

Victoria Gold Reports 2021 Third Quarter Results

Toronto, ON / November 12, 2021 / Victoria Gold Corp. (TSX-VGXC) (“Victoria” or the “Company”) is pleased to announce its third quarter and year to date 2021 summary financial and operating results.

Financial Highlights – Third Quarter 2021

- **Gold sold** was 53,248 ounces, at an average realized price¹ of \$2,239 (US\$1,777) per oz.
- Recognized **revenue** of \$119.5 million based on sales of 53,248 ounces of gold.
- **Operating earnings** were \$52.1 million.
- **Net income** of \$31.6 million, or \$0.51 per share outstanding.
- **Cash costs**¹ of \$892 (US\$708) per oz and all-in sustaining costs (“AISC”)¹ of \$1,211 (US\$961) per oz of gold sold.
- **EBITDA**¹ of \$68.4 million.
- **Free cash flow**¹ of \$32.2 million, or \$0.52 per share¹.
- **Cash** and cash equivalents of \$14.8 million at September 30, 2021 after net principal repayments of \$40.3 million against the Company’s debt facilities.

All amounts are in Canadian dollars unless otherwise indicated. This release should be read in conjunction with the Company’s Financial Statements and Management’s Discussion and Analysis (“MD&A”) for the three and nine months ended September 30, 2021 and 2020, available on the Company’s website or on SEDAR.

Mr. John McConnell, President and CEO commented, “In October, we pre-released our record breaking quarterly gold production of 55,827 ounces. This has resulted in record breaking quarterly numbers across our third quarter financial statements including Revenue, Gross Profit, Net Income, EBITDA and Free Cash Flow. I would like to express gratitude to our women and men with boots on the ground at the Eagle Gold Mine who have worked tirelessly during this prolonged and challenging health environment.”

Operational Highlights – Third Quarter 2021

- **Mine production** was 3.1 million tonnes of ore.
- **Ore stacked** on the heap leach pad was 3.3 million tonnes at an average grade of 0.90 grams per tonne (g/t).
- **Gold production** was 55,827 ounces.

¹ Refer to “Non-IFRS Performance Measures” section.

Third Quarter and Year to Date 2021 Operating Results

		Three months ended		Nine months ended	
		September 30,	September 30,	September 30,	September 30,
		2021	2020	2021	2020
Operating data					
Ore mined	t	3,122,007	2,077,132	6,972,426	5,281,938
Waste mined	t	3,829,647	4,434,163	11,827,872	9,285,388
Total mined	t	6,951,654	6,511,295	18,800,298	14,567,326
Strip ratio	w:o	1.23	2.13	1.70	1.76
Mining rate	tpd	75,561	70,775	68,866	53,165
Ore stacked on pad	t	3,270,692	1,909,412	6,618,004	4,954,853
Ore stacked grade	g/t Au	0.90	0.85	0.86	0.86
Throughput (stacked)	tpd	35,551	20,754	24,242	18,083
Gold ounces produced	oz	55,827	35,312	114,726	74,355
Gold ounces sold	oz	53,248	32,029	109,517	62,528

Gold production and sales

During the three months ended September 30, 2021, the Eagle Gold Mine produced 55,827 ounces of gold, compared to 35,312 ounces of gold production in Q3 2020. The 58% increase in gold production is attributed to the increase in ore mined and stacked, along with higher ore grades.

During the three months ended September 30, 2021, the Company sold 53,248 ounces of gold, compared with 32,029 gold ounces sold in Q3 2020. The 66% increase in gold sold is primarily attributed to the increase in gold produced.

Mining

During the three months ended September 30, 2021, a total of 3.1 million tonnes of ore were mined, at a strip ratio of 1.2:1 with a total of 6.9 million tonnes of material mined. In comparison, a total of 2.1 million tonnes of ore were mined, at a strip ratio of 2.1:1 with a total of 6.5 million tonnes of material mined for the prior comparable period in 2020.

Total tonnes mined were 6% higher during the three months ended September 30, 2021 due to overall operation improvement.

Processing

During the three months ended September 30, 2021, a total of 3.3 million tonnes of ore was stacked on the heap leach pad at a throughput rate of 35.6 k tonnes per day. A total of 1.9 million tonnes of ore was stacked on the heap leach pad at a throughput rate of 20.8 k tonnes per day for the prior comparable period in 2020.

Ore stacked on the pad increased by 73% during the three months ended September 30, 2021 as the Company was still in operational ramp up in Q3 2020. Q3 2021 also benefited from improved material handling.

Gold for the quarter had an average head grade of 0.90 g/t Au, compared to 0.85 g/t Au in the prior comparable period in 2020 due to mine sequencing.

As at September 30, 2021, the Company estimates there are 106,000 recoverable ounces within mineral inventory.

