



Victorian Gold Mines N.L.
ACN 139 255 771 ABN 82 139 255 771
PO Box 1075 Bendigo Central Victoria 3552
Phone: 03 5441 5678
Fax: 03 5442 5038
Email generaladmin@victoriangoldmines.com.au

ASX Announcement

25 February 2010

Pro rata non – renounceable rights issue of options

Victorian Gold Mines NL (VGM or Company) has today lodged a short form prospectus for the pro rata non-renounceable rights issue with ASIC.

After consultation with ASIC, the Company has withdrawn the rights issue prospectus lodged with ASIC on 22 February 2010.

A copy of the short form prospectus follows this announcement.

The pro rata non-renounceable rights issue timetable is set out below.

EVENT	DATE
Announcement of the Offer	5 February 2010
Notice sent to Shareholders detailing rights issue	23 February 2010
Shares quoted by ASX on an 'ex' entitlement basis	25 February 2010
Record Date to determine entitlements	3 March 2010
Dispatch of Prospectus and Entitlement and Acceptance Form	5 March 2010
Opening Date	8 March 2010
Closing Date	26 March 2010
Options quoted on a deferred settlement basis	29 March 2010
Dispatch date of holding statements	7 April 2010

Mr Michael Trifunovic
Company Secretary

Victorian Gold Mines NL
ACN 139 255 771

PROSPECTUS

For a pro-rata non-renounceable rights issue of up to 14,067,001 Options on the basis of 1 Option for every 2 Shares held on the Record Date of Wednesday 3 March 2010 at an issue price of 1 cent per Option, to raise approximately \$140,000.

Each Option is exercisable at 20 cents on or before 31 March 2014.

The Rights Issue closes at 5.00pm AEDT on 26 March 2010.

This Prospectus is important and requires your immediate attention. You should read this Prospectus in its entirety and consult your professional advisers in respect of the contents of this Prospectus.

This Prospectus is a short form prospectus in accordance with Section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, but refers to other documents, the contents of which is deemed to be incorporated into this Prospectus.

The Directors consider investment in the Options offered under this Prospectus, to be speculative.

Important Notice

This Prospectus is dated 25 February 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

No securities will be issued or transferred on the basis of this Prospectus later than 13 months after the date of this Prospectus.

This Prospectus, including each of the documents incorporated by reference into it, is important and should be read in its entirety.

An electronic copy of this Prospectus is available on the Company's website at www.victoriangoldmines.com.au. Eligible Shareholders may obtain a hard copy of this Prospectus free of charge by contacting the Company on (03) 5441 5678 prior to the Closing Date.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer. The Offer is made only to those Eligible Shareholders with registered addresses in Australia or New Zealand and only those Eligible Shareholders will be offered Options. In making this Offer to Eligible Shareholders in New Zealand, the Company is relying on the Securities Act (Overseas Companies) Exemption Notice 2002 (NZ), by virtue of which this Prospectus is not required to be registered in New Zealand. The distribution of this Prospectus (electronically or otherwise) in jurisdictions outside Australia and New Zealand may be restricted by law. If you come into possession of this Prospectus, you should observe any such restrictions and seek your own advice on such restrictions. Any failure to comply with these restrictions may violate applicable securities laws.

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

This Prospectus refers to and incorporates by reference the IPO Prospectus (as amended by the IPO supplementary Prospectus) lodged by the Company with ASIC on and dated 3 November 2009 for the offer of a minimum of 11,000,000 Shares and a maximum of 15,000,000 Shares at an issue price of 20 cents each to raise between \$2,200,000 and \$3,000,000. The IPO Prospectus raised a subscription of \$2,710,000 which resulted in the issue of 13,554,000 Shares. This Prospectus also refers to and incorporates by reference announcements made by the Company to ASX.

In referring to the IPO Prospectus (as amended by the IPO Supplementary Prospectus) and the Company's announcements to ASX, the Company identifies the IPO Prospectus and its ASX announcements as being relevant to the offer of Options made under this Prospectus and containing information that will provide Shareholders and their advisers with information to assist them in making an informed assessment of this Offer.

Defined terms and abbreviations used in this Prospectus are explained in **Section 9** of this Prospectus.

Options offered by this Prospectus are speculative.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser immediately.

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1. The Offer

1.1 Overview of the Offer

This Prospectus contains an offer under a non-renounceable pro rata Rights Issue to Eligible Shareholders.

Options offered:	14,067,001 Options will be offered under the Rights Issue. The Company expects to raise \$140,670.01 if the Rights Issue is fully subscribed.
Terms of Options:	The issue price for the Options is \$0.01 (1 cent) per Option. The exercise price of the Options is \$0.20 (20 cents) per Option. The expiry date of the Options is 31 March 2014.
Entitlements:	<p>Eligible Shareholders are entitled to participate in the Rights Issue and are offered 1 Option for every 2 Shares held. Eligible Shareholders are those persons registered as holders of Shares at 7.00 pm (AEDT) on the Record Date with registered addresses in Australia or New Zealand.</p> <p>The number of Options to which Eligible Shareholders are entitled is shown on the Entitlement and Acceptance Form accompanying this Prospectus. Fractional Entitlements have been disregarded.</p> <p>Eligible Shareholders cannot apply for additional Options over their Entitlement. Any Shortfall of Options will be placed in accordance with the ASX Listing Rules at the sole discretion of the Directors within 3 months of the Closing Date on the same terms and price as in the Rights Issue.</p>

1.2 Key Dates

EVENT	DATE*
Announcement of the Offer	5 February 2010
Notice sent to Shareholders detailing rights issue	23 February 2010
Shares Quoted by ASX on an 'ex' entitlement basis	25 February 2010
Record Date to determine entitlements	3 March 2010
Despatch of Prospectus and Entitlement and Acceptance Form	5 March 2010
Opening Date	8 March 2010
Closing Date	26 March 2010
Options Quoted on a deferred settlement basis	29 March 2010
Despatch date of holding statements	7 April 2010

*All dates are subject to change and accordingly are indicative only. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend this indicative timetable and in

particular, to extend the Closing Date or to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date of allotment and issue of Options.

1.3 Opening and Closing Dates

The Offer will open for receipt of Acceptances at 9.00 am (AEDT) on 8 March 2010 and will close at 5.00 pm (AEDT) on 26 March 2010. The period of the Offer may be extended by the Company in accordance with the relevant provisions of the Corporations Act and the ASX Listing Rules. Entitlement and Acceptance Forms received after the Closing Date will be rejected and application monies will be returned without interest.

1.4 Accepting your Entitlement

The number of Options to which each Eligible Shareholder is entitled is shown on the enclosed Entitlement and Acceptance Form.

Eligible Shareholders may accept their Entitlement either in part or whole.

Eligible Shareholders deciding to accept their Entitlement must do so in accordance with the instructions set out on the accompanying Entitlement and Acceptance Form. If you are in doubt as to the course of action to be taken, you should consult your professional adviser.

