

## Victoria Gold: 2022 Third Quarter Results

Toronto, ON / November 7, 2022 / Victoria Gold Corp. (TSX-VG CX) (“Victoria” or the “Company”) herein announces its third quarter 2022 summary financial and operating results.

The Company will host a video conference call on Monday, November 7<sup>th</sup> at 10:00am PST (1:00pm EST) to discuss the third quarter consolidated results (call-in details are provided at the end of this news release).

The Company uses certain non-IFRS performance measures throughout this news release. Please refer to the “Non-IFRS Performance Measures” section of this new release for more information. All currency figures are in Canadian \$ 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, 2022 and 2021, available on the Company’s website or on SEDAR.

| Third Quarter 2022 Highlights     |                 |
|-----------------------------------|-----------------|
| Gold produced                     | 50,028 ounces   |
| Average gold price realized       | C\$ 2,242       |
| Revenue                           | C\$ 100,698,458 |
| Gross profit                      | C\$ 15,697,791  |
| Net income (loss)                 | (C\$ 8,594,369) |
| Earnings (loss) per share – basic | (C\$ 0.13)      |
| EBITDA                            | C\$ 22,769,385  |

### Operational Highlights – Third Quarter 2022

- **Mine production** was 2.1 million tonnes (“t”) of ore in the quarter.
- **Ore stacked** on the heap leach facility (“HLF”) in the quarter was 2.1 million t at an average grade of 0.88 grams per tonne (“g/t”).
- **Gold production** was 50,028 ounces (“oz”) in the quarter.

### Financial Highlights – Third Quarter 2022

- **Gold sold** in the quarter was 44,925 oz, at an average realized price<sup>1</sup> of \$2,242 (US\$1,717) per oz.
- Recognized **revenue** was \$100.7 million based on sales of 44,925 oz of gold in the quarter.
- **Operating earnings** were \$11.8 million in the quarter.
- **Net loss** was \$8.6 million, or \$0.13 per share outstanding in the quarter.
- **Cash costs**<sup>1</sup> were \$1,457 (US\$1,116) per oz and all-in sustaining costs (“AISC”)<sup>1</sup> were \$1,944 (US\$1,489) per oz of gold sold in the quarter.
- **EBITDA**<sup>1</sup> were \$22.8 million in the quarter.

<sup>1</sup> Refer to “Non-IFRS Performance Measures” section.

- **Free cash flow**<sup>1</sup> deficiency was \$8.7 million, or a deficiency of \$0.13 per share<sup>1</sup> in the quarter.
- **Cash and cash equivalents** were \$36.0 million at September 30, 2022 after net draw of \$18.0 million against the Company's debt facilities for the nine months.

### Third Quarter 2021/2022 and Year to Date 2021/2022 Operating Results

|                       |        | Three months ended    |                       | Nine months ended     |                       |
|-----------------------|--------|-----------------------|-----------------------|-----------------------|-----------------------|
|                       |        | September 30,<br>2022 | September 30,<br>2021 | September 30,<br>2022 | September 30,<br>2021 |
| <b>Operating data</b> |        |                       |                       |                       |                       |
| Ore mined             | t      | 2,060,062             | 3,122,007             | 5,555,335             | 6,972,426             |
| Waste mined           | t      | 3,054,624             | 3,829,647             | 7,491,690             | 11,827,872            |
| Total mined           | t      | 5,114,686             | 6,951,654             | 13,047,025            | 18,800,298            |
| Strip ratio           | w:o    | 1.48                  | 1.23                  | 1.35                  | 1.70                  |
| Mining rate           | tpd    | 55,594                | 75,561                | 47,791                | 68,866                |
| Ore stacked on pad    | t      | 2,070,840             | 3,270,692             | 5,256,031             | 6,618,004             |
| Ore stacked grade     | g/t Au | 0.88                  | 0.90                  | 0.84                  | 0.86                  |
| Throughput (stacked)  | tpd    | 22,509                | 35,551                | 19,252                | 24,242                |
| Gold produced         | oz     | 50,028                | 55,827                | 106,441               | 114,726               |
| Gold sold             | oz     | 44,925                | 53,248                | 99,023                | 109,517               |

Notes - Strip ratio: waste to ore ("w:o")  
Mining rate: tonnes per day ("tpd")

#### Gold production and sales

During the three months ended September 30, 2022, the Eagle Gold Mine produced 50,028 ounces of gold, compared to the 55,827 ounces of gold production in Q3 2021.