Capital

The Company incurred a total of \$24.5 million in capital expenditures during the three months ended September 30, 2021: (1) sustaining capital of \$12.3 million (including scheduled capital component rebuilds on mobile mining fleet and continued construction of the truck shop and water treatment facility); (2) capitalized stripping activities of \$4.1 million, and; (3) \$8.1 million adjustment to the Company's asset retirement obligation during the quarter.

Third Quarter and Year to Date 2021 Financial Results

	Three months ended		Nine months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Financial data				
Revenue	\$ 119,548,442	80,526,228	245,806,593	80,526,228
Gross profit	\$ 53,637,812	33,155,437	101,186,405	33,155,437
Net income (loss)	\$ 31,615,252	20,272,444	64,707,707	(39,959,228)
Earnings (loss) per share – Basic	\$ 0.51	0.33	1.04	(0.67)
Earnings (loss) per share - Diluted	\$ 0.48	0.31	0.99	(0.67)

	As at	
	September 30, 2021	December 31, 2020
Financial position		
Cash and cash equivalents	\$ 14,829,155	56,136,314
Working capital	\$ 44,309,531	25,370,418
Property, plant and equipment	\$ 618,248,577	579,617,049
Total assets	\$ 826,878,965	776,760,617
Long-term debt	\$ 171,532,053	209,660,142

Revenue

For the third quarter, the Company recognized revenue of \$119.5 million compared to \$80.5 million for the previous year's comparable period. The increase in revenue is attributed to a higher number of gold ounces sold, partially offset by a lower average realized price. Revenue is net of treatment and refining charges, which were \$0.2 million for the quarter. The Company sold 53,248 ounces of gold at an average realized price¹ of \$2,239 (US\$1,777), compared to 32,029 ounces at an average¹ realized price of \$2,512 (US\$1,886), in the third quarter of 2020.

Cost of goods sold

Cost of goods sold was \$48.0 million for the third quarter compared to \$34.4 million for the previous year's comparable period. The increase in cost of goods sold is primarily attributed to the increase in production costs as a result of higher tonnes mined, crushed and stacked and gold ounces produced, (including mining, processing, site services and site general and administration costs), royalty and selling costs.

Depreciation and depletion

Depreciation and depletion was \$17.9 million for the third quarter compared to \$13.0 million for the previous year's comparable period. Assets are depreciated on a straight-line basis over their useful life, or depleted on a units-of-production basis over the reserves to which they relate.

¹ Refer to "Non-IFRS Performance Measures" section.

Liquidity and Capital Resources

At September 30, 2021, the Company had cash and cash equivalents of \$14.8 million and a working capital surplus of \$44.3 million. The decrease in cash and cash equivalents of \$41.3 million over the year ended December 31, 2020 was due to operating activities and changes in working capital including foreign exchange gains on cash balances (\$78.9 million increase in cash), offset by investing activities (\$75.9 million decrease in cash) primarily from capital expenditures incurred at the Eagle Gold Mine and financing activities (\$44.3 million decrease in cash) from principal and interest repayments made on credit facilities.

2021 Outlook

2021 production and financial guidance remain intact assuming there is no unforeseen significant impact on operations at the Eagle Gold Mine. The Company has taken precautions to mitigate the risk of COVID-19 on operations, however, the COVID-19 pandemic and any future emergence and spread of similar pathogens could have a material adverse impact on our business, operations and operating results, financial condition, liquidity and market for our securities.

The Company produced 114,726 ounces of gold during the nine months ended September 30, 2021. The Company's 2021 gold production will be heavily weighted to the second half of 2021. Original guidance at the Eagle Gold Mine was 180,000 ounces to 200,000 ounces. Based on actual production over the first nine months, current stacking rates and forecasted gold production, the Company anticipates full year 2021 production to be close to the lower end of the guidance range of 180,000 ounces.

The Company's AISC¹ per ounce of gold sold during the nine months ended September 30, 2021 was US\$1,256. The Company expects unit costs to fall materially in the second half of 2021 as gold production and sales increase. Original AISC¹ guidance at the Eagle Gold Mine was US\$1,050 to US\$1,175 per ounce of gold sold. With production anticipated to be at the lower end of guidance and costs trending higher due to wide spread escalation, the Company anticipates full year 2021 AISC¹ to be close to the top end of guidance of US\$1,175.

The Company has initiated 'Project 250' aimed at increasing the average annual gold production of the Eagle Gold Mine to 250,000 ounces of gold by 2023. The two primary opportunities to increase production are the scalping of fine ore from the crushing circuit and adjusting the seasonal stacking plan. Scalping of fine ore is expected to reduce wear and energy requirements as well as increase overall capacity of the crushing circuit. Further investigation is underway on year-round stacking of ore to the heap leach pad. Early engineering on Project 250 is expected to be complete in the fourth quarter of 2021.