Please read carefully the instructions on the reverse side of the accompanying Entitlement and Acceptance Form regarding acceptance.

The Offer is non-renounceable. This means that an Eligible Shareholder's Entitlement is not transferable and will lapse unless a completed Entitlement and Acceptance Form and Acceptance Monies reach the Company's Share registry by the Closing Date. The Closing Date for the Rights Issue is 5:00pm AEDT on 26 March 2010.

The payment of 1 cent per Option pursuant to the Offer must be made in full on Acceptance and must accompany the duly completed Entitlement and Acceptance Form.

Cheques in respect of Acceptances for Options must be in Australian currency drawn on an Australian bank, made payable to "**Victorian Gold Mines NL**" and crossed "Not Negotiable".

1.5 Shortfall

Any Options not taken up by Eligible Shareholders, will be placed in accordance with the ASX Listing Rules at the sole discretion of the Directors within 3 months of the Closing Date on the same terms and price as in the Rights Issue.

1.6 Overseas Shareholders

Shareholders resident outside Australia and New Zealand should consult their professional advisers as to whether any governmental or other consents are required, or whether any other formalities need to be observed to enable them to Accept their Entitlements.

The Company is of the view that it is unreasonable to make an offer under this Prospectus to Eligible Shareholders outside of Australia and New Zealand having regard to:

- (a) the number of Eligible Shareholders registered outside of Australia and New Zealand;
- (b) the number and value of the securities to be offered to Eligible Shareholders registered outside of Australia and New Zealand;
and

- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Company is not required to make offers under the Prospectus to Eligible Shareholders registered outside of Australia and New Zealand.

For any enquiries, please contact Victorian Gold Mines on +61 3 5441 5678 (international) or 03 5441 5678 (national).

This Prospectus does not constitute an offer in any place in which or to any person whom it would not be lawful to make such an offer.

1.7 Fractional Entitlement

Fractional entitlements will rounded to the nearest whole number.

1.8 Allotment

The Options will be allotted and issued as soon as practicable after the Closing Date. Statements of holding for the Options will be mailed as soon as possible after the Closing Date. No Options will be allotted and issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

1.9 Official Quotation by ASX

Application for Official Quotation of the Options by ASX will be made by the Company within seven days of the date of this Prospectus. Application for Official Quotation of Shares allotted and issued as a result of the exercise of Entitlements under this Prospectus will be made within three business days of allotment and issue.

If ASX grants Official Quotation of the Options, the Options will be tradeable on ASX, in accordance with the ASX Listing Rules.

If ASX does not grant Official Quotation of the Options within three months of the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Options offered by this Prospectus will be issued. In that circumstance, all Acceptances will be dealt with in accordance with Section 724 of the Corporations Act and Acceptance Monies will be refunded without interest.

1.10 Electronic Prospectus

An electronic version of this Prospectus is available on the internet at www.victoriangoldmines.com.au. The Entitlement and Acceptance Form may only be distributed together with a complete and unaltered copy of this Prospectus. The Company will not accept the competed Entitlement and Acceptance Form if it has reason to believe that the Shareholder has not received a complete paper copy or electronic copy of this Prospectus or if it has reason to believe that the Entitlement and Acceptance Form or an electronic copy of this Prospectus has been altered or tampered with in any way.

2. Actions Required by Eligible Shareholders

2.1 Decide whether or not to take up your Entitlement

If you decide to take up all or part of your Entitlement you must do so by 5.00 pm (AEDT) on 26 March 2010. All or part of your Entitlement not Accepted may be placed with other investors and you will receive no benefit. It is therefore important that you consider whether to take action either to take up your Entitlement in accordance with the instructions set out below, or allow it to lapse. Before allowing your Entitlement to lapse, you should consult your stockbroker or other professional adviser.

Overseas Shareholders should refer to section 1.6.

2.2 Entitlement and Acceptance Form

The enclosed Entitlement and Acceptance Form shows the number and cost of the Options to which you are entitled. The form contains instructions for taking up your Entitlement.

2.3 If you wish to take up all your Entitlement

You should complete the enclosed Entitlement and Acceptance Form and return it together with your cheque, bank draft or money order drawn on an Australian bank and in Australian dollars to the Company's Share Registry in accordance with the instructions on the Entitlement and Acceptance Form.

2.4 If you wish to take up part of your Entitlement

You should complete the enclosed Entitlement and Acceptance Form by inserting the number of Options you wish to apply for under this Prospectus and return it together with your cheque, bank draft or money order drawn on an Australian bank and in Australian dollars to the Company's Share Registry in accordance with the instructions on the Entitlement and Acceptance Form.

2.5 If you do not wish to accept any part of your Entitlement

You are not required to take any action. Your Entitlement will automatically lapse.

2.6 Enquiries

If you have any questions regarding your Entitlement, please contact the Company by telephone on +61 3 5441 5678 (international) 03 5441 5678 (national) or contact your stockbroker or other professional adviser.

3. Information Incorporated into this Prospectus

3.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act. This means that rather than setting out all the information that is required to be included in a document of this type, this Prospectus incorporates by reference, information contained in documents that have been lodged with the ASIC.

3.2 Information to be incorporated into this Prospectus

This Prospectus refers to, in accordance with Section 712 of the Corporations Act, the following documents, or parts thereof, which have been lodged with the ASIC:

- (a) The following sections of the Company's IPO Prospectus dated 3 November 2009 issued by the Company:
 - (i) Section 1: Details of the Offer
 - (ii) Section 2: Overview of the Company
 - (iii) Section 3: Board and Management
 - (iv) Section 4: Risk Factors
 - (v) Section 5: Financial Information
 - (vi) Section 6: Independent Accountant's Report
 - (vii) Section 7: Independent Geologist's Report
 - (viii) Section 8: Legal Report on Mining Tenements
 - (ix) Section 9: Additional Information
 - (x) Section 10: Definitions
- (b) The Company's IPO Supplementary Prospectus dated 4 December 2009 issued by the Company; and
- (c) The following announcements (in chronological order) of the Company to ASX since the date of the Company's IPO Prospectus (3 November 2009):

09/11/2009	Prospectus
07/12/2009	Supplementary Prospectus
16/12/2009	Admission to Official List
16/12/2009	Pre-Quotation Disclosure
16/12/2009	Top 20 Holders
16/12/2009	Constitution
16/12/2009	Appendix 1A
16/12/2009	Number and Escrow Period of Restricted Securities
16/12/2009	Statement confirming sales agreements
16/12/2009	Statement confirming sales agreements
16/12/2009	Corporate Governance Statement

