

Quarterly Activities Report – 31 March 2022

Highlights:

- Coodardy 3D model and initial JORC 2012 mineral resource estimate (“MRE”) work to commence - following receipt of 1 metre fire assay samples
- The MRE follows high grade shallow gold intersections across 300 metres from an RC drilling program at the Coodardy project. Assay results include:
 - 8m @ 7.7 g/t Au from 24m in 21CORC009
 - 12m @ 5.4 g/t Au from 12m in 21CORC008
 - 8m @ 5.8 g/t Au from 36m in 21CORC012
 - 4m @ 5.3 g/t Au from 24m in 21CORC02
 - 8m @ 2.5 g/t Au from 8m in 21CORC015
 - 4m @ 3.2 g/t Au from 40m in 21CORC06
- Coodardy program forms part of a larger resource definition drilling program to delineate a maiden JORC 2012 compliant resource at Coodardy
- 3D modelling of a significant magnetic ‘bullseye’ anomaly identifies potential IOCG target at Victory’s North Stanmore tenement
- IOCG target anomaly modelled to top at a depth of approximately 140-170m below surface with diamond drilling to commence imminently
- Airborne geophysical survey covering 24 tenements west of Cue to be undertaken

Victory Goldfields (ASX:1VG) (“Victory” or “the Company”) is pleased to announce its Quarterly Activities Report and Appendix 5B for the period ending 31 March 2022.

Exploration

Coodardy

The Company received outstanding results with high grade gold intersections over a mineralised strike length of 300 metres at Coodardy¹.

¹ Refer to ASX announcement titled “Outstanding High Grade Intersections at Coodardy” dated 24 January 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document.

Six drill sections within the Coodardy tenement (M20/455) were spaced at 50m, with hole spacing along sections averaging 25-30m.

Best intersections from Coodardy are summarised below:

- **8m @ 7.7 g/t Au from 24m in 21CORC009**
- **12m @ 5.4 g/t Au from 12m in 21CORC008**
- **8m @ 5.8 g/t Au from 36m in 21CORC012**
- **4m @ 5.3 g/t Au from 24m in 21CORC02**
- **8m @ 2.5 g/t Au from 8m in 21CORC015**
- **4m @ 3.2 g/t Au from 40m in 21CORC06**

Figure 1 illustrates the location of the RC drill holes together with their surface traces.

Drilling was undertaken using industry standard practice, including downhole surveying, suitable QAQC controls on assaying and sampling to ensure maximum representivity of samples, best practice recording and storage of lithologies and alteration, suitable for calculation of a potential mineral resource.

The structurally controlled gold mineralisation at Coodardy is associated with thin quartz veins, hosted by several rock types including weathered dolerite, basalt, black-shales and felsic porphyry. Goethite hematite alteration after carbonate is coincident with mineralisation, but sulphides are uncommon. Ultramafic schists (tremolite chlorite talc) are common on the footwall of black, graphite rich, shales.

The north – south striking, shallowly east dipping mineralisation is continuous between the 6 drilling sections throughout the 300m length of the tenement. Significant mineralisation rarely extends below 50m below surface, as suggested in July's diamond drill program at Coodardy.

Figure 1 below identifies the location of the drilling cross sections with Figures 2, 3 and 4 identifying three cross sections of the drilling.

