(an exploration and development stage company)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

For the three months ended May 31, 2011

DATED: August 9, 2011

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VICTORIA GOLD CORP.
(an exploration and development stage company)

Management's Discussion and Analysis

This Management's Discussion and Analysis has been prepared as at August 9, 2011, and contains certain "Forward-Looking Statements" within the meaning of the Canadian Securities laws. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Victoria Gold Corp. (the "Company" or "Victoria") are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The following management's discussion and analysis ("MD&A") of the operating results and financial position of the Company should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements and the notes thereto of the Company for the three months ended May 31, 2011 and the audited consolidated financial statements and the notes thereto of the Company for the year ended February 28, 2011. These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") including IAS 34 "Interim Financial Reporting" and IFRS 1 "First time adoption of IFRS" and all amounts are expressed in Canadian dollars, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

These consolidated financial statements and MD&A contain certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate," "believe," "expect," "goal," "plan," "intend," "estimate," "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production and the timing thereof and costs and timing of drilling campaigns, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, exploration and drilling success or failure, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

OVERVIEW

Victoria is an exploration and development stage company with interests in gold projects located in Nevada, USA and Yukon Territory, Canada. The Company's strategy is to maximize the reward of share price appreciation while minimizing risk. Victoria is focused on adding value per share by advancing its Eagle Gold deposit toward production while continuing to explore its key projects in Yukon and Nevada. Maintaining a low risk profile through project diversification, sound financial management, and operating in secure jurisdictions are key priorities for Victoria's management team.

CORPORATE ACTIVITIES (since March 1, 2011)

On July 27, 2010, the Company announced that it had nominated a new board of directors to be voted on by the shareholders of the Company at its Annual General Meeting to be held on August 18, 2011. The new board, if the resolution is passed, will include Hugh A. Agro (incumbent), Edward C. Dowling (new nominee), T. Sean Harvey (incumbent and Chairman of the board), Christopher Hill (new nominee), Leendert Krol (incumbent), John McConnell (incumbent and Chief Executive Officer of the Company) and Michael McInnis (incumbent).

EXPLORATION AND DEVELOPMENT ACTIVITIES

The Company has incurred resource expenditures since inception and through May 31, 2011, net of property impairments and sales, totalling $73.9 million including the acquisitions of StrataGold ($11.4M) and Gateway ($5.2 million). During the quarter ended May 31, 2011, the Company incurred resource property expenditures totalling $7.9 million.

Comparatively, the Company had incurred resource expenditures since inception and through May 31, 2010, net of property impairments and sales, totalling $53.2 million including the acquisitions of StrataGold ($11.4M) and Gateway ($5.2 million). During the quarter ended May 31, 2010, the Company incurred resource property expenditures totalling $1.6 million.

PROPERTY SUMMARIES

PROPERTY	COMPLETED ACTIVITIES [1] (MARCH 1, 2011 – AUGUST 9, 2011)	OUTLOOK [2] (THREE TO SIX MONTHS FORWARD)
Dublin Gulch - Eagle Gold Project	Continued with the 2011 site program including exploration drilling, environmental and permitting activities and engineering work. In May 2011, the Company filed a NI 43-101 Technical Report which outlined a mineral resource including 4.9 million ounces Indicated and 1.5 million ounces Inferred. In May 2011, the Company released assay results from 15 holes drilled into the Eagle Gold deposit in late 2010 and early 2011. In July 2011, the Company completed pre-screening and adequacy of the Project Proposal and entered the screening phase of the permitting process.	Complete the feasibility study. Continue the Project Proposal screening process with the target of achieving a positive assessment decision. Advance discussions on a benefits agreement with the First Nation of Na-Cho Nyak Dun.
Dublin Gulch – Potato Hills Trend	Continued the 2011 exploration program including geological mapping, surface sampling and drilling.	Continue the 2011 exploration program.

PROPERTY	COMPLETED ACTIVITIES [1] (MARCH 1, 2011 – AUGUST 9, 2011)	OUTLOOK [2] (THREE TO SIX MONTHS FORWARD)
Cove Gold Project – Helen Zone	Mapping and consolidation of historic exploration information.	Upon receipt of all permits, the construction of service facilities, including; shop, offices, settling ponds and underground development may begin. The Company may undertake a surface drilling program to test the extent of the bedding parallel mineralized zone.
Santa Fe	Metallurgical studies, mapping and consolidation of historic exploration information.	Mapping, geophysical and geochemical surveys. Complete metallurgical studies. Target prioritization and possible drilling; dependent upon results at other properties and availability of resources.
Mill Canyon	Mapping and consolidation of historic exploration information.	Target prioritization and possible drilling; dependent upon results at other properties and availability of resources.
Relief Canyon	Minimal exploration work.	Minimal exploration work.
Big Springs	Permitting and environmental monitoring.	Structural mapping, permitting and environmental monitoring.

Notes:

1 COMPLETED ACTIVITIES includes the period from the start of the current fiscal period (March 1, 2011) through the date of this document.