16/12/2009	Pro-forma Balance Sheet
16/12/2009	Schedule of Commitments
16/12/2009	Top Spread report
16/12/2009	ASX Circular: Commencement of Official Quotation
16/12/2009	Amended Distribution Schedule
18/12/2009	Initial Director`s Interest Notice
18/12/2009	Initial Director`s Interest Notice
18/12/2009	Initial Director`s Interest Notice
18/12/2009	Substantial Shareholder Announcement
18/12/2009	Substantial Shareholder Announcement
18/12/2009	Substantial Shareholder Announcement
18/12/2009	Substantial Shareholder Announcement
23/12/2009	Change in substantial holding
23/12/2009	Change of Director`s Interest Notice
03/02/2010	Market Update: Production Fast Tracked
05/02/2010	Issue of Options
05/02/2010	Appendix 3B New Issue Announcement
05/02/2010	Non-Renounceable Issue- Loyalty Options
22/02/2010	Half Yearly Accounts
22/02/2010	Prospectus for Rights Issue
22/02/2010	Letter to shareholders
22/02/2010	Letter to Option holders
22/02/2010	Letter to foreign shareholders
22/02/2010	Appendix 3B
24/02/2010	Change in substantial shareholding
24/02/2010	Change in Director`s Interest Notice

and identifies these documents, or parts thereof, as being relevant to the Offer and containing information that Shareholders and their professional advisers would reasonably require to make an informed assessment of:

- (a) the rights and liabilities attaching to the Shares; and
- (b) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company.

A copy of these documents may be obtained, free of charge, by contacting the Company at its registered office during normal business hours during the Offer Period.

3.3 Contents of Documents Incorporated

In accordance with Section 712 of the Corporations Act, information about the contents of the documents referred to in this Prospectus is set out below, in order to allow Shareholders to decide whether to obtain copies of these documents:

(a) **IPO Prospectus**

This document comprises the following items:

- (i) **Section 1: Details of the Offer.** This section sets out contains a detailed description of the Company's initial public offering (**IPO**), the purpose of the IPO offer and the purpose of the funds raised under it, as well as brief references to the Company's dividend policy, a summary of risk factors affecting the Company and its securities, ASX escrow apply to certain of the Company's securities and privacy matters;
- (ii) **Section 2: Overview of the Company.** This section contains an overview of the Company's mineral projects, including a brief history of the Victorian gold fields, the Company's corporate objectives, an overview of its projects and exploration strategy and its exploration budgets;
- (iii) **Section 3: Board and Management.** This section contains summaries of the background and experience of the Company's Directors and executive management;
- (iv) **Section 4: Risk Factors.** This section sets out a summary of the significant general and specific risks associated with an investment in the Company's securities (see section 7 of this Prospectus);
- (v) **Section 5: Financial Information.** This section sets out the Company's pro forma balance sheet as at 23 October 2009, as well as an explanation of the basis of and assumptions used in preparation of the pro forma balance sheet, notes to the pro forma balance sheet, information regarding related party transactions and a summary of significant accounting policies employed;
- (vi) **Section 6: Independent Accountant's Report.** This section contains the Investigating Accountant's Report on the pro forma financial information included in section 5 of the IPO Prospectus, prepared by AFS and Associates Pty Ltd; this section contains an independent review of the Company's pro forma balance sheet and reports on whether the pro forma balance sheet fairly represents the pro-forma financial position of the Company as at 23 October 2009;
- (vii) **Section 7: Independent Geologist's Report.** This section contains an independent geological report regarding the Company's mineral tenements prepared by Chris Young Consulting Pty Ltd, which sets an independent technical assessment of the Company's mineral tenements, as well as a glossary of technical terms used in the report;
- (viii) **Section 8: Legal Report on Mining Tenements.** This section contains a report by the Company's solicitors on the identity, nature and status of and the Company's rights under its mineral tenements; it also summarises the Native Title status of the

Company's tenements and the likely impact of native title legislation and processes in Australia on the tenements.

- (ix) **Section 9: Additional Information.** This section:
- A. sets out the details of the Company's registration (section 9.1);
 - B. summarises material rights and liabilities attaching to the Company's Shares (section 9.2);
 - C. summarises material contracts to which the Company is a party, namely: the Wedderburn Agreement, Sheep's Head Agreement, Moliagul Agreement and the Christmas and Edmonds Reef Agreement, under each of which the Company acquired interests in mineral tenements referred to in the IPO Prospectus; an Indigenous Land Use Agreement and Compensation Agreement relating to the Company's mineral tenements; executive remuneration agreements; Deeds of Access, Indemnity and Insurance between the Company and its Directors (section 9.3);
 - D. sets out the interests of the Company's advisors in the offer under the IPO Prospectus (section 9.4);
 - E. lists the written consents obtained from certain persons named in the IPO Prospectus and who consented to being so named and their respective capacities (section 9.5);
 - F. summarises foreign ownership restrictions in Australia (Section 9.6);
 - G. sets out the interests of the Company's Directors in the Company as at the date of the IPO Prospectus (section 9.7);
 - H. summarises the provisions of the Company's Constitution regulating payments to its Directors (section 9.8);
 - I. gives notice of the Company's intention at the time of the IPO Prospectus, to make the Offer in this Prospectus (section 9.9);
 - J. Summarises the Company's corporate governance policies and the extent of compliance by the Company with the ASX Corporate Governance Principles and Recommendations (section 9.10).
- (x) **Section 10: Definitions.** This section sets out the meaning of certain words and expressions used in the IPO Prospectus.

(b) **IPO Supplementary Prospectus**

The Company's IPO Supplementary Prospectus amended the Company's IPO Prospectus in relation to certain references in the IPO Prospectus to the Company's mineral tenements, and comprises the following items:

- (i) **(1) Page 61, first paragraph, commencing line 5:** Deletion and replacement of designated text of the IPO Prospectus;
- (ii) **(2) Page 64, second paragraph, line 3:** Deletion and replacement of designated text of the IPO Prospectus;
- (iii) **(3) Page 67, first paragraph, commencing line 4:** Deletion and replacement of designated text of the IPO Prospectus; and

- (iv) Directors' consent to lodgement of the IPO Supplementary Prospectus and execution of the document by a Director of the Company.

(c) **The Company's announcements to ASX**

The Company's announcements to ASX comprise the following items:

Date	Heading	Content
09/11/2009	Prospectus	The Company's IPO Prospectus (see sections 3.2(a) and 3.2(a) of this Prospectus).
07/12/2009	Supplementary Prospectus	The Company's Supplementary Prospectus (see sections 3.2(b) and 3.3(b) of this Prospectus).
16/12/2009	Admission to Official List	Notice that the Company has been admitted to the Official List of ASX.
16/12/2009	Pre-Quotation Disclosure	A list of the Company's documents disclosed to ASX for the purpose of admission to the Official List of ASX.
16/12/2009	Top 20 Holders	Particulars of the Company's top 20 Shareholders.
16/12/2009	Constitution	A copy of the Company's Constitution.
16/12/2009	Appendix 1A	A copy of the Company's listing application to ASX.
16/12/2009	Number and Escrow Period of Restricted Securities	Particulars of the Company's securities subject to ASX escrow and the applicable escrow periods.
16/12/2009	Statement confirming sales agreements	Confirmation by the Company of completion of its material tenure acquisition agreements and the consideration paid by the Company under each of them.
16/12/2009	Corporate Governance Statement	A summary of the Company's compliance with or reasons for deviations from the ASX Corporate Governance Principles and Recommendations.
16/12/2009	Pro-forma Balance Sheet	A copy of the Company's pro forma balance sheet as at its admission to the official list of ASX.
16/12/2009	Schedule of Commitments	A summary of the Company's expenditure commitments set out in the IPO Prospectus and confirmation that no changes occurred between the date of the IPO Prospectus and its admission to and quotation on ASX.

