



14 December 2018

Daniel Nicholson
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Daniel,

RESPONSE TO ASX QUERY

In response to your letter dated 13 December 2018 regarding the late lodgement of an Appendix 3Y for Mr James Ellingford, Victory Mines Limited (ACN 151 900 855) (**VIC** or **the Company**) responds as follows:

Question 1: Please explain why the Appendix 3Y was lodged late?

The Appendix 3Y for Mr James Ellingford was lodged late due to an administrative oversight. On 12 December 2018, Ms Aida Tabakovic, the Company Secretary, was undertaking a reconciliation of VIC's issued capital register and identified that a small holding of 33,333 options held by Mr James Ellingford had expired on 30 November 2018. The relevant Appendix 3Y notifying ASX of Mr Ellingford's change of interest was lodged immediately upon identification of the error.

Question 2: What arrangements does VIC have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

The Company and its Directors are fully aware of the disclosure obligations under ASX Listing Rule 3.19A. The Company's Share Trading Policy, available on VIC's website (www.victorymines.com), sets out the policy for the acquisition or disposal of securities in the Company and applies to all Directors, key management personnel and other employees of the Company and their associates.

Under the Share Trading Policy, Directors are required to seek permission to trade and must notify the Company Secretary of any trade in the Company's securities as soon as practicable, but not later than 5 business days of such trade occurring, so that the Company Secretary can comply with the requirement under ASX Listing Rule 3.19A to notify ASX of any change in a notifiable interest held by a Director.



The notification obligation created under the Share Trading Policy operates at all times. Directors are also made aware of their notification obligations at board meetings from time to time.

Question 3: If the current arrangements are inadequate or not being enforced, what additional steps does VIC intend to take to ensure compliance with Listing Rule 3.19B?

The Company and its Directors consider that the Company's current arrangements with its Directors to be adequate for the purposes of ASX Listing Rule 3.19B.

However, the Company notes that its trading policy is primarily directed toward trading in securities and does not expressly contemplate notification requirements with respect to expiry of options. As such, the Company has put in place an internal procedure to ensure that any related parties that hold options are identified in advance of those options expiring.

As a matter of good practice, a copy of the Company's Share Trading Policy, ASX Guidance Note 22, as well as a copy of your letter and this response will be circulated to all Directors. Directors will be required to provide an acknowledgement that they understand and are fully aware of the disclosure obligations relating to ASX Listing Rules 3.19A and 3.19B.

Yours faithfully

Aida Tabakovic
Company Secretary
Victory Mines Limited



13 December 2018

Ms Aida Tabakovic
Company Secretary

By email

Dear Ms Tabakovic

Victory Mines Limited ('VIC'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. VIC's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 12 December 2018 for Mr James Ellingford (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *"The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director."*

3. Listing rule 3.19B which states that:

"An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director."

The Notice indicates that a change in Mr Ellingford's notifiable interest occurred on 30 November 2018. It appears that the Notice should have been lodged with ASX by 7 December 2018. Consequently, VIC may have breached Listing Rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds VIC of its contract with ASX to comply with the Listing Rules. In the circumstances, VIC should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does VIC have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does VIC intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than half an hour before the start of trading (i.e. before 9:30 am AEDT) on 18 December 2018.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours faithfully

Daniel Nicholson
Adviser, Listings Compliance (Perth)