



Victory Nickel Completes Second Tranche of Unsecured Debt Restructuring

Toronto, March 31, 2016 – Victory Nickel Inc. (“**Victory Nickel**” or the “**Company**”) (CSE: NI, www.victorynickel.ca) today announced that it has completed a second tranche of the restructuring of its unsecured debt (the “**Second Tranche**”) through a private placement of common shares and unsecured promissory notes (the “**New Promissory Convertible Notes**” as defined below). The Second Tranche included the restructuring of \$739,274.80 of outstanding debt (the “**Debt**”) owed to certain of the Company’s trade creditors (“**Trade Creditors**”), directors and management.

Under the Second Tranche, the Company issued 7,392,748 common shares of the Company at \$0.05 per share to settle 50% of the Debt. The other 50% of the Debt owing to directors and management was deferred for payment no sooner than January 31, 2018; the other 50% of the Debt owed to Trade Creditors was settled with unsecured promissory convertible notes having the terms below (the “**New Promissory Convertible Notes**”):

- A maturity date of July 31, 2018.
- An interest rate of 7% per annum, payable annually or at any time in cash or in shares valued at market at the option of the Company
- Convertible into common shares of the Company at \$0.25 per share.
- On conversion of the New Promissory Convertible Notes, holders will also receive warrants, with an exercise price of \$0.50 per share exercisable for a five-year period from the date of conversion, to acquire one additional common share of Victory Nickel for each four Victory Nickel common shares acquired.

All dollar amounts in this news release are Canadian dollars. Any dollar amounts in United States currency have been converted to Canadian dollars at an exchange rate of 0.75:1.

“We are pleased to have completed this Second Tranche of the unsecured debt restructuring with Trade Creditors and insiders of the Company. Now that the Company’s common shares are listed on the Canadian Stock Exchange Insiders are able to participate in the debt restructuring, whereas previously they were excluded due to certain restrictions. The original intent was to only complete two tranches of the debt restructuring, however, positive response from other trade creditors suggests that another closing may be necessary. This transaction will further improve the Company’s working capital position and strengthen its balance sheet.”

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 (currently under option to Corazon Mining Ltd.) in Manitoba, and Lac Rocher in northwestern Québec. Through a wholly-owned subsidiary, Victory Silica Ltd., Victory Nickel at its 7P Plant frac sand processing facility in Seven Persons Alberta, has established itself in the frac sand business prior to commencing frac sand production and sales from Minago.

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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. The forward-looking information contained in this news release, including information related to the completion and outcome of any debt restructuring activities, reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. 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. 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.