



VICTORY WEST METALS LIMITED

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ASX ANNOUNCEMENT

24 December 2012

Completion of SEAE Acquisition

Victory West Metals Limited (ASX:VWM) (**Company**) (proposed to be renamed South East Asia Resources Limited (ASX: SXI)) is pleased to announce that it has completed the acquisition of South East Asia Energy Resources Pte Ltd and issued 110 million Class B Performance Shares and 33 million options (30c exercise price, expiry 24 December 2015, vesting upon achievement of the milestones) as approved by shareholders on 25 September 2012.

Please refer to the Notice of General Meeting dated 22 August 2012 for further details regarding the acquisition of SEAE, consideration performance milestones and deferred consideration details.

An Appendix 3B is attached with respect to the abovementioned securities issue.

END

Further enquires:

Victory West Metals

Luke Martino

Company Secretary

Phone: (+618) 9381 5819

About Victory West Metals Limited (proposed to be renamed South East Asia Resources Limited)

Victory West Metals Ltd is a resources focused resource exploration company listed on the Australian Securities Exchange (ASX code: VWM) and Frankfurt Stock Exchange (FSE code: R1E), with a vision to find, prove and extract value from world class resource projects in South East Asia. The Company is building a resources portfolio with its cornerstone project Malala Molybdenum Project in the Toli Toli Province in North Sulawesi, Indonesia and interests in the Penajam East Coal Project in Penajam Regency of East Kalimantan, Indonesia.

Forward looking statements

This announcement contains forward-looking statements which involve a number of assumptions, risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Victory West Metals Limited

ABN

66 009 144 503

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (a) Class B Performance Shares
(b) Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 110,000,000 Class B Performance Shares
(b) 33,000,000 Unlisted Options |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)
- (a) Class B Performance Shares - The performance shares will convert to ordinary fully paid shares (on a 1 for 1 basis) within 10 business days of the commercial shipment of 100,000 tonnes of coal from any of SEAE's current coal projects (Milestone 1) before 24 December 2015. If Milestone 1 is not achieved before 24 December 2015, then all of the Class B Performance Shares will be converted to Ordinary Shares (on a basis of 1 Ordinary Share for every 1 million Class B Performance Shares).
- (b) Unlisted Options – Exercise Price \$0.30, expiry dated 24 December 2015, 1/3rd will vest respectively upon the achievement of the following three milestones:
- (i) the commercial shipment of 100,000 tonnes of coal from any of SEAE's current coal projects (Milestone 1).
- (ii) SEAE having one or more projects with mines that collectively have:
- total annualised production \geq 1.2 Mt (satisfied by 2 consecutive months of production at an annualised rate of 100,000 tonnes per month); and
 - total aggregate JORC inferred resource \geq 25 Mt (Milestone 2).
- (iii) SEAE having one or more projects with mines that collectively have
- total annualised production \geq 2.4 Mt (satisfied by 2 consecutive months of production at an annualised rate of 200,000 tonnes per month); and
 - total aggregate JORC inferred resource \geq 50 Mt (Milestone 3).

Please refer to the Notice of General Meeting of Shareholders dated 22 August 2012 for full terms and conditions.

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No, the Class B Performance Shares do not rank equally with the existing class of quoted securities.</p> <p>The Class B Performance Shares do not have any voting rights or rights to receive dividends attached.</p> <p>After the Class B Performance Shares have vested and are converted to ordinary shares, those ordinary shares will rank equally with existing fully paid ordinary shares (including the right to vote and receive dividends).</p> <p>The shares issued upon exercise of the Unlisted Options will rank equally with existing fully paid ordinary shares.</p>
5	Issue price or consideration	Part consideration for the acquisition of South East Asia Energy Resources Pte Ltd.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Part consideration for the acquisition of South East Asia Energy Resources Pte Ltd as approved by shareholders on 25 September 2012.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2012
6c	Number of +securities issued without security holder approval under rule 7.1	Nil

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(a) 110 million Class B Performance Shares (b) 33 million Unlisted Options Approved on 25 September 2012.				
6f	Number of securities issued under an exception in rule 7.2	Nil				
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A				
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1 is: 30,986,591 LR 7.1A is: 20,657,727				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	24 December 2012				
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>206,577,277</td> <td>Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	206,577,277	Ordinary shares
Number	+Class					
206,577,277	Ordinary shares					

+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	1,000,000	Unquoted \$0.25 Milestone A options expiring 31 August 2014
		1,000,000	Unquoted \$0.25 Milestone B options expiring on 31 August 2014
		10,000,000	Class A Performance Shares
		110,000,000	Class B Performance Shares
		33,000,000	Unquoted \$0.30 Options expiring on 24 December 2015.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date:24/12/2012....
(Company secretary)

Print name:Luke Martino.....

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital											
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated											
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	168,577,677										
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>Nil</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Date</th> <th style="text-align: left;">No of Shares</th> </tr> </thead> <tbody> <tr> <td>16/04/2012</td> <td>5,000,000</td> </tr> <tr> <td>17/07/2012</td> <td>2,999,600</td> </tr> <tr> <td>10/12/2012</td> <td>30,000,000</td> </tr> <tr> <td>Total</td> <td>37,999,600</td> </tr> </tbody> </table> <p>Nil</p>	Date	No of Shares	16/04/2012	5,000,000	17/07/2012	2,999,600	10/12/2012	30,000,000	Total	37,999,600
Date	No of Shares										
16/04/2012	5,000,000										
17/07/2012	2,999,600										
10/12/2012	30,000,000										
Total	37,999,600										
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil										
“A”	206,577,277										

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	30,986,591
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	30,986,591
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
<p>Total [“A” x 0.15] – “C”</p>	30,986,591 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	206,577,277
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	20,657,727
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>20,657,727</p>
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p>Total [“A” x 0.10] – “E”</p>	<p style="text-align: center;">20,657,727</p> <p style="text-align: center;"><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.