POTATO HIERS PRESS



Building on a Rich Mining Heritage.

Edition 4 – Summer 2011

Welcome

I'm pleased to write this column again as the recently appointed President & CEO of Victoria Gold Corp. Since VIT acquired Dublin Gulch in the summer of 2009, we have continuously stepped up our activities on the property. The 2011 program is already far more active than last year. We are now operating year round, drilling 3 times more than last season and have approximately 2-3 times the number of people on site. Mine construction is due to begin in 2012 which means the population will double or triple again.

As the Eagle Gold Project continues to develop, I along with my team members are enjoying the development of our relations within the community. As we prepare to put the next major Yukon mine into production, we understand that good and productive relationships cannot be dictated but are developed over time – and, we wouldn't have it any other way. We plan to be an active neighbour for many years to come and realize the importance of really getting to know each other.

Since we opened a new 100 person camp in January and more people and equipment are on site, health and safety remains foremost in our mind. We appreciate our staff and contractors' continuing efforts to ensure that we maintain a safe workplace for all.

The Feasibility Study, which determines definitively what the mine will look like and how it will operate, will be completed this fall. We have 3 drills operating on site to provide the information needed to plan and build the future mine as well as exploring other targets on the property that could potentially extend the mine life.

The YESAB Environmental Assessment process is well underway and Open Houses are planned this summer in communities such as Mayo to answer questions and provide information about the project. I encourage you to attend and become involved. Once the Environmental Assessment is complete, and all permits are granted, we can then beain construction.

All this would not be possible without the support of the local communities and the First Nation of Nacho Nyak Dun. We renewed the Exploration Agreement with the Nacho Nyak Dun in April for a period of one year as we continue to develop a Cooperation Benefits Agreement. We were privileged to attend the NND Annual General Assembly in June where we presented an update on our activities at site. I am grateful to the community for their involvement and support.

Community and Teamwork



View of the location of the Eagle Gold Camp infrastructure from where the open pit will be situated.

In addition to our operations and exploration program at Dublin Gulch, Victoria is busy in and about the community.

As you may know the Eagle Gold Project lies within the Dublin Gulch property which is situated within the First Nation of Nacho Nyak Dun (FNNND) traditional territory. Victoria Gold and the FNNND recently extended our Cooperation Exploration Agreement. This agreement will be replaced by a Comprehensive Cooperative Benefits Agreement that will outline the benefits the Eagle Gold mine will bring to the community.

Victoria Gold has also partnered with the FNNND, Yukon Chamber of Mines, the BC Mine Training Association and Yukon College in providing training opportunities for Yukon residents towards becoming qualified and capable Camp Maintenance Managers or Field Assistants. Students enrolled in these programs are scheduled to be placed at operating camps in the Yukon, including our Eagle Gold Project, for three weeks as part of their training curriculum. This year we have employed four NND, Mayo and Keno residents at site, and have contracts in place for products and services with 10 NND and Mayo businesses.

We are pleased to welcome Sally Howson to our team as the Community Liaison. Sally, along with Todd Goodsel are making arrangements to host a second site tour to the Ft. Knox Mine in Alaska this summer for FNNND Government representatives and Yukon regulators.

We are also pleased to welcome Steve Wilbur who has joined our growing team as Senior Scientist. Steve brings vast experience to the company in the environmental aspects of mining projects in the north, both from regulatory and industry perspectives. One of Steve's areas of focus is the water management plan the Eagle Gold Project.

Community Connections

Yukon Energy, Mines and Resources (EMR) held two full day Heap Leaching Gold/Silver Ore Workshops in Mayo on April 12th and Whitehorse on April 13th. EMR organized these workshops in response to the public's requests for more information on the heap leaching process used in the gold mining industry. EMR retained Dr. Dirk Van Zyl, Professor of Mines Life Cycle Systems from the University of British Columbia, to speak to cyanide use and the mining process with specific reference to the Eagle Gold Project. Dr. Van Zyl's presentation covered general information on cyanide; the heap leaching process and mining methods; transportation; containment and water balance; and reclamation and closure of the heap leach mines. Both workshops were informal allowing time for the audience to ask lots of questions and participate in an open discussion on potential issues and concerns. Victoria Gold representatives attended both workshops and responded to questions directly relating to the Eagle Gold Project.

