

Quarterly Activities Report – 30 September 2021

Highlights:

- Victory Goldfields lists on the Australian Securities Exchange following its successful \$5M capital raising
- The Phase 1 Diamond Drilling (“DD”) program was completed for the Coodardy, Emily Wells and Eaglehawk projects
- Coodardy DD program has identified a new exploration target to the west of the mineralised project area
- Auger program assays report a number of very anomalous gold results for Nemesis
- 3,550m Reverse Circulation (“RC”) drilling program across three projects commenced post quarter end
- The RC drilling program will systematically test new targets, as well as extensions to known gold mineralisation:
 - Coodardy project - 1,150m program in known historical gold mineralisation. Historical results include:
 - 12m at 4.5 g/t Au from 12m
 - 14m at 4.21 g/t Au from 14m
 - Emily Wells project - 1,200m program testing the gold anomaly along the strike extensions from Oxonia mineralisation
 - Nemesis (Tuckanarra) project - 1,200m program testing recently identified gold anomaly
- Mafeking auger geochemical combined with historical drilling results identify robust drill target areas
- Gold in soil geochemical program to be progressed on P20/2410 located immediately north of Emily Wells project

Victory Goldfields (ASX:1VG) (“Victory” or “the Company”) is pleased to announce its Quarterly Activities Report and Appendix 5B for the period ending 30 September 2021.

Exploration

Current Exploration Drilling

Post the quarter end the Company has commenced a 3,550m Reverse Circulation ("RC") drilling program across three projects – Coodardy, Emily Wells and Nemesis (Tuckanarra). The RC program follows recent successful soil geochemical programs at Nemesis, Emily Wells and the results of the DD drilling program at Coodardy.

Coodardy

The recently completed Phase 1 DD program of 6 DD holes for Coodardy was part of Victory's strategy to test the continuity and depth extensions of the historical drilling results discussed above. Although the deeper DD holes recently drilled at Coodardy did not confirm depth extensions to the mineralisation, it has identified a lower graphitic and sulphidic schist not previously intersected in the historical drilling. The schist is interpreted to dip 45°–55° east and its up-dip projection into the oxidation front provides a new near surface drill target in an undrilled area to the west of the known mineralisation (Figure 1).

