

## **Victoria Gold: Eagle Gold Mine Updated Technical Report**

Whitehorse, YT/ February 24, 2023 / Victoria Gold Corp. (TSX-VGCX) (“Victoria” or the “Company”) is pleased to announce the results of its updated Technical Report (“2023 Eagle Technical Report”) on the Eagle Gold Mine, including an increase in Mineral Resources, updated Mineral Reserves, and updated Life of Mine (“LOM”) plan. The 2023 Eagle Technical Report highlights an increasing gold production profile, long mine life, and robust economics.

“We are pleased to provide a mine plan update that confirms strong production growth at the Eagle Gold Mine”, stated John McConnell, President and CEO. “This increased production is achievable utilizing our existing crushing and conveying circuit and mining fleet. The Eagle orebody continues to reconcile extremely well with our reserve model and gold production is in line with original recovery expectations. We have also seen a significant increase in mineral resources with the success of our recent exploration drilling, substantiating the operation’s long-term production profile and mine life.”

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 dollars unless otherwise indicated.

A supporting NI 43-101 Technical Report will be filed on SEDAR at [www.sedar.com](http://www.sedar.com) within 45 days of this press release.

### **Summary of 2023 Updated Life of Mine Plan:**

The updated mine plan considers cost and operating data from the last three years of operations at the Eagle Gold Mine. Optimizations incorporated into this 2023 Eagle Technical Report include year-round stacking on the heap leach facility (“HLF”), stockpiling of lower grade material for end of mine life processing, and utilization of a mobile crusher to supplement and increase production rates. Key highlights of the updated plan are:

- After-tax net present value (“NPV”) at a 5% discount of \$954 million (\$1,257 million pre-tax), at US\$1,700 per ounce of gold and a US\$:C\$ exchange rate of 0.75.
- Average gold production of 202,000 ounces per year over the first 8 years, with peak production of 219,000 gold ounces in 2025.
- Average free cash flow (“FCF”) of \$166 million per year for the first 8 years with a total of \$1,602 million of FCF over the LOM.
- Total gold production of 2,048,000 ounces over a mine life of 12 years. This total does not include gold production prior to 31 December 2022.
- LOM All-in Sustaining Cost (“AISC”) of US\$1,114 per ounce of gold providing significant operating and profit margins at current gold prices.
- Throughput increase to steady-state level of 11.5 million tonnes processed per annum during 2025.

- Industry leading strip ratio of 0.99.
- Total Proven and Probable Reserves, as at December 31, 2022, of 124 million tonnes at 0.65 grams of gold per tonne for 2,584,000 contained gold ounces.
- Total Mineral Resources, as at December 31, 2022, of 245 million tonnes at 0.59 grams of gold per tonne for 4,665,000 gold ounces in the Measured and Indicated category. An additional 36 million tonnes at 0.63 grams of gold per tonne for 704,000 gold ounces are included in the Inferred category.

**Updated Mineral Resource Estimate:**

Since the 2019 Eagle Mineral Resource Estimate (“MRE”), an additional 35 drill holes were drilled proximal to the Eagle deposit for a total of 16,885 meters. The primary focus of this drilling was to test for mineralization extensions of the Eagle deposit to the west. A portion of these holes were also drilled within the existing deposit to test for mineralization at depth. Both the extension and depth drilling achieved positive results and were utilized in the updated MRE. The Eagle deposit remains open both to the Southwest and at depth.

In addition, an updated Olive MRE was prepared utilizing drilling completed since the 2016 Feasibility Study (“FS”). The 2019 Olive MRE was the same as the 2016 Olive FS MRE. 92 additional drill holes and 19 surface trenches were included in the updated Olive MRE.

The Company's updated Eagle MRE gold ounces have increased by 17% in the Measured and Indicated category, and 38% in the Inferred category over the 2019 Eagle MRE, after depletion through December 31, 2022. The updated Olive MRE gold ounces have increased by 10% in the Measured and Indicated category and decreased by 1% in the Inferred category. The total Measured and Indicated resources have increased to 4,665,000 ounces, with an additional 704,000 ounces in the Inferred category. The new Eagle MRE represents an additional 629,000 ounces of Measured and Indicated and 136,000 ounces of Inferred over the 2019 Eagle MRE with most ounces coming from expansion of the resource beyond the 2019 MRE pit shell.

**Table 1: Updated Mineral Resources Estimate as at December 31, 2022**

	Classification	Ore (Mt)	Grade (g/t)	Contained Gold (k oz)
Eagle	Measured	35	0.62	705
	Indicated	198	0.57	3,596
	<b>M&amp;I</b>	<b>233</b>	<b>0.57</b>	<b>4,304</b>
	Inferred	30	0.52	497
Olive	Measured	3	1.01	113
	Indicated	8	0.95	249
	<b>M&amp;I</b>	<b>12</b>	<b>0.97</b>	<b>361</b>
	Inferred	6	1.17	207

Notes:

(1) Mineral Resource have an effective date of December 31, 2022 and are classified based on 2014 CIM Definitions

