Victoria GOLD CORP

(an exploration and development stage company)

Condensed Consolidated Interim Financial Statements

November 30, 2012 and 2011

(Unaudited)
(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The accompanying condensed consolidated interim financial statements and all other financial information included in this report is 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.

(signed) "John McConnell"
Director, President and CEO
January 29, 2013

(signed) "Marty Rendall"
CFO
January 29, 2013

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Financial Position

(Unaudited)
(Expressed in Canadian Dollars)

	Notes	November 30, 2012	February 29, 2012
Assets			
Current assets			
Cash and cash equivalents		$ 16,113,969	$ 19,663,714
Marketable securities	*5*	7,624,447	404,350
HST and other receivables	*18*	9,909,569	373,512
Prepaid expenses		412,014	516,946
		34,059,999	20,958,522
Assets held for sale	*17*	5,959,200	29,084,395
Non-current assets			
Restricted cash		559,498	838,133
Investment in associate	*6*	222,083	1,040,962
Long-term receivable and accrued interest	*18*	9,009,486	-
Property and equipment	*7*	5,852,043	6,025,612
Resource properties	*8*	88,912,077	69,807,669
Total assets		$ 144,574,386	$ 127,755,293
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 4,672,857	$ 4,845,724
Income taxes payable		317,444	-
Current portion of ARO	*10*	1,026,137	85,995
		6,016,438	4,931,719
Non-current liabilities			
Deferred taxes		2,764,793	-
Asset retirement obligations ("ARO")	*10*	803,378	986,458
Total liabilities		9,584,609	5,918,177
Shareholders' Equity			
Share capital	*11*	151,618,587	151,388,890
Contributed surplus	*12*	12,340,898	11,501,792
Accumulated other comprehensive loss		(3,349,624)	(3,358,803)
Accumulated deficit		(25,620,084)	(37,694,763)
Total shareholder's equity		134,989,777	121,837,116
Total liabilities and equity		$ 144,574,386	$ 127,755,293

Nature of operations and going concern *(Note 1)*

See accompanying notes to the condensed consolidated interim financial statements.

Authorized for issue by the Board of Directors on January 29th, 2013 and signed on its behalf. **"T. Sean Harvey"** Director **"Chris Hill"** Director

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

(Unaudited)
(Expressed in Canadian Dollars)

	Notes	For the three months ended November 30, 2012	For the three months ended November 30, 2011	For the nine months ended November 30, 2012	For the nine months ended November 30, 2011
Operating expenses					
Salaries and benefits excluding share-based payments		$ 356,185	$ 464,533	$ 1,153,852	$ 1,295,085
Share-based payments	*12*	111,068	208,801	582,917	727,862
Consulting		388,493	104,289	841,933	146,221
Office and administrative		178,882	237,518	518,959	545,166
Legal and accounting		353,198	113,411	660,776	326,657
Marketing		26,036	66,966	84,313	275,847
Amortization		5,478	5,660	15,842	15,588
Foreign exchange loss (gain)		12,051	(154,899)	(1,500,227)	(184,558)
Resource property impairments	*8*	1,320,812		1,320,812	-
Gain on disposal of assets held for sale		-	-	(21,526,421)	-
		2,752,203	1,046,279	(17,847,244)	3,147,868
Finance (income) costs					
Unwinding of present value discount: ARO		4,296	11,247	13,699	33,186
Interest and bank charges		639	658	5,687	3,925
Interest income	*18*	(358,111)	(22,974)	(708,825)	(98,488)
Change in fair value of marketable securities and warrants		(33,874)	132,100	1,441,932	176,500
		(387,050)	121,031	752,493	115,123
Share of net loss of associate	*6*	48,622	90,448	183,617	303,593
Impairment of investment in associate	*6*	611,770	1,527,122	611,770	1,527,122
Income (loss) before taxes		(3,025,545)	(2,784,880)	16,299,364	(5,093,706)
Current income taxes	*19*	-	-	(1,426,826)	-
Deferred tax provision	*19*	-	-	(2,797,859)	-
Net income (loss)		(3,025,545)	(2,784,880)	12,074,679	(5,093,706)
Other Comprehensive income (loss)					
Currency translation adjustment		151,530	1,527,252	32,671	1,813,184
Share of other comprehensive income (loss) of associate		41,175	(119,442)	(23,492)	81,246
Total comprehensive income (loss) for the period		$ (2,832,840)	$ (1,377,070)	$ 12,083,858	$ (3,199,276)
Income (loss) per share - basic and diluted	*9*	$ (0.009)	$ (0.010)	$ 0.036	$ (0.018)
Weighted average number of shares					
Basic and diluted		340,008,039	292,097,827	339,734,333	281,963,103