Date	Heading	Content
16/12/2009	Top Spread report	Details concerning the Company's spread of Shareholders.
16/12/2009	ASX Circular: Commencement of Official Quotation	Letter from ASX containing its standard summary of information pertaining to a newly admitted company.
16/12/2009	Amended Distribution Schedule	Further details concerning the Company's spread of shareholders.
18/12/2009	Initial Director`s Interest Notice	Initial statement of each of the Company's Directors' interests in securities of the Company
18/12/2009	Initial Director`s Interest Notice	
18/12/2009	Initial Director`s Interest Notice	
18/12/2009	Substantial Shareholder Announcement	Statutory announcement by a substantial shareholder of the Company (re: Dawesville Nominees Pty Ltd/Peter Avery)
18/12/2009	Substantial Shareholder Announcement	Statutory announcements by a substantial shareholder of the Company (re: Kevin Nichol (Director))
18/12/2009	Substantial Shareholder Announcement	Statutory announcement by a substantial shareholder of the Company (re: Douglass Wakley Cahill (Director))
18/12/2009	Substantial Shareholder Announcement	Statutory announcement by a substantial shareholder of the Company (re: Beny Manuru)
23/12/2009	Change in substantial holding	Notice of change in a substantial Shareholder's interests in securities of the Company (re: Kevin Nichol (Director) Purchase of 40,000 Shares)
23/12/2009	Change of Director's Interest Notice	Notice of a change in a Director's interest in securities of the Company (re: Kevin Nichol (Director) Purchase of 40,000 Shares)
03/02/2010	Market Update: Production Fast Tracked	An update by the Company on its activities in relation to: <ul style="list-style-type: none"> • The Wedderburn Project; • The Sheep's Head Project; • The Bight Project; • The Mobile Project; • Other potential projects; and • the Company's cash position.

Date	Heading	Content
05/02/2010	Issue of Options	Notice by the Company of an issue by it to professional and sophisticated investors of 6,300,000 options to acquire ordinary shares in the company, at an issue price of 1 cent, exercisable at 20 cents and expiring on 31 March 2014. Part of the issue is subject to approval by the Company's shareholders in a general meeting to be called by 5 May 2010.
05/02/2010	Appendix 3B New Issue Announcement	The Company's notice of the issue of 4,220,000 options to acquire ordinary shares in the Company (see "Issue of Options" on 5/2/2010) and application for quotation on ASX of these options. These are the Existing Options referred to in this Prospectus.
05/02/2010	Non-Renounceable Issue-Loyalty Options	Notice by the Company of its intention to undertake the Offer in this Prospectus and an indicative timetable for the Offer.
22/02/2010	Half Yearly Accounts	The Company's statutory half yearly accounts.
22/02/2010	Prospectus for Rights Issue	This prospectus has been withdrawn by the Company
22/02/2010	Letter to shareholders	Letter by the Company to Shareholders in Australia and New Zealand in accordance with the ASX Listing Rules, about the Offer in this Prospectus.
22/02/2010	Letter to Option holders	Letter by the Company to option holders in accordance with the ASX Listing Rules, about the Offer in this Prospectus.
22/02/2010	Letter to foreign shareholders	Letter by the Company to its foreign Shareholders in accordance with the ASX Listing Rules, about the Offer in this Prospectus.
22/02/2010	Appendix 3B	Application by the Company pursuant to the ASX Listing Rules for quotation of the 14,067,001 Options offered under this Prospectus.
24/02/2010	Change in substantial shareholding	Notice of change in a substantial Shareholder's interests in securities of the Company (re

Date	Heading	Content
		Douglass Wakley Cahill (Director) – purchase of 58,000 Shares)
24/02/2010	Change in Director's Interest Notice	Notice of a change in a Director's interest in securities of the Company re Douglass Wakley Cahill (Director) – purchase of 58,000 Shares)

4. Company Overview

4.1 The Company's IPO

Comprehensive information about the Company is set out in its IPO Prospectus, which resulted in the issue of 13,554,000 Shares and raised \$2,710,000. The information contained in the IPO Prospectus is summarised in section 3.2 of this Prospectus.

Pursuant to the IPO Prospectus, 13,554,000 Shares were allotted and the Company commenced official quotation on the ASX on 17 December 2009. The Company's ASX Code is *VGM*.

The Company now has 28,134,003 Shares on issue. 14,763,005 Shares are Quoted on ASX and the remainder are subject to ASX restrictions and are not Quoted pursuant to the ASX restrictions (escrow). The Company also has 4,220,000 Existing Options on issue.

4.2 The Company's exploration activities since admission to ASX

The Company's exploration activities since admission to ASX are set out in its announcement dated 3 February 2010 headed Market Update: *Production Fast Tracked* (see sections 3.2(c) and 3.3(c) of this Prospectus).

4.3 No other information

Other than the matters stated in or incorporated into this Prospectus, the Company is not aware of any material matter or circumstance that would impact on the contents of the IPO Prospectus or the activities and prospects of the Company and be relevant to assist Shareholders and their professional advisers making an informed assessment of matters relevant to the Company.

5. Effect of the Offer on the Company

5.1 Effect on the Capital Structure

Current capital structure

Shares on issue	28,134,003
Existing Options on issue (Note 1)	4,220,000

Capital structure after the Offer

The Share capital structure of the Company, immediately following the Offer, assuming the Offer is fully subscribed, will be as follows:

Shares on issue	28,134,003
Existing Options on issue (Note 1)	4,220,000
Maximum number of Options to be issued under this Prospectus	14,067,001
Total Shares on issue after the Offer	28,134,003
Total options on issue after the Offer (Note 2)	20,367,001

Note 1 – The Company announced on 5 February 2010 that it intended to issue 6,300,000 options to acquire Shares. Of these, 4,220,000 options (Existing Options) have been issued. The ASX Listing Rules require the Company to obtain Shareholder approval for the issue of the remaining 2,080,000 options. The Company intends to seek Shareholder approval for the issue of the remaining 2,080,000 options at a general meeting to be held on 1 April 2010. The Company will send Shareholders the notice of general meeting in accordance with the Corporations Act and the ASX Listing Rules.

