

## Victoria Gold: 2023 Fourth Quarter and Full Year Results

Toronto, ON / February 20, 2024 / Victoria Gold Corp. (TSX-VGCX) (“Victoria” or the “Company”) is pleased to announce its fourth quarter and year ended December 31, 2023 summary financial and operating results.

Highlights	Fourth Quarter	2023
Gold produced (ounces)	41,982	166,730
Average gold price realized (per ounce)	C\$ 2,636	C\$ 2,603
Revenue (000s)	C\$ 96,424	C\$ 416,902
Gross Profit (000s)	C\$ 14,744	C\$ 80,258
Income before taxes (000s)	C\$ 4,167	C\$ 43,394
Net Income (000s)	C\$ 2,567	C\$ 25,139
Earnings per share – Basic	C\$ 0.04	C\$ 0.38
EBITDA (000s)	C\$ 28,316	C\$ 141,668
Operating Cash Flow before working capital (000s)	C\$ 26,723	C\$ 140,613
Operating Cash Flow after working capital (000s)	C\$ 32,075	C\$ 114,064
Free Cash Flow before working capital (000s)	C\$ 411	C\$ 31,477
Free Cash Flow after working capital (000s)	C\$ 5,757	C\$ 4,928

“Gold production in 2023 of 166,730 ounces is a record for the Eagle Gold Mine, an 11% year over year increase,” noted Mr. John McConnell, President and CEO. Mr. McConnell continued, “Both production and costs were well within our Guidance ranges during 2023. Although we have seen a reduction from peak inflation levels, operating costs continue to be pressured by increasing input costs from labour to parts and consumables. Despite this inflationary backdrop, the Eagle Gold Mine is expected to increase gold production levels through 2024 and 2025 which will lead to lower unit costs.”

The Company will host a video conference call on Wednesday, February 21<sup>st</sup> at 7:00am PST (10:00am EST) to discuss the fourth quarter and year ended December 31, 2023 consolidated 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 years ended December 31, 2023 and 2022, available on the Company’s website or on SedarPlus.

### **Operational highlights – Fourth Quarter and Year Ended 2023**

- **Mine production** was 2.0 million tonnes (“t”) of ore in the quarter. Mine production for the year was 8.5 million t of ore.
- **Ore stacked** on the heap leach facility (“HLF”) in the quarter was 2.1 million t at an average grade of 0.65 grams per tonne (“g/t”). Ore stacked for the year was 9.0 million t at an average grade of 0.72 g/t.
- **Gold production** was 41,982 ounces (“oz”) in the quarter. Gold production for the year was 166,730 oz.

**Financial highlights – Fourth Quarter and Year Ended 2023**

- **Gold sold** in the quarter was 36,601 oz, at an average realized price<sup>1</sup> of \$2,636 (US\$1,936) per oz. Gold sold for the year was 160,135 oz, at an average realized price<sup>1</sup> of \$2,603 (US\$1,929) per oz.
- Recognized **revenue** was \$96.4 million based on sales of 36,601 oz of gold in the quarter. Recognized revenue was \$416.9 million based on sales of 160,135 oz of gold for the year.
- **Operating earnings** were \$12.0 million in the quarter. Operating earnings were \$70.4 million for the year.
- **Income** before tax was \$4.2 million in the quarter. Income before tax was \$43.4 million for the year.
- **Net income** was \$2.6 million, or \$0.04 per share on a basic basis and \$0.04 per share on a diluted basis for the quarter. Net income was \$25.1 million, or \$0.38 per share on a basic basis and \$0.38 per share on a diluted basis for the year.
- **Cash costs**<sup>1</sup> were \$1,738 (US\$1,277) per oz and all-in sustaining costs (“**AISC**”)<sup>1</sup> were \$2,167 (US\$1,592) per oz of gold sold in the quarter. Cash costs<sup>1</sup> were \$1,643 (US\$1,218) per oz and AISC<sup>1</sup> of \$2,008 (US\$1,488) per oz of gold sold for the year.
- **EBITDA**<sup>1</sup> were \$28.3 million in the quarter. EBITDA<sup>1</sup> were \$141.7 million for the year.
- **Free cash flow**<sup>1</sup> before working capital was \$0.4 million in the quarter. Free cash flow<sup>1</sup> before working capital was \$31.5 million for the year.
- **Free cash flow**<sup>1</sup> after working capital was \$5.8 million in the quarter. Free cash flow<sup>1</sup> after working capital was \$4.9 million for the year.
- **Total debt** decreased by \$14.6 million in the quarter. Total debt decreased by \$10.8 million during the year.
- **Cash and cash equivalents** were \$15.0 million at December 31, 2023.

