



(an exploration and development stage company)

**Condensed Consolidated Interim Financial Statements**

**November 30, 2015 and 2014**

*(Unaudited)*  
*(Expressed in Canadian Dollars)*

## **Victoria Gold Corp.**

(an exploration and development stage company)  
November 30, 2015 and February 28, 2015

### ***MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION***

The accompanying condensed consolidated interim financial statements and all other financial information included in this report are the responsibility of management. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Financial statements include certain amounts based on estimates and judgments. When alternative methods exist, management has chosen those it deems most appropriate in the circumstances to ensure that the consolidated financial statements are presented fairly, in all material respects.

Management maintains appropriate systems of internal control, consistent with reasonable cost, to give reasonable assurance that its assets are safeguarded, and the financial records are properly maintained.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee, which is comprised of three Directors, all of whom are non-management and independent, meets with management to review the consolidated financial statements to satisfy itself that management is properly discharging its responsibilities to the Directors, who approve the consolidated financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial reporting standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

### ***NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS***

Under National Instruments 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

(signed) "John McConnell"  
Director, President and CEO  
January 21, 2016

(signed) "Marty Rendall"  
CFO  
January 21, 2016

*See accompanying notes to the condensed consolidated interim financial statements.*

**Victoria Gold Corp.**  
**Condensed Consolidated Interim Statements of Financial Position**

*(Unaudited)*

*(Expressed in Canadian Dollars)*

	<b>Notes</b>	<b>November 30, 2015</b>	<b>February 28, 2015</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 13,360,621	\$ 14,751,577
Marketable securities and warrants	5	92,632	1,274,752
HST and other receivables		166,827	185,032
Prepaid expenses		172,789	129,724
		<u>13,792,869</u>	<u>16,341,085</u>
<b>Non-current assets</b>			
Restricted cash		1,881,930	1,816,686
Property and equipment	7	3,381,519	3,798,894
Resource properties	8	<u>112,847,718</u>	<u>109,287,066</u>
<b>Total assets</b>		<u>\$ 131,904,036</u>	<u>\$ 131,243,731</u>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 4,261,405	\$ 4,260,449
Deferred premium	9	346,628	-
		<u>4,608,033</u>	<u>4,260,449</u>
<b>Non-current liabilities</b>			
Asset retirement obligations ("ARO")	10	<u>2,957,572</u>	<u>2,798,319</u>
<b>Total liabilities</b>		<u>7,565,605</u>	<u>7,058,768</u>
<b>Shareholders' Equity</b>			
Share capital	11	152,909,733	151,618,587
Contributed surplus		14,312,392	13,971,128
Accumulated other comprehensive loss		(2,678,612)	(2,578,869)
Accumulated deficit		<u>(40,205,082)</u>	<u>(38,825,883)</u>
<b>Total shareholder's equity</b>		<u>124,338,431</u>	<u>124,184,963</u>
<b>Total liabilities and equity</b>		<u>\$ 131,904,036</u>	<u>\$ 131,243,731</u>

See accompanying notes to the condensed consolidated interim financial statements.

Authorized for issue by the Board  
of Directors on January 21st, 2016  
and signed on its behalf.

"T. Sean Harvey"

Director

"Chris Hill"

Director

**Victoria Gold Corp.**  
**Condensed Consolidated Interim Statements of Comprehensive Loss**

(Unaudited)  
(Expressed in Canadian Dollars)

