AUDIT REVIEWED 31-Dec-18	PRO-FORMA 31-Dec-18
NON-CURRENT ASSETS		
Property, plant and equipment	\$7,513	\$7,513
Exploration and evaluation assets	\$1,342,364	\$1,342,364
TOTAL NON-CURRENT ASSETS	\$1,349,877	\$1,349,877
TOTAL ASSETS	\$1,499,406	\$ 2,869,356
CURRENT LIABILITIES		
Trade and other payables	\$319,392	\$319,392
Provisions	\$ -	\$ -
TOTAL CURRENT LIABILITIES	\$319,392	\$319,392
NON-CURRENT LIABILITIES		
Deferred tax liability	\$ -	\$ -
Provisions	\$ -	\$ -
Unearned income	\$ -	\$ -
TOTAL NON-CURRENT LIABILITIES	\$ -	\$ -
TOTAL LIABILITIES	\$ 319,392	\$ 319,392
NET ASSETS	\$ 1,180,014	\$ 2,549,964
EQUITY		
Contributed equity ²	\$20,283,761	\$ 21,653,711.25
Reserves	\$9,457,715	\$9,457,715
Accumulated losses	-\$28,561,462	-\$28,561,462
TOTAL EQUITY	\$1,180,014	\$ 2,549,964

Pro forma Adjustment Notes

- ¹ Entitlement issue proceeds of \$1,225,916 plus short term funding of \$200,000 less estimated expenses of the Offers being \$55,966 assuming no Options are exercised prior to the Record Date and proceeds from short term loan funding of \$200,000 to be converted to Shares.
- ² Entitlement issue of 408,638,749 fully paid ordinary shares plus 66,666,667 fully paid ordinary shares upon conversion of short term funding issued at \$0.003 per Share for a total of \$1,425,916 less issue costs of \$59,966.

7.5 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted or any Shortfall is fully subscribed and no Options are exercised prior to the Record Date.

Ordinary Shares

	Number
Shares currently on issue	1,225,916,246
Shares offered pursuant to Entitlement Issue Offer	408,638,749
Shares offered pursuant to Convertible Loan Offer	66,666,667
Total Shares on issue after completion of the Offers	1,701,221,661

Options

	Number
Unlisted Options exercisable at \$0.05 each on or before 25 November 2019 on issue	600,000
Unlisted Options exercisable at \$0.05 each on or before 27 November 2020 on issue	1,100,000
Listed Options exercisable at \$0.02 each on or before 28 December 2020	603,752,013
Options offered under the Convertible Loan Offer exercisable at \$0.003 each on or before three (3) years after date of issue	66,666,667
Total Options on issue upon completion of the Offers	672,118,680

Performance Shares

	Number
Performance Shares expiring 15 January 2021	142,857,143

Each Performance Share will automatically convert into one Share with one Option exercisable at \$0.02 on or before 28 December 2020 being issued for every two Shares issued upon the announcement to ASX by the Company that one 4 metre intersection with an average grade of 300ppm scandium or 600ppm cobalt has been achieved from a drilling program on the Company's Husky or Malamute tenements on or before 15 January 2021.

8. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

8.1 Shares

The following is a summary of the more significant rights and liabilities attached to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one (1) vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one (1) vote for each Share held.

Dividend rights

Subject to the rights of persons (if any) holding any shares with special rights to dividend, the Directors may declare a final dividend in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend.

The Directors may from time to time authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified. The Directors may, before declaring any dividend, set aside any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the Company's profits may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Directors may in their absolute discretion establish on such terms and conditions as they think fit:

- (a) plans (to be called a "dividend reinvestment plan" or an "interest reinvestment plan" as the case may be) for cash dividends paid by the Company in respect of shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for shares in the Company; and

- (b) a plan (to be called a “dividend election plan”) permitting holders of shares to the extent that his shares are fully paid up, to have the option to elect to forego his right to share in any dividends (whether interim or otherwise) payable in respect of such shares and to receive instead an issue of shares credited as fully paid up to the extent as determined by the Directors.

Winding-up

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the Company’s property, 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.

Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of, or failure to observe the provisions of, a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

Future increase in capital

The issue of any new Shares is under the Directors’ control. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they think fit.

Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by special resolution passed at a separate meeting of the holders of the shares of that class.

Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at a general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

8.2 Options

The terms and conditions of the Options offered pursuant to this Prospectus are set out below.

Entitlement

Each Option entitles the holder to subscribe (in cash) for one (1) Share upon exercise of the Option.

Exercise Price

The amount payable upon exercise of each Option will be \$0.003 (**Exercise Price**).

Expiry Date

Each Option will expire at 5:00 pm (WST) three (3) years after their issue date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company Secretary in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be issued; which number of Options must be a multiple of 10,000 if only part of the Optionholder's total Options are exercised, or if the total number of Options held by an Optionholder is less than 10,000 then the total of all Options held by that Optionholder must be exercised.

Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

Issue and quotation of Shares on exercise

Within 14 days after the Exercise Date, the Company will allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company.

Within 3 Business Days from the date of issue of Shares pursuant to the exercise of an Option, the Company will apply to the ASX for, and use its best endeavours to obtain, official quotation on ASX of all such Shares, in accordance with the Corporations Act and the ASX Listing Rules.

Where there shall be any inconsistency between the timetable outlined regarding the expiry of the Options and the timetable outlined in the ASX Listing Rules, the timetable outlined in the ASX Listing Rules shall apply.

Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

Reconstruction of capital

If at any time the issued capital of the Company is reorganised or reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation or reconstruction.

Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

9. RISK FACTORS

9.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

9.2 Investment Specific Risks

(a) Stock market fluctuations and economic conditions

The Shares to be issued under this Prospectus will be quoted on the ASX. The price of Shares may rise or fall and there is no guarantee in respect of profitability, dividends, return of capital, or the price at which the Shares may trade on the ASX.

The value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Company, and the Directors and officers of the Company. Such factors include, but are not limited to:

- (a) the demand for and availability of Shares;
- (b) movements in domestic interest rates;
- (c) exchange rates;
- (d) general and domestic economic activity; and
- (e) fluctuations in the Australian and international stock markets.

Returns from an investment from the Shares may also depend on general stock market conditions as well as the performance of the Company. There can be no guarantee that there will be an active market in the Shares.

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals which underpin the projected growth of the Company's target markets or its cost structure and profitability. Adverse changes in such things as the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending and employment rates, amongst others, are out of the control of the Company and may result in material adverse impacts on the business or its operating results.

(b) Dilution risk

Upon completion of the Offers (assuming the Entitlement Issue Offer or the Shortfall Offer are fully subscribed and no Options are exercised prior to the Record Date) the number of Shares in the Company will increase from 1,225,916,246 currently on issue to 1,701,221,661 and current Shareholders that do not participate in the Offer would have their holdings diluted by approximately 32%. In the event any Options are exercised (including Options issued pursuant to this Prospectus or any Performance Shares convert current Shareholders will be further diluted.

(c) Liquidity of Shares

There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in a market price being received which is less than the price that Shareholders paid to acquire their Shares.

(d) Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of subscribing for Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

9.3 Company Specific Risks

(a) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the success of the Company's exploration programs and the Company's ability to generate funds from disposal of non-core projects, the Company expects that it will require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(b) Exploration success

The future profitability of the Company and the value of its Securities are directly related to the results of exploration. The exploration tenements held by the Company are at various stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the Company's control.

The Company's success will also depend upon the Company having access to sufficient development capital including from prospective joint venture partners, being able to maintain title to its tenements and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful, this could lead to diminution in the value of the Company's tenements, a reduction in the cash reserves of the Company and possible relinquishment of tenements.

The Company's exploration costs are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may be materially different to these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(c) Asset joint ventures or divestment

The Company is looking for opportunities to form a joint venture to develop its Bonaparte project and buyers to divest its Laverton project. There is no assurance the Company will be able to find a joint venture partner to develop the Bonaparte project or a purchaser to acquire the Laverton project in which case the Company will need to fund further exploration in relation to these projects if it wishes to retain the projects.