2 OUTLOOK includes forward-looking statements which are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. See page 1 "FORWARD-LOOKING STATEMENTS".

PROPERTY INFORMATION, RECENTLY COMPLETED ACTIVITIES & OUTLOOK

Dublin Gulch - Eagle Gold Project, Yukon Territory

During the period from June 24, 2011, the date of the Company's last annual MD&A, through to the date of this report, the Company continued its 2011 site program including exploration drilling, environmental and permitting activities and engineering work to support the ongoing feasibility study, which scheduled for completion in Q4, 2011.

In July 2011, the Company completed pre-screening and adequacy of the Project Proposal and entered the screening phase of the permitting process.

Dublin Gulch – Potato Hills Trend, Yukon Territory

During the period from June 24, 2011, the date of the Company's last annual MD&A, through to the date of this report, the Company continued its 2011 site program including geologic mapping and surface sampling on the greater Dublin Gulch property.

Cove Gold Project – Helen Zone, Nevada

During the period from June 24, 2011, the date of the Company's last annual MD&A, through to the date of this report, the Company continued mapping and consolidation of historic exploration information.

Next steps at the Cove Gold Project – Helen Zone may include a surface drilling program to test the extent of the bedding parallel mineralized zone and construction of a ramp from the side of the existing open pit to access the underground Helen Zone. This may be followed by underground in-fill drilling and bulk sampling.

Santa Fe, Nevada

During the period from June 24, 2011, the date of the Company's last annual MD&A, through to the date of this report, the Company continued mapping and consolidation of historic exploration information.

Next steps at Santa Fe include undertaking geophysical and geochemical surveys to better define areas that have the potential to host significant gold mineralization both near surface and at depth.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from the Company's consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") including IAS 34 "Interim Financial Reporting" and IFRS 1 "First time adoption of IFRS," for each of the quarters ended May 31, except for 2009 which is prepared in accordance with Canadian GAAP.

Selected Quarterly Information ended May 31:

		2011-IFRS		2010-IFRS		2009-Canadian GAAP
Total revenues	$	-	$	-	$	-
Net loss/(income) year to date	$	1,324,502	$	(65,061)	$	908,800
Net loss per share year to date – basic and diluted	$	0.005	$	0.000	$	0.006
Total assets	$	103,000,324	$	79,534,526	$	43,192,982
Total non-current liabilities	$	1,182,749	$	898,240	$	222,278

RESULTS OF OPERATIONS

The Company's loss is reported under IFRS for the first time this quarter. The most significant impact on loss resulting from transition relates to the accounting for flow-through shares and share based payments, as follows:

Flow-through shares
As part of the transition to IFRS the Company adopted a policy to (i) allocate the proceeds between the offering of the shares and the sale of tax benefits when the shares are offered and (ii) recognize an income tax provision upon filing of appropriate renunciation forms with the Canadian taxation authorities for qualifying expenditures previously incurred. In particular, the corresponding reduction of share capital in respect of flow-through share financing as previously recorded under Canadian GAAP is now recorded as an expense in the statements of loss and comprehensive loss.

Pursuant to the above policy the allocation of the proceeds from flow through share issuance is made based on the difference between the quoted price of the shares and the amount the investor pays for the flow-through shares. A liability is recognized for the premium paid by the investors. The liability is reduced and the reduction of premium liability is recorded in other income upon filing of appropriate renunciation forms with the Canadian taxation authorities for qualifying expenditures previously incurred.

The effects of this transitional change are as follows:

(1) Premium on flow-through shares: (i) decreased share capital and deficit at March 1, 2010 by $507,727, to recognize the premium paid for flow-through shares in excess of the market value of the shares without the flow-through features; (ii) increased deferred premium (liability) and decreased share capital by $820,000 for the 3 months ended May 31, 2010 and the year ended February 28, 2011 and (iii) decreased deferred premium (liability) and increased other income by $820,000 as at February 28, 2011 to reflect the qualifying flow-through expenditures completed prior to February 28, 2011.

(2) Renouncement of flow through tax credits: (i) increased share capital and deficit by $500,745 at March 1, 2010 and (ii) increased share capital and deferred tax provision expense by $1,090,574 for the year ended February 28, 2011 to recognize an income tax provision upon filing of appropriate renunciation forms with the Canadian taxation authorities for qualifying expenditures previously incurred.

Share based payments

Under IFRS graded vesting awards are accounted for as though each installment is a separate award. IFRS does not provide for an election to treat the instruments as a pool and recognize expense on a straight line basis. Straight line basis is permissible under Canadian GAAP. Under IFRS, the estimates of the number of equity-settled awards that vest are adjusted to the actual number that vests, unless forfeitures are due to market-based conditions. There is no choice to accrue compensation cost as if all instruments granted were expected to vest and recognize the effect of the forfeitures as they occur as elected by the Company under Canadian GAAP. The impact of transition to IFRS with respect to options granted after November 7, 2002 that vest after the date of transition, is as follows: (i) increased deficit and contributed surplus by $322,733 at March 1, 2010, (ii) decreased share-based payments expense and contributed surplus by $133,481 for the 3 months ended May 31, 2010 and (iii) decreased share-based payments expense and contributed surplus by $314,406 for the year ended February 28, 2011.