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: Number of shares	Share capital: Amount	Contributed surplus	Accumulated other comprehensive loss	Accumulated deficit	Total equity
Balance at March 1, 2011		276,922,262	$ 124,138,662	$ 9,548,664	$ (2,906,060)	$ (32,121,367)	$ 98,659,899
Transactions with owners:							
Proceeds from share issue		62,337,336	30,075,000				30,075,000
Proceeds from stock options exercised		105,000	40,075				40,075
Fair values allocated upon exercise:							
Stock options			15,226	(15,226)			-
Share issuance costs			(2,148,500)				(2,148,500)
Share-based payments, expensed				727,862			727,862
Share-based payments, capitalized				560,192			560,192
Premium on flow-through shares			(691,481)				(691,481)
Total transactions with owners:		62,442,336	27,290,320	1,272,828	-	-	28,563,148
Net loss for the period						(5,093,706)	(5,093,706)
Other comprehensive income/(loss):							
Share of other comprehensive income of associate					81,246		81,246
Currency translation adjustment					1,813,184		1,813,184
Balance at November 30, 2011	*11*	339,364,598	$ 151,428,982	$ 10,821,492	$ (1,011,630)	$ (37,215,073)	$ 124,023,771
Balance at March 1, 2012		339,364,598	$ 151,388,890	$ 11,501,792	$ (3,358,803)	$ (37,694,763)	$ 121,837,116
Transactions with owners:							
Proceeds from stock options exercised		509,375	106,969				106,969
Shares issued for property		200,000	58,000				58,000
Fair values allocated upon exercise:							
Stock options			64,728	(64,728)			-
Share-based payments, expensed				582,917			582,917
Share-based payments, capitalized				320,917			320,917
Total transactions with owners:		709,375	229,697	839,106	-	-	1,068,803
Net income for the period						12,074,679	12,074,679
Other comprehensive income/(loss):							
Share of other comprehensive loss of associate					(23,492)		(23,492)
Currency translation adjustment					32,671		32,671
Balance at November 30, 2012	*11*	340,073,973	$ 151,618,587	$ 12,340,898	$ (3,349,624)	$ (25,620,084)	$ 134,989,777

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)

