NEWS RELEASE – NR:19-04

# VICTORY METALS INC.

## VICTORY METALS INITIAL DRILLING AT IRON POINT CONFIRMS WIDESPREAD VANADIUM MINERALIZATION AND DISCOVERS NEW HIGH GRADE ZONE

**Vancouver, BC, Canada – February 28, 2019** – Victory Metals Inc. ("**TSX-V:VMX**") ("**Victory**" or the "**Company"**) is pleased to announce maiden drill results from the first eight reverse circulation ("**RC**") holes completed at its Iron Point Vanadium Project, located 22 miles east of Winnemucca, Nevada. These are the initial results from a planned program of 69 RC holes and four diamond drill holes.

**Highlights**

- Assays from the first eight RC holes include intercepts of:
    - **44 meters grading 0.48% $V_2O_5$ in VM-02**
    - **27 meters grading 0.56% $V_2O_5$ in VM-07**
    - **46 meters grading 0.38% $V_2O_5$ in VM-18 *(from surface)***
    - **6 meters grading 0.72% $V_2O_5$ in VM-51**
- These intercepts are contained in two flat-lying higher grade vanadiferous horizons, referred to as the Upper and New High Grade Zones, which occur within a broader and extensive envelope of vanadium mineralization within the Vinini Formation.
- This broader envelope generally starts at surface and extends down to a depth of at least 175 meters, with intercepts to date from surface including:
    - **175 meters grading 0.25% $V_2O_5$ in hole VM-02 *(from surface)*** and
    - **139 meters grading 0.28% $V_2O_5$ in hole VM-07 *(from surface)***.
- The Upper High Grade Zone was indicated in historical drilling at Iron Point and was the basis for Victory's initial assessment of the project's resource potential. The New High Grade Zone is newly discovered by this confirmation drilling campaign and has yielded some of the highest-grade mineralization found to date.
- Some of the holes tested historical Newmont and Aur Resources holes (Figure 1), and a comparison of the intercept results indicates that the current drilling is returning higher-grade

vanadium values. Victory believes that this can be attributed to better sample recovery in the Victory RC drilling.

- Victory drill results show relatively flat-lying mineralized zones with good correlation between holes. A high degree of continuity was not apparent from historical drilling and the Company believes this significant improvement in zone correlation can be attributed to the higher sample recoveries and greater depth penetration achieved in the current program. Victory believes that this positive correlation of mineralized zones between holes will considerably facilitate the resource estimation process.

Collin Kettell, CEO of Victory stated, "The first RC holes from our maiden drill program at Iron Point were chosen to confirm the vanadium mineralization and grades reported in historical holes drilled by Newmont in 1966 and Aur Resources in 1996-1997. The significance of Victory's first eight holes cannot be understated. We have not only confirmed the widespread nature of vanadium mineralization along and across strike, we have also extended vanadium mineralization to a depth of 175m (575 feet) with the discovery of the New High Grade Zone. Grades obtained by Aur Resources underrepresented vanadium values as their holes did not fully recover higher-grade mineralization hosted in fractured zones. Victory's drilling with a center return hammer returned higher vanadium values over greater intercept lengths. Many of the historical holes were limited to a depth of roughly 100 meters. By drilling deeper, we have now discovered a second higher grade zone of flat lying vanadium mineralization, yielding some of the highest grade $V_2O_5$ intercepts to date.

As illustrated in the east-west cross section (Figure 2), it now appears that the higher-grade zones of vanadium mineralization occur in relatively flat lying horizons within a much thicker blanket-like envelope of lower-grade vanadium mineralization. Looking at cross section A-A′, the higher-grade vanadium mineralization is clearly continuing westward with contiguous mineralization now documented across an east-west horizontal distance of 525m (1720 ft) and appears open to the north and south. Given the geometry and extent of vanadium mineralization observed in Victory's initial drilling, we are excited about the ultimate potential of the Iron Point vanadium system as we continue to step out in our drilling program. Due to recognition of the Upper and New High Grade Vanadium Zones coupled with the good lateral continuity seen between the drill holes, Victory has significantly increased its targeted resource envelope at Iron Point."