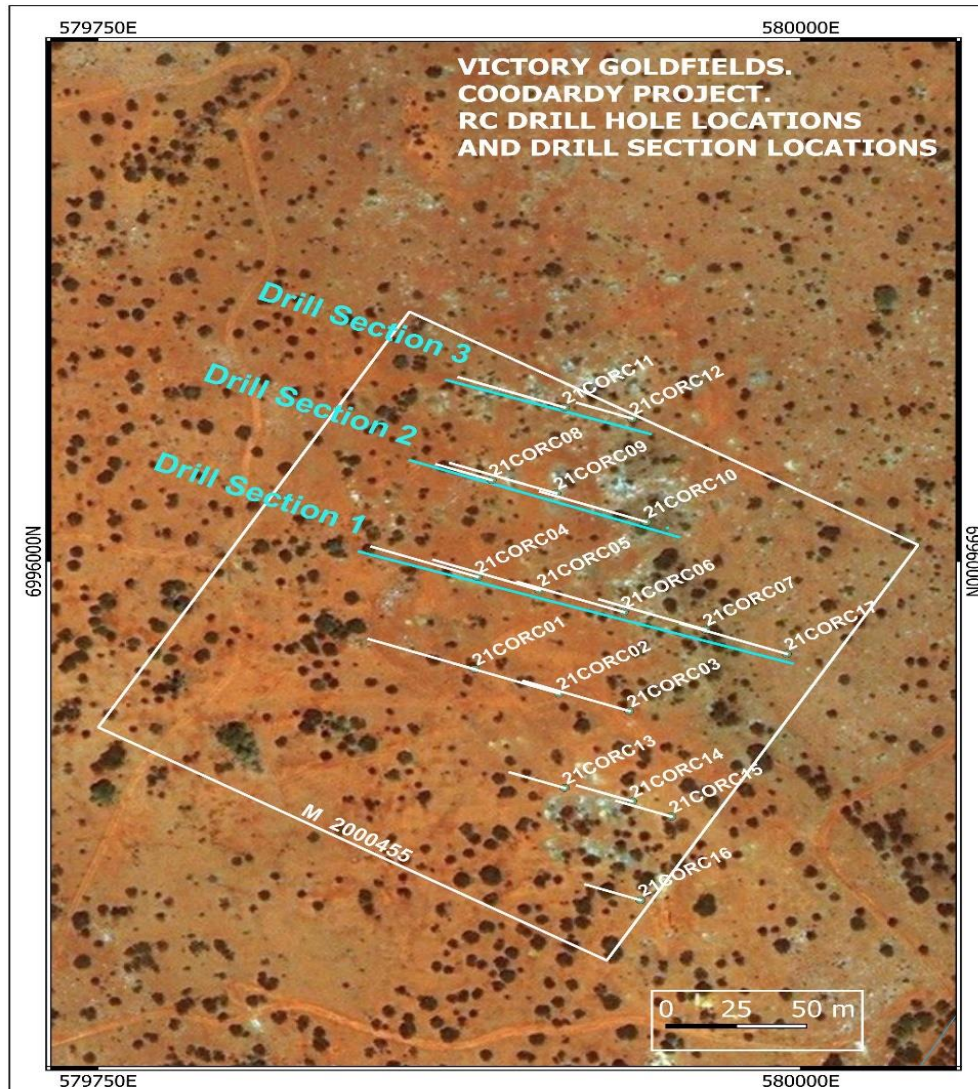


Figure 1. RC drill hole locations and drill hole traces at Coodardy.

