



Victory Nickel Updates Secured Debt Status

Toronto, July 30, 2015 – Victory Nickel Inc. (“**Victory Nickel**” or the “**Company**”) (TSX:NI, www.victorynickel.ca) today announced that it has not repaid the amounts due, including the principal amount, on July 30, 2015, under the US\$5.15 million senior secured 14.8% notes (the “SPA Loan”) dated as of April 24, 2014 and amended June 3, 2015 and which matured on July 30, 2015. The SPA Loan is secured by the assets of the Company.

The Company is continuing with discussions among the holder of the SPA Loan and other potential financing sources to restructure the Company’s debt and recapitalize the Company. Although sales of frac sand resumed in May, they are not yet at levels which will allow the Company to repay the SPA loan and there can be no assurance that the Company will be able to restructure its debt and/or recapitalize and there is no certainty as to what steps the lenders may take in light of these defaults.

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.

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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 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, 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 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.