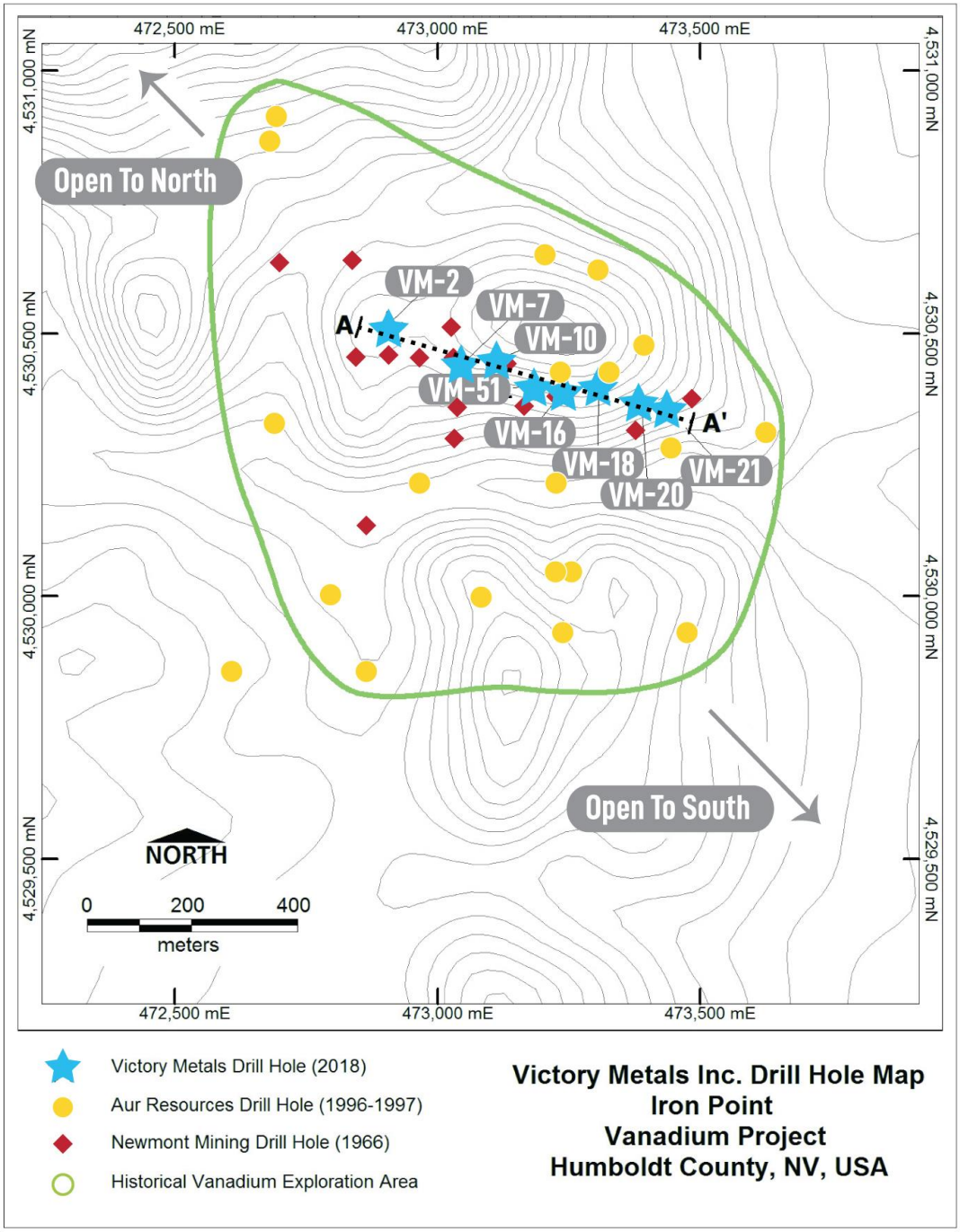


**Figure 1:** Historical drill hole locations for 1966 Newmont vanadium program and 1996-1997 Aur Resources (USA) Inc. gold exploration program. Victory's first stage confirmation RC drill holes, blue stars, cross the mineralized zone near a concentrated area of historical Newmont and Aur holes.

