

Victoria Gold: 2023 Third Quarter Results

Toronto, ON / November 9, 2023 / Victoria Gold Corp. (TSX-VGCX) (“Victoria” or the “Company”) provides its third quarter 2023 summary financial and operating results.

Third Quarter 2023 Highlights	
Gold produced	41,561 ounces
Average gold price realized	C\$ 2,583
Revenue (000s)	C\$ 105,127
Gross Profit (000s)	C\$ 19,899
Income before taxes (000s)	C\$ 10,465
Net Income (000s)	C\$ 5,631
Earnings per share – Basic	C\$ 0.08
EBITDA (000s)	C\$ 34,637
Free Cash Flow before working capital (000’s)	C\$ 18,245
Free Cash Flow after working capital (000’s)	C\$ 25,235

Mr. John McConnell, President and CEO noted, “The Eagle mine was able to produce approximately 125,000 ozs through the first 9 months of 2023. We continue to expect to achieve both 2023 production and cost guidance.” Mr. McConnell continued, “The mine also generated significant earnings, EBITDA and free cash flow which was used to repay debt.”

The Company will host a video conference call on Friday, November 10th at 7:30am PST (10:30am EST) to discuss the third quarter 2023 results (call-in details are provided at the end of this news release).

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, 2023 and 2022, available on the Company’s website or on SedarPlus.

Operational highlights – Third Quarter 2023

- **Mine production** was 2.0 million tonnes (“t”) of ore in the quarter.
- **Ore stacked** on the heap leach facility (“HLF”) in the quarter was 2.3 million tonnes at an average grade of 0.65 grams per tonne (“g/t”).
- **Gold production** was 41,561 ounces (“oz”) in the quarter.

Financial highlights – Third Quarter 2023

- **Gold sold** in the quarter was 40,623 oz, at an average realized price¹ of \$2,583 (US\$1,926) per oz.
- Recognized **revenue** was \$105.1 million based on sales of 40,623 oz of gold in the quarter.
- **Operating earnings** were \$18.3 million in the quarter.
- **Income** before tax was \$10.5 million for the quarter.
- **Net income** was \$5.6 million, or \$0.08 per share on a basic basis and \$0.08 per share on a diluted basis for the quarter.
- **Cash costs**¹ were US\$1,224 per oz of gold sold in the quarter.
- All-in sustaining costs (“**AISC**”) ¹ were US\$1,484 per oz of gold sold in the quarter.
- **EBITDA**¹ were \$34.6 million in the quarter, or \$0.52 per share¹ in the quarter.

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

- **Free cash flow**¹ before working capital was \$18.2 million in the quarter.
- **Free cash flow**¹ after working capital was \$25.2 million in the quarter.
- **Cash and cash equivalents** were \$18.9 million at September 30, 2023.

Third Quarter and YTD 2022/2023 Operating Results

		THREE MONTHS ENDED		NINE MONTHS ENDED	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating data					
Ore mined	t	1,997,519	2,060,062	6,500,794	5,555,335
Waste mined	t	3,093,063	3,054,624	8,312,576	7,491,690
Total mined	t	5,090,582	5,114,686	14,813,370	13,047,025
Strip ratio	w:o	1.55	1.48	1.28	1.35
Mining rate	tpd	55,332	55,594	54,261	47,791
Ore stacked on pad	t	2,321,719	2,070,840	6,929,257	5,256,031
Ore stacked grade	g/t Au	0.65	0.89	0.75	0.84
Throughput (stacked)	tpd	25,236	22,509	25,382	19,252
Gold ounces produced	oz	41,561	50,028	124,749	106,441
Gold ounces sold	oz	40,623	44,925	123,534	99,023

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, 2023, the Eagle Gold Mine produced 41,561 ounces of gold, compared to the 50,028 ounces of gold production in Q3 2022. The 17% decrease in gold production is primarily attributed to interruptions to stacking related to evacuations for wildfires in the months of July and August.