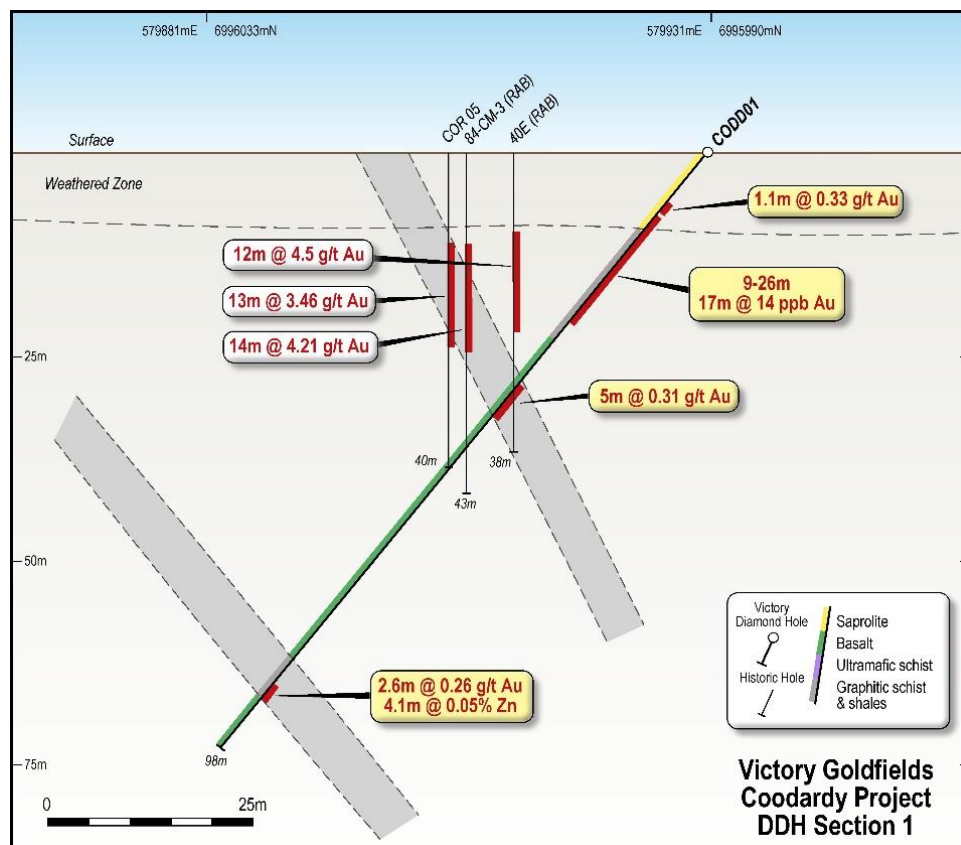
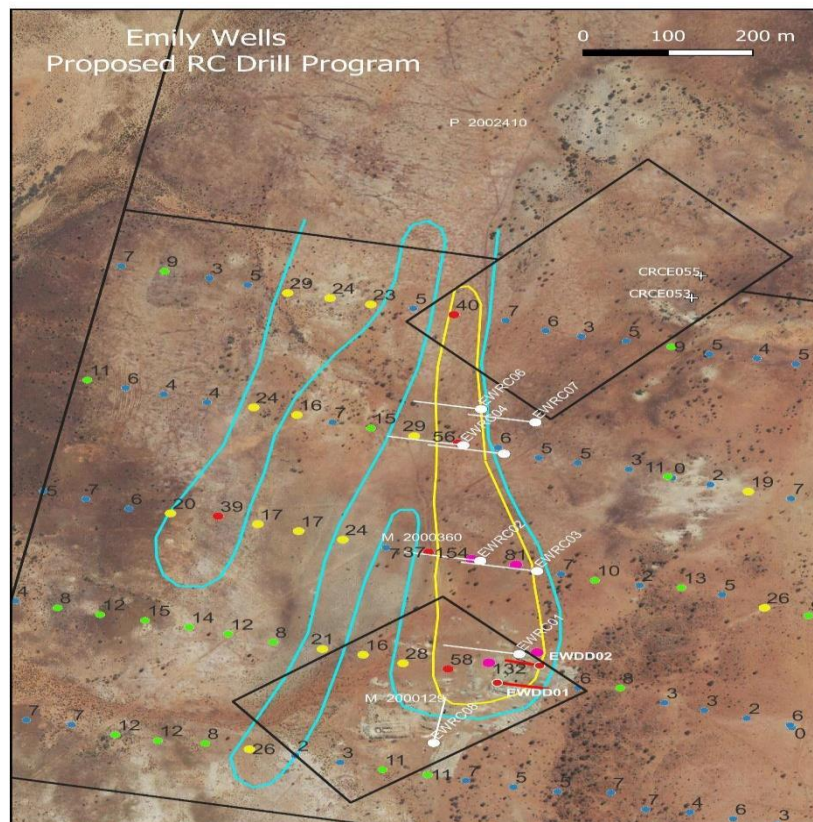


Figure 1: Historical intersections at Coodardy and the newly identified lower graphitic schist.

Historical aircore and RC drilling identified shallow gold mineralisation at the Coodardy Project in the 1980s. Historical drilling intersections included **12m at 4.5 g/t Au from 12m** and **14m at 4.21 g/t Au from 14m**¹. These intersections are situated in the oxidised weathered profile at Coodardy illustrated in Figure 1 above. A total of 16 drill holes for approximately 1,150m of RC drilling is planned to confirm these shallow historical intersections and forms part of a larger resource definition drilling program to successfully delineate a maiden JORC 2012 compliant resource at Coodardy.

Emily Wells

Shallow historical economic drilling intersections exist at the Oxonia Pit, within the Emily Wells Project. Victory's current exploration campaign includes testing the strong and continuous soil anomaly along strike extensions of the Oxonia mineralisation. 8 drill holes are planned to be drilled (EWRC holes in Figure 2 below) for approximately 1,200m of RC drilling.



¹ Refer to ASX announcements titled "Investor Presentation – July 2021" dated 26 July 2021 and "Prospectus" dated 20 July 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document.

Figure 2: Location of planned RC drilling and the existing soil geochemistry contours at Emily Wells.

Nemesis

The Nemesis program identified anomalous gold spread over a number of areas with no testing of the mineralization to depth. There is limited soil cover in the Nemesis project area with over 90% outcropping rock which suggests the gold anomalies have limited dispersion (i.e. the anomalies haven't moved far from the source of the gold mineralisation). Greater than 60 ppb Au is very anomalous and represents good robust RC drill targets.