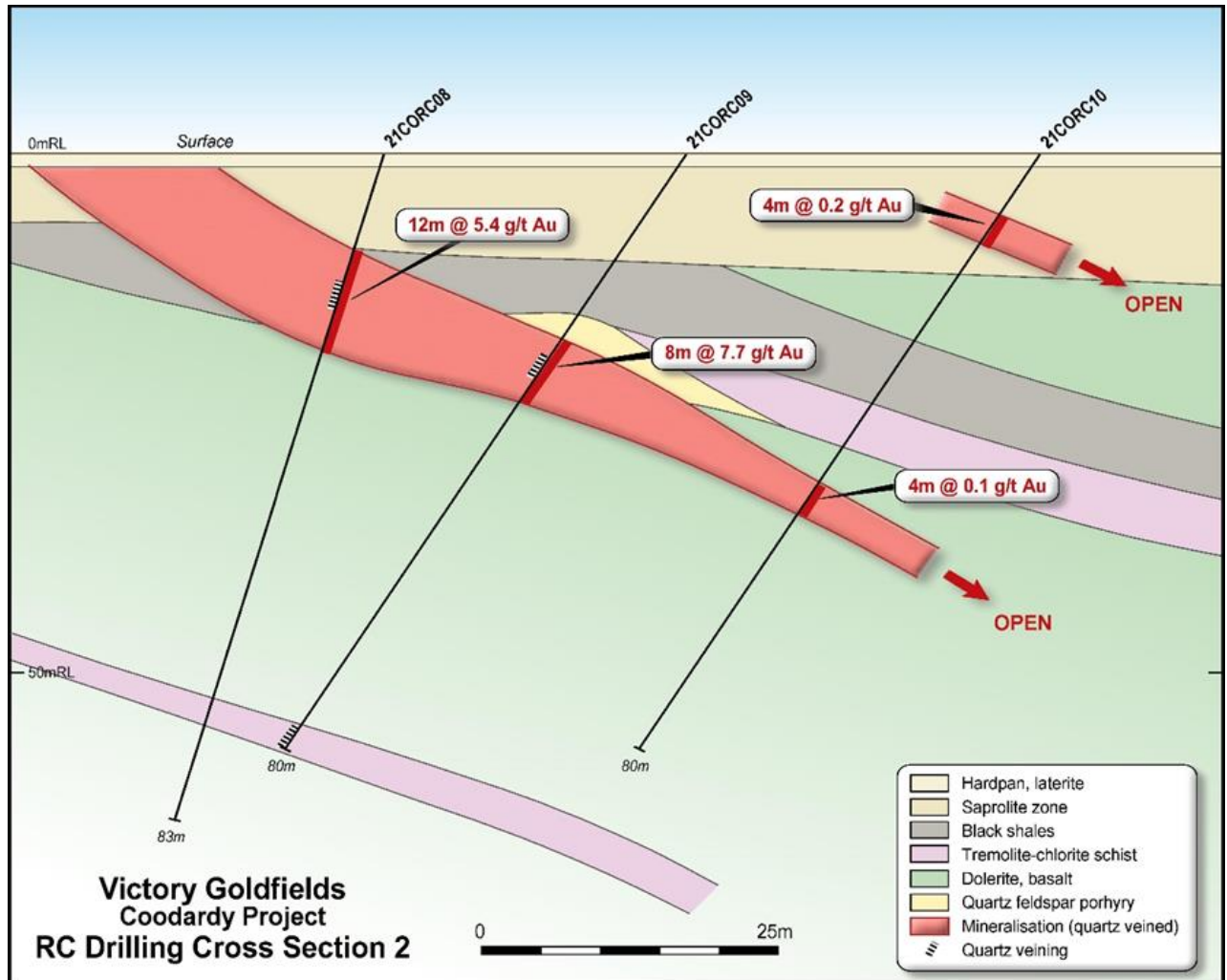


Figure 2. Coodardy RC drill section 2.