Note 2 – This total includes all Existing Options, the additional 2,080,000 options (referred to in Note 1) for the issue of which the Company intends to seek Shareholder approval and all Options offered under this Prospectus. If Shareholder approval is not obtained for issue of the 2,080,000 options on 1 April 2010, the total options on issue will be 18,287,001.

5.2 Effect on the Balance Sheet

Set out below is the audited consolidated balance sheet of the Company as at 31 December 2009, together with unaudited consolidated pro forma balance sheets as at 5 February 2010 and 26 March 2010 which respectively incorporate the effects of the recent issue of Existing Options, assume the issue of a further 2,080,000 options (see Notes 1 and 2 in section 5.1 above) for which Shareholder approval is required and the issue of all the Options under the Offer:

	Note 1	Actual	Pro Forma	
		31 December 2009	05 February 2010	26 March 2010
		\$	\$	\$
Current Assets				
Cash and cash equivalents		1,995,891	2,038,091	2,169,561
Trade and other receivables		79,825	79,825	79,825
Other Current Assets		32,353	32,353	32,353
Total Current Assets		2,108,069	2,150,269	2,281,739
Non-Current Assets				
Property, plant and equipment		532,774	532,774	532,774
Other non-current assets		384,520	384,520	384,520
Total Non-Current Assets		917,294	917,294	917,294
Total Assets		3,025,363	3,067,563	3,199,033
Current Liabilities				
Trade and other payables		270,667	270,667	270,667
Provisions		5,736	5,736	5,736
Total Current Liabilities		276,403	276,403	276,403
Total Liabilities		276,403	276,403	276,403
Net Assets		2,748,960	2,791,160	2,922,630
Equity				
Issued Capital	Note 2	2,874,081	2,916,281	3,047,751
Accumulated losses		(125,121)	(125,121)	(125,121)
Total Equity		2,748,960	2,791,160	2,922,630

Note 1 - Basis of preparation of the consolidated pro forma balance sheet.

The consolidated pro forma balance sheet illustrates the financial effect on the economic entity's 31 December 2009 financial position of certain significant events and proposed transactions occurring subsequent to 31 December 2009 (see note 2 below).

The consolidated pro forma balance sheet of the Company is a special purpose financial report which has been prepared from the consolidated balance sheet included in the Company's interim financial report for the half year ended 31 December 2009. That financial report was reviewed by the Company's auditors.

The accounting policies adopted in preparation of the pro-forma consolidated balance sheet are consistent with the policies adopted and as described in the Company's financial report for the half year ended 31 December 2009. The consolidated pro forma balance sheet has been prepared in accordance with the recognition and measurement requirements (but not all the disclosure requirements) of Australian Accounting Standards.

Note 2 - Pro forma transactions

The pro forma transactions included in the consolidated pro forma balance sheet are:

- (a) As announced to the market on 5 February 2010 the issue of 4,220,000 options (Existing Options) at an issue price of 1cent per option.
- (b) Pursuant to this Prospectus, on 26 March 2010 the issue of 14,067,001 Options at 1 cent each to raise \$140,670.01 cash.
- (c) As announced to the market on 5 February 2010, the issue of 2,080,000 options at an issue price of 1 cent per option, for which shareholder approval will be sought at a general meeting to be held on 1 April 2010. The pro-forma accounts assume that Shareholder approval will be obtained and these options have therefore been included.

6. Terms of Options and Rights Attaching to Shares

6.1 Terms and Conditions of Options

The material terms and conditions of the Options are:

- (a) Each Option entitles the holder to subscribe for one Share upon the payment of \$0.20.
- (b) The Options will lapse at 5.00 pm AEDT on 31 March 2014 ("Expiry Date").
- (c) The Options are transferable and will be Quoted for trading on the ASX.
- (d) Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing Shareholders of the Company made during the currency of the Options, and will be granted a period of at least five Business Days before books close to exercise the Options.
- (e) Option holders shall be permitted to participate in new issues of securities on the prior exercise of Options in which case the Option holders shall be afforded the period of at least five Business Days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise their Options.
- (f) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (g) If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the holder of Option would have received if the Option had been exercised before the record date for the bonus issue.
- (h) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Option may be reduced in accordance with ASX Listing Rule 6.22.
- (i) The Options shall be exercisable at any time during the period commencing on the date of issue and ending on or before the Expiry Date ("Exercise Period") by the delivery to the registered office of the Company of a notice in writing ("Notice") stating the intention of the Option holder to exercise all or a specified number of Options held by him accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by him.
- (j) The Company shall allot the resultant Shares and deliver a statement of shareholding with a holders' identification number within five Business Days of exercise of the Options.

- (k) The Shares allotted shall rank, from the date of allotment, equally with the existing Shares in all respects.

6.2 Rights Attaching to Shares

The following is a summary of the more important rights and liabilities attaching to the Shares as detailed in the Company's Constitution. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shares. A copy of the Company's Constitution may be obtained from or inspected at the Company's registered office during business hours.

Share Capital

All issued Shares rank equally in all respects.

Voting Rights

At a general meeting of the Company, every Shareholder present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every Share held, and for every partly paid Share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing ordinary share.

Dividend Rights

Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the Shareholders in proportion to the Shares held by them respectively, according to the amount paid up (not credited) as paid up on them.

Rights on Winding-Up

On a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the Shares held by them respectively, irrespective of the amount paid up or credited as paid up on the Share.

Transfer of Shares

Shares may be transferred by instrument in any form which complies with the Company's constitution, the Corporations Act, ASX Listing Rules and ASTC Settlement Rules.

Shares may be transferred in accordance with the ASX Listing Rules and the ASTC Settlement Rules. The Directors may refuse to register a transfer only in those circumstances permitted by the Company's Constitution, ASX Listing Rules and ASTC Settlement Rules.

Calls on Shares

Where shares are issued as partly paid, the Directors may make calls upon the holders of those shares to pay the whole of or a portion of the balance of the issue price. If a shareholder fails to pay a call or instalment of a call, then subject to the Corporations Act and ASX Listing Rules, the shares in respect of the call may be forfeited and interest and expenses may be payable in accordance with the Company's constitution, the Corporations Act and ASX Listing Rules or proceedings taken to recover the amount unpaid.

Further Increases in Capital

The allotment and issue of any new Shares is under the control of the Directors and, subject to any restrictions on the allotment of Shares imposed by the Company's Constitution, ASX Listing Rules or the Corporations Act, the Directors may allot, issue or grant options over or otherwise dispose of those Shares to

such persons, with such rights or restrictions as they may from time to time determine.

Variation of Rights Attaching to Shares

Where shares of different classes are issued, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.

General Meeting

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the ASX Listing Rules.

Alteration of the Company's Constitution

The Constitution of the Company can only be amended by a special resolution passed by at least three quarters of the Company's Shareholders present and voting at a general meeting. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution, must first be given to Shareholders.