The robust anomaly is to be tested by 10 holes for a total 1,200m of RC drilling (see Figure 1 below).

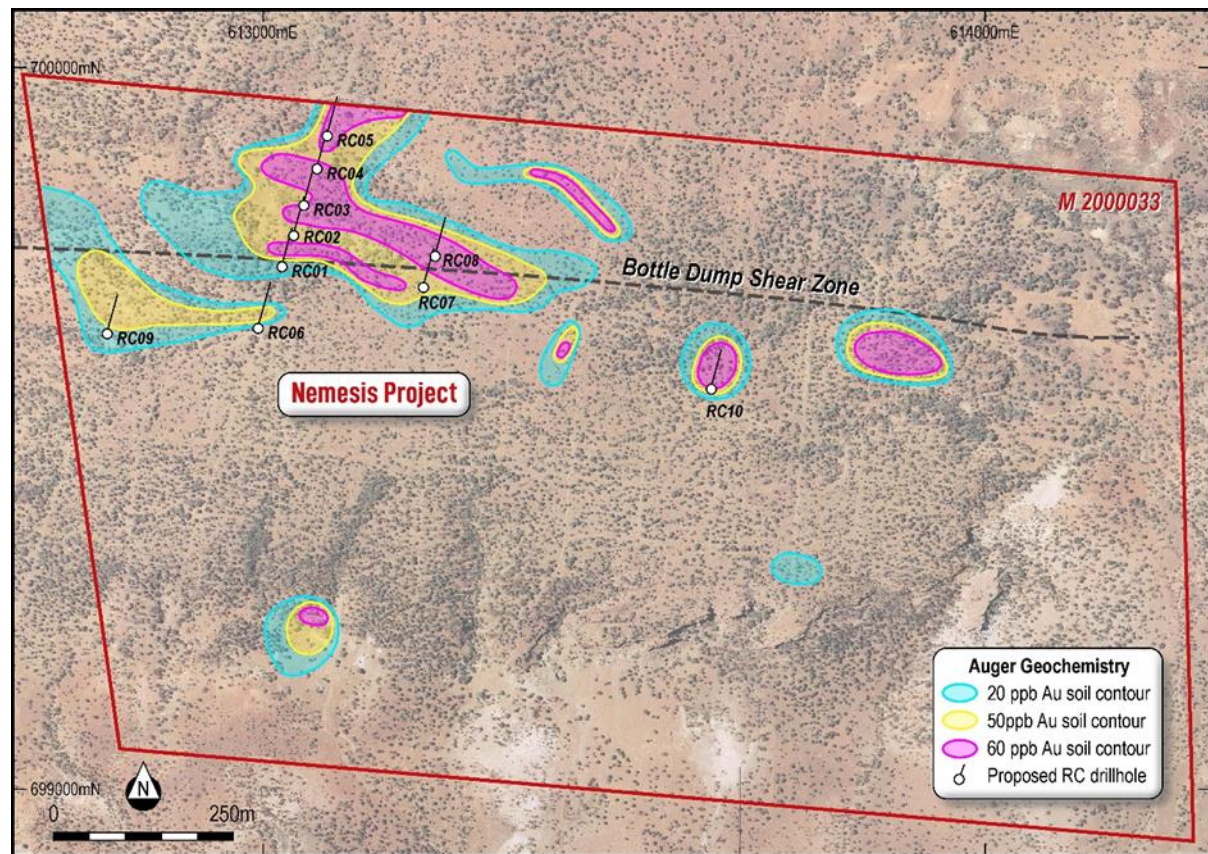


Figure 3: Nemesis Project with anomalous contours and planned initial RC holes. Interpreted Bottle Dump shear zone shown.

Mafeking

An augur geochemistry program was completed at Mafeking during the period. Due to the gradual deepening of the depth of transported cover from the north of Stanmore,

assays are lower than those received from Nemesis, but are still definitive. Auger assays at Mafeking have a maximum reading of 187 ppb Au.