	Notes	For the nine months ended November 30, 2012	2011
Cash flows from operating activities			
Net income (loss) for the period		$ 12,074,679	$ (5,093,706)
Adjustments for:			
Resource property impairments	*8*	1,320,812	-
Share-based payments	*12*	582,917	727,862
Income taxes	*19*	3,082,237	-
Gain on disposal of property and equipment		(10,168)	-
Share of net loss of associate		183,617	303,593
Impairment in associate		611,770	1,527,122
Unwinding of present value discount: ARO	*10*	13,699	33,186
Gain on sale of assets held for sale		(21,581,009)	-
Change in fair value of marketable securities and warrants		1,441,932	176,500
Unwinding of present value discount: Receivables	*18*	(569,455)	-
Amortization		15,842	15,588
Net unrealized foreign exchange gain		(1,182,937)	(147,912)
		(4,016,065)	(2,457,767)
Working capital adjustments:			
(Increase) decrease in HST and other receivables		164,343	(503,135)
(Increase) decrease in marketable securities		-	(55,500)
(Increase) decrease in prepaid expenses		(146,048)	(72,578)
Increase (decrease) in accounts payables and accrued liabilities		1,007,659	842,107
		1,025,954	210,894
Net cash flows from (used in) operating activities		(2,990,111)	(2,246,873)
Cash flows used in investing activities			
Resource properties	*8*	(21,722,637)	(20,448,603)
Cash received from disposition of assets held for sale		21,168,253	-
Restricted cash		285,216	(28,712)
Purchase of property and equipment		(419,898)	(1,078,244)
Proceeds on disposition of property and equipment		14,285	-
Net cash flows used in investing activities		(674,780)	(21,555,559)
Cash flows from financing activities			
Shares issued for cash, net of issuance cost		-	27,926,500
Exercise of warrants and options	*11 & 12*	106,969	40,075
Net cash flows from financing activities		106,969	27,966,575
Foreign exchange gain (loss) on cash balances		8,177	172,090
Net increase (decrease) in cash and cash equivalents		(3,549,745)	4,336,233
Cash and cash equivalents, beginning of the period		19,663,714	25,666,536
Cash and cash equivalents, end of the period		$ 16,113,969	$ 30,002,769

See accompanying notes to the condensed consolidated interim financial statements. Supplementary Cash Flow information is Note 16.

1. NATURE OF OPERATIONS AND GOING CONCERN

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.

At November 30, 2012, Victoria Gold Corp. ("Victoria" or "the Company") had a working capital surplus of $28,043,561 (compared with a surplus of $16,026,803 at February 29, 2012), reported a net gain of $12,074,679 (2011 net loss - $2,308,826) and accumulated deficit of $25,620,084 ($37,694,763 at February 29, 2012). The Company's ability to meet its obligations and maintain operations is contingent upon successful completion of additional financing arrangements, securing all necessary permits and its ability to fulfil its planned exploration and development programs. The Company periodically seeks financing to continue the exploration and development of its resource properties and to meet its on-going 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 ultimate appropriateness of the use of accounting principles applicable to a going concern.

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 assets and discharge liabilities in the normal course of operations as they come due for the foreseeable future. These condensed consolidated interim 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.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements for the period ended November 30, 2012 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 29, 2012, which have been prepared in accordance with IFRSs.

These condensed consolidated interim 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.

(Expressed in Canadian Dollars)

StrataGold Corporation, StrataGold (Barbados) Corporation, Tassawini Gold (Barbados) Corporation and (together referred to as "StrataGold") were acquired by the Company on June 4, 2009.

During the year ended February 29, 2012, the Company dissolved StrataGold (Barbados) Corporation, a Barbados corporation and Tassawini Gold (Barbados) Corporation, a Barbados corporation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual results could differ from these estimates.

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 29, 2012, with the exception of a new estimate required to apply a credit adjusted discount rate to the Cove sale receivables (*Note 18*).

5. MARKETABLE SECURITIES AND WARRANTS

	November 30, 2012	February 29, 2012
Current investments		
Opening balance	$ 404,350	$ 162,850
Additions	8,662,029	306,500
Change in fair value	(1,441,932)	(65,000)
Financial assets at fair value through profit and loss	$ 7,624,447	$ 404,350

During the nine months ended November 30, 2012, 892,857 shares of Premier Gold were received as a result of the Cove sale and 10,000,000 shares and 5,000,000 warrants of Pershing Gold were received as a result of the Relief Canyon sale (*Note 17*).

6. INVESTMENT IN ASSOCIATE

	November 30, 2012	February 29, 2012
Takara Resources Inc. – 22,208,355 common shares	$ 1,040,962	$ 2,859,887
Share of net loss	(183,617)	(377,733)
Impairment of investment in associate	(611,770)	(1,527,122)
Share of other comprehensive (loss) income	(23,492)	85,930
	$ 222,083	$ 1,040,962

At November 30, 2012, the Company held 23.42% of the issued and outstanding shares of Takara. During the period, the Company wrote down this investment to market value.