	Notes	For the three months ended November 30,		For the nine month period ended November 30,	
		2015	2014	2015	2014
<b>Operating expenses</b>					
Salaries and benefits excluding share-based payments		\$ 264,368	\$ 290,454	\$ 857,262	\$ 1,046,389
Office and administrative		120,508	126,034	355,573	419,426
Share-based payments	12	47,488	34,058	229,099	180,638
Marketing		103,543	99,540	221,248	250,619
Legal and accounting		27,414	53,636	104,779	158,815
Consulting		21,000	28,780	45,000	122,995
Amortization		1,238	1,768	3,714	5,305
Foreign exchange (gain) loss		(50,115)	(360,427)	(454,088)	(206,398)
		<u>535,444</u>	<u>273,843</u>	<u>1,362,587</u>	<u>1,977,789</u>
<b>Finance (income) costs</b>					
Unwinding of present value discount: ARO		5,475	9,283	16,172	27,572
Interest and bank charges		705	707	5,499	4,371
Interest income		(16,423)	(31,176)	(62,247)	(293,104)
Change in fair value of marketable securities and warrants		18,064	821,521	57,188	(445,806)
		<u>7,821</u>	<u>800,335</u>	<u>16,612</u>	<u>(706,967)</u>
<b>Loss before taxes</b>					
		(543,265)	(1,074,178)	(1,379,199)	(1,270,822)
Current income taxes		-	-	-	(80,843)
<b>Net loss</b>					
		(543,265)	(1,074,178)	(1,379,199)	(1,351,665)
<b>Other Comprehensive income (loss)</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Currency translation adjustment		(99,743)	251,308	(99,743)	151,932
<b>Total items that may be reclassified subsequently to profit or loss</b>					
		(99,743)	251,308	(99,743)	151,932
<b>Total comprehensive loss for the period</b>					
		<u>\$ (643,008)</u>	<u>\$ (822,870)</u>	<u>\$ (1,478,942)</u>	<u>\$ (1,199,733)</u>
<b>Loss per share - basic and diluted</b>					
	13	<u>\$ (0.002)</u>	<u>\$ (0.003)</u>	<u>\$ (0.004)</u>	<u>\$ (0.004)</u>
<b>Weighted average number of shares</b>					
Basic and diluted		340,641,509	340,073,973	340,261,776	340,073,973

See accompanying notes to the condensed consolidated interim financial statements.

**Victoria Gold Corp.**

**Condensed Consolidated Interim Statement of Changes in Shareholder's Equity**

(Unaudited)

(Expressed in Canadian Dollars)

Notes	Share capital		Contributed surplus	Accumulated other comprehensive loss	Accumulated deficit	Total equity	
	Number of shares	Amount					
	340,073,973	\$ 151,618,587	\$ 13,439,501	\$ (2,929,884)	\$ (31,373,128)	\$ 130,755,076	
	<b>Transactions with owners:</b>						
			180,638			180,638	
			107,091			107,091	
	-	-	287,729	-	-	287,729	
	Net loss for the period						
					(1,351,665)	(1,351,665)	
	<b>Other comprehensive income/(loss):</b>						
				151,932		151,932	
<b>Balance at November 30, 2014</b>	<b>11</b>	<b>340,073,973</b>	<b>\$ 151,618,587</b>	<b>\$ 13,727,230</b>	<b>\$ (2,777,952)</b>	<b>\$ (32,724,793)</b>	<b>\$ 129,843,072</b>
		340,073,973	\$ 151,618,587	\$ 13,971,128	\$ (2,578,869)	\$ (38,825,883)	\$ 124,184,963
	<b>Transactions with owners:</b>						
	10,329,164	1,755,958				1,755,958	
		(118,184)				(118,184)	
			229,099			229,099	
			112,165			112,165	
		(346,628)				(346,628)	
	10,329,164	1,291,146	341,264	-	-	1,632,410	
	Net loss for the period						
					(1,379,199)	(1,379,199)	
	<b>Other comprehensive income/(loss):</b>						
				(99,743)		(99,743)	
<b>Balance at November 30, 2015</b>	<b>11</b>	<b>350,403,137</b>	<b>\$ 152,909,733</b>	<b>\$ 14,312,392</b>	<b>\$ (2,678,612)</b>	<b>\$ (40,205,082)</b>	<b>\$ 124,338,431</b>

See accompanying notes to the condensed consolidated interim financial statements.

