

UNMARKETABLE PARCEL SHARE SALE

Victory Mines Limited (ASX:**VIC**) ("**Victory**" or "**the Company**"), has commenced a share sale process for holders of Unmarketable Parcels of shares in the Company.

The ASX Listing Rules defines an "Unmarketable Parcel" as those with a market value of less than \$500. As at market close on the 16 March 2020 an unmarketable parcel of shares in the Company is any shareholding of 499,999 ordinary shares or less, based on the closing price of \$0.001 per share. This represents 293,086,683 ordinary shares of the Company, held by 2,024 shareholders.

Holders of Unmarketable Parcels who wish to retain their shares can either:

1. Elect to retain their shares by returning the Share Sale Facility Form; or
2. If they have multiple holdings, consolidate these under a single HIN/SRN such that the combined shareholding is greater than \$500; or
3. Purchase additional shares under the same HIN/SRN such that their shareholding value is greater than \$500.

Any holders of Unmarketable Parcels who do not take one of the actions above will have their shares sold and the proceeds sent to them provided that the Company is able to arrange for the sale of the shares in accordance with the Company's Constitution.

The Company is undertaking the sale process so that holders of Unmarketable Parcels can have their shares sold without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic and/or difficult.

The Company values all of its shareholders, however by undertaking the sale process the Company expects to reduce the significant administrative costs associated with maintaining a large number of small holdings.

Attached is a copy of the letter sent to all shareholders holding an Unmarketable Parcel of the Company's shares.

Authorised by the board.

Alec Pismiris
Non-Executive Director

For more information:

Please visit our website for more information: www.victorymines.com
Or Contact Alec Pismiris, Non-Executive Director: +61 402 212 53

Dear Shareholder

IMPORTANT NOTICE – INTENTION TO SELL SHARES OF LESS THAN MARKETABLE PARCEL

The Board of Directors of Victory Mines Limited (**Company**) advises that the Company will commence the process for the sale of ordinary shares in the Company (**shares**) for holders who hold less than a marketable parcel (defined in the ASX Listing Rules as a parcel of securities of not less than \$500) (**Less Than Marketable Parcel**) (**Facility**).

This Facility applies to shareholders who as at the date of this notice were holders of shares valued at less than \$500. Based on the last traded price of the Company's shares on ASX of \$0.001 per share, a Less Than Marketable Parcel is any holding of 499,999 shares or less.

Our records show that you are the holder of a Less Than Marketable Parcel and accordingly your shareholding falls within the scope of this Facility.

The Company is offering this Facility as it provides the following benefits:

- Holders of a Less Than Marketable Parcel can have their shares sold without incurring any brokerage or handling costs which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- The Company's expenses and administration involved in maintaining shareholdings of a Less Than Marketable Parcel is reduced.

The Closing Date for the Facility is 28 April 2020.

If you Want Your Shares Sold

If you want your shares sold under the Facility and you want the proceeds of sale sent to you by cheque you need to do nothing.

If you would like for the proceeds of sale to be directly transferred to a bank account you need to complete and return the enclosed Share Sale Facility Form so it is received by 5:00pm (AWST) on the Closing Date. Please read the instructions on your Share Sale Facility Form carefully before completing it.

The Company is authorised under its Constitution to sell your shares following the Closing Date. Your shares will be pooled with other shares under this Facility and sold as soon as practicable after the Closing Date provided the Company is able to arrange for their sale in accordance with the Constitution.

If you Want Your Proceeds Donated to Charity

The Company notes that for all shareholders the proceeds will be less than \$500 and for some shareholders the proceeds may be substantially less than that amount.

Accordingly, the Company would like to provide shareholders the option to choose to donate the proceeds of the sale of your shares to The Red Cross Bushfires Appeal.

If you would like to donate the proceeds of sale of your shares to charity please complete and return the enclosed Share Sale Facility Form so it is received by 5:00pm (AWST) on the Closing Date. Please read the instructions on your Share Sale Facility Form carefully before completing it.

If you Wish to Retain Your Shares

If you wish to retain your shareholding in the Company, either:

- a) Purchase additional shares such that the value of your shareholding is greater than \$500:

You will need to make your own arrangements outside this Facility to purchase additional shares so that you are the registered holder of more than 499,999 shares on the Closing Date. For a purchase to be an effective notification that you wish to retain your shares, any additional shares purchased must be registered by 5:00pm (AWST) on the Closing Date under the same name and address and with the same holder number (SRN or HIN).

or

- b) If you have multiple holdings, consolidate these under a single HIN/SRN:

You will need to contact the Company's share registry, Automic Registry Services on ## and arrange for them to combine your multiple holdings under a single HIN/SRN such that the combined shareholding at 5:00pm (AWST) on the Closing Date is greater than 499,999 shares;

or

c) Complete and return the enclosed Share Sale Facility Form:

Complete and return the enclosed Share Sale Facility Form so that it is received by 5.00pm (AWST) on the Closing Date. Please read the instructions on your Share Sale Facility Form carefully before completing it.

2. Important Information

All costs associated with the sale of your shares will be borne by the Company. No brokerage will be payable by you.

The Company does not make any recommendation or provide any advice to you regarding whether to buy, sell or hold shares nor that this Facility is the best way to sell your shares in the Company. If you require advice as to whether to sell or retain your shares, please consult your legal, financial or taxation adviser.

Any tax consequences arising from the sale of your shares will be your responsibility.

The Company is not bound to sell any or all of the shares that may be available for it to sell under this Facility, and there is no guarantee that the Company will be able to sell your shares. Neither the Company nor any other person involved in the Facility shall be liable for failure to sell the shares or sell them at a particular price. The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The Company may sell your shares on market or in any other way it considers fair and reasonable in the circumstances. If the shares are sold on market the Company will endeavour to obtain the highest available price for the shares, however no guarantee as to the price can be given by the Company as the price will depend on several factors, including market conditions at the time. You will not have control over the time at which your shares are sold. The price you receive may be different from the price quoted by ASX on any day, may not be the best price on the days that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility. If the Company sells your shares other than on market, the price will be the price that the Company has been able to negotiate with the acquirer or acquirers.

If your shares are held in a CHESS holding, the Company may, after the Closing Date, initiate a holding adjustment to move your shares to the issuer sponsored sub-register for the purpose of this Facility.

The Company reserves the right to vary, delay or terminate this Facility by notice to the ASX.

Please also note that the Company will not sell your shares in the event of an announcement of a takeover offer for the Company.

For further information about lodging your Share Sale Facility Form or the practical operation of the Facility, please contact me by email at scott@victorymines.com or by telephone on 0410 594 349.

Yours faithfully



Scott Mison
Company Secretary