(Unaudited)
(Expressed in Canadian Dollars)

7. PROPERTY AND EQUIPMENT

	Other assets	Assets under construction	Buildings/ structure	Field & automotive equipment	Leasehold improvements	Land	Total
Cost							
March 1, 2011	$ 105,350	$ 5,023,380	$ -	$ 104,277	$ -	$ 307,855	$ 5,540,862
Transfers	-	(5,023,380)	5,023,380	-	-	-	-
Additions	202,288	-	916,139	81,770	139,542	-	1,339,739
February 29, 2012	307,638	-	5,939,519	186,047	139,542	307,855	6,880,601
Additions	213,222		24,833	11,856	169,987	-	419,898
Disposals	-	-	-	(12,397)		-	(12,397)
November 30, 2012	$ 520,860	$ -	$ 5,964,352	$ 185,506	$ 309,529	$ 307,855	$ 7,288,102
Accumulated amortization							
March 1, 2011	$ 30,514	$ -	$ -	$ 49,881	$ -	$ -	$ 80,395
Additions	87,091	-	654,573	18,976	13,954	-	774,594
February 29, 2012	117,605	-	654,573	68,857	13,954	-	854,989
Additions	89,352		438,947	16,717	44,335	-	589,351
Disposals	-	-	-	(8,281)		-	(8,281)
November 30, 2012	$ 206,957	$ -	$ 1,093,520	$ 77,293	$ 58,289	$ -	$ 1,436,059
Net book value							
March 1, 2011	$ 74,836	$ 5,023,380	$ -	$ 54,396	$ -	$ 307,855	$ 5,460,467
February 29, 2012	$ 190,033	$ -	$ 5,284,946	$ 117,190	$ 125,588	$ 307,855	$ 6,025,612
November 30, 2012	$ 313,903	$ -	$ 4,870,832	$ 108,213	$ 251,240	$ 307,855	$ 5,852,043

During the year ended February 29, 2012, the all-season camp located at Dublin Gulch was transferred from assets under construction to buildings/structure.

(Expressed in Canadian Dollars)

8. RESOURCE PROPERTIES

	February 28, 2011	Additions	Currency Translation	Transfers *(Note 17)*	February 29, 2012
Mill Canyon (Nevada)	$ 10,847,621	$ 815,436	$(1,230,574)	$ (10,432,483)	$ -
Cove (Nevada)	13,430,402	3,172,778	486,507	(17,089,687)	-
Big Springs (Nevada) *	6,327,561	570,983	(130,948)	-	6,767,596
Santa Fe (Nevada) **	3,846,239	358,396	134,022	-	4,338,657
Dublin Gulch (Yukon)	29,435,506	28,469,636	-	-	57,905,142
Other properties ***	2,134,306	132,626	91,568	(1,562,225)	796,275
	$ 66,021,635	$33,519,855	$ (649,425)	$ (29,084,395)	$ 69,807,669

	February 29, 2012	Additions	Impairment *(Note 17)*	Currency Translation	Transfers *(Note 17)*	November 30, 2012
Big Springs (Nevada) *	$ 6,767,596	$ 479,151	$ (1,320,812)	$ 33,265	$ (5,959,200)	$ -
Santa Fe (Nevada) **	4,338,657	5,347,335		18,587		9,704,579
Dublin Gulch (Yukon)	57,905,142	20,512,530		-		78,417,672
Other properties ***	796,275	(6,449)		-		789,826
	$ 69,807,670	$26,332,567	$ (1,320,812)	$ 51,852	$ (5,959,200)	$ 88,912,077

* Big Springs includes the Golden Dome, Dorsey Creek and Mac Ridge properties.
** Santa Fe additions include additional rights, title and interest acquired from the Mill Canyon sale (*Note 17*).
*** Other properties include interests in Wattabaeg and Russell Creek in Ontario and Donjek, Aurex, Eureka, Canalask, Clear Creek and Hyland in Yukon Territory and Island Mountain and Jack Creek in Nevada.