**Victoria Gold Corp.**  
**Condensed Consolidated Interim Statement of Cash Flows**

*(Unaudited)*

*(Expressed in Canadian Dollars)*

		<b>For the nine month period ended November 30,</b>	
	<b>Notes</b>	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities</b>			
Net loss for the period		\$ (1,379,199)	\$ (1,351,665)
<b>Adjustments for:</b>			
Share-based payments	12	229,099	180,638
Income taxes		-	(80,842)
Unwinding of present value discount: ARO	10	16,172	27,572
Change in fair value of marketable securities and warrants		174,796	(68,829)
Unwinding of present value discount: Receivables		-	(195,403)
Amortization		3,714	5,305
Net unrealized foreign exchange (gain) loss		(847,221)	(364,272)
		<u>(1,802,639)</u>	<u>(1,847,496)</u>
<b>Working capital adjustments:</b>			
(Increase) decrease in HST and other receivables		18,205	5,146,609
(Increase) decrease in marketable securities		(117,608)	(5,383,618)
(Increase) decrease in prepaid expenses		(4,237)	(22,892)
Increase (decrease) in accounts payables and accrued liabilities		121,555	(288,960)
		<u>17,915</u>	<u>(548,861)</u>
<b>Net cash flows used in operating activities</b>		<u>(1,784,724)</u>	<u>(2,396,357)</u>
<b>Cash flows used in investing activities</b>			
Resource properties	8	(2,569,799)	(6,121,016)
Cash received from disposition of securities and assets held for sale		1,124,932	8,894,259
Restricted cash		45,122	314,564
Purchase of property and equipment		-	(3,415)
<b>Net cash flows (used in) provided by investing activities</b>		<u>(1,399,745)</u>	<u>3,084,392</u>
<b>Cash flows from financing activities</b>			
Shares issued for cash, net of issuance cost	11 & 12	1,637,774	-
<b>Net cash flows from financing activities</b>		<u>1,637,774</u>	<u>-</u>
Foreign exchange gain (loss) on cash balances		<u>155,739</u>	<u>115,425</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<u>(1,390,956)</u>	<u>803,460</u>
Cash and cash equivalents, beginning of the period		<u>14,751,577</u>	<u>14,175,031</u>
<b>Cash and cash equivalents, end of the period</b>		<u>\$ 13,360,621</u>	<u>\$ 14,978,491</u>

See accompanying notes to the condensed consolidated interim financial statements. Supplementary Cash Flow information is provided in Note 15.

# Victoria Gold Corp.

(an exploration and development stage company)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

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(Unaudited)

(Expressed in Canadian Dollars)

## 1. NATURE OF OPERATIONS

Victoria Gold Corp. ("Victoria" or "the Company"), a British Columbia company, was incorporated in accordance with the Business Corporations Act (British Columbia) on September 21, 1981. The Company's common shares are listed on the TSX-V.

The Company is engaged in the acquisition, evaluation, exploration and development of mineral properties. To date, the Company has not realized any revenues from its properties and is considered to be an exploration and development stage company. The Company's registered office is located at 80 Richmond St. West, Suite 303, Toronto, Ontario, M5H 2A4, Canada.

The recoverability of the amounts shown for resource properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing and permits to complete the development, and upon future profitable production or proceeds from disposition of these assets.

These condensed consolidated interim financial statements have been prepared using IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due for the foreseeable future. The Company's future is currently dependent upon its ability to successfully complete additional financing arrangements, secure all necessary permits, its ability to fulfil its planned exploration and development programs and upon future profitable production from, or the proceeds from the disposition of, its mineral properties. The Company periodically seeks financing to continue the exploration and development of its resource properties and to meet its future administrative requirements. Although the Company has been successful in raising funds to date, there can be no assurances that the steps management is taking, and will continue to take, will be successful in future reporting periods.

At November 30, 2015, Victoria Gold Corp. ("Victoria" or "the Company") had a working capital surplus of \$9,184,836 (compared with a surplus of \$12,080,636 at February 28, 2015), reported a net loss of \$1,379,199 (2014 net loss - \$1,351,665) and accumulated deficit of \$40,205,082 (\$38,825,883 at February 28, 2015).

## 2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements for the nine months ended November 30, 2015 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended February 28, 2015, which have been prepared in accordance with IFRSs.