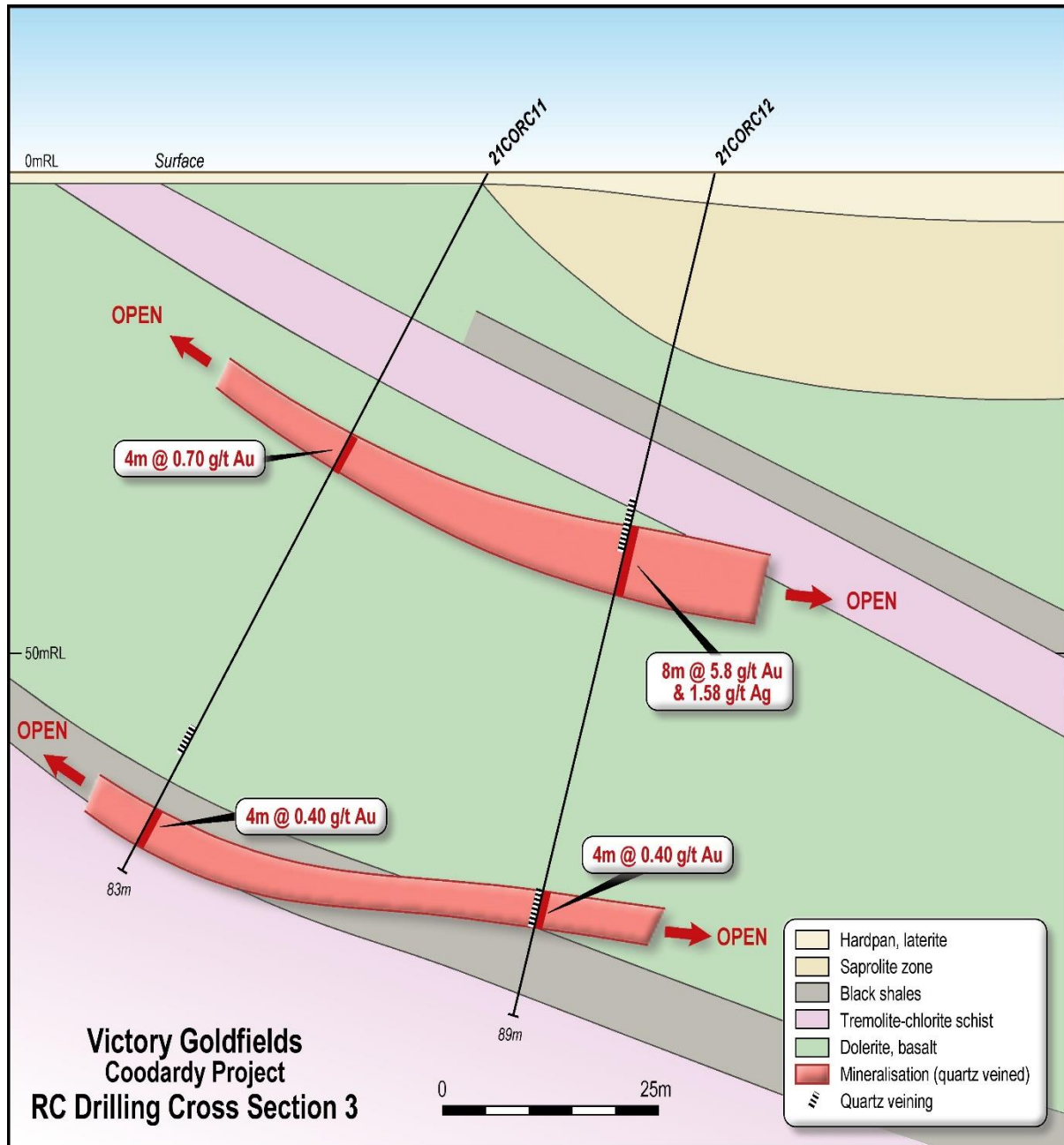


Figure 3: Coodardy RC Drill section 3.

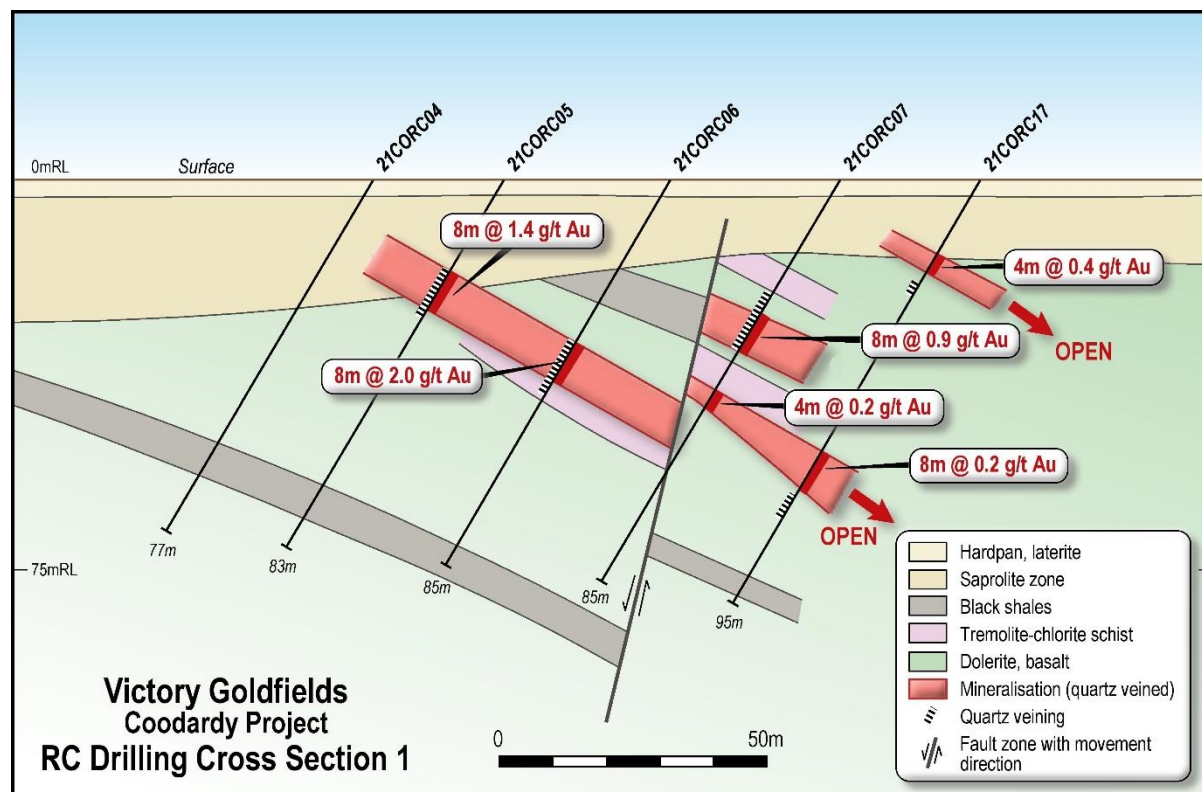


Figure 4. Coodardy RC Drill section 1.