Quarters ended May 31, 2011 and 2010

The Company reported a loss of $1,324,502 ($0.005 per share) for the quarter ended May 31, 2011, compared to a gain of $65,061 ($0.000 per share) in the equivalent period during the previous year. The increased loss quarter over quarter is due to the fact there was a gain on the sale of property in the prior year and higher salaries, legal, accounting and share-based payments during the quarter.

VARIANCE ANALYSIS	2011	2010	2011 VS 2010 VARIANCE HIGHER/(LOWER)
Operating expenses			
Salaries and benefits	**$ 432,246**	$ 362,469	**$ 69,777**
Share-based payments	**360,251**	155,363	**204,888**
Amortization	**4,390**	27,240	**(22,850)**
Legal and accounting	**143,605**	67,978	**75,627**
Office and administrative	**142,803**	113,237	**29,566**
Marketing	**62,788**	119,393	**(56,605)**
Consulting	**52,050**	60,006	**(7,956)**
Foreign exchange loss/ (gain)	**23,009**	(34,808)	**57,817**
Resource property costs and impairments	**-**	2,761	**(2,761)**
Loss/(gain) on disposal of resource properties	**-**	(1,035,346)	**1,035,346**
Loss/(gain) on sale of short term investment	**-**	(44,205)	**44,205**
	1,221,142	(205,912)	**1,427,054**
Finance (income)/costs			
Unwinding of present value discount: ARO	**10,958**	-	**10,958**
Interest and bank charges	**1,100**	10,885	**(9,785)**
Interest income	**(49,275)**	(9,460)	**(39,815)**
Loss/(gain) on fair value of marketable securities	**33,300**	139,426	**(106,126)**
	(3,917)	140,851	**(144,768)**
Share of net loss of associates	**107,277**	-	**107,277**
Income tax recovery	**-**	-	**-**
Net income (loss) for the period	**(1,324,502)**	65,061	**(1,550,050)**

During the quarter ended May 31, 2011, the Company reported Salaries and benefits of $432,246 versus $362,469 for the previous year's comparable period. The increase is due to increased corporate staff. Share-based payments were $360,251 versus $155,363 for the previous year's comparable period. The increase in Share-based payments is due to the employee option vesting schedule. Marketing expenses ($56,605 lower) and Consulting ($7,956 lower) are the result of higher reliance on internal staff. Losses on foreign exchange during the quarter ended May 31, 2011 were $23,009 compared to a gain of $34,808 in the previous year's comparable period due to fluctuations in the Canadian and US exchange rate. The current period's resource property write-off is nil compared to $2,761 during the previous year. Gain on sale of resource properties was nil for the current period compared to $1,035,346 during the previous year due to the sale of the Guyana properties. There was a gain on sale of short term investments of $44,205 during the previous year compared to nil during the current period. During the quarter ended May 31, 2011 the Company reported a loss in the fair value of marketable securities of $33,300 compared to $139,426 in the previous year's comparable period. The current year's Share of net loss of associates is $107,277 compared to nil during the previous year.

Total assets increased by $0.8 million from $102.2 million to $103.0 million during the period from March 1, 2011 to May 31, 2011. Current assets decreased by $7.5 million (see "Liquidity and Capital Resources" herein), property and equipment increased by $0.4 million while resource properties increased by $7.9 million due to continued exploration expenditures. Total liabilities, primarily accounts payable and accrued liabilities were higher by $1.6 million due to timing of payments associated with regular operating activities.

Summary of Unaudited Quarterly Results:

	31 MAY 11-IFRS	28 FEB 11-CANADIAN GAAP	30 NOV 10-CANADIAN GAAP	31 AUG 10-CANADIAN GAAP
Total Revenues	$ -	$ -	$ -	$ -
Loss	$ 1,324,502	$532,853	$ 876,341	$ 1,079,232
Loss per share – basic and diluted	$ 0.005	$ 0.002	$ 0.003	$ 0.005
	31 MAY 10-IFRS	**28 FEB 10-CANADIAN GAAP**	**30 NOV 09-CANADIAN GAAP**	**31 AUG 09-CANADIAN GAAP**
Total Revenues	$ -	$ -	$ -	$ -
Loss (income)	$ (65,061)	$ 109,425	$ 3,006,879	$ 2,175,098
Loss per share – basic and Diluted	$ 0.000	$ 0.000	$ 0.015	$ 0.012

