



Victory Nickel Provides Corporate and Operations Update

Toronto, August 16, 2017 – Victory Nickel Inc. (“**Victory Nickel**” or the “**Company**”) (CSE: NI, www.victorynickel.ca) today provided an update on corporate and operating activity.

New Director

The Company is pleased with the addition of Mr. Paul W. Fisher as its newest Director. Mr. Fisher replaces Roland Horst, who did not stand for re-election at the annual meeting of shareholders held on June 22, 2017. Mr. Fisher brings 29 years of oil and gas industry experience to Victory Nickel, including executive positions with Enbridge Inc., Oneok Gas Marketing, Engage Energy and Union Gas. Mr. Fisher is based in Calgary and will be a significant resource as the Company pushes ahead with plans to expand frac sand sales activity in Alberta and other western locations.

Operations Update

Frac sand activity picked up considerably during the second quarter of 2017 with increased customer requests for quotes suggesting potential for increased sales during the balance of the year. Frac sand sales and pricing have shown improvement in 2017, however demand has been for the coarser fractions. As a result the Company has drawn down its inventory of coarser frac sand and is in the process of replenishing this inventory at the Seven Persons plant (the “7P Plant”) in Alberta to ensure its ability to serve customers. The Company is also planning to refurbish the existing wash plant at the 7P Plant. When the 7P Plant was acquired by the Company in 2012 the facilities included a wash plant and a dry plant. Since the acquisition, the Company has processed only washed sand concentrate purchased from Wisconsin through its dry plant and has never operated its wash plant. Having the wash plant in operation will allow the Company to recover approximately 21,000 tons of high-quality Northern White Wisconsin frac sand that has been spilled as a natural outcome of dry sand processing and which comprises the highest margin portion of the inventory at the 7P Plant.

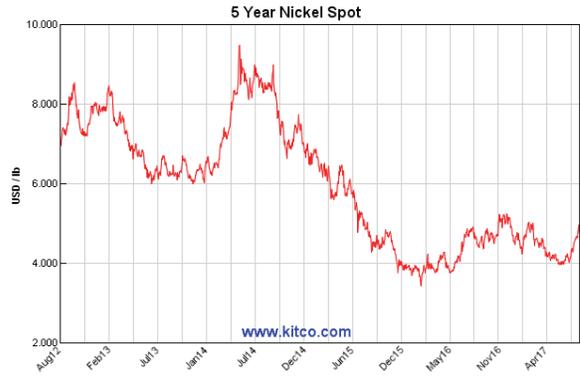
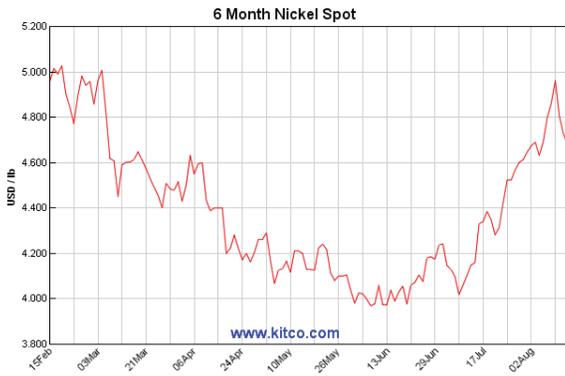
“Management continues to believe in the recovery of the frac sand market and as a result has identified and is actively pursuing growth opportunities. The difficulty is finding the right source of financing in this unsettled market,” said René Galipeau, CEO.

Corporate Expansion

Over the course of 2016 - 2017, management has been evaluating opportunities to build its presence in the frac and business by acquiring undervalued North American frac sand production assets that offer immediate potential to expand sales and open new market opportunities while at the same time being complementary to the Company’s existing production activities. Management has identified three potential acquisition targets since November of 2016 and is now in discussions for financing to acquire one of these facilities. This acquisition would add another 1,000,000 tons of production capacity. Discussions pertaining to the acquisition and financing of such assets is ongoing and the Company will provide details at the appropriate time.

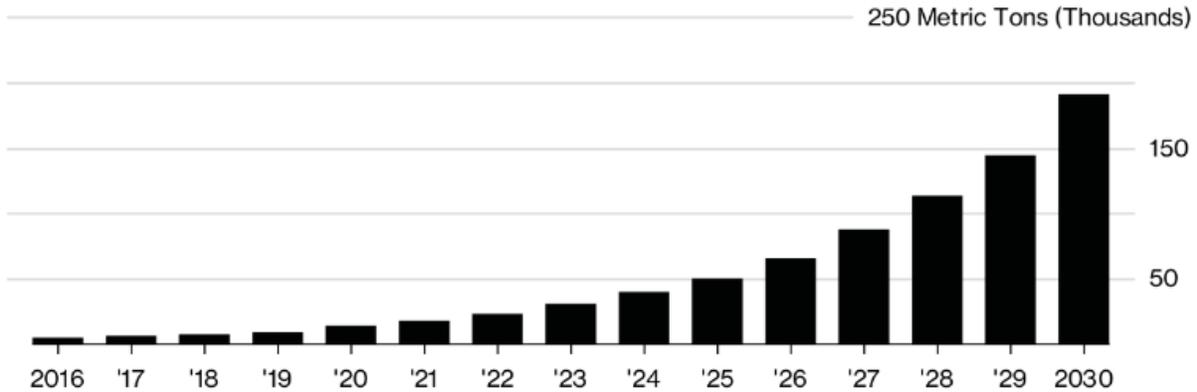
Nickel Assets

While frac sand has been the focus of management’s efforts over the past several years, the Company’s nickel projects remain valuable assets. Relative to the past several years, the nickel price has been performing well recently (see graphs below).



According to Bloomberg, demand for nickel is forecast to increase dramatically through 2030 (see graph below), driven in large part by rising sales of electric vehicles and the fact that electric vehicle batteries typically contain more nickel than they do lithium. With one of the largest undeveloped in-situ sulphide nickel resources in Canada situated in two of the world’s top ten most favourable mining jurisdictions – Manitoba and Quebec -- Victory Nickel is well positioned to take advantage of this significant market shift.

■ Nickel demand from lithium-ion batteries



Source: Bloomberg New Energy Finance

About Victory Nickel

Victory Nickel Inc. is a Canadian company with four sulphide nickel deposits containing significant NI 43-101-compliant nickel resources and a significant frac sand resource at its Minago project. Victory Nickel is focused on becoming a mid-tier nickel producer by developing its existing properties, Minago, Mel and Lynn Lake (currently under option to Corazon Mining Ltd.) in Manitoba, and Lac Rocher in northwestern Québec. Through a wholly-owned subsidiary, Victory Silica Ltd., Victory Nickel has established itself in the frac sand business at its 7P Plant frac sand processing facility in Seven Persons Alberta prior to commencing frac sand production and sales from Minago.

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