During the three months ended September 30, 2022, the Company sold 44,925 ounces of gold, compared to the 53,248 gold ounces sold in Q3 2021.

#### Mining

During the three months ended September 30, 2022, a total of 2.1 million tonnes of ore was mined, at a strip ratio of 1.48:1 with a total of 5.1 million tonnes of material mined. In comparison, a total of 3.8 million tonnes of ore were mined, at a strip ratio of 1.23:1 with a total of 7.0 million tonnes of material mined for the prior comparable period in 2021.

Total tonnes mined were 26% lower during the three months ended September 30, 2022. Reduced mining is primarily due to lower ore stacking during the quarter which is discussed in the Processing section herein.

#### Processing

During the three months ended September 30, 2022, a total of 2.1 million tonnes of ore were stacked on the HLF at a throughput rate of 22.5k tpd. A total of 3.3 million tonnes of ore were stacked on the HLF at a throughput rate of 35.6 k tpd for the prior comparable period in 2021.

Ore stacked on the HLF decreased by 37% for the three months ended September 30, 2022 as a result of no ROM ore tonnes hauled directly from the open pit to the HLF and planned and unplanned downtime of the crushing and conveying circuit. The Company decided to forego run of mine stacking during 2022 as it incurs higher unit costs and results in lower gold recovery. Additionally, operations experienced a temporary loss of power in July owing to localized wildfires (see News Release dated July

13, 2022) and an 8 day planned maintenance shutdown of the crushing plant in August. Crushed tonnes to the HLF remained in-line with the 2.2 million tonnes placed during the same period in 2021.

Ore stacked for the quarter had an average grade of 0.88 g/t Au, compared to 0.90 g/t Au in the prior comparable period in 2021.

As at September 30, 2022, the Company estimates there are 107,649 recoverable ounces within mineral inventory.

### **Capital**

The Company incurred a total of \$28.9 million in capital expenditures during the three months ended September 30, 2022:

- (1) sustaining capital of \$13.7 million, including:
  - i. upgrades and capital component rebuilds on the material handling system of \$3.3 million,
  - ii. scheduled capital component rebuilds on mobile mining fleet of \$3.2 million,
  - iii. construction of the water treatment facility of \$1.7 million,
  - iv. purchase and installation of a fleet management system of \$1.2 million,
  - v. expansion of the heap leach pad of \$0.8 million, and
  - vi. other ongoing sustaining capital initiatives of \$3.5 million;
- (2) capitalized stripping of \$7.7 million;
- (3) \$6.7 million spend on growth capital expenditures (growth exploration and mine expansion) and;
- (4) \$0.8 million adjustment to the Company's asset retirement obligation during the quarter.

### **Third Quarter 2021/2022 and Year to Date 2021/2022 Financial Results**

|                                     | Three months ended |                    | Nine months ended  |                    |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                     | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| <b>Financial data</b>               |                    |                    |                    |                    |
| Revenue                             | \$ 100,698,458     | 119,548,442        | 229,532,880        | 245,806,593        |
| Gross profit                        | \$ 15,697,791      | 53,637,812         | 64,859,379         | 101,186,405        |
| Net income (loss)                   | \$ (8,594,369)     | 31,615,252         | 24,577,149         | 64,707,707         |
| Earnings (loss) per share – Basic   | \$ (0.13)          | 0.51               | 0.38               | 1.04               |
| Earnings (loss) per share - Diluted | \$ (0.13)          | 0.48               | 0.38               | 0.99               |

|                               | As at September 30, 2022 | As at December 31, 2021 |
|-------------------------------|--------------------------|-------------------------|
| <b>Financial position</b>     |                          |                         |
| Cash and cash equivalents     | \$ 36,022,982            | 31,250,867              |
| Working capital               | \$ 102,661,689           | 62,807,859              |
| Property, plant and equipment | \$ 664,847,059           | 626,400,098             |
| Total assets                  | \$ 1,012,282,304         | 891,386,863             |
| Long-term debt                | \$ 190,002,252           | 151,250,785             |

