



Victoria Gold Enters Into Agreement to Sell its Mill Canyon Property in Nevada

May 25, 2012: Victoria Gold Corp. (TSX-V: VIT-V "**Victoria**" or the "**Company**") ("**Victoria**" or the "**Company**") is pleased to announce that it has entered into a Purchase and Sale Agreement (the "**PSA**") with a wholly-owned subsidiary of Barrick Gold Corporation ("**Barrick**"), to sell its interest in the Mill Canyon Property (the "**Property**"), located in Eureka and Lander Counties, Nevada. The Property consists of claims which the Company acquired from Newmont Mining Corporation ("**Newmont**"), through a purchase agreement dated May 13, 2003 (as amended).

Total consideration for the purchase of the Property of up to US\$24,000,000 shall be satisfied by the delivery to Victoria of:

- I. US\$15,000,000 on closing of the transaction;
- II. all of the right, title, and interest of Barrick in the Santa Fe Property¹, located in Mineral County, Nevada, with an ascribed value at US\$4,000,000; and
- III. an additional US\$5,000,000 should the right of Newmont to back into a joint venture in respect of the Property expire or otherwise be eliminated.

¹ Victoria is currently earning into a 60% interest of the Santa Fe Property as per an Exploration, Development and Mine Operating Agreement dated May 21st, 2008. Upon closing of the sale of the Property, the Exploration, Development and Mine Operating Agreement will terminate and Victoria will hold a 100% interest in the Santa Fe Property.

John McConnell, President & CEO of Victoria stated "While continuing to advance the development of the Company's flagship Eagle Project in Yukon, we have been successful in finding value in our non-core properties. The sale of the Mill Canyon property combined with the recent sales of the Relief Canyon and Cove properties is anticipated to provide aggregate consideration of approximately C\$49,000,000 to be used for Eagle construction. This is exclusive of contingent payments of approximately C\$25,000,000 and royalties."

The sale of the Relief Canyon property, announced on March 27, 2012, closed on April 5, 2012. The sale of the Cove property, announced on April 10, 2012, is expected to close in June 2012. The closing of the sale of the Mill Canyon property, announced herein, is expected to occur in June 2012.

About Victoria

Victoria Gold is an emerging gold producer whose flagship asset is its 100% owned Dublin Gulch property which hosts the Eagle Gold Deposit. Dublin Gulch is situated in central Yukon Territory, Canada, approximately 375 kilometers north of the capital city of Whitehorse. The property covers an area of approximately 650 square kilometers, is accessible by road year-round and is located within Yukon Energy's electrical grid.

The Eagle Gold Deposit is expected to be Yukon's next operating gold mine and includes Probable Reserves of 2.3 million ozs of gold from 92 million tonnes of ore with a grade of 0.78 grams of gold per tonne, as outlined in a National Instrument 43-101 definitive feasibility study. The NI 43-101 Compliant Mineral Resource has been estimated to host 222 million tonnes averaging 0.68 grams of gold per tonne, containing 4.9 million ounces of gold in the "Indicated" category, inclusive of Probable Reserves, and a further 78 million tonnes averaging 0.60 grams of gold per tonne, containing 1.5 million ounces of gold in the "Inferred" category.



Cautionary Language and Forward-Looking Statements

Neither the TSX Venture Exchange, nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release. This press release includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future exploration drilling, exploration activities, anticipated metal production, internal rate of return, estimated ore grades, commencement of production estimates and projected exploration and capital expenditures (including costs and other estimates upon which such projections are based) and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include metal prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Accordingly, readers should not place undue reliance on forward-looking statements.

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