These consolidated financial statements include the accounts of Victoria and its wholly-owned subsidiaries including:

- Victoria Resources (U.S.) Inc., a Nevada corporation,
- Gateway Gold Corp., a British Columbia corporation,
- Gateway Gold (USA) Corp., a Nevada corporation,
- StrataGold Corporation, a British Columbia corporation,

Gateway Gold Corp. and Gateway Gold (USA) Corp. (together referred to as "Gateway") were acquired by the Company on December 18, 2008.

StrataGold Corporation ("StrataGold") was acquired by the Company on June 4, 2009.

These financial statements were approved by the Board of Directors for issue on January 21, 2016.

**Victoria Gold Corp.**  
 (an exploration and development stage company)  
 Notes to the Condensed Consolidated Interim Financial Statements  
 For the nine months ended November 30, 2015 and 2014

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(Unaudited)  
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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies followed in the presentation of these condensed consolidated interim financial statements are consistent with those of the previous financial year, except for the following:

**Flow-through shares**

Under Canadian income tax legislation, the Company is permitted to issue flow-through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company has 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.

The allocation of the proceeds 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, net of issuance costs in connection with the offering. 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.

**4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended February 28, 2015.

**5. MARKETABLE SECURITIES AND WARRANTS**

	<b>November 30, 2015</b>	<b>February 28, 2015</b>
<b>Current investments</b>		
Opening balance	\$ 1,274,752	\$ 179,837
Additions	-	5,002,523
Disposals	(1,124,932)	(4,816,061)
Change in fair value	(57,188)	908,453
Financial assets at fair value through profit and loss	<u>\$ 92,632</u>	<u>\$ 1,274,752</u>

# Victoria Gold Corp.

(an exploration and development stage company)

## Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

### 6. RELATED PARTIES

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 nine months ended November 30, 2015 and 2014 was as follows:

	2015	2014
Salaries and other short term employment benefits	\$ 641,233	\$ 686,568
Share based compensation	\$ 144,138	\$ 137,680

The amounts above have been awarded solely to officers of the Company for work performed in their full-time capacity for the Company.

### 7. PROPERTY AND EQUIPMENT

	Other assets	Buildings/ structure	Field & automotive equipment	Leasehold improvements	Total
<b>Cost</b>					
<b>March 1, 2014</b>	\$ 582,213	\$ 6,063,280	\$ 173,650	\$ 309,529	\$ 7,128,672
Additions	3,415	-	-	-	3,415
<b>February 28, 2015</b>	585,628	6,063,280	173,650	309,529	7,132,087
Disposals	-	-	-	(130,726)	(130,726)
<b>November 30, 2015</b>	\$ 585,628	\$ 6,063,280	\$ 173,650	\$ 178,803	\$ 7,001,361
<b>Accumulated amortization</b>					
<b>March 1, 2014</b>	\$ 333,944	\$ 2,084,822	\$ 99,198	\$ 120,766	\$ 2,638,730
Charge	74,793	541,093	16,672	61,905	694,463
<b>February 28, 2015</b>	408,737	2,625,915	115,870	182,671	3,333,193
Charge	32,520	326,808	11,619	46,428	417,375
Disposals	-	-	-	(130,726)	(130,726)
<b>November 30, 2015</b>	\$ 441,257	\$ 2,952,723	\$ 127,489	\$ 98,373	\$ 3,619,842
<b>Net book value</b>					
<b>March 1, 2014</b>	\$ 248,269	\$ 3,978,458	\$ 74,452	\$ 188,763	\$ 4,489,942
<b>February 28, 2015</b>	\$ 176,891	\$ 3,437,365	\$ 57,780	\$ 126,858	\$ 3,798,894
<b>November 30, 2015</b>	\$ 144,371	\$ 3,110,557	\$ 46,161	\$ 80,430	\$ 3,381,519

During the period ended November 30, 2015, the Company capitalized amortization related to resource properties of \$413,661 (\$541,880 – 2014).