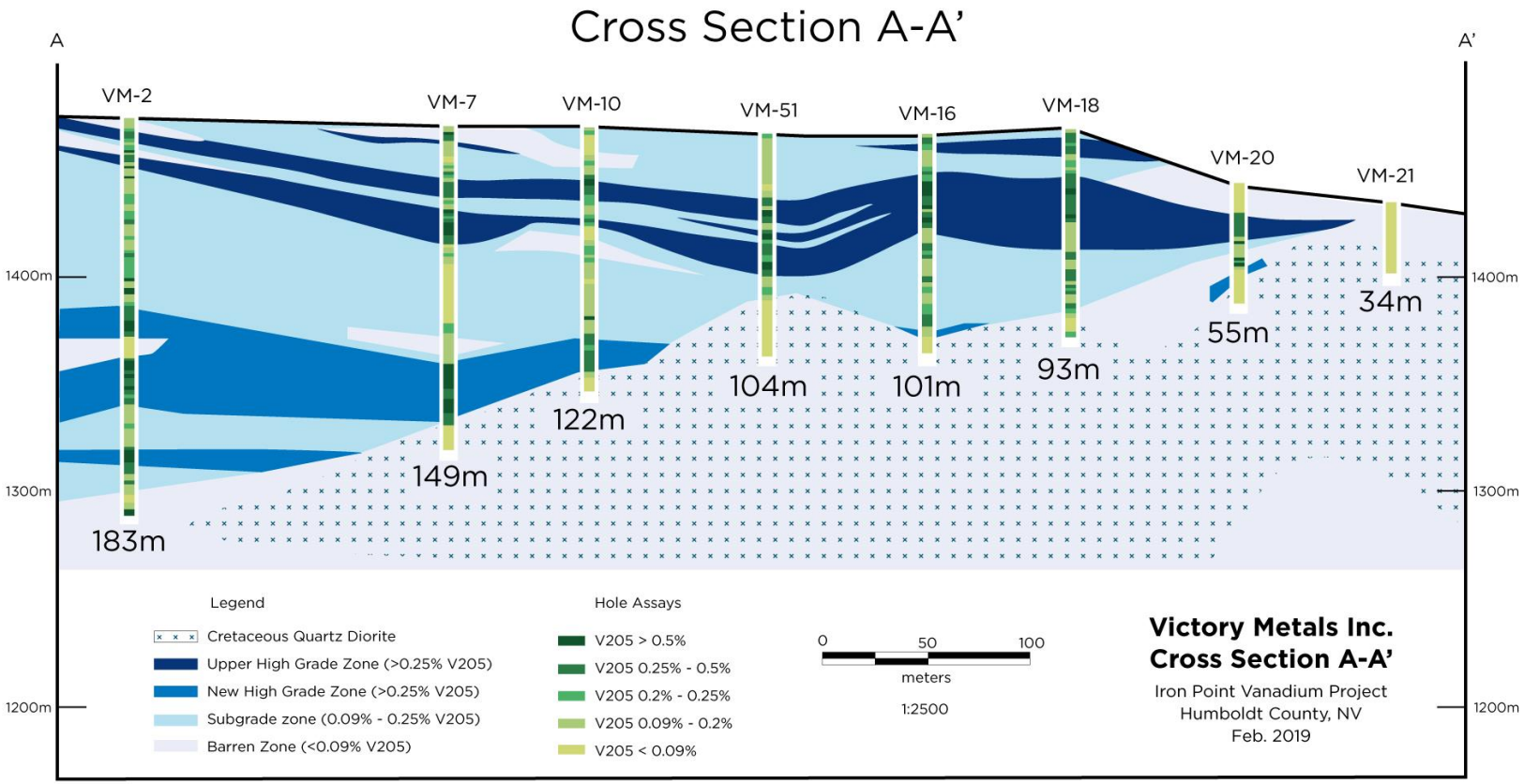


**Figure 2.** Cross section A-A' (looking North) across Victory's Stage 1 confirmation drill pattern showing grade and distribution of vanadium mineralization in relation to the basic geologic framework.

Victory's Confirmation Drill Results

The initial eight hole RC drilling program was designed to confirm historical results by testing vanadium mineralization along an E-W axis near a high concentration of Newmont and Aur holes (see Figure 1). These Victory holes were drilled vertically, ranging in depth from 34 m (110') to 183 m (600') and were sampled on 1.52 m (5') intervals.