LIQUIDITY AND CAPITAL RESOURCES

At May 31, 2011, the Company had cash and cash equivalents of $18,361,517 (February 28, 2011 - $25,666,536) and a working capital surplus of $15,688,872 (February 28, 2011 – $24,770,442). The decrease in cash and cash equivalents of $7.3 million over the quarter ended May 31, 2011, was due to investing activities ($7.7 million use of cash) for the on-going exploration of the Company's resource properties) slightly offset by operating expenses and changes in working capital including foreign exchange losses ($0.4 million increase in cash). The Company's ability to meet its obligations and maintain operations is contingent upon successful completion of additional financing arrangements. The Company periodically seeks financing to continue the exploration of its mineral properties and to meet its ongoing administrative requirements. Although the Company has been successful in raising funds to date, there can be no assurances that additional funding will be available in the future. These combined factors lend significant doubt about the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These consolidated financial statements have been prepared International Financial Reporting Standards ("IFRS") including IAS 34 "Interim Financial Reporting" and IFRS 1 "First time adoption of IFRS." applicable to a going concern, which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of operations as they come due. These consolidated financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The Company is in the process of advancing its mineral properties and the recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as mineral property costs represent incurred costs to date and do not necessarily represent future values.

The Company holds the predominant amount of its cash in chequing and investment accounts at a major Canadian bank. The investment accounts predominantly invest in Government of Canada treasury bills.

OPERATING ACTIVITIES

During the quarter ended May 31, 2011, operating activities, including non-cash working capital changes, provided funding of $0.4 million (as compared with the same period during the previous year that required funding of $0.9 million). The year over year increase in cash provided for operating activities is due to the increase in accounts payable and accrued liabilities.

RELATED PARTY TRANSACTIONS

Related parties include key management personnel, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The remuneration of directors and key management of the Company who are not independent for the three months ended May 31, 2011 and 2010 was as follows.

	2011	2010
Aggregate compensation (all compensation, including below)	$667,395	$473,798
Share based compensations	$317,406	$179,141

FINANCING ACTIVITIES

On August 24, 2010 the Company closed a brokered agreement, with a syndicate of underwriters, led by GMP Securities L.P. and including Cormark Securities Inc., Wellington West Capital Markets Inc., NCP Northland Capital Partners Inc., Paradigm Capital Inc., Raymond James Ltd., RBC Capital Markets and Scotia Capital Inc. (collectively, the "Underwriters), of 41,112,500 common shares of the Company at a price of C$0.70 per Share, for aggregate gross proceeds of C$28,778,750 (the "Offering"). Kinross Gold Corporation purchased 6,000,000 shares of the Offering and held a 19.1% interest in the Company as at August 24, 2010. The Underwriters received a cash commission equal 5.5% of the gross proceeds from the sale of the Offering.

August 24, 2010 Financing
(All amounts are approximate)

Use of Proceeds, as per Short Form Prospectus dated August 16, 2010 **Description**	**Budget as per Original Disclosure**	**Actual Spent as at May 31, 2011**	**Remaining to be Spent***	**Current Total Forecast**	**Variance Current Forecast less Original Budget**
Eagle Gold Project development	$8.0	$10.5	$9.5	**$20.0**	$12.0
Cove Project development	$10.0	$0	$0.0	**$0**	($10.0)
Nevada exploration	$5.0	$2.2	$2.8	**$5.0**	$0
Corporate expenses	$0.5	$1.5	$0.3	**$1.8**	$1.3
Total:	**$23.5**	**$14.2**	**$12.6**	**$26.8**	**$3.3**

*Remaining funds are held in the form of cash or cash equivalents.

The $3.3M variance between Current Forecast and Original Budget is due to an oversubscription of the financing. The variance in development spending is the result of the Company's focus on development of the Eagle Gold Project while the Cove Project has been delayed waiting for receipt of permits to go underground.
On April 20, 2010, the Company closed a non-brokered private placement flow-through offering (the "Offering") raising gross proceeds of approximately $4.3 million, representing the issuance of 4,100,000 common shares priced at $1.05 per share. Finders' fees of $225,500 were paid in conjunction with the Offering. The flow-through shares were subject to a four-month hold period.

April 20, 2010 Financing

(All amounts are approximate and are as at August 31, 2010)

USE OF PROCEEDS DESCRIPTION	BUDGET AS PER ORIGINAL DISCLOSURE	ACTUAL SPENT AS AT NOVEMBER 30, 2010	REMAINING TO BE SPENT	CURRENT TOTAL FORECAST	VARIANCE CURRENT FORECAST LESS ORIGINAL BUDGET
Eagle Exploration	$4.3	$4.3	$0	**$4.3**	$0

On November 24, 2009, the Company closed a brokered agreement of 23,809,522 special warrants ("Special Warrants"), priced at $0.63 per Special Warrant, for gross proceeds of $14,999,999 (the "Offering"). Each Special Warrant was exercisable into one common share of the Company (a "Common Share). On January 26, 2010, the Company received a receipt for its final prospectus which qualified the distribution of Common Shares issuable upon exercise of the Special Warrants. Kinross Gold Corporation ("Kinross") purchased 3,174,603 Special Warrants of the Offering and, after conversion of the Special Warrants into Common Shares, held a 21% interest in the Company as at November 24, 2009. Raymond James Limited, led a syndicate of underwriters in connection with the Offering and received a cash commission equal to 6% of the gross proceeds from the sale of the Offering.

