



## **VICTORY METALS INC.**

### **VICTORY METALS COMMENCES PHASE II, 10,000 METER DRILL PROGRAM AT ITS IRON POINT VANADIUM PROJECT, NEVADA**

**Vancouver, British Columbia May 27, 2019 - Victory Metals (“TSX-V:VMX”) (“Victory” or the “Company”)** is pleased to announce commencement of a Phase II, 10,000 meter drill program to further define vanadium mineralization at its Iron Point Vanadium Project in Nevada.

#### **Highlights:**

- The Phase II program will consist of 49 holes (approximately 10,000 meters) utilizing two reverse circulation rigs and one diamond drill rig. These rigs have been mobilized to the project.
- The program is designed to infill zones of vanadium mineralization defined in the Company’s Phase I maiden drill campaign, as well as to test lateral and downward extensions of these zones.
- The program will also provide sample material for the next phase of metallurgical test work. The diamond drill will be utilized for approximately 10 of the 49 planned holes, and these 10 core holes will be distributed over the project area to provide representative metallurgical samples of the vanadium mineralization.
- Mine Development Associates (“MDA”), a highly respected resource estimation and engineering firm based in Sparks, Nevada, has designed the Phase II program based on preliminary geostatistical analysis of the Phase I results, with the objective of ensuring the drill spacing after Phase II will be sufficient for a resource estimate predominantly in the measured and indicated category.

Collin Kettell, Chief Executive Officer, stated: “Our team’s rapid advancement at Iron Point continues at full steam with the commencement of our Phase II drill program. In a span of nine months, we will have completed over 18,000 meters of drilling in addition to positive preliminary metallurgical testwork. The Phase II program will provide representative samples from throughout the zones of mineralization, allowing us to more comprehensively define the metallurgical characteristics to support advancement of the engineering work and for economic studies.”

#### **Overview of Maiden Phase I Drilling**

In the Fall of 2018, Victory Metals began an 8,400-meter drill program to follow up on historical drilling completed by Newmont in 1966 and by Aur Resources in 1996. Both companies were exploring for gold but also assayed for vanadium. The vanadium results clearly demonstrated the potential for a sizeable vanadium resource. Victory’s recently completed Phase I maiden drill program included 69 reverse circulation and 4 diamond drill holes, which focused on delineating the historically identified mineralized zone, and also tested expansion potential.

Key findings from the Phase I drill program include:

- **Significantly higher vanadium concentrations than indicated from historical drilling.** Victory Metals twinning of Newmont and Aur Resources drill holes showed consistently higher vanadium concentrations. Victory believes that this can be largely attributed to the better sample recovery achieved with modern RC drilling technology.
- **Discovery of the New High Grade Zone.** The presence of a shallow, higher grade zone (the “Upper High Grade Zone”) was inferred in historical drilling at Iron Point and was the basis for Victory’s initial interest of the project’s resource potential. Victory’s recent drilling confirmed the Upper High Grade Zone and importantly added a deeper high grade zone (the “New High Grade Zone”), which has yielded some of the highest-grade drill intersections to date.
- **Continuity of mineralized zones throughout the deposit.** Victory drill results show relatively flat-lying mineralized zones with good correlation between holes. A high degree of continuity was not apparent from historical drilling and the Company believes this significant improvement in zone correlation can be attributed to the higher sample recoveries and greater depth of drill penetration achieved in the current program. Victory believes that the positive correlation of mineralized zones between holes considerably simplifies the interpretation of boundaries for the vanadium mineralization, facilitating a higher degree of confidence in a future resource estimate.
- **Significant increase in the overall mineralized footprint.** The mineralized zone laid out from historical drilling showed an area roughly 700 meters in an east-west direction by 700 meters north-south. Following Victory’s Phase I drilling, this footprint has grown significantly to over 1,200 meters in the north-south direction.
- **Expansion potential in almost all directions.** Vanadium mineralization at Iron Point is hosted within the Vinini formation which is exposed for 4,500 meters in a north-south direction. Based on the exploration work to date, the Company believes that there is good potential in the Phase II drill program to expand the vanadium mineralization with step-out drilling particularly in the north-south direction.
- **Property size increased.** Based on the continuing footprint expansion of vanadium mineralization and on a review of additional target areas for potential resource definition, Victory recently added 96 claims for 1,800 acres to the Iron Point project. The extent of the property area now totals 690 claims for 13,300 acres.