(d) Bolivian project risk

The Company's Bolivian tin project has no value ascribed to it in the Company's financial statements, in circumstances where the Company does not hold any tenements or equivalent mineral rights in Bolivia in relation to the project. Whilst the Company has significant exploration data in relation to the Bolivian tin project which the Company believes will be of value to any party who wishes to develop the project, there is no guarantee that the Company will be able to find a third party who is interested in either purchasing the Company's data or entering into some other form of commercial arrangement to enable the Company to receive any economic return in relation to the project.

(e) Resource estimates

No resource estimates have been released in relation to any of the Company's projects. Any resource estimates that may be released in the future will be expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretation, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change.

(f) Commodity price volatility

If the Company achieves exploration success leading to mineral production, the Company's financial performance will be sensitive to the relevant commodity price. Commodity prices are affected by numerous factors and events that are beyond the Company's control. These factors and events include general economic activity, world demand, forward selling activity, cost of production and other matters such as inflationary expectations, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends.

If the relevant commodity price should fall below or remain below the Company's costs of production for any sustained period due to these or other factors and events, the Company's exploration and production could be delayed or even abandoned. A delay in exploration or production or the abandonment of one or more of the Company's projects may require the Company to write-down the value of the projects and may have a material adverse effect on the Company's production, earnings and financial position.

(g) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its key personnel, which is currently restricted to the Directors who are all non-executive Directors and the Company Secretary. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these officers resign from their office.

9.4 Industry Specific Risks

(a) Environmental

The Company's operations and proposed activities in Australia are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations will become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

(b) Australian tenure risks and native title

Interest in tenements in Australia is governed by the respective state legislation and is evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

(c) Safety legislation

Current and future mines are subject to a range of safety legislation which may change in a manner that may include requirements in addition to those now in effect, and a heightened degree of responsibility for companies and their directors and employees.

(d) Industry and commodity cycles

The demand for, and price of, metals is highly dependent on a variety of factors, including international supply and demand, actions taken by governments, and global economic and political developments. Adverse changes in market sentiment or conditions could lead to a reduction in the value of the Company's assets that are outside of the Company's control.

9.5 General Risks

(a) Investment risks

As with any stock market investment, there are various risks associated with investing in the Company, specifically because of the nature of the Company's exploration business. Potential investors should consider whether the Securities offered under this Prospectus are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out in this section. Many of these risk factors are outside the Directors' control. Whilst some common risk factors are set out in this section, it is not possible to produce an exhaustive list.

(b) Adverse changes to government policy and taxation

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the assets, operations and ultimately the Company's financial performance. These factors may ultimately affect the Company's financial performance and the value of the Securities.

(c) Insurance risks

The Company's operations are insured in accordance with industry practice however in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or not fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration is not always available and where available the costs can be prohibitive.

(d) Claims, liability and litigation

Although the Company is not currently involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company, the risk of litigation remains a general risk to the Company. The Company may incur costs in making payments to settle any such claims which may not be adequately covered by insurance or at all. Such payment may have an adverse impact on the Company's financial position.

(e) Competition risk

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the value of the Company's projects.

9.6 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities under this Prospectus.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Continuous disclosure obligations and documents available for inspection

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three (3) months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours. Copies of all documents released to ASX are also available on the ASX website at www.asx.com.au and the Company's website at www.victorymines.com.au.

10.3 Documents incorporated in Prospectus

Details of documents released to ASX and lodged with ASIC since the date of lodgement of the Company's latest annual financial report and before the date of lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Document
05/04/2019	Husky and Malamute Drill Program Finalised
19/03/2019	Additional Information on Short Term Funding
15/03/2019	Short Term Funding Update and Appendix 3B
15/03/2019	Half Yearly Report and Accounts
27/02/2019	Reinstatement to Official Quotation
27/02/2019	Company Update
05/02/2019	Initial Director's Interest Notice x 3
05/02/2019	Final Director's Interest Notice x 3
31/02/2019	Board Changes
29/01/2019	Change of Address
25/01/2019	Change of Company Secretary
24/01/2019	Quarterly Cashflow Report
24/01/2019	Quarterly Activities Report
18/01/2019	Company Update
15/01/2019	Company Update
09/01/2019	Company Update
17/12/2018	Response to ASX Query