Anomalous auger soil geochemistry north of Stanmore correlates well with anomalous historical aircore drilling, as illustrated in figure 2. The aircore work was undertaken during the period from 2001 to 2009. Numerous historical aircore holes have a maximum gold assay exceeding 1000 ppb Au, or 1 gram per tonne gold. For example, hole MBAC236 intersected

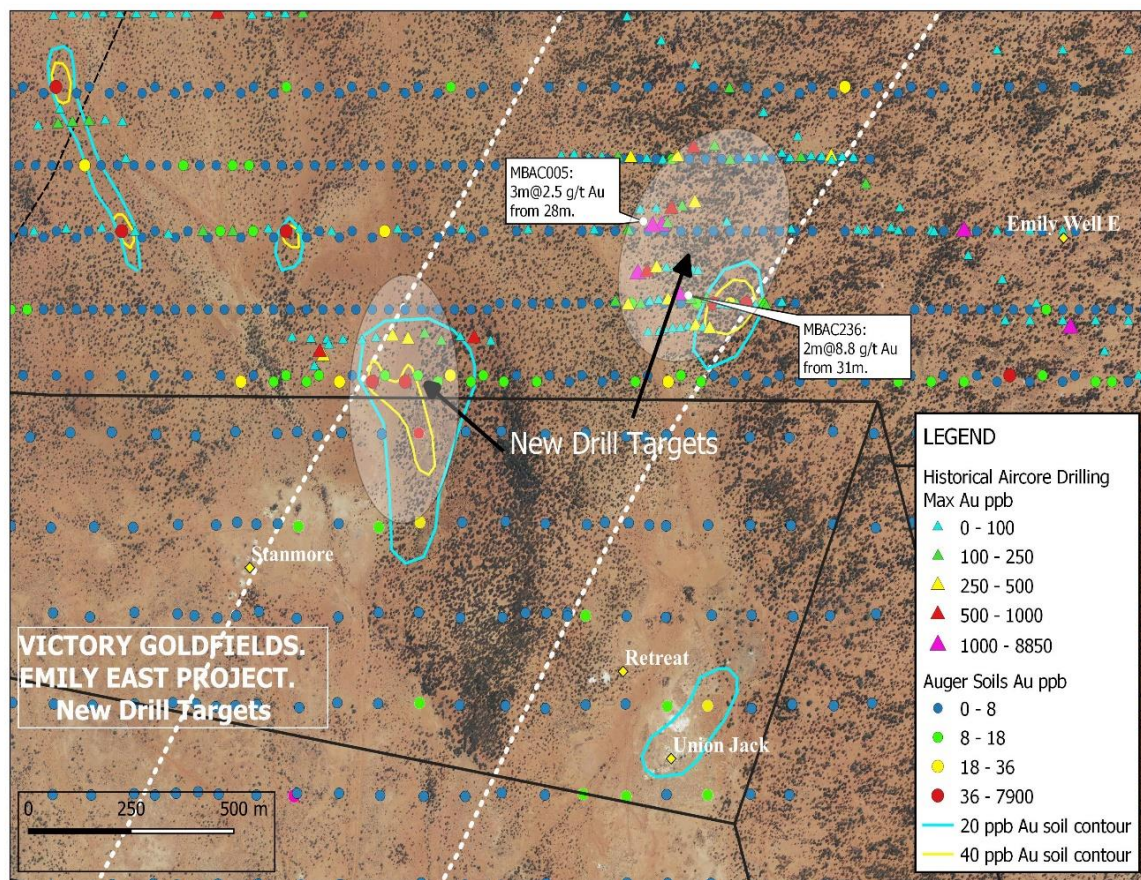


Figure 4: Summary diagram showing new drill targets and the recently completed auger drilling north of Stanmore. Historical aircore drilling anomalies (max Au in each hole) complements the anomalous auger geochemistry. North-east orientated aeromagnetic linear structures have also been illustrated.

Emily Wells North

The Company recently announced the grant of two tenement applications located immediately to the north of the Emily Wells project. The tenements continue Victory's contiguous tenement holding in the area. P20/2410 has had no historical drilling and the Company has commenced a gold in soil sampling program in late October. This soil

program will extend the auger lines previously completed in M20/360, as illustrated in figure 5 below.