Comparing results from the first eight holes to the historical drill results, Victory has made the following observations:

- The Victory holes returned higher vanadium grades compared to nearby historical Newmont and Aur holes. This can be attributed to better recovery in the Victory RC holes using a center-return hammer. Newmont's standard rotary holes commonly experienced recovery problems in the highly fractured ground, while the Aur RC holes likely utilized an interchange hammer, which also had poor recovery in fractured rock.
- The Victory drill holes encountered much deeper vanadium mineralization than was expected from historical results. Newmont's holes generally drilled through the shallow, higher-grade mineralization exposed at the surface, then stopped. Victory's deeper holes encountered a second zone of higher-grade mineralization 30-40 m (100'-140') below the shallow zone. This newly discovered lower zone significantly increases the size of the target resource envelope.
- Initial cross-sections through the historical drill holes were interpreted to indicate a shallow zone of higher-grade mineralization that was folded and/or strongly faulted. In contrast, the Victory results show relatively flat mineralized zones with good continuity between holes. This continuity can be attributed to the higher sample recovery yielding vanadium grades in the Victory holes. Taken together, Victory believes that the high degree of lateral continuity and the planar geometry of the vanadium mineralization significantly increase the project's resource potential.

The cross-section shown in Figure 2 illustrates three of the important observations discussed above:

- A flat/planar geometry
- A high degree of lateral continuity, and
- Two zones of higher-grade vanadium mineralization.

As seen from the color coding of vanadium grades, the overall vanadium blanket exceeding 0.09% $V_2O_5$ starts at the surface and extends to a depth of 175 m (575') and contains two major, parallel horizons hosting higher-grade (>0.25% $V_2O_5$) mineralization, labelled the Upper and New High Grade Zones. Both of these higher-grade vanadium zones tend to inter-finger with subgrade (<0.25% $V_2O_5$) mineralization, which is in-keeping with the sedimentary origin of the host rocks.

The stratigraphic section hosting vanadium mineralization consists of thinly-bedded chert and argillite at the top, grading progressively downward to: (1) carbonaceous shale and siltstone of the Upper High Grade zone, (2) interbedded siltstone and argillite of the low grade zone that separates the two higher grade zones, and (3) carbonaceous shale, siltstone, and quartzite comprising the New High Grade Zone. The New High Grade Zone is underlain by non-mineralized mudstone, and in places by a quartz diorite stock or sill complex that appears to cut across the Vinini stratigraphy at a low angle. All the drill holes except for Drill hole VM -21 intersected Vinini stratigraphy.

Assay results for Victory's initial confirmation drilling program are reported below in % $V_2O_5$. Intercept lengths are deemed to be true thickness given the flat nature of the mineralized zones being tested by vertical holes. Intercept lengths are reported as an Overall Length, which includes all assay intervals within the vanadium blanket zone (at a 0.09% $V_2O_5$ minimum grade), and also as individual zone intercepts reported as aggregate lengths comprised of samples grading 0.25% $V_2O_5$ and greater.

**Table 1**

| Drill hole ID | Vanadium Zone | From (m) | To (m) | Aggregate Length (m) | From (ft) | To (ft) | Aggregate Length (ft) | Average% V205 |
|---|---|---|---|---|---|---|---|---|
| | **Overall*** | **0** | **175** | **175** | **0** | **575** | **575** | **0.25** |
| | Upper | 8 | 21 | 6 | 25 | 70 | 20 | 0.38 |
| **VM-02** | **New** | **88** | **165** | **44** | **290** | **540** | **145** | **0.48** |
| | *Including* | 114 | 122 | 8 | 375 | 400 | 25 | 0.59 |
| | *Including* | 156 | 162 | 6 | 510 | 530 | 20 | 0.66 |
| **VM-07** | **Overall*** | **0** | **139** | **139** | **0** | **455** | **455** | **0.28** |
| | Upper | 5 | 55 | 24 | 15 | 180 | 80 | 0.44 |
| | **New** | **110** | **137** | **27** | **360** | **450** | **90** | **0.56** |
| **VM-10** | Overall* | 0 | 114 | 114 | 0 | 375 | 375 | 0.19 |
| | Upper | 23 | 44 | 9 | 75 | 145 | 30 | 0.37 |
| | New | 98 | 114 | 14 | 320 | 375 | 45 | 0.37 |
| **VM-51** | Overall* | 0 | 76 | 76 | 0 | 250 | 250 | 0.28 |
| | Upper | 30 | 67 | 26 | 100 | 220 | 85 | 0.49 |
| | ***Including*** | **61** | **67** | **6** | **200** | **220** | **20** | **0.72** |
| **VM-16** | Overall* | 0 | 94 | 94 | 0 | 310 | 310 | 0.24 |
| | Upper | 17 | 43 | 23 | 55 | 140 | 75 | 0.41 |
| | *Including* | 20 | 26 | 6 | 65 | 85 | 20 | 0.54 |
| | New | 90 | 93 | 3 | 295 | 305 | 10 | 0.36 |
| **VM-18** | Overall* | 0 | 88 | 88 | 0 | 290 | 290 | 0.29 |
| | **Upper** | **3** | **66** | **46** | **10** | **215** | **150** | **0.38** |
| | *Including* | 40 | 44 | 4 | 130 | 145 | 15 | 0.53 |
| **VM-20** | Overall* | 17 | 40 | 23 | 55 | 130 | 75 | 0.22 |
| | Upper | 17 | 26 | 9 | 55 | 85 | 30 | 0.28 |
| | New | 38 | 40 | 2 | 125 | 130 | 5 | 0.51 |