9. 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,	
	2012	2011	2012	2011
Net income (loss)	$ (3,025,545)	$ (2,784,880)	$12,074,679	$ (5,093,706)
Weighted average number of common shares issued	340,008,039	292,097,827	339,734,333	281,963,103
Basic earnings (loss) per share	$ (0.009)	$ (0.010)	$ 0.036	$ (0.018)

(b) Diluted

The fully diluted earnings per share is calculated using the common share balance increased by the number of common shares that could be issued under outstanding in the money warrants and options of the Company.

(Expressed in Canadian Dollars)

	For the three months ended November 30, 2012	For the three months ended November 30, 2011	For the nine months ended November 30, 2012	For the nine months ended November 30, 2011
Net income (loss) attributable to common shareholders	$ (3,025,545)	$ (2,784,880)	$12,074,679	$ (5,093,706)
Weighted average number of common shares issued	340,008,039	292,097,827	339,734,333	281,963,103
Adjustment for:				
Stock options	1,696,250	-	1,696,250	-
Weighted average number of ordinary shares for diluted earnings per share	341,704,289	292,097,827	341,430,583	281,963,103
Diluted earnings (loss) per share	$ (0.009)	$ (0.010)	$ 0.035	$ (0.018)

10. ASSET RETIREMENT OBLIGATIONS

Reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements and have been measured at fair value. Fair value 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.
The Company's asset retirement obligations arise from its obligations to undertake site reclamation and remediation in connection with the Black Canyon, Santa Fe, Big Springs, Dorsey Creek, Mac Ridge, Golden Dome 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:

a) total undiscounted amount of inflation adjusted future reclamation costs was determined to be $2,343,360;
b) weighted average risk-free interest rate at 1.9% and a long-term inflation rate of 2.0%; and
c) expected timing of risk adjusted cash outflows required to settle the obligation will be incurred over the period through 2025.

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

	November 30, 2012	February 29, 2012
Balance, beginning of period	$ 1,072,453	$ 1,194,040
Unwinding of discount: ARO	13,699	44,403
Currency translation	8,412	(110,752)
Change in ARO estimates capitalized to resource properties	734,951	(55,238)
Balance, end of period	1,829,515	1,072,453
Less: Current portion	(1,026,137)	(85,995)
Long-term liability	$ 803,378	$ 986,458

During the period, the Company recorded an additional $1.0 million asset retirement obligation in connection with their increased interest in the Santa Fe property for work that may be performed in the coming year, offset by a reduction of approximately $0.3 million related to asset retirement obligations on the sold properties of Cove, Relief Canyon and Mill Canyon (*Note 17*).

(Unaudited)
(Expressed in Canadian Dollars)

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 340,073,973 and 339,364,598 shares as at November 30, 2012 and 2011, respectively.

Warrants

The following table summarizes information regarding changes in the Company's warrants outstanding:

	November 30, 2012			February 29, 2012		
	Number of Warrants	Weighted average exercise price	Fair Value	Number of Warrants	Weighted average exercise price	Fair Value
Outstanding, beginning of the year	4,776,000	$ 0.55	$ 999,456	4,776,000	$ 0.55	$ 999,456
Exercised	-	-	-	-	$ -	-
Expired	(4,776,000)	0.55	(999,456)	-	$ -	-
Outstanding, end of the period	-		$ -	4,776,000	$ 0.55	$ 999,456

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, 2012, 17,879,032 (13,985,302 as at February 29, 2012) additional stock options were available for grant under the Company's stock option plan.