A site tour of Eagle Gold Project planned for Thursday June 23 had to be canceled due to poor road conditions from rainy weather. We will work with the NND Liaisons to schedule another time for the tour and hope for drier weather. The site tour will provide the opportunity for local residents to see the new exploration camp and proposed locations for the heap leach pad site and other mine infrastructure.



As the Eagle Gold Project moves through the environmental and regulatory processes we are planning to hold site tours, informal open houses and information sessions. Notice of open houses and information sessions will be posted. We look forward to continuing to meet with you and address your questions about the proposed Eagle Gold Project.

Community Calendar Victoria Gold Participation:

April 12/13 – Heap Leach Workshop, Mayo & Whitehorse

Victoria Gold is committed to building and operating the Eagle Gold Project and to being a responsible corporate citizen in the Yukon. We are intent on moving more of our operations to the Yukon and have made the decision to move this year's Annual General Meeting from Toronto, where it is traditionally held, to Whitehorse to reflect our ongoing commitment to the north. We have already established an office in downtown Whitehorse, and our staff sit on the boards of the Yukon Chamber of Mines and the Hospital Foundation. We also fund a number community-based programs, charities and events.

Respectfully, JOHN McCONNELL, Director, President & CEO Sally Howson, Community Liaison for the Eagle Gold Project, attended this years' NND Annual General Assembly. Victoria Gold appreciates the efforts everyone has made in building a stronger relationship with the community. March 23 – First Nations Resource Opportunities Conference, Whitehorse May 08 – STCC Annual General Meeting, Mayo May 09-14 – Mining Week, Whitehorse June 24 – FNNND Annual General Assembly, Mayo

Upcoming Events:

July 20 – Fort Knox Mine Tour for FNNND Government and Yukon Regulators July 23 – Skookum Charity Pro Am Golf Event, Whitehorse August 18 – Victoria Gold Corp Annual General Meeting, Whitehorse

Do you know where this photo was taken? Send your answer with your full name, mailing address, phone number and email address to us at php@vitgoldcorp.com or mail it to: Victoria Gold Corp. Suite 584 – 1055 Dunsmuir Street, PO Box 49215, Vancouver, BC V7X 1K8

We will draw the winner's name from all the correct entries.

Victoria Gold Secret Photo Contest

Congratulations to the winners of the Secret Photo Contest in the last edition who guessed the correct answer: Fence at NND Cemetery.





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Safety Tip

Sunscreen and personal insect repellent can be used safely at the same time. Follow the instructions on the packages for proper application (apply sunscreen liberally but apply insect repellent sparingly). Apply the sunscreen first, and then follow with the insect repellent.

Registered insect repellents that contain DEET are acceptable for use when applied as follows:

Adults (12 years and older): 30% DEET, one application lasts 6 hours.

Kids (2 to 12 years old): 10% DEET, each application lasts 3 hours. No more than 3 applications per day.

Infants (6 mos to 2 year): 10% DEET, one application lasts 3 hours. No more than 1 application per day.

Infants (under 6 mos): None, do not use insect repellent. Use a mosquito net instead.

What's Next

- Conduct the Victoria Gold Annual General Meeting in Whitehorse – August
- Continue the Feasibility Study Q4, 2011
- Complete the Adequacy Phase of the Project Proposal
- Continue exploration drilling at additional targets within Dublin Gulch and Aurex
- Conduct tour to Ft. Knox Mine in Alaska
 with regulators and NND
- Continue drafting applications for a Quartz Mining Licence, Water Licence, and associated permits
- Continue discussions with Yukon Energy on a Power Purchase Agreement
- Develop presentation tools to illustrate the mine design and operations

Project Information

PROJECT TEAM

JOHN McCONNELL, Director, President & CEO MARK AYRANTO, Vice President - Yukon TED WILTON, Vice President, Exploration MIKE PADULA, Project Manager BILL KEATS, Manager, Exploration - Yukon MIKE GUNN, Site Manager PAUL VILLENEUVE, Assistant Site Manager HUGH COYLE, Manager, Lands & Permitting – Yukon TODD GOODSELL, Environmental Manager STEVE WILBUR, Senior Scientist SALLY HOWSON, Community Liaison ANDY RANDELL, Project Geologist SARAH HANNATH. Office Administrator - Whitehorse **Environmental Monitoring:** Stantec

Engineering:

Wardrop, a Tetra Tech Company Kappes Cassiday & Associates BGC Engineering Inc. Knight Piesold Merit Consultants





ed Wilton, Victoria's VP Exploration, and Andy Randell, Project Geologist, n reconnaissance near the former Peso silver mine, just west of Eagle.