- (2) Mineral Resources are inclusive of Mineral Reserves
- (3) A gold price of US\$1,700 per ounce of gold is assumed
- (4) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues
- (5) The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category
- (6) A US\$:C\$ exchange rate of 0.75
- (7) Eagle Mineral Resources are reported at a cut-off grade of 0.15 g/t Au
- (8) Olive Mineral Resources are reported at a cut-off grade of 0.40 g/t Au
- (9) The Qualified Person for the Mineral Resource Estimate is Mr. Marc Jutras P.Eng., M.A.Sc., Principal of Ginto Consulting Inc.
- (10) Numbers may not add exactly due to rounding

**Updated Mineral Reserve Estimate:**

The Mineral Reserves for Eagle and Olive were updated with the new mine plan and updated MRE and remain comparable to the 2019 Eagle Technical Report Reserves after depletion. The decrease in tonnage from the 2019 mineral reserves represents depletion from mining through December 31, 2022 and minor differences from cut-off grade adjustments. Since the commencement of operations, the Eagle Mineral Reserve estimate has reconciled well to mining actuals.

**Table 2: Mineral Reserves Estimate as at December 31, 2022**

	Classification	Ore (Mt)	Diluted Grade (g/t)	Contained Gold (k oz)
<b>Eagle</b>	Proven	21	0.68	464
	Probable	97	0.63	1,943
	<b>Total</b>	<b>118</b>	<b>0.64</b>	<b>2,407</b>
<b>Olive</b>	Proven	3	0.87	72
	Probable	4	0.82	104
	<b>Total</b>	<b>7</b>	<b>0.84</b>	<b>176</b>
<b>Eagle + Olive</b>	<b>Total</b>	<b>124</b>	<b>0.65</b>	<b>2,584</b>

**Notes:**

- (1) Mineral Reserves have an effective date of 31 December 2022 and are classified based on 2014 CIM Definitions.
- (2) A gold price of US\$1,550/oz is assumed
- (3) Eagle Reserves are reported at a cut-off grade of 0.20 g/t, and recoveries ranging from 73% to 86%
- (4) Olive Reserves are reported at cut-off grades from 0.24 to 0.31 g/t, and recoveries ranging from 52% to 76%
- (5) Dilution has been applied at 5.0% for Eagle Reserves and 9.0% for Olive Reserves
- (6) Gold ounces are reported as contained and do not include allowances for processing losses
- (7) The Qualified Person for the Mineral Reserves Statement is Mr. Nico Harvey, P.Eng., Senior Engineer with Victoria Gold

The updated Mineral Reserve model was validated by comparison against previously mined out areas. Month end reconciliation solids were utilized to run Reserves at operational cut-off grades and compared against surveyed monthly mined tonnages and assayed results from 2020 to 2022. The total gold ounce difference between Reserve model and reconciled actuals was approximately -1%, with the actuals having higher tonnages and slightly lower grade. In addition, material that was previously defined as waste has been converted into ore due to increased drill and assay density from mining operations. Through December 31, 2022, a total of 4.35 million tonnes of additional mineralized material has been mined beyond what was predicted by the 2019 Mineral Reserve model.

**Production Schedule:**

The Eagle Gold Mine is an open pit gold mine that utilizes conventional shovel and truck mining methods. Mining of the two pits (Eagle and Olive) will be completed over a period of 10 years, with residual processing of stockpiled ore over an additional 1.5 years. The average mining rate over the LOM is 67.7 thousand tonnes per day at a strip ratio of 0.99.

Ore from the mine is crushed through a three-stage crushing circuit and conveyed to one of two HLFs. Process solution is applied to the crushed rock to extract gold into solution. Gold is recovered through a traditional Adsorption, Desorption, and Recovery (“ADR”) plant, and doré bars are poured on site. Tonnes of ore stacked are expected to increase in each of 2023 and 2024, reaching a steady-state stacking rate of 11.5 million tonnes per annum by 2025. A mobile crushing unit is utilized to feed crushed ore to the HLF when the main circuit is down for maintenance.

Ultimate LOM recovery is projected to be 76.2% and over 2.0 million ounces of gold are forecast to be produced over the remaining mine life. The LOM production schedule is highlighted in Table 3.

**Table 3: LOM Production Schedule**

		LOM	'23	'24	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34
Waste Mined	(million tonnes)	122.9	16.7	20.6	15.1	8.7	6.0	10.9	13.1	10.9	13.0	7.8	0.0	0.0
Ore Mined	(million tonnes)	124.3	9.5	12.7	14.6	14.3	14.5	14.2	14.9	11.5	11.5	6.7	0.0	0.0
Total Mined	(million tonnes)	247.2	26.2	33.3	29.7	23.0	20.5	25.1	27.9	22.4	24.5	14.5	0.0	0.0
Ore Stacked	(million tonnes)	124.3	9.5	10.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	0.8
Stacked Grade	(grams per tonne)	0.65	0.82	0.73	0.78	0.80	0.74	0.70	0.69	0.54	0.61	0.53	0.25	0.25
Contained Gold	(thousand ounces)	2,584	249	246	289	295	272	257	256	199	225	197	91	7
Produced Gold	(thousand ounces)	2,048	180	194	219	217	202	186	208	212	179	143	73	36

