



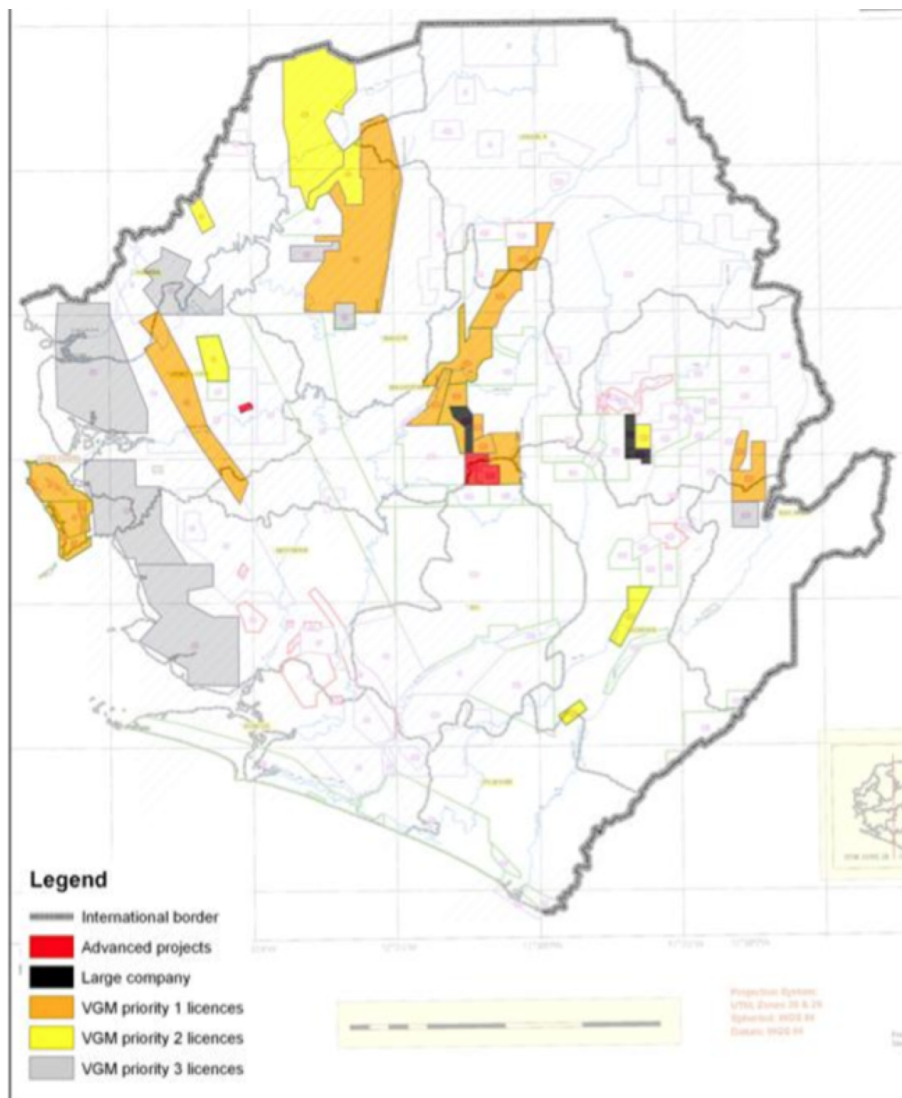
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Victorian Gold Mines NL: June Quarterly Report

WEST AFRICA:

There is a massive Gold and Platinum province that stretches across Ghana into Sierra Leone that includes the Ivory Coast and is called the Gold Coast.

Since the middle of April, Victorian Gold Mines NL have undertaken a three-month in-depth research and analysis of the potential viability of gaining a foothold in the West African minerals belt. The countries currently being assessed are Ghana, Sierra Leone, Cote d'Ivoire, Guinea and Liberia.





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The map shows the priorities that Victorian Gold Mines NL have targeted, specifically smaller companies that have leases that will potentially deliver large company making projects.