ASX Listing Rules

For so long as the Company is admitted to the Official List of ASX, then despite anything in the Constitution, if the ASX Listing Rules prohibit an act being done, the act must not be done. Nothing in the Company's Constitution prevents an act being done if the ASX Listing Rules require the act to be done. If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If a provision of the Company's Constitution becomes inconsistent with the ASX Listing Rules, the Constitution is deemed not to contain that provision to the extent of that inconsistency.

7. Risk Factors

7.1 Introduction

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. The exploration and development of natural resources is a speculative activity that involves a high degree of risk.

7.2 Stock Market Risk

Eligible Shareholders should be aware that there are risks associated with investments in companies listed on ASX. The price of the securities of a publicly traded company can be highly volatile and the value of the Company's securities can be expected to fluctuate depending on various factors, and therefore the price of the Company's securities may trade below or above the offer price.

Various factors that may affect the market price of the Company's securities include exploration results, changes in commodity prices, stock market sentiment, general economic conditions, changes in government policies, investor perceptions, movements in interest rates and stock markets, market conditions that affect the mining industry worldwide.

7.3 General Economic Conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation and other economic factors. The price of commodities and level of activity within the mining industry will also be of particular relevance to the Company.

The Company's performance may be influenced by changes in inflation, interest rates, exchange rates, business cycles and taxation.

7.4 Domestic Economic Conditions

It is possible that a general downturn in the Australian economy will affect the performance of the Company and as such the market value of securities in the Company. Alterations in government fiscal, monetary and regulatory policies and changes in interest rates may also affect the performance of the Company.

7.5 Ongoing Financial Requirements

The Company anticipates that its existing resources, together with the net proceeds of the Offer will enable it to carry out its planned operations. However further funding, either joint venture financing, debt, equity, or sale, or a combination of these may be required for the ongoing development of the Company's projects.

However, the Company's future financial requirements will depend upon various factors including the performance of the mining operation, fluctuations in the gold and currency markets, and general business conditions.

Should the Company need to raise additional funds there can be no assurance that additional funds would be available on a timely basis, on favourable terms or at all, or that such funds, if raised, would be sufficient to enable the Company to continue to implement its business strategy. If adequate funds are not available, the Company's business will be materially and adversely affected.

7.6 Government Policy and Legislative Changes

Capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of the Company.

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company is not aware of any current or proposed material changes in relevant regulations or policy.

7.7 Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

7.8 Commodity Price Risk

The Company's prospects and share price will be influenced by the price obtained from time to time for the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including the relationship between global supply and demand for minerals, forward selling by producers, the cost of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse affect on the Company's exploration and any subsequent development and production activities, as well as its ability to fund its future activities.

7.9 Environmental Risks

The Company's projects are subject to Australian laws and regulations in relation to environmental matters, which means there are potential liability and project risks. The Company proposes to comply with applicable laws and conduct its programs in a responsible manner with regard to the environment. However, the Company may be:

- (a) subject to potential liability related to the mining and extraction of gold and other metals by the Company; or
- (b) prevented from exploration or mining due to the environmental impact of its activities on an area.

Any such developments might impact adversely on the Company's Share price.

7.10 Specific Risks

Intending subscribers should be aware that an investment in the Company involves many risks which may be higher than the risks associated with an investment in other companies. The specific risk factors that should be taken into account in assessing the Company's activities and investment in the Company include but are not limited to the following:

Exploration and Operational Risks

By its nature, the business of exploration is a speculative endeavour and involves significant risks. Success for the Company depends on the successful exploration and/or acquisition of resources or reserves, competent operational management, and efficient financial management. Further, the nature of the business of exploration can sometimes result in industrial accidents and other incidents beyond the control of the Company.

There can be no assurances that the proposed project exploration and trial mining either being carried out or planned by the Company and as described in the IPO Prospectus, or any other projects or tenements that the Company may acquire in

the future, will result in the discovery of a significant ore deposit. Even if a significant ore deposit is identified, there can be no guarantee that it can be economically exploited.

Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of an efficient exploratory operation, obtainment of necessary titles and access and government and other regulatory approvals. The exploration and mining activities of the Company may be affected by a number of factors including, but not limited to, geological conditions, seasonal weather patterns, technical difficulties and failures, continued availability of the necessary technical equipment, plant and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of exploration funding.

Mine Development Risk

Possible future development of mining operations at any of the Company's projects is also subject to numerous risks. The Company's operations may be delayed or prevented as a result of weather conditions, mechanical difficulties, shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third party approvals, operational difficulties encountered with extraction and production activities, unexpected shortages or increase in the price of consumables, plant and equipment, cost overruns or lack of access to required levels of funding.

If the Company commences production, its operations may be curtailed or disrupted by a number of risks beyond its control such as environmental hazards, industrial accidents and disputes, technical failures, unusual or unexpected geological conditions, fires, explosions, adverse weather conditions and other accidents.

The Company's operations may be adversely affected by higher than anticipated ore treatment costs, worse than anticipated metallurgical conditions, fluctuations in base and precious metal prices or lack of availability of smelter capacity.

No assurance can be given that the Company will achieve commercial viability through development of any of its tenements or projects.

Exploration Targets

The geological characteristics of the Company's targets appear to have similar characteristics to locations where established exploration and mining operations are being successfully conducted. Similarity of geological characteristics is not determinative of any similarity in actual mineral resources. Whilst those characteristics may encourage the Company to commit expenditure to drilling programs, a substantial risk still exists that no viable resource will be identified. It is important that geological similarities be appreciated in the context that they only provide an indication rather than any determinative evidence of a viable outcome.

Hazards

The Company may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. The Company may incur a liability to third parties (in excess of its insurance cover) arising from pollution, environmental damage or other damage or injury.

Contractors

The Company is dependant on contractors and suppliers to supply vital services to its operations. The Company is therefore exposed to the possibility of adverse

developments in the business environments of its contractors and suppliers. Any disruption to services or supply may have an adverse effect on the financial performance of the mining operation.

Reliance on Key Personnel

In formulating its exploration and mining programs, the Company relies to a significant extent upon the experience and expertise of the Executive Directors and management.

These persons possess knowledge of many of the Company's tenements through extensive personal experience of prospecting in those areas.

Although information concerning the Company's tenements has been chronicled, the loss of one or more of these key personnel may adversely affect the Company's prospects of pursuing its exploration programs within the timeframes and within the cost structure as currently envisaged.

Employees

The ability of the Company to achieve its objectives depends on being able to retain certain key employees, skilled operators and tradespeople. Whilst the Company has entered into employment contracts with key employees, the retention of their services cannot be guaranteed. The loss of key employees or skilled operators and tradespeople could significantly affect the performance of the Company's operations.

Tenements

A failure to adhere to the statutory expenditure requirements identified in the IPO Prospectus will, unless an exemption is granted, make one or more of the Company tenements subject to possible forfeiture.