Date	Description of Document
12/12/2018	Change of Director's Interest Notice (Expiry of Options)
12/12/2018	Company Update
03/12/2018	Option Expiry
30/11/2018	Results of Meeting
23/11/2018	Voluntary Suspension Extension
16/11/2018	Voluntary Suspension Extension
09/11/2018	Voluntary Suspension Extension
02/11/2018	Voluntary Suspension Extension
01/11/2018	Quarterly Cashflow Report
01/11/2018	Quarterly Activities Report
30/10/2018	Notice of Annual General Meeting / Proxy Form
26/10/2018	Response to ASX Query
26/10/2018	Voluntary Suspension Extension
19/10/2018	Voluntary Suspension Extension
05/10/2018	Voluntary Suspension Extension
28/09/2018	Response to ASX Query
28/09/2019	Voluntary Suspension Extension
26/09/2018	Annual Report to Shareholders

Pursuant to section 712 of the Corporations Act all documents listed above are incorporated in this Prospectus. A copy of these documents can be obtained free of charge from the ASX website at www.asx.com.au or from the Company's website at www.victorymines.com.au or by telephoning the Company on +61 (8) 9215 6005 or emailing the Company at contact@victorymines.com during the application period for the Prospectus.

If potential applicants require any further information in relation to the Company or the Offers the Directors recommend they take advantage of the ability to inspect or obtain copies of documents referred to above.

10.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The Company's Shares were, however, suspended from trading on ASX from 11 September 2018 to 26 February 2019.

The highest, lowest and last closing sale prices of the Shares on ASX during the period from the date the Company's shares were reinstated to official quotation to the day preceding the date of this Prospectus and the respective dates of those sales were:

Highest	\$0.004	12 March 2019
Lowest	\$0.002	28 February 2019, 18, 21, 22, 25, 26, 29 March 2019, 1, 2, 4, 5, 8 April 2019
Last	\$0.002	8 April 2019

10.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (a) its formation or promotion; or
 - (b) the Offer; or
- (c) 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 a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (a) the formation or promotion of the Company; or
 - (b) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, both direct and indirect is set out in the table below.

Director	Shares	Options	Performance Shares
David Sanders	NIL	NIL	NIL
Rohan Dalziell	NIL	NIL	2,100,000 ¹
Alec Pismiris	NIL	NIL	NIL

¹ Each Performance Share will automatically convert into one Share with one Option exercisable at \$0.02 on or before 28 December 2020 being issued for every two Shares issued upon the announcement to ASX by the Company that one 4 metre intersection with an average grade of 300ppm scandium or 600ppm cobalt has been achieved from a drilling program on the Company's Husky or Malamute tenements on or before 15 January 2021.

Rights under Heads of Agreement

Highwest Capital Pty Ltd, a company related to Rohan Dalziell, was formerly a shareholder of Cobalt Prospecting Pty Ltd which company was sold to the Company pursuant to a Heads of Agreement entered into on or about 13 November 2017 as amended by a First Amendment Letter dated 26 November 2017 and a Deed of Amendment on 17 January 2018.

Pursuant to the Heads of Agreement (as amended) Highwest Capital Pty Ltd received 5,460,000 Shares and 2,835,000 Options and 2,100,000 Performance Shares. Highwest Capital Pty Ltd is also entitled to 2.44% of a 2% net smelter return royalty (ie a 0.0488% net smelter return royalty) with respect to all minerals produced and sold from the area of the tenements comprising the Company's Peperill Hill, Galah Wells, Husky and Malamute projects.

Remuneration

Each of the Directors are non-executive directors and are currently entitled to annual directors' fees of \$36,000.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as options and performance rights, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling and other expenses incurred by them in or about the performance of their duties as Directors.