During the three months ended September 30, 2023, the Company sold 40,623 ounces of gold, compared to the 44,925 gold ounces sold in Q3 2022. The 10% decrease in gold sold is the result of decreased gold production as a result of the East McQuesten wildfires.

Mining

During the three months ended September 30, 2023, a total of 2.0 million tonnes of ore was mined, at a strip ratio of 1.55:1 with a total of 5.1 million tonnes of material mined. In comparison, 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 for the prior comparable period in 2022.

Total tonnes mined were 1% lower during the three months ended September 30, 2023.

Processing

During the three months ended September 30, 2023, a total of 2.3 million tonnes of ore was stacked on the HLF at a throughput rate of 25.2 k tpd. A total of 2.1 million tonnes of ore was stacked on the HLF at a throughput rate of 22.5 k tpd for the prior comparable period in 2022.

Ore stacked on the HLF increased by 12% for the three months ended September 30, 2023 reflecting continued improvements to the reliability of material handling operations. Crushing utilization improved by 24% relative to the same period in 2022, which was offset by evacuations for the wildfires.

Ore stacked for the quarter had an average grade of 0.65 g/t Au, compared to 0.89 g/t Au in the prior comparable period in 2022. Grades were impacted in Q3 mine sequencing which resulted in a higher portion of lower grade material being mined.

As at September, 2023, the Company estimates there are 92,735 recoverable oz within mineral inventory.

Capital

The Company incurred a total of \$21.1 million in capital expenditures during the three months ended September 30, 2023:

- (1) sustaining capital of \$6.5 million, including:
 - i. scheduled capital component rebuilds on mobile mining fleet of \$5.2 million,
 - ii. upgrades and capital component rebuilds on material handling system of \$1.2 million, and
 - iii. other ongoing sustaining capital initiatives of \$0.1 million;
- (2) capitalized stripping of \$7.6 million,
- (3) \$5.9 million spend on growth capital expenditures including exploration, and;
- (4) \$1.1 million adjustment to the Company's asset retirement obligation during the quarter.

Third Quarter and Nine Months 2023 Financial Results

Expressed in 000s, except per share amounts	THREE MONTHS ENDED		NINE MONTHS ENDED	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Financial data				
Revenue	\$ 105,127	100,698	320,478	229,533
Gross profit	\$ 19,899	15,697	65,518	64,859
Net income (loss)	\$ 5,631	(8,595)	22,576	24,579
Earnings (loss) per share – Basic	\$ 0.08	(0.13)	0.34	0.38
Earnings (loss) per share - Diluted	\$ 0.08	(0.13)	0.34	0.38

Expressed in 000s, except per share amounts	As at	
	September 30, 2023	December 31, 2022
Financial position		
Cash and cash equivalents	\$ 18,879	20,572
Working capital	\$ 140,280	94,687
Property, plant and equipment	\$ 671,003	670,813
Total assets	\$ 1,016,118	1,016,806
Long-term debt	\$ 188,905	184,512

Revenue

For the three months ended September 30, 2023, the Company recognized revenue of \$105.1 million compared to \$100.7 million for the previous year's comparable period. The increase in revenue is attributed to a higher average realized price, and a higher C\$/US\$ exchange rate, partially offset by a lower number of gold oz sold. Revenue is net of treatment and refining charges, which were \$0.2 million for the three months ended September 30, 2023. The Company sold 40,623 oz of gold at an average realized price of \$2,583 (US\$1,926) (see "Non-IFRS Performance Measures" section), compared to 44,925 oz at an average realized price of \$2,242 (US\$1,717) (see "Non-IFRS Performance Measures" section), in the third quarter of 2022.

Cost of goods sold

Cost of goods sold was \$67.0 million for the three months ended September 30, 2023 compared to \$65.5 million for the previous year's comparable period. The increase in cost of goods sold is attributed to a higher average cost per ounce of gold within inventory, partially offset by a lower number of gold oz sold. The average cost per ounce of gold in inventory is higher in the current quarter due to inflation resulting in higher production costs per ounce compared to the prior comparable quarter.