November 24, 2009 Financing
(All amounts are approximate)

USE OF PROCEEDS, AS PER SHORT FORM PROSPECTUS DATED JANUARY 26, 2010 DESCRIPTION	BUDGET AS PER ORIGINAL DISCLOSURE	ACTUAL SPENT AS AT NOVEMBER 30, 2010	REMAINING TO BE SPENT	CURRENT TOTAL FORECAST	VARIANCE CURRENT FORECAST LESS ORIGINAL BUDGET
Eagle Gold Project exploration	$3.0	$0.8	$0	**$0.8**	$(2.2)
Eagle Gold Project development	$7.0	$6.2	$0	**$6.2**	$(0.8)
Corporate expenses	$2.1	$2.1	$0	**$2.1**	$0
Nevada exploration	$2.0	$5.0	$0	**$5.0**	$3.0
Total:	**$14.1**	**$14.1**	**$0**	**$14.1**	**$0**

Spending on Nevada exploration was $3M higher than original disclosure due to favourable exploration results at the Santa Fe project. The reduction in Eagle Gold Project exploration spending was funded by the April 20, 2010 flow-through financing.

On August 6, 2009, the Company closed a brokered private placement of 4,231,055 flow-through common shares priced at $0.45 each, for gross proceeds of $1.9 million (the "Offering"). Sandfire Securities Inc. (the "Agent") acted as agent and received a cash commission equal to 7% of the gross proceeds from the sale of the Offering. The Agent was also issued broker warrants to purchase 285,285 common shares of the Company at a price of 0.45 per common share until August 6, 2010. All securities issued pursuant to the Offering were subject to a four month hold period which expired on December 12, 2009.

August 6, 2009 Financing
(All amounts are approximates)

USE OF PROCEEDS DESCRIPTION	BUDGET AS PER ORIGINAL DISCLOSURE	ACTUAL SPENT AS AT MAY 31, 2010	REMAINING TO BE SPENT	CURRENT TOTAL FORECAST	VARIANCE CURRENT FORECAST LESS ORIGINAL BUDGET
Eagle Exploration	$1.9	$1.9	$0	**$1.9**	$0

Pursuant to the terms of the warrants issued on December 18, 2008, if the closing price of common shares of the Company on the TSX Venture Exchange was equal to or greater than $0.35 per common share for a period of 20 consecutive trading days at any time after four months and one day from the date of the issue of the warrants, the Company was entitled to accelerate the expiry date of the warrants. The Company delivered such notice to the warrant holders that it was exercising the foregoing right of acceleration such that the term of the warrants would expire on July 18, 2009. 10,647,000 warrants (representing all of the warrants issued in the December 18, 2008 placement) were subsequently exercised providing the Company with proceeds of $2,661,750.

On June 4, 2009, the Company completed the acquisition of StrataGold by way of Plan of Arrangement. Pursuant to the Arrangement, holders of StrataGold shares were entitled to receive 0.1249 of a Victoria common share for each StrataGold common share held totalling 23,000,709 common shares to shareholders of StrataGold.

On May 1, 2009, the Company issued 200,000 shares to a consultant of the Company to settle an outstanding debt.

On March 13, 2009, the Company closed a brokered private placement of 15,832,000 Units and 6,791,800 Subscription Receipts priced at $0.45 each, for gross proceeds of $10.2 million (the "Offering"). Each Unit "Unit" consists of one common share of the Company and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitled the holder to acquire one additional common share at a price of $0.55 until March 13, 2012. Each Subscription Receipt was converted, upon satisfaction of certain escrow release conditions, into one common share of the Company and one-half of one common share purchase warrant (each whole warrant a "SR Warrant"). Each SR Warrant entitled the holder to acquire one additional common share of the Company at a price of $0.55 until March 13, 2011. The escrow release conditions include the completion by the Company of the acquisition of StrataGold Corporation ("StrataGold") announced on February 11, 2009 (the "StrataGold Acquisition") and have been fully met. Wellington West Capital Markets Inc. led a syndicate including Raymond James Ltd., Haywood Securities Inc. and M. Partners (together, the "Agents") in connection with the Offering. As compensation for services rendered in connection with the Offering, the Agents were paid a cash commission equal to 7% of the gross proceeds from the sale of Units and Subscription. The Agents were also issued broker warrants to purchase 1,583,666 Common Shares of the Company at a price of $0.45 per Common Share until March 13, 2010. All securities issued pursuant to the Offering were subject to a four month hold period which expired on July 13, 2009.

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of August 8, 2011, the number of issued common shares was 277,007,261. (294,941,892 on a fully diluted basis).