Resource Estimations

Resource estimates are inherently imprecise as they are expressions of judgement at a particular time based on available information, interpreted using experience and resource modelling techniques. The estimates, while made by qualified professionals, may change over time as other information becomes available which differs from information known or predicted by past drilling, sampling and geological interpretation. Estimates remain subject to change which may adversely affect the Company's operations or the commercial viability of its projects.

Native Title, Aboriginal Heritage and Heritage

The Native Title Act 1993 (C'th) recognises certain rights of indigenous Australians over land where those rights have not been extinguished. These rights, where they exist, may impact on the ability of the Company to carry out exploration and mining activities, or obtain exploration or mining licences. In applying for licences over crown land, the Company must observe the provisions of Native Title legislation. In carrying out exploration and/or mining operations it must observe Native Title legislation (where applicable), Aboriginal Heritage legislation, and Heritage legislation which protects sites and objects of significance.

Native title claims VC99/9 and VC00/1 have been registered in respect of mining licence 5371. Mining licence 5371 is also subject to a registered indigenous land use agreement. Compliance with the terms of this agreement may adversely affect the financial position and performance of the Company.

Tenure and Access

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved.

The Company's tenements are subject to numerous Victorian specific legislative conditions. The renewal of the term of a granted tenement is also subject to discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Joint Ventures

The Company may wish to develop its projects or future projects through joint venture arrangements. Any joint ventures entered into by, or interests in joint ventures assigned to, the Company could be affected by the failure or default of any of the joint venture participants.

7.11 List not exhaustive

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Eligible Shareholders. 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 Options offered under this Prospectus. Accordingly, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the returns of capital or the market value of those Options. Eligible Shareholders should consider that a further investment in the Company is speculative and should consult their professional advisers before deciding whether to take up their Entitlement.

8. Additional information

8.1 Continuous Disclosure

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the *Corporations Act*. Under these obligations the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules. The Company considers that it has complied with these requirements and that this Prospectus contains or incorporates by reference, all information required to be included.

8.2 Market Prices of Ordinary Shares

Official Quotation of the Company's Shares commenced on 17 December 2009.

The highest and lowest recorded market sale prices of the Company's Shares Quoted on ASX during the period between 17 December 2009 and the date of this Prospectus are set out below:

Price		Date
Highest	\$0.19	17 December 2009
Lowest	\$0.16	31 December 2009

The last market sale price of the Company's Shares on ASX on 24 February 2010 was 17 cents. There are currently no Quoted options to acquire Shares in the Company on issue.

8.3 Expenses of the Offer

The expenses of the Offer are estimated to be \$30,000.00.

8.4 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

8.5 Dividend Policy

The Company does not anticipate paying dividends for the forthcoming year.

8.6 Interests of Directors

The nature and extent of the interest (if any) that any of the Directors of the Company holds or held during the last two years in the formation of the Company, property acquired or to be acquired by the Company in connection with its formation or promotion, or the Offer is set out below.

Interests in the Company's Securities

The interest of the Directors in the securities of the Company at the date of this Prospectus are as follows:

Director	Number of Shares *	Number of Existing Options
Kevin Nichol	1,800,001	Nil
Douglass Cahill	3,483,001	Nil
Peter Avery*	3,010,001	Nil

*Means some or all of the Shares are indirectly held.

Fees

The remuneration packages that applies to the current Directors of the Company and their associated entities are as follows.

Directors' remuneration

In the two years preceding lodgement of this Prospectus, the following amounts have been paid by the Company by way of remuneration for services provided by the Directors, companies associated with the Directors or their associates in their capacity as Directors, employees, consultants or advisers:

- (a) As at 1 January 2010, Mr Nichol is entitled to \$120,000 per annum for his services as a Director of the Company, pursuant to a consultancy agreement. In the two years preceding lodgement of the Prospectus, Mr Nichol received \$17,500 (ex GST);
- (b) As at 1 January 2010, Mr Cahill is entitled to \$180,000 per annum for his services as Managing Director of the Company, pursuant to an agreement. In the two years preceding lodgement of the Prospectus Mr Cahill received \$30,250 (inc GST); and
- (c) As at 1 January 2010, Mr Avery is entitled to \$60,000 per annum for his services as a Director of the Company. In the two years preceding lodgement of the Prospectus Mr Avery received \$4,037.68.

Other than as set out above or elsewhere in this Prospectus:

- No Director or proposed Director of the Company and no firm in which a Director or proposed Director of the Company is or was at the relevant time a partner, has or has had in the two years before lodgement of this Prospectus, any interest in the promotion of, or in any property proposed to be acquired by, the Company.
- No amounts, whether in cash or Shares or otherwise, have been paid or agreed to be paid to any Director or proposed Director of the Company (or to any firm in which he is or was a partner) either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

8.7 Directors' Intentions

- Mr Nichol has confirmed that it is his intention to acquire some or all of his Entitlement. Mr Nichol's Entitlement is 900,000 Options.
- Mr Cahill has confirmed that it is his intention to acquire some or all of his Entitlement. Mr Cahill's Entitlement is 1,741,500 Options.
- Mr Avery has confirmed that it is his intention to acquire some or all of his Entitlement. Mr Avery's Entitlement is 1,505,000 Options.

8.8 Taxation

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

8.9 Interests of Experts and Advisers

This section applies to persons 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, promoters of the Company and stockbrokers or arrangers to the Offer (collectively **Prescribed Persons**). Other than as set out in this Prospectus no Prescribed Person has, or has had in the last two years, any interest in:

- (a) the formation of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company; or
- (c) the Offer of Options under this Prospectus.

Other than as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with the formation or promotion of the Company or the Offer of Options under this Prospectus.

HK Securities Limited acted as sponsor to the issue under the IPO Prospectus. The Company agreed to pay a one off fee of \$10,000 to HK Securities Limited in consideration for performing those services.

AFS and Associates Pty Ltd prepared the Independent Accountants Report contained in section 6 of the IPO Prospectus, incorporated by reference into this Prospectus. The Company agreed to pay AFS and Associates Pty Ltd approximately \$5,000 for these services.

Hemming+Hart Lawyers are acting as solicitors to the Offer and have performed work in relation to this Prospectus. In doing so, it has placed reasonable reliance upon the information provided to it by the Company. Hemming+Hart does not make any statement in this Prospectus. In respect of these services, the Company estimates that it will pay approximately \$10,000 excluding GST and disbursements to Hemming+Hart and further amounts may be payable to Hemming+Hart in accordance with its normal time based charges.

Hemming+Hart has acted as legal adviser to the Company in relation to the IPO Prospectus, prepared the Legal Report on Mining Tenements set out in Section 8 of the IPO Prospectus incorporated by reference into this Prospectus and advised the Company generally in relation to its admission to the Official List of ASX, due diligence enquiries and acquisition by the Company of its mineral tenements. The Company agreed to pay Hemming+Hart approximately \$40,000 for these services.

