



Victory Nickel Unsecured Note Holder Provides Notice of Default

Toronto, December 14, 2015 – Victory Nickel Inc. (“**Victory Nickel**” or the “**Company**”) (TSX:NI, www.victorynickel.ca) announced today the receipt of formal notice of default and demand for payment of principal and accrued interest (the “**Notice**”) from the holder of a US\$3,000,000 unsecured promissory convertible note.

As previously disclosed, the Company failed to pay quarterly interest payments due June 30, and September 30, 2015 on approximately US\$6,000,000 of promissory convertible notes and on the US\$5,150,000 securities purchase and line of credit agreement (the “**SPA Loan**”). The SPA Loan is secured by a general security agreement with first charge over all of the assets of the Company and its subsidiaries. The Company is considering the Notice and will provide an update when additional information is available.

On an unrelated matter, the Company also advises that Mr. Steve Harapiak, President and COO, has decided to retire, effective immediately. Steve has been with the Company since 2008 and has been instrumental in advancing the feasibility study and permitting of the Minago nickel project in Manitoba. “On behalf of the Board of Directors I would like to thank Steve for his valuable contribution to Victory Nickel,” said René Galipeau, Vice-Chair and CEO. “We will miss Steve and wish him a long and enjoyable retirement.”

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. Through a wholly-owned subsidiary, Victory Silica Ltd., Victory Nickel is establishing a presence in the frac sand market prior to commencing frac sand production and sales from Minago.

CONTACT:

Victory Nickel Inc.

René Galipeau or Sean Stokes

Phone: 416.363.8527

Fax: 416.626.0890

Email: admin@victorynickel.ca

Please visit the Company’s website at www.victorynickel.ca.

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 and that the secured lender will continue to not take action to enforce its security. 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.