The exercise price of options granted in accordance with the plan must not be lower than the closing price for such shares as quoted on the Toronto Stock Exchange Venture ("TSX-V") on the last business day prior to the date of the grant. The period for exercising an option shall not extend beyond a period of ten years following the date the option is granted. The total number of options held by insiders of the Company must not exceed 10% of the total number of shares issued and outstanding, unless approved by a majority of disinterested shareholders votes cast at a shareholders meeting.

A summary of the status of the Plan as at November 30, 2012 and as at February 29, 2012, and changes during the periods ended on those dates is presented below:

(Unaudited)
(Expressed in Canadian Dollars)

	November 30, 2012				February 29, 2012			
	Number of stock options		Weighted average exercise price	Fair Value Assigned	Number of stock options		Weighted average exercise price	Fair Value Assigned
Outstanding, beginning of the period	19,951,157	$	0.59	$6,695,104	13,782,340	$	0.71	$5,325,059
Granted	1,060,000	$	0.26	168,109	7,825,000	$	0.46	2,144,875
Exercised	(509,375)	$	0.21	(64,728)	(105,000)	$	0.36	(15,223)
Expired	(4,037,469)	$	0.69	(1,738,216)	(907,433)	$	1.10	(381,346)
Forfeited	(1,113,750)	$	0.48	(326,783)	(643,750)	$	1.04	(378,261)
Outstanding, end of the period	15,350,563	$	0.56	$4,733,487	19,951,157	$	0.59	$6,695,104

(Expressed in Canadian Dollars)

As at November 30, 2012, the Company had stock options issued to directors, officers, employees and contractors of the Company outstanding as follows:

Date of grant	Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
February 19, 2008	53,083	53,083	$ 1.60	February 19, 2013
March 3, 2008	24,980	24,980	$ 1.60	March 3, 2013
July 30, 2008	540,000	540,000	$ 0.40	July 30, 2013
September 29, 2008	280,000	280,000	$ 0.34	September 29, 2013
December 17, 2008	1,680,000	1,680,000	$ 0.21	December 17, 2013
May 11, 2009	150,000	150,000	$ 0.32	May 11, 2014
July 2, 2009	250,000	250,000	$ 0.40	July 2, 2014
July 13, 2009	75,000	75,000	$ 0.36	July 13, 2014
September 21, 2009	550,000	550,000	$ 0.38	September 21, 2014
December 18, 2009	1,705,000	1,705,000	$ 0.70	December 18, 2014
October 8, 2010	386,250	386,250	$ 1.25	October 8, 2015
February 9, 2011	1,863,750	1,863,750	$ 1.05	February 9, 2016
May 18, 2011	210,000	210,000	$ 0.74	May 18, 2016
August 22, 2011	612,500	475,000	$ 0.65	August 22, 2016
September 8, 2011	600,000	375,000	$ 0.69	September 8, 2014
September 8, 2011	110,000	68,750	$ 0.57	September 8, 2016
January 20, 2012	5,275,000	2,761,250	$ 0.40	January 20, 2017
May 28, 2012	855,000	336,250	$ 0.27	May 28, 2017
September 3, 2012	130,000	16,250	$ 0.22	September 3, 2017
	15,350,563	11,800,563		

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 the contributed surplus.

Subsequent to the quarter ended November 30, 2012, the Company granted 8,315,000 incentive stock options on January 11, 2013 with an exercise price of $0.25 per option to employees of the Company. The stock options have a term of five years and expire on January 11, 2018.

On September 3, 2012, the Company granted 130,000 incentive stock options with an exercise price of $0.22 per option to employees of the Company. The stock options have a term of five years and expire on September 3, 2017. The fair value of these options totalling $13,078 will be recognized (capitalized to resource properties) over the vesting periods, of which $5,790 has been recognized as at November 30, 2012. The fair value of these options was calculated based on a risk-free annual interest rate of 0.98%, an expected life of 5 years, an expected volatility of 72% and a dividend yield rate of nil. This results in an estimated value of $0.10 per option at the grant date using the Black-Scholes option-pricing model.