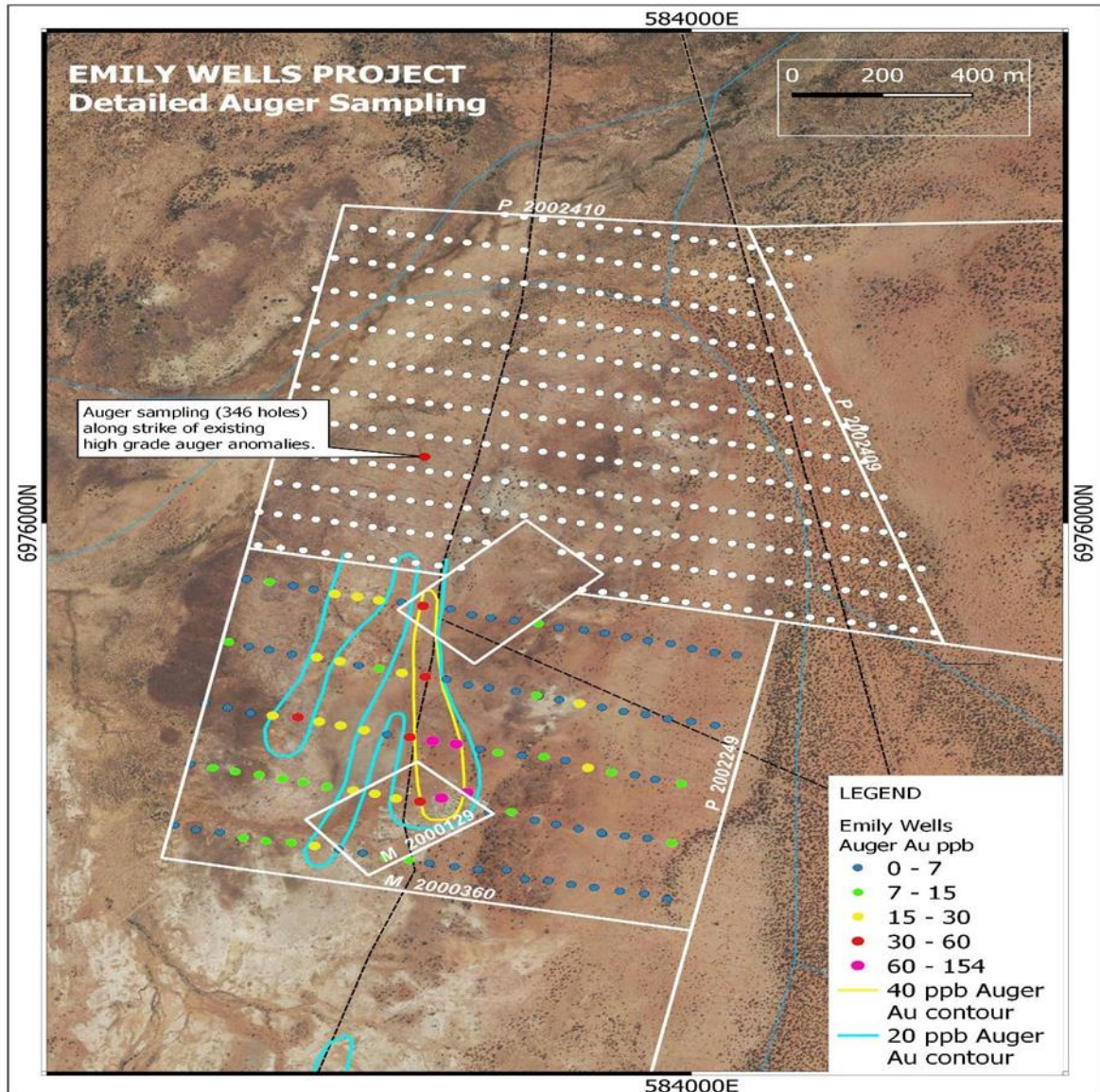


Figure 5: Emily Wells North auger drill hole locations and Emily Wells gold in soil anomaly results ²

² Refer ASX announcement dated 7 October 2021 titled "RC Drilling Over Three Projects to Commence Imminently".

Corporate

Successful Capital Raising and Listing

On 22 July 2021, the Company commenced trading on the Australian Securities Exchange ("ASX") following a successful Public Offer to raise \$5 million (before costs).

Appointment of Joint Company Secretary

During the period, Mr Robbie Featherby was appointed as Joint Company Secretary of Victory.

Securities released from Escrow

During the period, 2,400,000 fully paid ordinary shares and 3,200,000 unlisted options (Ex \$0.20 on or before 31/12/2022) were released from escrow.