# Victoria Gold Corp.

(an exploration and development stage company)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

## 8. RESOURCE PROPERTIES

	Santa Fe (Nevada)	Dublin Gulch (Yukon)	Other properties **	Total
<b>Balance February 28, 2015</b>	\$ 6,311,124	\$ 101,626,743	\$ 1,349,199	\$ 109,287,066
Acquisition	-	-	-	-
Salaries and benefits	61,200	906,764	-	967,964
Amortization	-	413,661	-	413,661
Office and administration	21,279	560,410	-	581,689
Land claims and royalties	61,331	16,564	36,331	114,226
Environmental and permitting	106,852	252,288	-	359,140
Government and community relations	-	369,787	-	369,787
Site operations	-	75,413	-	75,413
Engineering and design	-	72,424	-	72,424
Assaying	-	-	-	-
Drilling and indirects	-	-	-	-
Other exploration	-	95,099	29,876	124,975
Exploration and development costs for the period	250,662	2,762,410	66,207	3,079,279
Currency translation	481,373	-	-	481,373
<b>Balance November 30, 2015</b>	\$ 7,043,159	\$ 104,389,153	\$ 1,415,406	\$ 112,847,718

\*\* Other properties include interests in Donjek, Aurex, Canalask and Clear Creek in Yukon Territory and Island Mountain in Nevada.

# Victoria Gold Corp.

(an exploration and development stage company)

## Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

	Santa Fe (Nevada)	Dublin Gulch (Yukon)	Other properties **	Total
<b>Balance February 28, 2014</b>	\$ 11,926,333	\$ 93,848,244	\$ 710,760	\$ 106,485,337
Acquisition	-	-	(50,886)	(50,886)
Salaries and benefits	94,950	1,377,491	-	1,472,441
Amortization	-	687,390	-	687,390
Office and administration	21,070	685,717	-	706,787
Land claims and royalties	57,759	40,610	63,059	161,428
Environmental and permitting	81,613	865,035	-	946,648
Government and community relations	-	436,294	-	436,294
Site operations	-	112,186	-	112,186
Engineering and design	-	151,241	-	151,241
Assaying	-	295,040	-	295,040
Drilling and indirects	-	2,301,885	-	2,301,885
Other exploration	-	711,957	-	711,957
Asset retirement obligation adjustment	(10,131)	113,653	-	103,522
Exploration and development costs for the period	245,261	7,778,499	63,059	8,086,819
Currency translation	1,302,859	-	-	1,302,859
Gain (loss) on optioned properties	-	-	626,266	626,266
Impairment of mineral interests	(7,163,329)	-	-	(7,163,329)
<b>Balance February 28, 2015</b>	\$ 6,311,124	\$ 101,626,743	\$ 1,349,199	\$ 109,287,066

\*\* Other properties include interests in Donjek, Aurex, Canalask and Clear Creek in Yukon Territory and Island Mountain in Nevada.

### 9. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. 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 already incurred. As at November 30, 2015, the Company has yet to incur any qualifying exploration expenditures and has recognized a deferred premium liability of \$346,628 relating to the flow-through financing completed on November 26, 2015 (see note 11).

### 10. ASSET RETIREMENT OBLIGATIONS

Reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements and measured with the most reliable information available. Management's estimate is determined based on the net present value of estimated future cash expenditures for reclamation and closure activities. Reclamation and closure costs are capitalized into Resource properties dependent on the nature of the asset related to the obligation and amortized over the life of the related asset. Future changes to those regulations and standards, as well as changes resulting from operations may result in actual reclamation costs differing from the estimate.

# Victoria Gold Corp.

(an exploration and development stage company)

## Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

The Company's asset retirement obligations arise from its obligations to undertake site reclamation and remediation in connection with the Santa Fe and Dublin Gulch properties. The estimated costs of reclamation are based on current regulatory requirements and the estimated reclamation costs at the reporting date using the following assumptions:

- total undiscounted amount of inflation adjusted future reclamation costs was determined to be \$795,439 for Dublin Gulch and \$2,317,891 for Santa Fe;
- weighted average risk-free interest rate at 1.1% and a long-term inflation rate of 2.0%; and
- expected timing of risk adjusted cash outflows required to settle the obligation will be incurred over the period through 2028 for Dublin Gulch and through 2016 for Santa Fe.