As at August 8, 2011, there were 13,688,631 director, employee and consultant stock options outstanding with an exercise price ranging from $0.21 to $10.08 per share and expiring between December 14, 2011 and May 18, 2016. This represents approximately 5% of the issued and outstanding common shares. As at August 8, 2011, there were 4,776,000 warrants outstanding with an exercise price of $0.55 per share and an expiration date of March 13, 2012.

RISK AND UNCERTAINTIES

Exploration and mining risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Financial capability and additional financing

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although the Company has been successful in the past in financing its activities through the sale of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to execute its business plan.

Dependence on key personnel

Many of Victoria's personnel are specialized, highly skilled and experienced. The Company's future exploration success will depend to a significant extent on its ability to attract and retain qualified personnel. While Victoria has not experienced any significant difficulties to date in attracting and retaining personnel, there can be no assurance that this will continue. The loss of key personnel could have a material adverse effect on the Company's operations and business prospects.

Operations

Victoria's operations are subject to operational risks and hazards inherent in the mineral exploitation and extraction industry, including, but not limited to, variations in grade, deposit size, earthquakes and other Acts of God, density and other geological problems, hydrological conditions, availability of power, metallurgical and other processing problems, mechanical equipment performance problems, drill rig shortages, the unavailability of materials and equipment including fuel, labour force disruptions, unanticipated transportation costs, unanticipated regulatory changes, unanticipated or significant changes in the costs of supplies including, but not limited to, petroleum, labour, and adverse weather conditions. Should any of these risks and hazards affect any of Victoria's exploration and development activities, it may cause delays or a complete stoppage in Victoria's exploration or development activities, which would have a material and adverse effect on the business of Victoria.

Government regulations and permitting

Victoria's exploration and development activities are subject to laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, mine development and protection of endangered and protected species, treatment of indigenous peoples and other matters. Each jurisdiction in which Victoria has properties regulates mining and mineral exploration activities. It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to Victoria or its properties, which could have a material and adverse effect on Victoria's current exploration and development activities. Where required, obtaining necessary permits can be a complex, time-consuming process and Victoria cannot provide assurance whether any necessary permits will be obtainable on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Victoria from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

Title

The acquisition of title to mineral properties is a very detailed and time consuming process. Title to, and the area of, mineral concessions and claims may be disputed. While Victoria believes it has diligently investigated title to the mineral concessions and claims underlying its properties, Victoria cannot guarantee that title to any such properties will not be challenged, or that title to such properties will not be affected by an unknown title defect. Victoria has not surveyed the boundaries of all of its mineral properties and consequently the boundaries of the properties may be disputed.

Litigation Risks

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that there solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

Fair value of financial instruments

The carrying values for primary financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, approximate fair values due to their short-term maturities.

Risk exposure is summarized as follows:

(a) Credit risk

Certain of the Company's financial assets are exposed to a degree of credit risk. The Company endeavours to mitigate credit risk by holding its cash and cash equivalents as cash deposits and short-term government treasury funds with major commercial banks.

Credit risk relating to restricted cash arises from the possibility that any counterparty to an instrument fails to perform. The Company's restricted cash includes reclamation bonds. Reclamation bonds reflect non-interest bearing cash deposits held with governmental agencies representing the state of Nevada and joint venture partners and interest bearing certificates of deposit held by Wells Fargo. The Company does not feel there is significant counterparty risk that could have an impact on the fair value of such receivables and reclamation bonds.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. Accounts payables and accrued liabilities are due within the current operating period, from March 1, 2011 through May 31, 2011.

(c) Market risk

I. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is limited as these investments, although available for sale, renew daily. The short-term investments included in cash and cash equivalents earn interest at prevailing rates.

II. Foreign currency risk

The Company incurs exploration expenditures in the United States and holds a portion of its cash and cash equivalents in US dollars. This gives rise to a risk that its US dollar expenditures and US dollar cash holdings may be adversely impacted by fluctuations in foreign exchange. The Company does not undertake currency hedging activities.

III. Price risk

The Company's financial assets and liabilities are not exposed to price risk with respect to commodity prices. The Company's exploration drill programs are exposed to price risk, of which the Company has little control. The Company's exploration drill programs are carried out by outside contractors. Cost increases for consumables such as fuel and drill bits are indirectly passed on to the Company through its contracted drill programs.

There has been no significant change in the risk factors affecting the Company on a period over period basis.

Sensitivity Analysis

The following table summarizes the sensitivity of the Company's cash, cash equivalents and restricted cash to changes in interest rates and foreign exchange rates over the three month reporting period ended May 31, 2011.