#### Highlights of Phase I Drilling:

Key high-grade intercepts (*previously reported*) from Victory’s maiden drill campaign include -

- 21 meters grading 0.54% V<sub>2</sub>O<sub>5</sub> (including 6 meters grading 0.67% V<sub>2</sub>O<sub>5</sub>) in VM-6
- 27 meters grading 0.56% V<sub>2</sub>O<sub>5</sub> in VM-07
- 23 meters grading 0.63% V<sub>2</sub>O<sub>5</sub> (including 6 meters grading 0.88% V<sub>2</sub>O<sub>5</sub>) in VM-23
- 20 meters grading 0.54% V<sub>2</sub>O<sub>5</sub> (including 9 meters grading 0.68% V<sub>2</sub>O<sub>5</sub>) in VM-26
- 37 meters grading 0.55% V<sub>2</sub>O<sub>5</sub> (including 5 meters grading 0.80% V<sub>2</sub>O<sub>5</sub>) in VM-26i
- 14 meters grading 0.63% V<sub>2</sub>O<sub>5</sub> (including 4 meters grading 1.00% V<sub>2</sub>O<sub>5</sub>) in VM-26j
- 6 meters grading 0.72% V<sub>2</sub>O<sub>5</sub> in VM-51
- 18 meters grading 0.53% V<sub>2</sub>O<sub>5</sub> (including 2 meters grading 1.14% V<sub>2</sub>O<sub>5</sub>) in VM-76

These intercepts are contained in two flat-lying higher grade vanadiferous horizons, referred to as the Upper and New High Grade Zones, which occur within a broader and extensive envelope of vanadium mineralization within the Vinini Formation. This lower grade envelope of vanadium generally starts at surface and extends down to a depth of 175 meters in places. Key intercepts include –

- **175 meters grading 0.25% V<sub>2</sub>O<sub>5</sub> in hole VM-02 (from surface)**
- **168 meters grading 0.21% V<sub>2</sub>O<sub>5</sub> in hole VM-4 (from surface)**
- **139 meters grading 0.28% V<sub>2</sub>O<sub>5</sub> in hole VM-07 (from surface)**
- **110 meters grading 0.27% V<sub>2</sub>O<sub>5</sub> in hole VM-33**
- **125m grading 0.22% V<sub>2</sub>O<sub>5</sub> in VM-34, and**
- **151 meters grading 0.21% V<sub>2</sub>O<sub>5</sub> in hole VM-76 (from surface).**

### **Phase II Drilling**

Following the results of the Phase I maiden drilling campaign, Victory worked with MDA to evaluate the overall extent of the vanadium mineralization at Iron Point, and to position holes to support the planned maiden resource estimation work. With this objective MDA has developed the Phase II drill program of 49 holes (39 RC and 10 core holes). The drill pattern covers a northwesterly trending zone measuring 1800m long by 550m wide. Hole depths range from 130m to 280m with angles ranging from -50° to vertical. Most of the holes are concentrated within the southern half of the property, where the previous drill holes were more widely spaced and where holes failed to fully penetrate both mineralized horizons.

Two RC drills, one buggy-mounted and the other track-mounted, operated by New Frontier Drilling are currently engaged in perimeter definition drilling. The core drill is operated by National and is currently drilling PQ-size core that will provide samples for metallurgical testing. The RC drilling operates on a day-shift basis, while the core drill utilizes 24-hour drilling.