Cashflows for the Quarter

Attached to this report is the Appendix 5B containing the Company's cash flow statement for the quarter. The significant cashflows relating to the quarter included \$441k spent on exploration and evaluation expenditure. This was primarily associated with the costs relating to the drilling program and other exploration activities at Coodardy, Emily Wells and Nemesis. Public offer expenses and capital raising fee totalled \$331k with \$314k expenditure on administration and corporate costs of which \$48k were payments made to related parties. These payments relate to the remuneration agreements for Executive and Non-Executive Directors.

Cash inflows from the Public Offer were \$10K for the quarter. The remaining balance of the Public Offer of \$4.9M was received in the prior quarter.

As of 30 September 2021, the Company had available cash of \$3.9 million.

Pursuant to ASX listing rule 4.7C.2, the Company advises the proposed use of funds contained in section 1.6 of Victory's Prospectus in comparison to the actual use of funds following admission of Victory to the official list of the ASX:

Use of Funds	Prospectus Amount	Actual to Date
Priority reverse circulation and diamond drilling programmes at Coodardy, Eagle Hawk and Emily Wells	\$1,680,000	\$230,487
Other reverse circulation and diamond drilling and soil geochemistry programs	\$920,000	\$52,045
Professional fees and geological management	\$432,000	\$71,791
Geophysics	\$160,000	\$-
Rates, tenement rents, administration and travel expenses	\$288,000	\$86,701
Working capital	\$1,277,000	\$271,955
Public Offer expenses	\$63,000	\$37,784
Capital raising fee	\$300,000	\$331,500
Total	\$5,120,000	\$1,082,263

The Company confirms that it expects to utilise the funds raised under its Prospectus in accordance with the use of funds statement and the key business objectives underlying the expected use of funds remain intact.

September 2021 Quarter - ASX Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

27/10/21	RC Drilling Commenced Over Three Projects
26/10/21	Auger Drilling Program Commences at Emily Wells North
25/10/21	Update – Application for Quotation of Securities
20/10/21	Letter to Shareholders
20/10/21	Notice of Annual General Meeting
18/10/21	Application for quotation of securities
18/10/21	Notification regarding unquoted securities
15/10/21	Application for quotation of securities
15/10/21	Notification regarding unquoted securities
11/10/2021	Application for quotation of securities
11/10/2021	Notification regarding unquoted securities
7/10/2021	RC Drilling Over Three Projects to Commence Imminently
1/10/2021	Date of AGM and Closing Date for Director Nominations
30/09/2021	Appendix 4G & Corporate Governance Statement
30/09/2021	Annual Report to shareholders
24/09/2021	Application for quotation of securities
24/09/2021	Notification regarding unquoted securities
23/09/2021	Anomalous Gold Identified at Tuckanarra (Nemesis)
14/09/2021	Phase 1 Drilling Completed
10/09/2021	Expiry of Escrow Restrictions
25/08/2021	Victory Progresses Diamond Drilling on Advanced Projects
19/08/2021	Appointment of Joint Company Secretary
12/08/2021	Commencement of Coodardy Diamond Drilling
5/08/2021	Commencement of Auger Drilling
26/07/2021	Investor Presentation - July 2021
22/07/2021	Victory Goldfields Webinar
22/07/2021	Victory Goldfields Completes Capital Raising and Listing

These announcements are available for viewing on the Company's website www.victorygoldfields.com.au. Victory confirms that it is not aware of any new



information or data that materially affects the information included in any original ASX announcement.

This announcement has been authorised by the Board of Victory Goldfields Limited.

For further information please contact:

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Victory Goldfields: Company Profile

Victory has systematically built a portfolio of assets in the Cue goldfields comprising of fifty (50) tenements and a further five (5) tenement applications. Cue is located in the mid-west region of Western Australia, 665 kilometres north-east from Perth. The Cue goldfields are regarded as one of the most prestigious mining districts of Western Australia with a long and successful history of gold exploration and production.

The Company's strategy is to undertake best practice exploration and development of the Victory tenements to identify Mineral Resources and Ore Reserves within its tenement land holding. Leveraging its land holding position, Victory also aims to acquire additional gold opportunities within the Cue goldfields district, either through joint venture or tenement acquisition.