**2023 Actual Results vs. Guidance**

The Company has achieved its 2023 Guidance.

2023	Guidance	Actual
Gold production (ozs)	160,000 – 180,000	166,730
All-in Sustaining Costs (“AISC”)	US\$ 1,350 – 1,550	US\$ 1,488

**2024 Outlook**

Note that cost information, including AISC<sup>1</sup> and capital, within this press release are generally in Canadian currency. However, in this Outlook section, costs, including AISC<sup>1</sup> and capital, are in US currency to allow for ease of comparison with the Company’s peers, who often report in US currency.

2024	Guidance
Gold production (ozs)	165,000 – 185,000
All-in Sustaining Costs AISC	US\$ 1,450 – 1,650

Production at the Eagle Gold Mine for 2024 is estimated to be between 165,000 and 185,000 ozs.

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

Although seasonal production fluctuations were reduced in 2023 due to year-round stacking, some production seasonality is expected to continue. Stacking is generally strongest during Q2 and Q3 due to higher temperatures during the summer months. Gold production is also generally strongest in Q2 and Q3 as certain heap leach field activities such as side slope leaching and usage of surface sprinklers only occur during the warmer months.

AISC<sup>1</sup> for 2024 are expected to be between US\$1,450 and US\$1,650 per oz of gold sold.

Sustaining capital, not including waste stripping, is estimated at C\$30 million (US\$23 million) for 2024. Major items included in 2024 sustaining capital include mobile equipment rebuilds and fixed maintenance rebuilds.

Capitalized waste stripping is estimated at C\$35 million (US\$26 million) and is included in AISC<sup>1</sup> but is not included in the sustaining capital above. Waste stripping will be expensed or capitalized based on the actual quarterly stripping ratio versus the expected life of mine stripping ratio and may be quite variable quarter over quarter and year over year. Waste stripping in 2024 is expected to be higher than the life of mine average annual waste stripping. This accounting treatment for waste stripping will affect earnings and capital but will not affect AISC<sup>1</sup> or cash flow.

Growth capital related to Eagle Gold Mine expansion initiatives is estimated at C\$15 million (US\$11 million) for 2024 and includes heap leach pad expansion. In addition, growth exploration spending in 2024 is estimated to be C\$10 million (US\$8 million).

## Operations Discussion

### Fourth Quarter and Year Ended December 31 Operating Results

		THREE MONTHS ENDED		YEARS ENDED	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Operating data</b>					
Ore mined	t	2,017,990	1,552,756	8,518,784	7,108,091
Waste mined	t	3,356,729	2,916,476	11,669,306	10,408,166
Total mined	t	5,374,719	4,469,232	20,188,090	17,516,257
Strip ratio	w:o	1.66	1.88	1.37	1.46
Mining rate	tpd	58,421	48,579	55,310	47,990
Ore stacked on pad	t	2,055,249	1,363,841	8,984,508	6,619,872
Ore stacked grade	g/t Au	0.65	0.90	0.72	0.85
Throughput (stacked)	tpd	22,340	14,824	24,615	18,137
Gold ounces produced	oz	41,982	43,741	166,730	150,182
Gold ounces sold	oz	36,601	40,573	160,135	139,596

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

### **Gold production and sales**

During the three months ended December 31, 2023, the Eagle Gold Mine produced 41,982 ozs of gold, compared to the 43,741 ozs of gold production in Q4 2022. The 4% decrease in gold production is attributed to interruptions to stacking related to evacuations for wildfires in the months of July and August. During the year ended December 31, 2023, the Eagle Gold Mine produced 166,730 ounces of gold, compared to the 150,182 ozs of gold production in Q4 2022. The 11% increase in gold production is attributed to year-round stacking and improved heap leach pad performance during 2023.

During the three months ended December 31, 2023, the Company sold 36,601 ozs of gold, compared to the 40,573 ozs of gold sold in Q4 2022. The 10% decrease in gold sold is the result of decreased gold production as a result of wildfire impacts and timing of gold shipments. During the year ended December 31, 2023, the Company sold 160,135 ounces of gold, compared to the 139,596 gold ozs sold in the prior comparable period. The 15% increase in gold sold is the result of higher gold production.