The following is an analysis of the Company's asset retirement obligation:

	<b>November 30, 2015</b>	<b>February 28, 2015</b>
Balance, beginning of period	\$ 2,798,319	\$ 2,408,772
Unwinding of discount: ARO	16,172	37,301
Currency translation	143,081	248,724
ARO change due to change in estimates	-	103,522
Balance, end of period	2,957,572	2,798,319
Less: Current portion	-	-
Long-term liability	<u>\$ 2,957,572</u>	<u>\$ 2,798,319</u>

### 11. SHARE CAPITAL AND OTHER EQUITY

#### *Authorized, issued and outstanding common shares*

Common shares, no par value, authorized unlimited number of shares, issued and outstanding were 350,403,137 and 340,073,973 shares as at November 30, 2015 and 2014, respectively.

On November 26, 2015, the Company closed a non-brokered private placement flow-through offering (the "Offering") raising gross proceeds of approximately \$1.8 million, representing the issuance of 10,329,164 common shares priced at \$0.17 per share. Finders' fees of \$89,703 were paid in conjunction with the Offering. The flow-through shares will be subject to a four-month hold period.

Subsequent to the period ending November, 30, 2015, on December 23, 2015, the Company closed another non-brokered private placement flow-through offering (the "Offering") raising gross proceeds of approximately \$1.8 million, representing the issuance of 7,358,972 common shares priced at \$0.17 per share and 3,336,000 common shares priced at \$0.18 per share. Finders' fees of 6% were paid in conjunction with the Offering. The flow-through shares will be subject to a four-month hold period.

### 12. SHARE - BASED PAYMENTS – EMPLOYEE SHARE OPTION PLAN

The Company has adopted a stock option plan (the "Plan") for its directors, officers, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. One-eighth of options granted under the plan vest immediately; a further one-eighth vest after each three month period thereafter, with the final one-quarter vesting eighteen months from the date of grant. At November 30, 2015, 7,250,314 (5,358,647 as at February 28, 2015) additional stock options were available for grant under the Company's stock option plan.

**Victoria Gold Corp.**  
**(an exploration and development stage company)**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the nine months ended November 30, 2015 and 2014**

*(Unaudited)*  
*(Expressed in Canadian Dollars)*

A summary of the status of the Plan as at November 30, 2015 and as at February 28, 2015, and changes during the periods ended on those dates is presented below:

	<b>November 30, 2015</b>			<b>February 28, 2015</b>		
	<b>Number of stock options</b>	<b>Weighted average exercise price</b>	<b>Fair Value Assigned</b>	<b>Number of stock options</b>	<b>Weighted average exercise price</b>	<b>Fair Value Assigned</b>
Outstanding, beginning of the period	28,648,750	\$ 0.26	\$4,070,102	25,840,000	\$ 0.34	\$5,153,088
Granted	-	\$ -	-	8,625,000	\$ 0.16	630,488
Exercised	-	\$ -	-	-	\$ -	-
Expired	(778,750)	\$ 0.53	(275,945)	(5,520,000)	\$ 0.51	(1,691,357)
Forfeited	(80,000)	\$ 0.15	(2,361)	(296,250)	\$ 0.14	(22,117)
Outstanding, end of the period	<u>27,790,000</u>	<u>\$ 0.25</u>	<u>\$3,791,795</u>	<u>28,648,750</u>	<u>\$ 0.26</u>	<u>\$4,070,102</u>

As at November 30, 2015, the Company had stock options issued to directors, officers, employees and contractors of the Company outstanding as follows:

