



Victory Nickel Provides Corporate and Operations Update

Toronto, June 23, 2015 – Victory Nickel Inc. (“**Victory Nickel**” or the “**Company**”) (TSX:NI, www.victorynickel.ca) today provided an update on corporate and operating activity.

In the news release dated April 14, 2015 the Company announced the temporary suspension of production at its Seven Persons frac sand plant near Medicine Hat, Alberta (the “7P Plant”) due to the drop in demand resulting from the sudden and severe drop in the price of oil and the impact of spring breakup. There were no sales made during the period from March 14 to May 12, 2015. However, since May 12, spot sales of frac sand from the 7P Plant resumed. While sales activity is not at the rates achieved during 2014, the resumption of frac sand sales following spring break-up is encouraging. Approximately 3,700 tons have been sold from the approximately 40,000 tons of sand inventories at the 7P Plant. As this inventory was at various stages of processing, operations at the 7P Plant resumed temporarily on an as-needed basis in order to fulfil customer needs.

Despite these sales, the near-term outlook in the frac sand market remains unclear due to downward pressure on the oil price and related impact on exploration and production and oilfield services companies. The strength of the US dollar is also impacting demand for high-quality Wisconsin sand as the price for domestic sand has dropped and service companies appear satisfied with using lower quality domestic sand because of the price differential. Prices continue to be depressed but we are hopeful that these low prices are not sustainable.

As previously disclosed, the Company is faced with an interest payment of approximately \$400,000 on June 30, 2015. Management is working with its lenders to restructure its debt before the due date. To date, the Company’s lenders and suppliers have been supportive, however there is no guarantee the Company will be able to agree to a debt restructuring plan in that timeframe and there is no certainty as to what steps the lenders may take should the Company fail to fulfil its obligations to them.

About Frac Sand

Frac sand is a proppant used in the oil and gas business as a part of the hydraulic fracturing process – a means of increasing flow to the wellhead. Frac sand must have particular characteristics including achieving certain levels of crush resistance, sphericity and roundness, and it is therefore a relatively rare commodity.

About Victory Nickel

Victory Nickel Inc. is a Canadian company with four sulphide nickel deposits containing significant NI 43-101-compliant nickel resources and a significant frac sand resource at its Minago project. Victory Nickel is focused on becoming a mid-tier nickel producer by developing its existing properties, Minago, Mel and Lynn Lake in Manitoba, and Lac Rocher in northwestern Québec, and by evaluating opportunities to expand its nickel asset base.

About Victory Silica

Victory Silica is a wholly-owned subsidiary of Victory Nickel and is charged with a phased plan to establish the Company in the frac sand market. In Phase One, the Company constructed a 500,000 tpy dry processing plant and has begun processing and selling sand imported from Wisconsin. The 7P Plant is well located in an area populated with fracking companies, its potential customers, and is within only a few hours' trucking distance of major oil or gas play well sites. Phase Two, which includes the construction of a concentrator, also known as a “wet plant”, in Wisconsin, is expected to reduce costs and ensure security of sand supply through the control of

a frac sand mine in Wisconsin. In Phase Three, the Company intends to construct a larger frac sand plant to process and distribute both imported and domestic sand, which may potentially, but not necessarily, include sand mined as a co-product of development at the Company's Minago project. The Company has already identified a site in Manitoba for this purpose.

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Please visit the Company's website at www.victorynickel.ca. Should you wish to receive Company news via email, please email cathy@chfir.com and specify "Victory Nickel" in the subject line.

Forward-Looking Information: This news release contains certain forward-looking information. All information, other than information regarding historic fact that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information contained in this news release includes, but is not limited to, the ability of the Company to continue selling frac sand in the future, on a spot basis or otherwise, the ability of the Company to restructure its debt with the relevant lenders and the ability of the Company to pay future interest and other payments in connection with such debts. The forward-looking information contained in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. With respect to the forward-looking information contained in this news release, the Company has made assumptions regarding, among other things, future prices for frac sand and by-products, future demand for processed frac sand and the ability of the Company to restructure its debts. The forward-looking information contained in this news release is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from current expectations, including the general volatility of frac sand and by-product prices and demand, geological, technical, drilling and processing problems, future currency and interest rates, an unwillingness of the Company's lenders to refinance the Company's debts on terms favourable to the Company or at all and the ability of the Company to continue selling frac sand. Additionally, if the Company is unable to restructure its debts, obtain additional financing and/or continue generating revenue through the sale of frac sand, the Company may be required to curtail activities and/or liquidate its assets or the Company's creditors may seek to seize its assets. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable law, the Company disclaims any obligation to update or modify such forward-looking information, either because of new information, future events or for any other reason. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.