North Stanmore Iron Oxide Copper Gold (IOCG) Exploration Target

Upon further review of historical data and subsequent to the end of the quarter, the Company identified a high impact Iron Oxide Copper Gold (IOCG) exploration target which represents a unique, walk-up drilling opportunity at Victory's North Stanmore tenement. This exploration opportunity is unique in the Cue region and the new target expands Victory's exploration program².

The significant bullseye magnetic anomaly is situated within the North Stanmore tenement located approximately 15km north of Cue.

Figure 5 below displays the magnetic anomalies at Olympic Dam with Victory's anomaly. Olympic Dam was discovered in 1975 and is an unusually large IOCG system, with the magnetic anomaly approximately 4 kms in diameter. Victory's target has a diameter of 800m and is a compelling target for the Company.

² Refer to ASX announcement titled "Prospectus" dated 20 July 2021.

Victory commissioned Southern Geoscience Consultants (SGC) to complete 3D magnetic modelling to assess the depth to top and the body parameters of the source of the anomaly.

Results from the 3D modelling show that a compact body is predicted beneath the anomaly with a depth to top of 140-170m from surface.

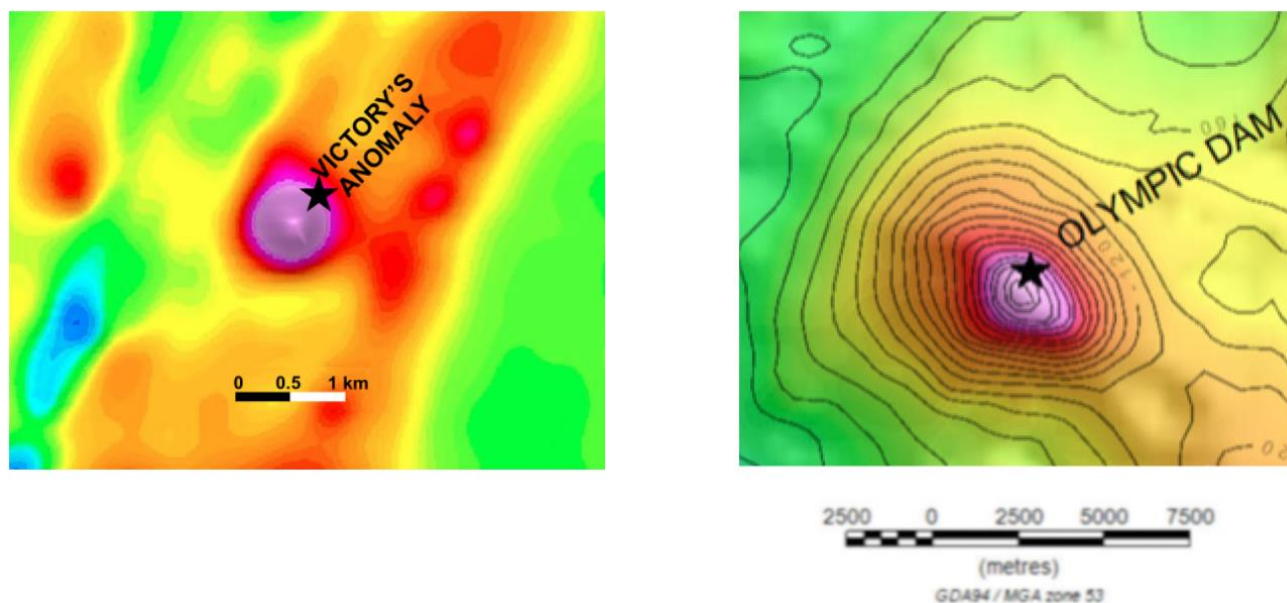


Figure 5. Magnetic anomaly comparison of Victory's anomaly and Olympic Dam³.

Geophysical Survey

An airborne low level magnetic and radiometric survey over 24 tenements west of Cue is planned to be conducted in the June quarter. The majority of the tenements have had limited to no exploration work undertaken on them. The sharper resolution geophysical data from the low-level survey will provide more definitive drill target generation.

