

Form 45-106F1
Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

VICTORY RESOURCES CORPORATION

C204 – 9801 King George Highway Surrey, BC V3T 5H5 Phone: 604-580-9605

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The issuer is reporting in British Columbia and Alberta.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- ☐ Bio-tech
- ☐ Financial Services
- ☐ investment companies and funds
- ☐ mortgage investment companies
- ☐ Forestry
- ☐ Hi-tech
- ☐ Industrial

- Mining
 - ☒ exploration/development
 - ☐ production
 - ☐ Oil and gas
 - ☐ Real estate
 - ☐ Utilities
 - ☐ Other (describe)
-

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

See attached.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

December 17, 2009

Item 6: For each security distributed:

- (a) describe the type of security,
 - i) units;
 - ii) flow-through units;
 - iii) finder's warrants;
- b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date;
 - i) 12,670,000 units, each consisting of one common share and one share purchase warrant (to purchase one additional common share per warrant for three years from the date of issuance for \$0.10);
 - ii) 810,714 non flow-through units, each consisting of one flow-through common share and one share purchase warrant (to purchase one additional non flow-through common share per warrant for three years from the date of issuance for \$0.10);
 - iii) 150,000 finders warrants to purchase one common share per warrant for 12-months from the date of issuance for \$0.10;
- c) state the exemption(s) relied on.

National Instrument 45-106, sections 2.3(1) and 3.3(1)

National Instrument 45-106, sections 2.5(1) and 3.5(1)

National Instrument 45-106, sections 2.24 (1) and 3.24(1)

BCI 45-529

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
BC	22	\$0.05	\$244,000
	5	\$0.07	\$56,749.98
ONT	2	\$0.07	\$15,000
AB	2	\$0.05	\$25,000
MB	10	\$0.05	\$322,000
NS	1	\$0.05	\$15,000
INT	1	\$0.05	\$12,500
Total number of Purchasers	43		
Total dollar value of distribution in all jurisdictions (Canadian \$)			690,249.98

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Blackmont Capital Inc. 550 Burrard Street, Suite 500 Vancouver, BC	\$7,500	150,000 warrants (1)	\$0.10	BCI 45-529 December 23, 2009	\$7,500

Stikine Capital Ltd. (Peter A. Rizzi) 1290 70 th Street, Salmon Arm	\$49,900	None	N/A		\$49,900
Fab Carella 7235 Bayview Drive, Burnaby BC	\$1,500	None	N/A		\$1,500
Total					\$58,900

1. The finder's warrants are exercisable at a price of \$0.10 to purchase one common share per warrant for 12-months from the date of issuance.

ITEM 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: December 23, 2009

Victory Resources Corporation

Name of issuer (please print)

Wally Boguski, President, 604-580-9605

Print name, title and telephone number of person signing

"Wally Boguski"

Signature

Item 9: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

Leah Dionne, Assistant to Glen D. Harder (Harder & Company) 604-696-3624

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

Authorization of Indirect Collection of Personal Information for Distributions in Ontario

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report

- (a) has been notified by the issuer
 - (i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,
 - (ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
 - (iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
 - (iv) of the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and
- (b) has authorized the indirect collection of the information by the Ontario Securities Commission.