2011 has got off to a great start for Victoria at both the Dublin Gulch and Aurex claim blocks.

Our Dublin Gulch block, where the Eagle Gold Deposit occurs, is our main focus where we are supporting feasibility and engineering studies as well as exploring for new deposits. Every day we learn more about the geology of the area and, most importantly for us, about how the mineral deposits actually formed in the rocks.

Three drill rigs are working in and around Eagle, and we expect another soon to take over some of our engineering needs. Now that the snow is gone, we have also been using helicopter support to get to the outlying areas of our Dublin Gulch claims where we send teams of geologists and geology students to map and sample. These teams come back with tales of excitement and success, "Good looking rocks" they say along with tales of bear sightings.

In addition to our Dublin Gulch claim block, we have started work on our Aurex block of claims which lies just to the south of the silver mining camp at Elsa and Keno. We are busy mapping and sampling and unravelling the geology with the aim of discovering areas where we can focus more drilling later in the summer.

All in all, 2011 is shaping up to be one of our busiest and most exciting seasons.

Continual Growth at Site



The new Dublin Gulch 100 person camp including the recently erected shop facility.



Constructing the Dispersion Field

Victoria Gold is right on track reaching milestones this spring at Dublin Gulch. In addition to supporting the day-to-day operations for the engineering and exploration programs, the operations team have completed the installation and permitting of the new 100 person camp. This included the management of a team of trades people on site to install generators, and various systems including heating, fuel, electrical, and plumbing. To support the larger camp, we have installed a state of the art Membrane Bioreactor (MBR) sewage processing plant along with a dispersion field.

A new shop has also been added to the site infrastructure to provide an enclosed facility to service and maintain the many pieces of equipment required on site.

Feasibility Study on Track

Victoria Gold and Wardrop are on schedule to complete the Eagle Gold Project Feasibility Study by this fall. This Feasibility Study builds upon the earlier Pre-Feasibility Study to provide a more detailed level of engineering plans for the project. This level of detail helps to ensure that we have the best mine plan and operations to optimize profitability and environmental security moving forward. Once complete, the Detailed Design stage is kicked off. Detailed Design is where final and detailed specifications are determined for construction of the mine and mine facilities. As you can imagine, there is a great deal of planning involved. Our plan is to have sufficient design work completed to allow construction to begin when we receive a positive Environmental Assessment and have all the permits required in hand. Throughout this process we are committed to communicating with the community and stakeholders to make and monitor any modifications to ensure that concerns are considered.



COMPANY CONTACTS

Victoria Gold Corp. plans to design, construct, operate and close the Eagle Gold Project located northeast of Mayo, Yukon in the Dublin Gulch claims region. The Company is also furthering exploration work in the region. The Potato Hills Press provides progress information on these projects and was produced with thanks to contributors: Mark Ayranto, Mike Padula, Bill Keats, Sally Howson & Lenora Hobbis.

We welcome any comments and questions. For more information please contact us at php@vitgoldcorp.com.

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Geotechnical drilling where the Eagle Gold infrastructure will be located.

Company Profile: Laberge Environmental Services



Laberge Environmental Services (LES) is a wholly owned Yukon-based consulting company operating from Whitehorse, servicing mining and government (Federal, Territorial and First Nations) clients since 1989. LES has been providing environmental support to Victoria Gold since 2007 on various environmental programs including sampling of surface water and groundwater, installation of climate and streamflow gauging stations, measuring streamflows and monitoring groundwater levels. LES has also provided input to rare plant surveys, and erosion and sediment control plans.

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