³ Macallum Group Limited Olympic Dam image www.macallum.com.au/mounts.htm

Cashflows for the Quarter

Attached to this report is the Appendix 5B containing the Company's cash flow statement for the quarter. \$157k expenditure on administration and corporate costs of which \$70k were payments made to related parties. These payments relate to the remuneration agreements for Executive and Non-Executive Directors.

As of 31 March 2022, the Company had available cash of \$2.136 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	\$792,665
Other reverse circulation and diamond drilling and soil geochemistry programs	\$920,000	\$436,445
Professional fees and geological management	\$432,000	\$157,053
Geophysics	\$160,000	-
Rates, tenement rents, administration and travel expenses	\$288,000	\$349,472
Working capital	\$1,277,000	\$762,260
Public Offer expenses	\$63,000	\$37,784
Capital raising fee	\$300,000	\$331,500
Total	\$5,120,000	\$2,867,179

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.

March 2022 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:

05/04/22	Potential IOCG Anomaly
01/04/22	Board and Management Changes
03/03/22	Initial Mineral Resource Estimate for Coodardy
25/01/22	Outstanding High Grade Intersections at Coodardy

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:

Brendan Clark
Executive Director
brendan.clark@victorygold.com.au

Lexi O'Halloran
Investor and Media Relations
lexi@janemorganmanagement.com.au

Victory Goldfields: Company Profile

Victory has systematically built a portfolio of assets in the Cue goldfields. 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>M20/333</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 Emilly 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%
<u>P20/2352</u>	Live	Cue	100%		100%
<u>P20/2353</u>	Live	Cue	100%		100%

VICTORY GOLDFIELDS

ACN: 124 279 750 E: info@victorygold.com.au D: +61 (08) 6557 8656 A: Level 25, 108 St Georges Terrace, Perth, WA 6000

Tenement ID	Status	Location	Interest at the beginning of the quarter	Interest acquired or disposed	Interest at the end of the quarter
<u>P20/2354</u>	Live	Cue	100%		100%
<u>P20/2355</u>	Live	Cue	100%		100%
<u>P20/2356</u>	Live	Cue	100%		100%
<u>P20/2357</u>	Live	Cue	100%		100%
<u>P20/2358</u>	Live	Cue	100%		100%
<u>P20/2359</u>	Live	Cue	100%		100%
<u>P20/2360</u>	Live	Cue	100%		100%
<u>P20/2383</u>	Live	Cue	100%		100%
<u>P20/2397</u>	Live	Beringarra	100%		100%
<u>P20/2398</u>	Live	Mafeking Bore	100%		100%
<u>P20/2409</u>	Live	Murchison	100%		100%
<u>P20/2410</u>	Live	Murchison	100%		100%
<u>P21/718</u>	Live	Day Dawn	100%		100%
P21/772	Live	Trenton hill		100%	100%
P21/773	Live	Trenton hill		100%	100%
<u>P21/774</u>	Live	Cue	100%		100%
<u>P21/775</u>	Live	Cue	100%		100%
<u>P21/776</u>	Live	Cue	100%		100%
<u>P20/2468</u>	Application	Cue		100%	100%
<u>P20/2469</u>	Application	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")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	27	(1,501)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(157)	(733)
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	(130)	(2,234)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(25)	(30)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	(80)

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 (9 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	Acquisition of entity (cash acquired) ¹	-	5,001
2.6	Net cash from / (used in) investing activities	(25)	4,891

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) ¹	-	-
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	(1)	(332)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(26)
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	(67)	(167)
3.10	Net cash from / (used in) financing activities	(68)	(525)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,359	4
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(130)	(2,234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(25)	4,891

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 (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(68)	(525)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,136	2,136

1 As a result of the acquisition of Victory Cue Pty Ltd on 8 July 20021 being classified as a reverse acquisition, as disclosed within the 31 December 2021 half year financial report, the following reclassifications within the year to date column: the opening balance has been reduced by \$4,991,000, an increase of \$5,001,000 under the Investing activities for acquisition of entity and decrease of proceeds from share issues by \$10,000. The overall cash and cash equivalents at the end of the period remains same subsequent to the reclassification.

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	2,136	2,359
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)	2,136	2,359

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*	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

* Payments in relation to Director's fees for the period.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
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)	(130)
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)	(130)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,136
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,136
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	16.4
<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 April 2022.....

Authorised by:By the Board of the Company.....
(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.