**Gold Recovery Reconciliation:**

Project to date, gold recovery has trended in line with modelled estimates utilized in the 2019 Eagle Technical Report and no substantive changes have been made to the LOM recovery expectations for Eagle. A notable improvement from the 2019 Eagle Technical Report has been increasing the crush size from a target P80 of 6.5 mm to 12-14 mm with no appreciable reduction in gold recovery. This improvement has been realized through an improved understanding of the particle size distribution of crushed ore. In addition, the total leach time is longer than initially estimated and operational results indicate that the ultimate gold recovery will likely be modestly higher than the recovery projected in the 2023 Eagle Technical Report. LOM ultimate recovery is projected to be 76.2%.

**Capital and Operating Costs:**

LOM Capital costs are projected to be \$292 million. Capital costs are summarized below in Table 4. In addition to sustaining and growth capital costs, the LOM plan includes an allocation of \$65 million for reclamation at the end of the mine's life.

**Table 4: LOM Capital Costs Summary**

Category	LOM (million \$)
Mining	111
Processing	41
Growth	139
Total	292

LOM operating costs are estimated at \$19.55 per tonne stacked. Unit costs for 2023 and 2024 are expected to be higher than the LOM average due to higher mining costs associated with higher stripping requirements as well as lower production rates as the operation increases stacking rates to steady-state levels by 2025. Ongoing cost saving initiatives are expected to materialize over the next two years. LOM average operating costs are summarized below in Table 5.

**Table 5: LOM Operating Costs Summary**

Category	LOM (million \$)	\$/t Leached <sup>(1)</sup>
Mining	818	3.31 <sup>(2)</sup>
Processing	1,222	9.03
Site Services	206	1.66
G&A	284	2.28
<b>TOTAL</b>	<b>2,430</b>	<b>19.55</b>

Notes:

(1)(2) Mining operating costs are reported as \$/t mined

**2023 Mine Plan Economics:**

The 2023 Eagle Technical Report financial model utilizes US\$1,700 per ounce gold. The three-year trailing average gold price as of December 31, 2022 is US\$1,791 per ounce. A US\$:C\$ exchange rate of 0.75 was applied. Table outlines the Base Case economics as well as sensitivities at different gold prices.

**Table 6: Summary of Mine Plan Economics by Gold Price**

	Low Case	Base Case	Spot Case <sup>(1)</sup>	High Case
Gold Price (\$/ounce)	\$1,500	<b>\$1,700</b>	\$1,815	\$2,000
US\$:C\$ Exchange Rate	0.75	<b>0.75</b>	0.75	0.75
Pre-Tax Cash Flow (\$ million)	1,082	<b>1,602</b>	1,900	2,381
Post-Tax Cash Flow (\$ million)	875	<b>1,204</b>	1,393	1,696
Pre-Tax NPV <sub>5%</sub> (\$ million)	849	<b>1,257</b>	1,491	1,867
Post-Tax NPV <sub>5%</sub> (\$ million)	696	<b>954</b>	1,102	1,338

Notes:

(1) Spot Case was run with the gold price as of December 31, 2022, the effective date of the technical report.

**Qualified Persons:**

The following Qualified Persons (“QP”) as defined by NI 43-101 were involved in the preparation of the 2023 Eagle Technical Report. Each QP has reviewed and approved this release as it related to their respective sections, as applicable.

**Table 7: List of Qualified Persons**

Qualified Person	Scope of Responsibility
Nicolas Harvey, P.Eng., Victoria Gold Corp	Mineral Reserve Estimate, Mining Methods, Market Studies, Capital and Operating Costs Estimates, Economics, Infrastructure, Aspects of Environment, Social, & Permitting,
Paul Gray, P.Geo., Victoria Gold Corp	Geology, Deposit Type, Drilling, Exploration, QA/QC, Data Verification
Jeff Winterton, PE., Victoria Gold Corp	Metallurgy & Recovery, Processing Methods

Qualified Person	Scope of Responsibility
Marc Jutras, P.Eng., M.A.Sc., Ginto Consulting Inc.	Mineral Resource Estimate
Mike Levy, P.E., P.G., P.Eng., JDS Energy & Mining Inc.	Pit and Waste Rock Storage Area Geotechnical Considerations

### **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 press released the results of a National Instrument 43-101 Technical Report for the Eagle Gold Mine on February 24, 2023 (the "2023 Eagle Technical Report"). The 2023 Eagle Technical Report will be filed on SEDAR within 45 days from the press release. The Eagle and Olive deposits include Proven and Probable Reserves of 2.6 million ounces of gold from 124 million tonnes of ore with a grade of 0.65 grams of gold per tonne. The Mineral Resource for the Eagle and Olive Gold Deposits has been estimated to host 245 million tonnes averaging 0.59 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 36 million tonnes averaging 0.63 grams of gold per tonne, containing 0.7 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 the intended use of proceeds from the Term Facility and the Revolving Credit Facility, the amended terms and conditions of the Loan Facility, and 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.

**For Further Information Contact:**

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