		CARRYING		INTEREST RATE CHANGE (1)			FOREIGN CURRENCY CHANGE (2)	
		AMOUNT		+ 1%	- 1%		+ 10%	- 10%
Cash and cash equivalents (Cdn $)								
Cash - Cdn$ denominated		766,868		1,917	(1,917)		-	-
Cash - US$ denominated		4,902,172		12,255	(12,255)		490,217	(490,217)
Treasury funds –Cdn$ denominated		12,692,477		31,731	(31,731)		-	-
Total cash and cash equivalents		18,361,517		45,903	(45,903)		490,217	(490,217)
Reclamation bonds - US$ denominated (non-interest bearing)		398,948		-	-		39,895	(39,895)
Reclamation bonds - US$ denominated (interest bearing)		318,083		795	(795)		31,808	(31,808)
Total amount or impact - cash and deposits		19,078,548		46,698	(46,698)		561,920	(561,920)

1) Interest earned on the Company's interest bearing cash accounts, treasury funds and certificates of deposit is at prevailing rates that fluctuate with changes in banking interest rates and Government t-bill rates. Management believes that a plus or minus 1% annual change in rates is a reasonable estimate of variability over a three month period.

2) The Company's US dollar cash balance, US dollar reclamation bonds and US dollar based certificates of deposit are subject to foreign exchange risk. Management has shown a sensitivity analysis of a plus or minus change of 10%.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

Effective January 1, 2011 Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is March 1, 2010. The three months ended May 31, 2011 is the Company's first reporting period under IFRS.

The Company's IFRS conversion team identified three phases to our conversion: initial diagnostic phase, Impact analysis, evaluation and solution development phase and Implementation and review phase. Post-implementation will continue in future periods, as outlined below.

The following outlines the Company's transition project, IFRS transitional impacts and the on-going impact of IFRS on the financial results. Note 18 to the interim financial statements provides more detail on the key Canadian GAAP to IFRS difference, the accounting policy decisions and IFRS 1, First-Time Adoption of International Financial Reporting Standards, optional exemptions for significant or potentially significant areas that have had an impact on the financial statements on transition to IFRS or may have an impact in future periods.

Transitional Financial Impact

The tables below outline:

- **a)** Adjustments to the Corporation's equity on adoption of IFRS on March 1, 2010, and at May 31, 2010 and February 28, 2010 for comparative purposes.

- **b)** Adjustments to statement of income for the three months ended May 31, 2010 and for the year ended February 28, 2011.

The following tables should be read in conjunction with the more detailed footnotes in the interim financial notes as referenced in the tables.

Reconciliation of equity:

		March 1, 2010			May 31, 2010			February 28, 2011		
	Notes	Canadian GAAP	Effect of transition to IFRS	IFRS	Canadian GAAP	Effect of transition to IFRS	IFRS	Canadian GAAP	Effect of transition to IFRS	IFRS
Assets										
Current assets										
Cash and cash equivalents		19,846,495	-	19,846,495	20,883,110	-	20,883,110	25,666,536	-	25,666,536
Restricted cash		826,389	-	826,389	814,708	-	814,708	718,970	-	718,970
Marketable securities		473,002	-	473,002	313,500	-	313,500	162,850	-	162,850
Accounts receivable		276,192	-	276,192	340,009	-	340,009	696,922	-	696,922
Prepaid expenses		191,849	-	191,849	225,780	-	225,780	567,586	-	567,586
		21,613,927	-	21,613,927	22,577,107	-	22,577,107	27,812,864	-	27,812,864
Investment in Takara Resources Inc.		-	-	-	3,303,171	-	3,303,171	2,859,887	-	2,859,887
Property and equipment		975,441	-	975,441	424,831	-	424,831	5,460,467	-	5,460,467
Deferred transaction costs		-	-	-	-	-	-	-	-	-
Resource properties	*c) & f)*	53,241,098	(1,757,568)	51,483,530	54,876,158	(1,646,741)	53,229,417	70,685,263	(4,663,628)	66,021,635
Total assets		75,830,466	(1,757,568)	74,072,898	81,181,267	(1,646,741)	79,534,526	106,818,481	(4,663,628)	102,154,853
Liabilities and Shareholders' Equity										
Current liabilities										
Accounts payable and accrued liabilities		4,034,846	-	4,034,846	2,966,285	-	2,966,285	2,300,914	-	2,300,914
Deferred premium	*a) (1)*	-		-	-	820,000	820,000	-	-	-
Current portion of ARO		24,381	-	24,381	24,233	-	24,233	22,558	-	22,558
		4,059,227	-	4,059,227	2,990,518	820,000	3,810,518	2,323,472	-	2,323,472
Asset retirement obligations ("ARO")	*c)*	719,765	169,695	889,460	728,545	169,695	898,240	1,001,787	169,695	1,171,482
		4,778,992	169,695	4,948,687	3,719,063	989,695	4,708,758	3,325,259	169,695	3,494,954
Shareholders' Equity										
Capital stock	*a)*	89,376,881	(6,982)	89,369,899	96,001,907	(826,982)	95,174,925	123,875,070	263,592	124,138,662
Warrants										
Contributed surplus	*b)*	9,039,932	322,733	9,362,665	8,894,056	189,252	9,083,308	9,540,337	8,327	9,548,664
Accumulated other comprehensive loss	*f)*	-	(1,927,263)	(1,927,263)	-	(1,816,436)	(1,816,436)	-	(4,833,323)	(4,833,323)
Deficit	*a) & b)*	(27,365,339)	(315,751)	(27,681,090)	(27,433,759)	(182,270)	(27,616,029)	(29,922,185)	(271,919)	(30,194,104)
Total equity		71,051,474	(1,927,263)	69,124,211	77,462,204	(2,636,436)	74,825,768	103,493,222	(4,833,323)	98,659,899
Total liabilities and equity		75,830,466	(1,757,568)	74,072,898	81,181,267	(1,646,741)	79,534,526	106,818,481	(4,663,628)	102,154,853