**Revenue**

For the three months ended September 30, 2022, the Company recognized revenue of \$100.7 million compared to \$119.5 million for the previous year's comparable period. The decrease in revenue is attributed to a lower average US\$ realized gold price and lower number of gold oz sold, partially offset by higher C\$/US\$ exchange rate. Revenue is net of treatment and refining charges, which were \$0.3 million for the three months ended September 30, 2022. The Company sold 44,925 oz of gold at an average realized price of \$2,242 (US\$1,717) (see "Non-IFRS Performance Measures" section), compared to 53,248 oz at an average realized price of \$2,239 (US\$1,777) (see "Non-IFRS Performance Measures" section), in the third quarter of 2021.

**Cost of goods sold**

Cost of goods sold was \$65.5 million for the three months ended September 30, 2022 compared to \$48.0 million for the previous year's comparable period. The increase in cost of goods sold is attributed to increased costs due to inflation and change in inventory.

**Depreciation and depletion**

Depreciation and depletion was \$19.5 million for the three months ended September 30, 2022 compared to \$17.9 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.

**Liquidity and Capital Resources**

At September 30, 2022, the Company had cash and cash equivalents of \$36.0 million (December 31, 2021 - \$31.3 million) and a working capital surplus of \$102.7 million (December 31, 2021 - \$62.8 million surplus). The increase in cash and cash equivalents of \$4.8 million over the year ended December 31, 2021, was due to operating activities (\$54.4 million increase in cash) primarily from operating cash flow before working capital adjustments and financing activities (\$42.0 million increase in cash) including equity issuances and draws made on credit facilities. This is partially offset by investing activities (\$92.8 million decrease in cash) primarily from capital expenditures incurred at the Eagle Gold Mine.

**2022 Guidance**

The Company issued original 2022 Guidance for the Eagle Gold Mine on March 24, 2022. Original Guidance included a lower bound for production of 165,000 ounces and an upper bound for AISC<sup>1</sup> of US\$1,425 per ounce of gold sold. The Company retracted Guidance on October 4, 2022 as the result of a failure of the overland conveyor belt which halted stacking of ore on the heap leach pad for approximately 3 weeks.

Actual gold production for 2022 will be released in early January 2023 while actual AISC<sup>1</sup> for 2022 will be included within year-end Financial Statements to be released by March 2023.

**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*.

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### **Video Conference Call Details**

The video conference call to discuss the 2022 third quarter operating and financial results and updates will take place on **Monday, November 7, 2022 at 10:00am PST (1:00pm EST)**.

### **Zoom Video Conference Details**

Victoria Gold Corp invites you to join the video conference via Zoom.

Join Zoom Meeting

<https://us02web.zoom.us/j/85087069953>

Meeting ID: 850 8706 9953

One tap mobile

+16892781000,,85087069953# US

+17193594580,,85087069953# US

Find your local number:

<https://us02web.zoom.us/j/kxfj0NzL>

A playback version will be available following the call on the Company's website at [www.vgcx.com](http://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 Company issued a National Instrument 43-101 Technical Report for the Eagle Gold Mine dated December 3, 2019 (the "2019 Eagle Technical Report"). Since the date of the 2019 Eagle Technical Report, the Company has produced gold from its Eagle Mine. Based on the 2019 Eagle Technical Report and after adjusting for depletion through December 31, 2021, the Eagle and Olive deposits include Proven and Probable Reserves of 2.7 million ounces of gold from 133 million tonnes of ore with a grade of 0.64 grams of gold per tonne. Based on the 2019 Eagle Technical Report and after adjusting for depletion through December 31, 2021, the Mineral Resource for the Eagle and Olive deposits has been estimated to host 207 million tonnes averaging 0.63 grams of gold per tonne, containing 4.2 million ounces of gold in the "Measured and Indicated" category, inclusive of Proven and Probable Reserves, and a further 28 million tonnes averaging 0.61 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 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.

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