The company has had in-depth discussions with representatives from the Ministry of Minerals as well as local political representatives and Professor King in the Office of the President of Sierra Leone. The Australian Government has also been of assistance via DAFT (Department of Foreign Affairs & Trade), The High Commissioner, The Australian Trade Commission and Austrade. These Australian Government Departments have assisted and supported Victorian Gold Mines NL in introducing our representatives to potential customers, partners and key contacts in Ghana and Sierra Leone.

From the 16th of June VGM continued to have a ground team based originally in Ghana and now in Freetown (Sierra Leone), currently operating full time. Our team consists of our new senior consulting geologist (Allen Lyons) and our new minerals tenement project manager (Paul Woods). Both have worked extensively in Africa, South Africa and Central and West Africa over the last 35 years.

The on site team have also met Government representatives in the Ministry of Mineral Resources (The Minister), Deputy Minister, Minister for Infrastructure and Acting Director of Geological Survey in Sierra Leone. Similar contacts have also been made in Ghana.

Victorian Gold Mines NL has since April, undertaken a review and overview of the minerals industry in these countries including implications of the New Minerals Act 2009 and Regulations as applicable to Foreign Mining Companies.

Victorian Gold Mines NL has made and arranged meetings with the relevant contacts within the Mineral Resources Ministry and mining industry as a whole. Relevant documentation plus mineral commission maps have been acquired. The team has already acquired cadastral maps showing all the tenements in Sierra Leone plus which entities control these tenements. The team also has the latest updated geological maps showing the various mineral occurrences.

Victorian Gold Mines NL have been extremely thorough by undertaking secondary research to gather and analyse available market data on the Sierra Leone and The Ghana mining industries as well as Laws and Regulations.

The ground team has drawn on internal and external databases to identify contacts in the particular mining ministries and departments. Our team has overcome the reality that no local telephone book exists and have gone to great lengths to short listed contacts by telephone and or email to obtain the required current live contacts. Follow up with each contact to confirm appointments are continuing.

The on site team has made the most of their Government contacts in developing local networks and accepting help with language expertise provided, enabling a professional process in



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information gathering that will continue to provide extensive opportunities while adding to the heightened profile that Victorian Gold Mines NL is building. Victorian Gold Mines NL will consider changing the company name as progress advances.

Since arrival:

Since landing in West Africa the new acquisitions team have embarked on a long term process of compiling information which includes carrying out discussions with potential asset holders as well as discussions with the particular ministry of minerals in those countries and interacting with other players in this space.

The company will announce any acquisitions as well as partners co-opted in any participating Joint Ventures or any other activities as they take place in the near future.

About Victorian Gold Mines NL Current Australian Projects:

Victorian Gold Mines is an exploration and mining company that has acquired rights to a number of mineral exploration tenements in Australia. They have assembled a majority interest in several mineral properties at three locations in Victoria; Bright situated in the eastern Victorian Tabberabbera Zone and Wedderburn and Moliagul located in the Central Victorian Bendigo-Ballarat Zone of the Lachlan Fold Belt. Central Victoria is a recognised world-class orogenic gold province. These projects include sites of past alluvial and bedrock reef gold production.

Rock Chip Sample Results: Bright Project Victoria EL 5188

Recent underground exposure sampling of the Victoria Reef from the New Victoria Adit at Bright in North-East Victoria returned 55.6g/t Au and 16.9g/t Au.

These samples were collected from the north end of a mid 1980's rock fall that covered 25m of the reef line that had been geologically sampled averaging 19.3g/t Au.

Historically the Victoria Reef has a recorded gold production of 2,438oz averaging 48g/t Au. The New Victoria Adit, which was privately funded in the 1980's, intersected the Victoria Reef ore shoot approximately 10m below the old workings. Gold was being produced from the unworked reef when the collapse occurred and work was abandoned. Chairman Kevin Nichol said, "The gold price is now much higher and this has encouraged the new management team in persisting given the continuance of the high grade".

Two other samples taken from a parallel reef that was never worked returned 0.35 g/t Au and 0.08g/t Au.



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The lowest workings of the Mt Oriental Mine expose five separate reef lines. Seven reef line samples returned assay results from 0.01g/t Au to 0.5g/t Au with the highest value indicating the possible presence of higher-grade gold mineralisation and the requirement for additional sampling. The Board has decided that further investigation is warranted given the geological advice.