### ***Mining***

During the three months ended December 31, 2023, a total of 2.0 million tonnes of ore was mined, at a strip ratio of 1.66:1 with a total of 5.4 million tonnes of material mined. In comparison, a total of 1.6 million tonnes of ore was mined, at a strip ratio of 1.88:1 with a total of 4.5 million tonnes of material mined for the prior comparable period in 2022.

Total tonnes mined were 20% higher during the three months ended December 31, 2023 due to increased ore stacking rates as commented on in the Processing section below. In addition, shorter hauls have allowed for increased waste mining productivities.

During the year ended December 31, 2023, a total of 8.5 million tonnes of ore were mined, at a strip ratio of 1.37:1 with a total of 20.2 million tonnes of material mined. In comparison, a total of 7.1 million tonnes of ore were mined, at a strip ratio of 1.46:1 with a total of 17.5 million tonnes of material mined for the prior comparable period in 2022.

Total tonnes mined were 15% higher during the year ended December 31, 2023 due to increased ore mined related to year-round stacking, improved crusher reliability as well as better waste haul productivities.

### ***Processing***

During the three months ended December 31, 2023, a total of 2.1 million tonnes of ore was stacked on the HLF at a throughput rate of 22.3 k tpd. A total of 1.4 million tonnes of ore was stacked on the HLF at a throughput rate of 14.8 k tpd for the prior comparable period in 2022.

Ore stacked on the HLF increased by 51% for the three months ended December 31, 2023. In Q4 of 2022, the operations experienced a belt splice failure resulting in approximately 18 days of lost production. In addition, there was a period of extreme cold temperatures where operations were curtailed for 6 days (see 2022 Q4 MD&A). During the most recent period, these challenges were not encountered, and coupled with reliability improvements seen over 2023, resulted in stacking rate improvements.

Ore stacked for the quarter had an average grade of 0.65 g/t Au, compared to 0.90 g/t Au in the prior comparable period in 2022. Although grade was expected to be lower due to mine sequencing, the grade was also impacted by the stacking of lower grade bonus ore (material outside of the mine plan above cut off grade) and the processing of lower grade stockpiles.

During the year ended December 31, 2023, a total of 9.0 million tonnes of ore was stacked on the HLF at a throughput rate of 24.6 k tpd. A total of 6.6 million tonnes of ore was stacked on the HLF at a throughput rate of 18.1 k tpd for the prior comparable period in 2022.

Ore stacked on the HLF increased by 36% for year ended December 31, 2023 primarily due to successful implementation of year-round stacking as well as the above noted challenges in 2022 that did not impact 2023. Crusher utilization in 2023 improved by 30% over 2022.

Ore stacked for the year ended December 31, 2023 had an average grade of 0.72 g/t Au, compared to 0.85 g/t Au in the prior comparable period in 2022. The grade difference is primarily due to mine sequencing coupled with the stacking of lower grade bonus ore and stockpile material.

As at December 31, 2023, the Company estimates there are 86,073 recoverable oz within mineral inventory.

**Capital**

The capital outlined in this section is based on incurred capital and does not include certain working capital adjustments, specifically, changes to accounts payable relating to capital assets. Capital shown within Investing activities on the Consolidated Statements of Cash Flows includes changes in accounts payable relating to capital assets. Note that the Company's forward Guidance with respect to capital is based on incurred capital.

The Company incurred a total of \$16.1 million in capital expenditures during the three months ended December 31, 2023:

- (1) sustaining capital of \$3.8 million, including:
  - i. scheduled capital component rebuilds on mobile mining fleet of \$2.3 million,
  - ii. upgrades and capital component rebuilds of the material handling system of \$0.9 million, and
  - iii. other ongoing sustaining capital initiatives of \$0.6 million;
- (2) capitalized stripping activities of \$10.9 million, and;
- (3) \$1.4 million spend on growth capital expenditures including growth exploration.

The Company incurred a total of \$70.2 million in capital expenditures during the year ended December 31, 2023:

- (1) sustaining capital of \$25.5 million, including:
  - i. scheduled capital component rebuilds on mobile mining fleet of \$14.3 million,
  - ii. upgrades and capital component rebuilds of the material handling system of \$6.6 million,
  - iii. purchases of additional mining fleet equipment of \$2.1 million,
  - iv. construction of the water treatment facility of \$1.3 million, and
  - v. other ongoing sustaining capital initiatives of \$1.2 million;
- (2) capitalized stripping activities of \$27.6 million, and;
- (3) \$17.1 million spend on growth capital expenditures including growth exploration expenditures.