Chris Young Consulting Pty Ltd has acted as Independent Geologists to the Company's IPO Prospectus and prepared the Independent Geological Report set out in Section 7 of the IPO Prospectus, incorporated by reference into this Prospectus. Chris Young Consulting Pty Ltd was paid an amount of \$8,000 for these services.

Andrew Frewin Stewart has prepared the pro forma adjusted balance sheet contained in section 5 of this Prospectus. The Company agreed to pay, approximately \$3,000 excluding GST and disbursements for these services.

8.10 Consents and Disclaimers

Written consents to the issue of this Prospectus have been given and up to the lodgement of this Prospectus, have been not withdrawn by the following parties and each of the named parties consents to being named in this Prospectus in the form and context in which their name appears:

- (a) Hemming+Hart Lawyers (Solicitors to the Company), has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn its consent to be named in this Prospectus as solicitor to the Offer in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Legal Report on Mining Tenements contained in Section 8 of the IPO Prospectus in the form and context in which it is incorporated, and to all references to that report in this Prospectus in the form and context in which they appear.
- (b) Andrew Frewin Stewart (Auditor of the Company) has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn its consent to be named in this Prospectus as auditor of the Company in the form and context in which it is named.
- (c) Advanced Share Registry Limited (Share Registry) has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn its consent to be named in this Prospectus as the Company's share registry in the form and context in which it is named.
- (d) AFS and Associates Pty Ltd, who prepared the Independent Accountant's Report contained in section 6 of the IPO Prospectus (**Report**) and incorporated by reference into this Prospectus, has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn its consent to the incorporation by reference into this Prospectus of the Report in the form and context in which it is incorporated, and to all references to that report in this Prospectus in the form and context in which they appear.
- (e) Chris Young Consulting Pty Ltd, who prepared the Independent Geological Report set out in Section 7 of the IPO Prospectus (**Report**) and incorporated by reference into this Prospectus, has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn its consent to the incorporation by reference into this Prospectus of the Report in the form and context in which it is incorporated, and to all references to that report in this Prospectus in the form and context in which they appear.

8.11 Competent Person Statement

The information in the IPO Prospectus (incorporated by reference into this Prospectus) that relates to exploration results and mineral resources, is based on information compiled by Mr Chris Young, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Young has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pyper has given and has not, before lodgement of this Prospectus with the ASIC, withdrawn his consent to the incorporation by reference of the information relating to exploration results, mineral resources and ore reserves of the tenements of the Company set out in the IPO Prospectus, in the form and context in which they are incorporated and to all references to that information in this Prospectus in the form and context in which they appear.

8.12 Director's Statement

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent. This Prospectus is signed for and on behalf of the Company by:

Signed on the date of this Prospectus.



Douglass Cahill
Director - Victorian Gold Mines NL

9. Glossary

\$	Australian dollars. All amounts in this Prospectus are in Australian dollars unless otherwise stated.
Acceptance	The completion and return by Eligible Shareholders, as directed in the Entitlement and Acceptance Form, of the Entitlement and Acceptance form, together with Acceptance Monies, by the Closing Date.
Acceptance Monies	The amount of money required in accordance with this Prospectus to subscribe for Options.
AEDT	Australian Eastern Daylight Time.
Applicant	A person who submits an Entitlement and Acceptance Form under this Prospectus.
ASIC	The Australian Securities and Investments Commission.
ASTC Settlement Rules	The settlement rules of the operating facility provided by ASX Settlement and Transfer Corporation Pty Limited, which provides settlement processing facilities for ASX's market.
ASX	ASX Limited (ABN 98 008 624 691).
ASX Listing Rules	The official listing rules of ASX.
Board	The Board of Directors of the Company.
Business Day	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.
Closing Date	26 March 2010 5.00pm AEDT.
Constitution	The constitution of the Company.
Corporations Act	Corporations Act 2001 (C'th).
Directors	The directors of the Company.
Eligible Shareholder	A Shareholder who is entitled to subscribe for Options pursuant to the Offer.
Entitlement	The right of a Shareholder to subscribe for Options under the Offer.
Entitlement and Acceptance Form	The personalised entitlement and acceptance form which accompanies the Prospectus.
Existing Options	Options to acquire Shares in the Company on issue and which are not Quoted, as at the date of this Prospectus. Existing

Options were issued at a price of 1 cent each and are exercisable at 20 cents each on or before 31 March 2014

IPO	Means the Company's initial public offering of Shares (pursuant to the IPO Prospectus).
IPO Prospectus	The Company's Replacement Prospectus for its IPO dated 3 November 2009.
IPO Supplementary Prospectus	The Company's Supplementary Prospectus dated 4 December 2009.
Non-Renounceable	Eligible Shareholders may not sell or transfer all or any part of their entitlement to the Rights Issue.
Offer	The non-renounceable pro-rata issue of Options pursuant to this Prospectus.
Offer Period	The period commencing from the despatch on the Prospectus and ending on the Closing Date.
Official Quotation and Quotation	Official Quotation on the ASX.
Options	The Options offered under this Prospectus to Eligible Shareholders.
Prospectus	This Prospectus dated 25 February 2010.
Record Date	3 March 2010.
Rights Issue	Means the Offer contained in this Prospectus.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A holder of Shares.
Shortfall	The difference between the total number of Options offered to Eligible Shareholders under the Offer and the number of Options for which valid Acceptances are received pursuant to the Offer.
VGM or Company	Victorian Gold Mines NL ACN 139 255 771.

CORPORATE DIRECTORY

<p>Directors</p> <p>Kevin Nichol - Chairman Douglass Cahill – Managing Director Peter Avery – Non-Executive Director</p>	<p>Company Secretary</p> <p>Michael Trifunovic</p>
<p>Registered and Principal Office</p> <p>7-9 View Point Bendigo, Victoria 3550 Phone 03 5441 5678 Fax 03 5442 5038 Email <i>generaladmin@victoriangoldmines.com.au</i> Website <i>www.victoriangoldmines.com.au</i></p>	<p>Auditors</p> <p>Andrew Frewin Stewart 61-65 Bull Street Bendigo, Victoria 3550 Phone 03 5443 0344 Fax 03 5443 5304 Email <i>afs@afsbendigo.com.au</i> Website <i>www.afsbendigo.com.au</i></p>
<p>Share Registry</p> <p>Advanced Share Registry Limited 150 Stirling Highway Nedlands Western Australia 6909 Phone 08 9389 8033 Fax 08 9389 7871 Website <i>www.advancedshare.com.au</i></p>	<p>Lawyers</p> <p>Hemming+Hart Lawyers Level 2, 307 Queen Street, Brisbane QLD 4000 Phone: (07)3002 8700 Fax: (07) 3221 3068 Email: <i>mail@hemhart.com.au</i> <i>www.hemhart.com.au</i></p>