Competent Person Statement

The historical exploration activities and results contained in this report is based on information compiled by Michael Busbridge, a Member of the Australian Institute of Geoscientists and a Member of the Society of Economic Geologists. He is a consultant to Victory Goldfields Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Michael Busbridge has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Interest in Mining Tenements

Tenement ID	Status	Location	Interest at the beginning of the quarter	Interest acquired or disposed	Interest at the end of the quarter
<u>E20/871</u>	Live	Mafeking Bore	100%		100%
<u>G20/25</u>	Live	Victory Buttercup Mine Site	100%		100%
<u>M20/128</u>	Live	Cuddingwarra	100%		100%
<u>M20/129</u>	Live	Cuddingwarra	100%		100%
<u>M20/263</u>	Live	Eaglehawk	100%		100%
<u>M20/288</u>	Live	Cue	100%		100%
<u>M20/305</u>	Live	Cue	100%		100%
<u>M20/327</u>	Live	Curtis Find	100%		100%
<u>M20/33</u>	Live	Tuckanarra	100%		100%
<u>M20/360</u>	Live	Emily Well	100%		100%
<u>M20/455</u>	Live	Karbar	100%		100%
<u>M20/480</u>	Live	Nindan Hill	100%		100%
<u>M20/494</u>	Live	Cue	100%		100%
<u>M21/125</u>	Live	Cue	100%		100%
<u>M21/143</u>	Live	Day Dawn	100%		100%
<u>M21/158</u>	Live	Webbs Patch	100%		100%
<u>M21/26</u>	Live	Day Dawn	100%		100%
<u>M21/86</u>	Live	Day Dawn	100%		100%
<u>M21/94</u>	Live	Day Dawn	100%		100%
<u>M21/95</u>	Live	Day Dawn	100%		100%
<u>M20/543</u>	Application	Emily Wells	100%		100%
<u>M20/544</u>	Application	Mafeking Bore	100%		100%
<u>M20/546</u>	Application	Mafeking Bore	100%		100%
<u>M20/550</u>	Application	Mafeking Area	100%		100%
<u>L20/72</u>	Application	Emily bore/Mafeking bore	100%		100%
<u>P20/2007</u>	Live	Mafeking Bore	100%		100%
<u>P20/2153</u>	Live	Cue	100%		100%
<u>P20/2225</u>	Live	Cuddingwarra	100%		100%
<u>P20/2226</u>	Live	Cue	100%		100%
<u>P20/2248</u>	Live	East of Emily Wells	100%		100%
<u>P20/2249</u>	Live	Emily Wells	100%		100%
<u>P20/2250</u>	Live	South of Emily Wells	100%		100%
<u>P20/2331</u>	Live	Emily Wells	100%		100%
<u>P20/2333</u>	Live	Jims Find	100%		100%
<u>P20/2334</u>	Live	Jims Find	100%		100%

Tenement ID	Status	Location	Interest at the beginning of the quarter	Interest acquired or disposed	Interest at the end of the quarter
P20/2352	Live	Cue	100%		100%
P20/2353	Live	Cue	100%		100%
P20/2354	Live	Cue	100%		100%
P20/2355	Live	Cue	100%		100%
P20/2356	Live	Cue	100%		100%
P20/2357	Live	Cue	100%		100%
P20/2358	Live	Cue	100%		100%
P20/2359	Live	Cue	100%		100%
P20/2360	Live	Cue	100%		100%
P20/2383	Live	Cue	100%		100%
P20/2397	Live	Beringarra	100%		100%
P20/2398	Live	Mafeking Bore	100%		100%
P20/2409	Live	Murchison	100%		100%
P20/2410	Live	Murchison	100%		100%
P21/718	Live	Day Dawn	100%		100%
P21/772	Live	Trenton hill		100%	100%
P21/773	Live	Trenton hill		100%	100%
P21/774	Live	Cue	100%		100%
P21/775	Live	Cue	100%		100%
P21/776	Live	Cue	100%		100%

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Victory Goldfields Limited

ACN

124 279 750

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(441)	(441)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(314)	(314)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (R&D Tax Refund)	-	-
1.9	Net cash from / (used in) operating activities	(755)	(755)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(5)	(5)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(5)	(5)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10	10
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(331)	(331)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1)	(1)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9a	Proceeds from issues of equity securities to be allotted	-	-
3.9b	Repayment of lease liabilities	-	-
3.10	Net cash from / (used in) financing activities	322	322

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,995	4,995
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(755)	(755)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(5)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(322)	(322)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,913	3,913

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,913	4,995
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,913	4,995

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1*	48
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p><i>* Payments in relation to Director's fees for the period.</i></p>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(755)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(755)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,913
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,913
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:29 October 2021.....

Authorised by:Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.