Reconciliation of loss and comprehensive loss for the three months period ended May 31, 2010 and year ended February 28, 2011:

		For the three months ended May 31, 2010			For the year ended February 28, 2011		
	Notes	Canadian GAAP	Effect of Transition to IFRS	IFRS	Canadian GAAP	Effect of Transition to IFRS	IFRS
Expenses							
Share-based payments	*b)*	288,844	(133,481)	155,363	982,472	(314,406)	668,066
Salaries and benefits excluding share-based payments		362,469	-	362,469	1,399,548	-	1,399,548
Office and administrative		113,237	-	113,237	588,332	-	588,332
Consulting		60,006	-	60,006	144,193	-	144,193
Marketing		119,393	-	119,393	394,744	-	394,744
Legal and accounting		67,978	-	67,978	404,313	-	404,313
Amortization		27,240	-	27,240	56,691	-	56,691
Resource property costs and impairments		2,761	-	2,761	2,761	-	2,761
		1,041,928	(133,481)	908,447	3,973,054	(314,406)	3,658,648
Loss before the undernoted		(1,041,928)	133,481	(908,447)	(3,973,054)	314,406	(3,658,648)
Premium on flow-through shares	*a) (1)*	-	-	-	-	(820,000)	(820,000)
Foreign exchange loss (gain)		(34,808)	-	(34,808)	314,761	-	314,761
Share of net loss of equity investment		-	-	-	443,284	-	443,284
Change in fair value of marketable securities		139,426	-	139,426	4,577	-	4,577
(Gain) loss on disposal of mineral properties		(1,035,346)	-	(1,035,346)	(902,292)	-	(902,292)
(Gain) loss on sale of short term investments		(44,205)	-	(44,205)	(18,788)	-	(18,788)
(Gain) on join venture investment		-	-	-	-	-	-
Interest and bank charges		10,885	-	10,885	21,356	-	21,356
Interest income		(9,460)	-	(9,460)	(188,532)	-	(188,532)
		(973,508)	-	(973,508)	(325,634)	(820,000)	(1,145,634)
Income (loss) before taxes		(68,420)	133,481	65,061	(3,647,420)	1,134,406	(2,513,014)
Income tax recovery	*a) (2)*	-	-	-	1,090,574	(1,090,574)	-
Net income (loss) for the period		(68,420)	133,481	65,061	(2,556,846)	2,224,980	(2,513,014)
Net income (loss) per share:							
Basic and diluted gain (loss) per		(0.000)		0.000	(0.010)		(0.010)
Weighted average number of shares							
Basic and diluted		228,036,637		228,036,637	254,418,707		254,418,707

Business Activities and Key Performance Measures

The Company has assessed the impact of the IFRS transition project on our financial covenants and key ratios. The transition did not significantly impact the Company's covenants and key ratios.

Information Technology and Systems

The IFRS transition project did not have a significant impact on our information systems for the convergence periods. The Company does not expect significant changes in the post-convergence periods.

Post-Implementation

The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods. The Company notes that the standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that have been selected. In particular, there may be additional new or revised IFRSs or IFRICs in relation to consolidation, joint ventures, financial instruments, hedge accounting, discontinued operations, leases, employee benefits, revenue recognition and stripping costs in the production phase of a surface mine. The International Accounting Standards Board is currently working on an extractive industries project, which could significantly impact the Company's financial statements. The Company has processes in place to ensure that potential changes are monitored and evaluated. The impact of any new IFRSs and IFRIC Interpretations will be evaluated as they are drafted and published.

OFF-BALANCE SHEET TRANSACTIONS

During the most recent three months ended May 31, 2011, and up to the date of this report, the Company had no off-balance sheet transactions.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, loan receivable, accounts payable and accrued liabilities and reclamation bonds. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The reclamation bonds are held with a state of Nevada governmental institution, a joint venture partner or as letters of credit at Wells Fargo and represent restricted cash, which will be returned to the Company upon the satisfactory completion of reclamation obligations. The reclamation bonds and certain of the Company's cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities are denominated in $US leading to currency risk arising from fluctuations in the $C and $US exchange rate. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

"John McConnell"	**"Marty Rendall"**
John McConnell Chief Executive Officer & President	Marty Rendall Chief Financial Officer