Two quartz outcrop samples collected from workings on Faulkner's Reef returned 0.14g/t Au and 0.5g/t Au. Both samples were collected adjacent to past worked ore shoots which have recorded yields of between 1.5oz/t and 4oz/t. Faulkner's Reef was historically worked over a vertical distance of 40m with reports indicating that gold mineralisation should continue to deeper levels.

The company is awaiting approval of a works program that was submitted by previous management. The new management (established since 01.04 10) of Victorian Gold Mines NL (VGM) will continue its exploratory exercise, enabling more detail and confidence before expending money on development. The management of VGM believe that a more detailed feasibility analysis including drilling and further rock chip samples will need to occur before actual mining commences. VGM is in a good position with so many old adits and exposure to reefs running across the tunnels and adit system. Further results will be forthcoming before a final decision to mine.

Moligal MIN 5371 No work was carried out during the quarter.

Wedderburn Drilling EL 5116, MIN 5471, MIN 4611 and MIN 5068

Victorian Gold Mines NL (ASX Code VGM) have signed up drilling company Blacklaws Drilling Pty Ltd to complete a drilling program at the companies Wedderburn gold mining lease near Bendigo Victoria. Victorian Gold Mines NL are trying to locate what has been termed "The Ballroom" which is believed to contain a gold bearing saddle reef laying to the east of the original historical discovery.

The previous Victorian Gold Mines management did refurbish the old shaft, but failed to locate the gold bearing quartz reef. Over 100 tonne of material has been stockpiled and will be used to blend with any gold bearing material. The objective is to put down between 3 to 5 RC drill holes in order to locate the exact location of the reef system and determine its width and the gold values before the company decides to reopen the refurbished shaft that would enable the restarting of mining activities. The depth of the reef system is expected to be about 40 metres from the surface.

Ongoing rain has frustrated the drilling team and has forced the rescheduling of the drilling that was originally planned for the last week of June. Victorian Gold Mines hopes to complete this program this month, assay the material and release its results and the company's intentions as to the future of the Wedderburn project.



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The company did have a contract with a local plant operator, but did not process any material even though it paid a rental for some months. That contract was cancelled once the new management took over in April, but can be initiated once there is gold bearing material to be processed. The plant is located nearby and the company will be able to re-establish processing access and employ local miners associated with the plant operator.

The company's local geologist, the processing plant operator and one of the company's directors are expected to be on hand to ensure the efficient completion of the drilling program. Shareholders will be continually informed as to the Wedderburn developments.

R.A. Svanosio,
Exploration Geologist

Competent Person's Consent:

Pursuant to the requirements of ASX Listing Rule 5.6 and clause 8 of the 2004 JORC Code With respect to a geological report dated June 30, 2010 supplied to Victorian Gold Mines NL: I, Richard Alan Svanosio confirm that:

- I have read and understood the requirements of the 2004 Edition of the Australasian Code for reporting of exploration Results, Mineral Resources and Ore reserves ("2004 JORC Code")
- I am a Competent Person as defined by the 2004 JORC Code.
- I am a Member of the Australian Institute of Geoscientists.
- I am a consultant and have been engaged by Victorian Gold Mines NL to report on operations.
- I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to exploration results.

Consent:

I consent to the release of the Report and this Consent Statement by the directors of:

Victorian Gold Mines NL
June 30 2010

Member of AIG



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Corporate Activity:

During the quarter Victorian Gold Mines NL has looked at literally dozens of potential investments and projects that could be purchased, Joint Ventured or farmed into. The company would like to point out that it is currently in discussions with potential vendors of particular projects and will inform the market of the outcome of these negotiations in due course. Victorian Gold Mines NL have in the past, rejected several good potential projects when the vendors became too greedy and unreasonable in their assessment and expectations of value they tried to extract from the shareholders of Victorian Gold Mines NL. In these cases, your directors ceased negotiations and moved on at minimal expense to shareholders.

Partly Paid Shares:

The directors have issued rights for partly paid shares to all shareholders. The directors believe that this rights issue is virtually a bonus in terms of cost/benefits to shareholders. The issue should not be seen as a capital raising now but potential new capital available to the company in the future.

Kevin Nichol, Chairman
Victorian Gold Mines NL