Depreciation and depletion

Depreciation and depletion was \$18.3 million for the three months ended September 30, 2023 compared to \$19.5 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, 2023, the Company had cash and cash equivalents of \$18.9 million (December 31, 2022 - \$20.6 million) and a working capital surplus of \$140.3 million (December 31, 2022 - \$94.7 million surplus). The decrease in cash and cash equivalents of \$1.7 million over the year ended December 31, 2022, was due to operating activities (\$82.0 million increase in cash) primarily from operating cash flow before working capital adjustments, and financing activities (\$5.4 million increase in cash) from draws made on credit facilities, and exercises of stock options and warrants. This is partially offset by investing activities (\$89.1 million decrease in cash) primarily from the settlement of gold call options, capital expenditures incurred at the Eagle Gold Mine, exploration activities from the Dublin Gulch, and the acquisition of Golden Predator.

2023 Outlook

Note that cost information in this Outlook section, including AISC¹ and capital, are in US currency to allow for ease of comparison with our peers, who often report in US currency.

2023 Production Guidance remains unchanged at the Eagle Gold Mine and is estimated to be between 160,000 and 180,000 ounces of gold.

Prior to the impacts of the East McQuesten wildfire, which led to the evacuation of the Eagle mine site in late July and early August, the Company expected to achieve annual production in the top half of the Guidance range. After considering the impact of the evacuation, the Company expects production to be in the lower half of the Guidance range.

The seasonality experienced in 2021 and 2022, where gold production was lower in the first half of the year compared to the last half of the year, has been reduced in 2023 as the Company has successfully demonstrated the feasibility of year-round stacking on the heap leach pad. Seasonality is further moderated as gold ounces in inventory, primarily on the heap leach pad, is higher than in previous years and regularly scheduled maintenance periods, which were previously weighted to the first quarter, are now spread over the year.

Cost Guidance for 2023 remains unchanged and AISC¹ are expected to be between US\$1,350 and US\$1,550 per oz of gold sold.

As a result of the East McQuesten wildfire and resulting mine site evacuation, the Company expects AISC¹ to be in the top half of the Guidance range.

Sustaining capital, not including waste stripping, is estimated at C\$30 million (US\$23 million) for 2023. Sustaining capital during 2023 is materially lower than previous years due to the absence of major one-time infrastructure construction (water treatment plant in 2022 and truck shop in 2021). Major items included in 2023 sustaining capital include mobile equipment rebuilds and fixed maintenance rebuilds.

Capitalized waste stripping is estimated at C\$25 million (US\$19 million) for 2023. This is lower than previously estimated (C\$35 million) due to timing of waste mining. Capitalized waste stripping is included in AISC¹ but is not included in the sustaining capital above. Waste stripping is expensed or capitalized based

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

on the actual quarterly stripping ratio versus the expected life of mine stripping ratio of 1.0 waste to ore and may be quite variable quarter over quarter and year over year.

Growth capital related to Eagle Gold Mine expansion initiatives is estimated at C\$15 million (US\$11 million) for 2023 and includes heap leach pad expansion. In addition, growth exploration spending in 2023 is estimated to be C\$10 million (US\$8 million).

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*.

Video Conference Call Details

The video conference call to discuss the 2023 third quarter operating and financial results and updates will take place on **Friday, November 10, 2023 at 7:30am PST (10:30am 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/85425096311?pwd=S2x0cmtaeXg5enNYTFY4ODZJbE8zdz09&from=addon>

Meeting ID: 854 2509 6311

Find your local number: <https://us02web.zoom.us/j/85425096311?pwd=S2x0cmtaeXg5enNYTFY4ODZJbE8zdz09&from=addon>

A playback version will be available following the call on the Company's website at www.vgcx.com.

About the Dublin Gulch Property

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

The Property covers an area of approximately 555 square kilometers, and is the site of the Company's Eagle and Olive Gold Deposits. The Eagle 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:

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