The proposed holes will be collared from existing historical drill roads, with several holes being drilled at an angle, allowing for minimal surface disturbance, importantly allowing Victory to complete the program on its existing state-bonded Notice. The Company has been working closely with the Bureau of Land Management, Humboldt County, to ensure that ongoing drilling complies closely with the Notice area.

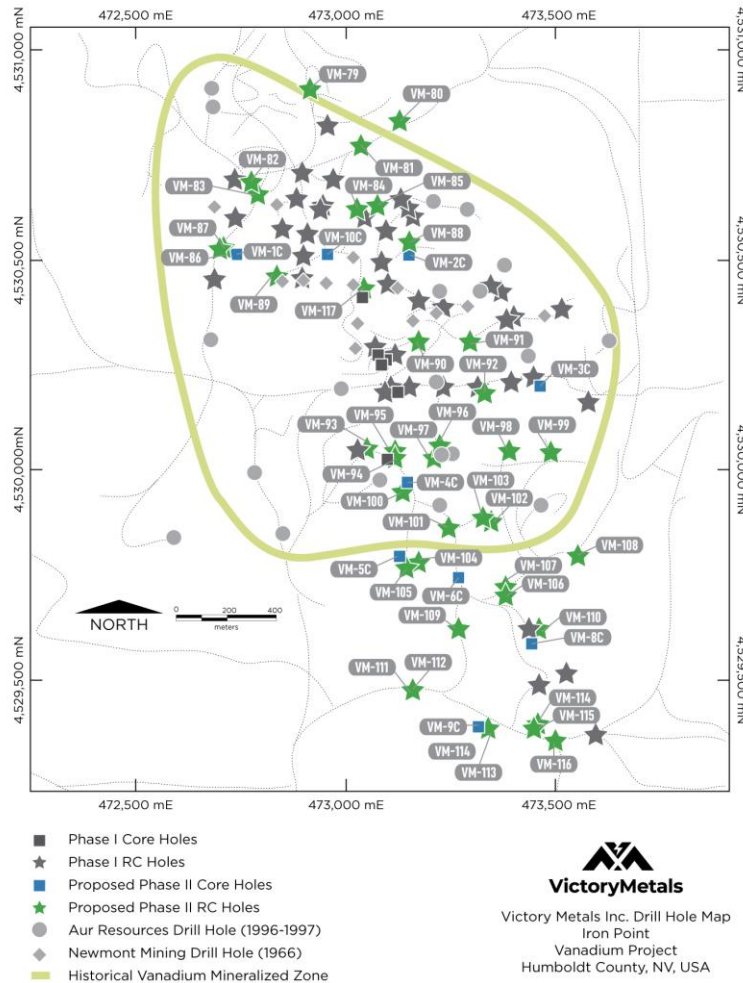


Figure 1: Drill map at Iron Point outlining the holes drilled during Phase I (in dark grey) and new holes being drilled in Phase II (in green and blue). Diamond drill holes are shown as squares, whereas the reverse circulation holes are shown as stars. Historical holes drilled by Newmont and Aur are represented by light grey diamonds and circles, respectively.

**About Victory Metals**

Victory owns a 100% interest in the Iron Point Vanadium Project, located 22 miles east of Winnemucca, Nevada. The project is located within a few miles of Interstate 80, has high voltage electric power lines running through the project area and a railroad line passing across the northern property boundary. The Company is well financed to advance the project through resource estimation and initial feasibility study work. Victory has a proven capital markets and mining team led by Executive Chairman Paul Matysek. Major shareholders include Casino Gold (46%), and management, directors and founders (27%). Approximately 48% of the Company’s issued and outstanding shares are subject to an escrow release over three years

### **Qualified Person**

The scientific and technical information in this news release has been review and approved by Calvin R. Herron, P.Ge., who is a Qualified Person as defined by National Instrument 43-101.

Please see the Company's website at [www.victorymetals.ca](http://www.victorymetals.ca).

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On Behalf of the Board of Directors of  
**VICTORY METALS INC.**

Paul Matysek  
Executive Chairman and Director

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### **Forward-Looking Information**

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