On May 28, 2012, the Company granted 930,000 incentive stock options with an exercise price of $0.27 per option to employees of the Company. 75,000 of these options were forfeited as at November 30, 2012. The stock options have a term of five years and expire on May 28, 2017. The fair value of these options totalling $142,529 will be recognized (capitalized to resource properties) over the vesting periods, of which $101,569 has been recognized as at November 30, 2012. The fair value of these options was calculated based on a risk-free annual interest rate of 1.55%, an expected life of 4.9 years, an expected volatility of 83% and a dividend yield rate of nil. This results in an estimated value of $0.17 per option at the grant date using the Black-Scholes option-pricing model.

(Expressed in Canadian Dollars)

Option pricing models require the input of highly subjective assumptions. Changes in assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options at the grant date. The Company uses a forfeiture rate of 2.86%.

13. 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, 2012 and 2011 was as follows:

	2012	2011
Salaries and other short term employment benefits	$1,102,896	$ 884,373
Share based compensation	$ 399,275	$ 524,567

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

14. COMMITMENTS AND CONTINGENCIES

Operating Leases

At November 30, 2012, the Company has future minimum annual operating lease commitments for office premises in: (1) Vancouver, BC, (2) Toronto, Ontario, (3) Reno, Nevada, (4) Elko County, Nevada and (5) Whitehorse, Yukon, as follows:

		CAN$		US$
to February 28, 2013	$	157,355	$	7,538
to February 28, 2014		576,645		15,075
to February 28, 2015		550,087		-
to February 29, 2016		520,303		-
to February 28, 2017 and thereafter		377,301		-
Total	$	2,181,691	$	22,613

(Unaudited)
(Expressed in Canadian Dollars)

15. SEGMENTED INFORMATION

The Company's principal activity is the exploration and development of mineral properties. The Company's resource properties are located in the 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**
November 30, 2012				
Assets held for sale *(Note 17)*	-	6.0	-	6.0
Investment in associate *(Note 6)*	0.2	-	-	0.2
Property and equipment	5.9	-	-	5.9
Resource properties	79.2	9.7	-	88.9
Total Assets	86.6	34.2	23.8	144.6
Net loss/(gain)	0.9	(16.5)	3.6	(12.0)
February 29, 2012				
Assets held for sale *(Note 17)*	-	29.1	-	29.1
Investment in associate *(Note 6)*	1.0	-	-	1.0
Property and equipment	5.9	-	0.1	6.0
Resource properties	58.7	11.1	-	69.8
Total Assets	74.6	40.2	13.0	127.8
Net loss/(gain)	2.0	-	3.6	5.6

16. SUPPLEMENTARY CASH FLOW INFORMATION

	November 30, 2012	February 29, 2012
Non-cash investing and financing activities:		
Accounts payable and accrued liabilities relating to resource property expenditures	**$ 2,990,402**	$ 4,187,462
Stock-based compensation, capitalized to resource properties *(Note 12)*	**$ 320,917**	$ 839,347
Non cash proceeds on sale of assets held for sale	**$12,656,672**	$ -
Income taxes paid	**$ 1,098,460**	$ -
Interest paid	**$ -**	$ -

(Unaudited)
(Expressed in Canadian Dollars)

17. ASSETS HELD FOR SALE

Certain of the Company's resources properties (*Note 8*) located in Nevada, USA, including Cove, Relief Canyon, Mill Canyon and Big Springs have been presented as held for sale following the approval of management's decision to sell them.

	February 29, 2012	Additions	Currency Translation	Sales	November 30, 2012
Mill Canyon (Nevada)	$ 10,432,483	$ (4,384)	$ (4,082)	$ (10,424,017)	$ -
Relief Canyon (Nevada)	1,562,225	24,762	-	(1,586,987)	-
Cove (Nevada)	17,089,687	181,452	(6,687)	(17,264,452)	-
Big Springs (Nevada) *	-	5,959,200	-	-	5,959,200
	$ 29,084,395	$ 6,161,030	$ (10,769)	$ (29,275,456)	$ 5,959,200

* Big Springs includes the Golden Dome, Dorsey Creek and Mac Ridge properties.

