



VICTORY WEST
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The Manager
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Victory West to acquire highly prospective Indonesian copper-gold project

Highlights

- Victory West to acquire 75% equity interest in a highly prospective copper-gold porphyry project in South Sulawesi via an equity earn in.
- The Project is located in a widely recognised copper-gold porphyry province
- The Project has three key areas considered to be highly prospective
 - Known gold mineralisation (from Dutch exploration adits)
 - Porphyry/ Diatreme Breccia (prospective for copper/gold)
 - Numerous additional previously unexplored targets
- Significant previous exploration results including:
 - 34.20m (141.80-176.00 m) @ 3.05 g/t Au, including: 4.00 m (143.80-147.80 metres) @ 14.70 g/t Au, and 4.00 metres (164.00-168.00) @ 9.14 g/t Au.
 - Copper intersections of 4.00m @ 0.48% Cu and 22.00m @ 0.18% commencing at 120.00m depth.

Dutch workings in the area indicate high gold or copper grades in hydrothermal veins

Victory West Moly Limited (ASX: VWM, FSE: R1E) is pleased to announce that subject to due diligence is to acquire via way of equity earn-in a 75% equity interest in a highly prospective copper/gold project located in Toraja province, South Sulawesi (the "Project").

After undertaking preliminary technical due diligence, VWM has entered into a Termsheet with the vendors of PT Noviendindo Multi Resources ("NMR") and secured the right to acquire a 75% equity interest in NMR which holds the Project.

The Project is located in a known porphyry province and the geological setting is favorable for the exploration of both porphyry Cu-Au style mineralization and more discrete zones of higher grade gold mineralization.

Previous exploration at the project area include numerous Dutch exploration Adits, which were excavated early in the 1900's exploiting copper, gold and lead from high grade quartz veins.

Lead from narrow high-grade galena veins was mined and smelted on site during the 1930's and 1940's.

More recent Exploration drilling in 1999 and 2000 intersected gold and copper mineralization, with the most significant being a 34.20m gold intersection commencing at 141.80m down hole averaging 3.05 g/t Au over the intercept, with higher grade zones included within the intercept, including 4m @ 14.7g/t Au and 4.0m @ 9.1 g/t Au.

This exploration also intersected 4.00m @ 0.48% Cu and 22.00m @ 0.18% Cu commencing at 120m down hole depth. These mineralized intercepts occur in zones of potassic altered diatreme breccias. Low grade intersections of copper were also noted in other areas where drilling was completed.

The concession area contains two porphyry targets and a potential gold target located in the margin of the diatreme breccias, evidenced by the 30 metre intercept at 3.05 g/t Au in one of the old drill holes.

Potential gold targets are also thought to occur in other areas of the concession, with a large number of old Dutch adits driven into a number of discrete areas around the prime target area.

Previous exploration has included stream sediment geochemistry, rock chip sampling and trenching, a number of geophysical surveys and a series of drilling programmes by a number of explorers.

VWM and NMR are to execute a formal Memorandum of Agreement (MOA) as soon as practically possible. An exclusivity fee of US\$100,000 providing a 90 day exclusivity is payable within 5 days of execution of the MOA.

Further extensive on-site technical due diligence work will be undertaken during the 90 day exclusivity period, during which legal and technical due diligence will be completed.

Upon successful completion of the due diligence, Victory West is to;

- Reimburse the vendors of approximately \$300,000 in past costs; and
- Spend a minimum of SU\$5million over 3 years to earn an 75% equity interest in NMR (the spend is inclusive of exploration, operational and administration costs)
- The Vendors are to retain a 25% 'free carried' equity interest in NMR until the completion of a feasibility study.

- The parties are to agree to issue the Vendors a nominal number of VWM shares against specific milestones (i.e. JORC resource, production etc) the quantum and number are to be agreed and to be incorporated into the MOA.

Victory West has also retained founding shareholder of NMR Mr. Marthen Teko to act as an advisor/consultant to the group.

Mr. Teko is a Mining Industry Veteran having worked 17 years with PT Inco at Sorowako Nickel Project in South Sulawesi in Exploration, then mining then processing. 12 years as Project Manager in Indonesian mining operations with Theiss, Clough and KPC amongst others. For the past 6 years he has Consulted to Indonesian and International Mining and Investment companies regarding mining and mining prospects for Metals and Coal.

Mr. Teko will be primarily responsible to support the NMR Project but will also be responsible to help with the Company's other project.

Victory West CEO Robert Hyndes said the NMR Project represented a fantastic addition to the Company's metals portfolio that provides significant upside. It also came with the significant benefit of the services of Mr. Teko, the local partner in the project. Mr Hyndes said Mr Teko would be invaluable not only for this project, but also to support the Company in its other endeavours.

Further details of the transaction and proposed work program will be announced as soon as possible.

ENDS

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About Victory West

Victory West Moly Ltd is a metals 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 metals projects in South East Asia. The Company is building a metals portfolio and currently has two key asset the Malala Molybdenum Project in the Toli Toli Province in South Sulawesi and rights to acquire a majority interest to the USSU Nickel Project in South Sulawesi.

For further information on VWM, please visit www.victorywestmoly.com.au

Competent Persons Statement

The data in this announcement that relates to Exploration Results, Resources and Reserves is based on information reviewed and evaluated by Mr. Brett Gunter who is a member of The Australian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and 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 (the "JORC Code"). Mr. Gunter is a fulltime employee of GMT Indonesia and he consents to the result as they appear.