**Overall values represent contiguous averages in holes that include V205 values ranging from 0% to 1.05%.*
*The minimum grade of 0.25% $V_2O_5$ used in the aggregate length intercepts is subject to change based on the results of metallurgical work and definition of further drilling. VM-21 did not contain any Vinini Formation and did not return V205 values.*

## QA/QC and Qualified Person

The QP and other site geologists working for Victory directly supervised initial drilling in the field. All samples were split at the drill site using a Gilson bar splitter and Jones riffle splitter, with two samples per 5-foot (1.52m) sample interval collected and placed into heavy plastic bags together with sequentially numbered sample tags. A 2kg sample was collected for assay, while a 4kg reference sample was kept on-site. Three different vanadium standards (71 ppm V, 320 ppm V, and 5172 ppm V) and coarse blank samples were purchased from Minerals Exploration and Environmental Geochemistry (MEG) Inc. of Reno, NV. Victory site geologists inserted field blank, standard, and duplicate samples into the drill sample stream per NI43-101 guidelines, maintaining a 1-in-20 insertion rate for each of the field blank, standard,

and duplicate samples such that every 7th sample is a control sample. Field duplicate samples were split from the 4kg reference samples using a Jones riffle splitter.

Drill samples were transported by Victory personnel to locked storage sheds rented by Victory and located in Golconda, NV, about 14km west of the project area. Samples were picked up in Golconda by American Assay Lab. utilizing its own truck and driver and transported directly to American Assay's facility in Reno, NV. At American Assay Lab, the samples were crushed to 70% passing 2mm, and then a 0.3km split was ground to 85% passing 75 micron. A 0.5gm split was digested in a 5 acid process (ICP-5A035 method uses HNO3, HF, HClO4, HCl, H3BO3) and analyzed via ICP-OES. The detection limit for vanadium is 1ppm, the upper limit is 10,000ppm, and sample results are reported in PPM V. As a separate QAQC check, American Assay inserted laboratory standards, blanks, and duplicates into the sample stream. American Assay Lab is accredited by the International Accreditation Service, which conforms with requirements of ISO/IEC 17025:2005.

Victory is currently using ALS Chemex in British Columbia to perform umpire assays on 1-in-20 drill pulps obtained from American Assay Lab and submitted to the ALS Chemex facility in Reno, NV. Chemex employs a four-acid digestion process (ME-ICP61m method), so Victory is re-numbering the pulp samples and inserting the same field standard samples into the sample stream in order to better compare results between the two labs.

The scientific and technical information in this news release has been reviewed and approved by Calvin R. Herron, P.Geo., who is a Qualified Person as defined by National Instrument 43-101.

**About Victory Metals**

Victory owns a 100% interest in the Iron Point Vanadium Project, located 22 miles east of the town of Winnemucca in Humboldt County, Nevada. The project is located within a few miles of Interstate 80, has high voltage electric power lines running through the project area, and a railroad line passing across the northern boundary of the property. The Company is well financed to advance the project through resource estimation and initial feasibility study work. Victory has a proven capital markets and mining team led by Executive Chairman Paul Matysek. Major shareholders include Casino Gold (50%), and management, directors and founders (25%). Further, over 51% of the issued and outstanding shares of the Company (43,471,014 shares) are subject to an escrow release over 3 years.

Please see the Company's website at www.victorymetals.ca.

For more information, contact Collin Kettell at ck@victorymetals.ca.
On Behalf of the Board of Directors of

**VICTORY METALS INC.**

Paul Matysek
Executive Chairman and Director

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***Forward-Looking Information***

*This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). Certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "expects", "believes", "aims to", "plans to" or "intends to" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed by such forward-looking statements or forward-looking information, including the business of the Company, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks, and delay, inability to complete a financing or failure to receive regulatory approvals. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.*