The Relief Canyon transaction closed on April 5, 2012 with proceeds of US$2 million cash and 10 million shares valued at US$0.37/share, of Pershing Gold Corp. common stock (OTCBB: PGLC) and 5 million warrants valued at US$0.20/warrant, each exercisable into one share of common stock at $0.60/share for two years. As additional consideration, Victoria will be granted a 2% net smelter return royalty on the production from all mining claims on the Property which are not subject to a royalty on behalf of Newmont. As a result of this transaction, the Company recognized a gain of approximately $4.9 million during the first quarter.

The Mill Canyon transaction closed on June 1, 2012 with proceeds of US$15 million cash plus Barrick Gold Corporation's right, title and interest in the Santa Fe Property, located in Mineral County, Nevada, valued at US$4 million. Additionally, Victoria became entitled to receive a contingent cash payment based on the occurrence of certain future events. As a result of this transaction, the Company recognized a gain of approximately $8.5 million during the second quarter.

The Cove transaction closed on June 14, 2012 with total consideration of up to $48 million. Proceeds of $4 million cash and $4 million worth of Premier Gold Mines Limited ("Premier") common stock were received. An additional $10 million is due on each of June 14, 2013 (*Note 18*) and June 14, 2014 (*Note 18*) and can be satisfied with up to 50% of Premier common stock, at their discretion. An additional, contingent $20 million may be received in four instalments of $5 million each upon the cumulative production, to Premier's account, of 250,000, 500,000, 750,000, and 1,000,000 troy ounces of gold from this Project. As a result of this transaction, the Company recognized a gain of approximately $8.1 million during the second quarter.

On November 27, 2012 the Company agreed, by way of a binding terms sheet, to sell its interest in the Big Springs Property (the "Property"), located in Elko County, Nevada, to MRG Copper LLC which is a US subsidiary of Big Springs Project Pty Ltd. and which is concurrently being acquired by Kimberley Rare Earths Limited (together, the "Buyers") for total consideration of up to US$6 million. US$2 million is contingent upon the fulfilment of certain milestones. Closing of the transaction is expected to occur in the first calendar quarter of 2013 and is subject to completion of due diligence by the Buyers and execution of a Definitive Agreement and Closing Documentation. The Property was written down US$1.3 million during the quarter to match the expected proceeds from sale of US$6 million.

18. RECEIVABLES

Following the completion of the Cove sale, the Company received a non-interest bearing promissory note from Premier. The nominal amount of the promissory note of $20,000,000 (the present value of the promissory note, using a discount rate of 7% is $18,080,181 as at June 14, 2012) will be received over the next two years. The value of the receivable is being accreted to the face value of the promissory note at its maturity date, with recognition through the statement of comprehensive income as a form of interest income over the term of the note.

(Expressed in Canadian Dollars)

Anniversay Date	Total receivable	November 30, 2012 Discounted Principal	November 30, 2012 Accredited interest
June 13, 2013	$ 10,000,000	$ 9,640,150	$ 359,850
June 13, 2014	10,000,000	9,009,486	990,514
Total	$ 20,000,000	$ 18,649,636	$ 1,350,364

During the nine months ended November 30, 2012, $569,455 was accredited to interest income as a result of the unwinding of the discount.

19. INCOME TAXES

	For the three months ended November 30,		For the nine months ended November 30,	
	2012	2011	2012	2011
Current	$ -	$ -	$ 1,426,826	$ -
Deferred	-	-	2,797,859	-
Provision for income taxes	$ -	$ -	$ 4,224,685	$ -

On an interim basis, income tax expense is recognized based on management's estimate of the corporate annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period, resulting from the sale of Relief Canyon, Mill Canyon and Cove (*Note 17*).