Underwriting of Offers

David Sanders has agreed to underwrite the amount of \$26,000 of the Entitlement Issue Offer and A.C.P. Investments Pty Ltd, a company related to Alec Pismiris, has agreed to underwrite the amount of \$30,000 of the Entitlement Issue Offer. The Company has agreed to pay the underwriters a commission of 6% of the underwritten amount out of the proceeds of the Entitlement Issue Offer.

10.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (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; or
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (a) its formation or promotion; or
 - (b) the Offer; or

(c) 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 of these persons for services provided in connection with:

(a) the formation or promotion of the Company; or

(b) the Offer.

As set out in section 10.5, David Sanders and A.C.P. Investments Pty Ltd have agreed to act as underwriters in relation to part of the Entitlement Issue Offer. The Company has agreed to pay an underwriting fee equal to 6% of the underwritten amount.

Bennett + Co has acted as the solicitors to the Company in relation to the Offer. Bennett + Co has assisted the Company in relation to preparation of the Prospectus and the due diligence process undertaken with respect to the Prospectus. The Company estimates it will pay Bennett + Co approximately \$25,000 (plus GST and disbursements) for these services.

Automic Registry Services will assist the Company in the administration of the Offers. The Company will pay Automic Registry Services approximately \$4,500 (plus GST and disbursements) for these services.

10.7 Consents

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

David Sanders and A.C.P. Investments Pty Ltd have given their written consent to being named as underwriters in relation to the Entitlement Issue Offer in this Prospectus. David Sanders and Alec Pismiris have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.

Bennett + Co has given its written consent to being named as the solicitors to the Company in this Prospectus. Bennett + Co has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic Registry Services has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named.

10.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Entitlement Issue Offer are estimated to be approximately \$56,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
Underwriting Fees	\$3,360
ASIC fees	\$3,206
ASX fees	\$6,900
Legal fees	\$25,000
Printing, distribution and share registry fees	\$17,500
Total	<u>\$55,966</u>

As set out in section 6.10 above, the Company intends to pay a commission of 6% to AFSL holders or their Authorised Representatives who procure subscriptions pursuant to the Shortfall Offer. Depending on the amount of the Shortfall and the extent to which subscriptions are received for the Shortfall Offer from AFSL holders and their Authorised Representatives, further expenses may therefore be incurred in relation to the Shortfall Offer.

10.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus. If you have not, please phone the Company on +61 (8) 9215 6005 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.victorymines.com. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application 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.

10.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable foundation to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

10.11 CHES and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

10.12 Privacy Act

If you complete an Application for Securities, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess your Application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

11. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Securities pursuant to the Entitlement Issue Offer or a Shareholder or other party who applies for Securities pursuant to the Shortfall Offer.

Application means an application to subscribe for Shares under this Prospectus.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

CHES means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Cobalt Prospecting means Cobalt Prospecting Pty Ltd ACN 619 281 435, a wholly owned subsidiary of the Company.

Company means Victory Mines Limited ACN 151 900 855.

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Loan Offer means the offer of Shares and attaching Options to lenders who have provided short term loan funding to the Company.

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

Directors means the directors of the Company as at the date of this Prospectus.

EFT means electronic funds transfer.

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Issue Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form accompanying this Prospectus.

Entitlement Issue Offer means the offer of Shares and Options to Shareholders pursuant to this Prospectus.

Heads of Agreement means the Binding Heads of Agreement dated on or about 13 November 2017 between the Company and the former shareholders of Cobalt Prospecting as amended.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

Offers means the Entitlement Issue Offer, the Shortfall Offer and the Convertible Loan Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Shares means performance shares in the Company that will automatically convert into Shares and Options in the event of the satisfaction of a performance milestone as detailed in section 7.5.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Securities means Shares and Options offered pursuant to this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means the share registry of the Company as noted in section 2 of this Prospectus.

Shortfall means the Securities not applied for under the Entitlement Issue Offer (if any).

Shortfall Application Form means the shortfall application form accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 6.2 of this Prospectus.

Shortfall Securities means those Shares and Options not issued pursuant to the Entitlement Issue Offer.

WST means Western Standard Time as observed in Perth Western Australia.