Qualified Person

The technical content of this news release has been reviewed and approved by Paul D. Gray, P.Geo, as the "Qualified Person" as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Zoom Video Conference Details

Victoria Gold Corp invites you to join the video conference via Zoom to discuss the 2021 third quarter operating and financial results on **Friday, November 12, 2021 at 9:00am PST (12:00 pm EST)**.

¹ Refer to "Non-IFRS Performance Measures" section.

Join Zoom Meeting

<https://us02web.zoom.us/j/86195724296>

Meeting ID: 242 377 9934

One tap mobile

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Meeting ID: 242 377 9934

Find your local number:

<https://us02web.zoom.us/j/kxfj0NzLY>

A playback version will be available for two weeks following the call at www.vgcx.com.

About the Dublin Gulch Property

Victoria Gold's 100%-owned Dublin Gulch gold property (the "Property") is situated in central Yukon Territory, Canada, approximately 375 kilometers north of the capital city of Whitehorse, and approximately 85 kilometers from the town of Mayo. The Property is accessible by road year round, and is located within Yukon Energy's electrical grid.

The Property covers an area of approximately 555 square kilometers, and is the site of the Company's Eagle and Olive Gold Deposits. The Eagle Gold Mine is Yukon's newest operating gold mine. The Eagle and Olive deposits include Proven and Probable Reserves of 3.3 million ounces of gold from 155 million tonnes of ore with a grade of 0.65 grams of gold per tonne, as outlined in a National Instrument 43-101 Technical Report for the Eagle Gold Mine dated December 3, 2019. The Mineral Resource under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") for the Eagle and Olive deposits has been estimated to host 227 million tonnes averaging 0.67 grams of gold per tonne, containing 4.7 million ounces of gold in the "Measured and Indicated" category, inclusive of Proven and Probable Reserves, and a further 28 million tonnes averaging 0.65 grams of gold per tonne, containing 0.6 million ounces of gold in the "Inferred" category.

Non-IFRS Performance Measures

The Company has included certain non-IFRS measures in this new release. Refer to the Company's MD&A for an explanation, discussion and reconciliation of non-IFRS measures. The Company believes that these measures, in addition to measures prepared in accordance with International Financial Reporting Standards ("IFRS"), provide readers with an improved ability to evaluate the underlying performance of the Company and to compare it to information reported by other companies. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do

not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures presented by other issuers.

Cautionary Language and Forward-Looking Statements

This press release includes certain statements that may be deemed "forward-looking statements". Except for statements of historical fact relating to Victoria, information contained herein constitutes forward-looking information, including any information related to Victoria's strategy, plans or future financial or operating performance. Forward-looking information is characterized by words such as "plan", "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "will", "could" or "should" occur, and includes any guidance and forecasts set out herein (including, but not limited to, production and operational guidance of the Corporation). In order to give such forward-looking information, the Corporation has made certain assumptions about the its business, operations, the economy and the mineral exploration industry in general, in particular in light of the impact of the novel coronavirus and the COVID-19 disease ("COVID-19") on each of the foregoing. In this respect, the Corporation has assumed that production levels will remain consistent with management's expectations, contracted parties provide goods and services on agreed timeframes, equipment works as anticipated, required regulatory approvals are received, no unusual geological or technical problems occur, no material adverse change in the price of gold occurs and no significant events occur outside of the Corporation's normal course of business. Forward-looking information is based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those described in, or implied by, the forward-looking information. These factors include the impact of general business and economic conditions, risks related to COVID-19 on the Company, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, anticipated metal production, fluctuating metal prices, currency exchange rates, estimated ore grades, possible variations in ore grade or recovery rates, changes in accounting policies, changes in Victoria's corporate resources, changes in project parameters as plans continue to be refined, changes in development and production time frames, the possibility of cost overruns or unanticipated costs and expenses, uncertainty of mineral reserve and mineral resource estimates, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, final pricing for metal sales, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, requirements for additional capital, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcomes of pending litigation and labour disputes, risks related to remote operations and the availability of adequate infrastructure, fluctuations in price and availability of energy and other inputs necessary for mining operations. Although Victoria has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in, or implied by, the forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The reader is cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding Victoria's expected financial and operational performance and Victoria's plans and objectives and may not be appropriate for other purposes. All forward-looking information contained herein is given as of the date hereof, as the case

may be, and is based upon the opinions and estimates of management and information available to management of the Corporation as at the date hereof. The Corporation undertakes no obligation to update or revise the forward-looking information contained herein and the documents incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by applicable laws.

For Further Information Contact:

John McConnell
President & CEO
Victoria Gold Corp
Tel: 604-696-6605
ceo@vgcx.com