**Fourth Quarter and Full Year 2023 Financial Results**

Expressed in 000s, except per share amounts	THREE MONTHS ENDED		YEARS ENDED	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Financial data</b>				
Revenue	\$ 96,424	92,310	416,902	321,843
Gross profit	\$ 14,744	22,872	80,258	87,732
Net income	\$ 2,567	10,464	25,139	35,040
Earnings per share – Basic	\$ 0.04	0.16	0.38	0.55
Earnings per share - Diluted	\$ 0.04	0.16	0.38	0.54

Expressed in 000s, except per share amounts	As at	
	December 31, 2023	December 31, 2022
<b>Financial position</b>		
Cash and cash equivalents	\$ 14,971	20,572
Working capital	\$ 147,029	94,687
Property, plant and equipment	\$ 675,660	670,813
Total assets	\$ 1,016,886	1,016,806
Total debt	\$ 236,175	246,989

***Revenue***

For the three months ended December 31, 2023, the Company recognized revenue of \$96.4 million compared to \$92.3 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 the lower number of gold oz sold. Revenue is net of treatment and refining charges, which were \$0.4 million for the three months ended December 31, 2023. The Company sold 36,601 oz of gold at an average realized price of \$2,636 (US\$1,936) (see "Non-IFRS Performance Measures" section), compared to 40,573 oz at an average realized price of \$2,278 (US\$1,678) (see "Non-IFRS Performance Measures" section), in the fourth quarter of 2022.

For the year ended December 31, 2023, the Company recognized revenue of \$416.9 million compared to \$321.8 million for the previous year's comparable period. The increase in revenue is attributed to a higher average realized price, higher number of gold oz sold and higher C\$/US\$ exchange rate. Revenue is net of treatment and refining charges, which were \$1.3 million for the year ended December 31, 2023. The Company sold 160,135 oz of gold at an average realized price of \$2,603 (US\$1,929) (see "Non-IFRS Performance Measures" section), compared to 139,596 oz at an average realized price of \$2,306 (US\$1,772) (see "Non-IFRS Performance Measures" section) for the year ended December 31, 2022.

***Cost of goods sold***

Cost of goods sold was \$63.8 million for the three months ended December 31, 2023 compared to \$50.6 million for the previous year's comparable period. The increase in cost of goods sold is attributed to higher costs due to inflation and change in inventory.

Cost of goods sold was \$263.9 million for the year ended December 31, 2023 compared to \$166.4 million for the previous year's comparable period. The increase in cost of goods sold is attributed to the higher number of gold ozs sold combined with a higher average cost per oz of gold within inventory. The average cost per oz of gold in inventory is higher year over year due to inflation combined with higher production costs per oz compared to the prior year. During the previous year, there was a significant build in gold ozs within inventory leading to a significant portion of production costs being assigned to inventory on the Statements of Financial Position rather than expensed as cost of goods sold.

***Depreciation and depletion***

Depreciation and depletion was \$17.9 million for the three months ended December 31, 2023, compared to \$18.8 million for the previous year's comparable period.

Depreciation and depletion was \$72.7 million for the year ended December 31, 2023, compared to \$67.7 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 December 31, 2023, the Company had cash and cash equivalents of \$15.0 million (December 31, 2022 - \$20.6 million) and a working capital surplus of \$147.0 million (December 31, 2022 - \$94.7 million surplus). The decrease in cash and cash equivalents of \$5.6 million over the year ended December 31, 2022 was due to financing activities (\$9.2 million decrease in cash) from interest paid and debt repayments, and investing activities (\$110.2 million decrease in cash) from the purchase of property, plant and equipment and settlement of gold call options. This is partially offset by operating activities (\$114.1 million increase in cash) primarily from operating cash flow before working capital adjustments.



### **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 **Wednesday, February 21, 2023 at 7:00am PST (10:00 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/86236463316?pwd=czZlRzlvOE5GRmw0OWhHUGhaZXFrUT09&from=addon>

Meeting ID: 862 3646 3316

Find your local number:

<https://us02web.zoom.us/j/kq73KzX4K>

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. As at December 31, 2023, and adjusting for mining depletion through this date, the Eagle and Olive Deposits include Proven and Probable Reserves of 2.3 million ounces of gold from 114 million tonnes of ore with a grade of 0.63 grams of gold per tonne. As at December 31, 2023, and adjusting for mining depletion through this date, the Mineral Resource for the Eagle and Olive Gold Deposits are estimated to host 234 million tonnes averaging 0.59 grams of gold per tonne, containing 4.4 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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