<b>Date of grant</b>	<b>Number of options outstanding</b>	<b>Number of options exercisable</b>	<b>Exercise price</b>	<b>Expiry date</b>
February 9, 2011	1,375,000	1,375,000	\$ 1.05	February 9, 2016
May 18, 2011	110,000	110,000	\$ 0.74	May 18, 2016
August 22, 2011	300,000	300,000	\$ 0.65	August 22, 2016
January 20, 2012	3,890,000	3,890,000	\$ 0.40	January 20, 2017
May 28, 2012	130,000	130,000	\$ 0.27	May 28, 2017
September 3, 2012	30,000	30,000	\$ 0.22	September 3, 2017
January 11, 2013	5,300,000	5,300,000	\$ 0.25	January 11, 2018
January 10, 2014	8,080,000	8,080,000	\$ 0.12	January 10, 2019
January 14, 2015	8,575,000	4,312,500	\$ 0.16	January 14, 2018
	<u>27,790,000</u>	<u>23,527,500</u>		

The fair value of each option is accounted for in the statement of comprehensive loss or capitalized to resource properties over the vesting period of the options, and the related credit is included in contributed surplus.

Subsequent to the quarter ended November 30, 2015, the Company granted 7,000,000 incentive stock options on December 15, 2015 with an exercise price of \$0.15 per option to directors, officers, employees and consultants of the Company. The stock options have a term of five years and expire on December 15, 2020.

# Victoria Gold Corp.

(an exploration and development stage company)

## Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

### 13. INCOME (LOSS) PER SHARE

#### (a) Basic

Basic earnings (loss) per share is calculated by dividing the net income (loss) attributable to common shareholders by the weighted average number of ordinary shares in issue during the period.

	For the three months ended November 30,		For the nine months ended November 30,	
	2015	2014	2015	2014
Net income (loss)	\$ (543,265)	\$ (1,074,178)	\$ (1,379,199)	\$ (1,351,665)
Weighted average number of common shares issued	340,641,509	340,073,973	340,261,776	340,073,973
Basic earnings (loss) per share	\$ (0.002)	\$ (0.003)	\$ (0.004)	\$ (0.004)

#### (b) Diluted

The effect of potential issuances of shares under options would be anti-dilutive, and accordingly basic and diluted loss per share are the same.

### 14. COMMITMENTS AND CONTINGENCIES

#### Operating Leases

At November 30, 2015, the Company has future minimum annual operating lease commitments for vehicles and office premises in: (1) Vancouver, BC, (2) Toronto, Ontario and (3) Whitehorse, Yukon, as follows:

to February 29, 2016	\$	132,476
to February 28, 2017		259,751
to February 28, 2018		202,647
to February 28, 2019		141,323
to February 29, 2020 and thereafter		112,861
Total	\$	849,058

### 15. SUPPLEMENTARY CASH FLOW INFORMATION

	November 30, 2015	February 28, 2015
Non-cash investing and financing activities:		
Accounts payable and accrued liabilities relating to resource property expenditures	\$ 104,094	\$ 443,286
Stock-based compensation, capitalized to resource properties (Note 12)	\$ 112,165	\$ 189,431
Income taxes paid	\$ -	\$ 735,649
Interest paid	\$ -	\$ -

# Victoria Gold Corp.

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## Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended November 30, 2015 and 2014

(Unaudited)

(Expressed in Canadian Dollars)

### 16. SEGMENTED INFORMATION

The Company's principal activity is the exploration and development of mineral properties. The Company reports separately three operating segments, corporate segment and mineral exploration and development in two geographical segments, Canada and the United States. A breakdown of mineral properties by geographic expenditures is disclosed in *Note 8*.

In millions of Cdn \$	Canada	USA	Corporate	Total
<b>As at November 30, 2015</b>				
Property and equipment	3.4	-	-	3.4
Resource properties	105.8	7.0	-	112.8
Total Assets	111.3	8.8	11.8	131.9
<b>As at February 28, 2015</b>				
Property and equipment	3.8	-	-	3.8
Resource properties	103.0	6.3	-	109.3
Total Assets	107.1	8.1	16.0	131.2
<b>Period ended November 30, 2015</b>				
Net loss/(income) - Quarter	-	-	0.6	0.1
Net loss/(income) - YTD	0.1	-	1.3	1.4
<b>Period ended November 30, 2014</b>				
Net loss/(income) - Quarter	-	-	1.1	1.1
Net loss/(income) - YTD	0.2	(0.3)	1.5	1.4