



## Victory Nickel Reports Further Positive North Limb Drilling at Minago Project Drilling to provide data for first tonnage and grade estimate of North Limb mineralization

**Toronto, July 20, 2011,** – Victory Nickel Inc. (the “Company”) (TSX:NI, [www.victorynickel.ca](http://www.victorynickel.ca)) today announced additional positive analytical results that continue to confirm the continuity of the North Limb nickel mineralized domain at the 100% owned Minago sulphide nickel project situated on Manitoba’s Thompson Nickel Belt.

This drilling is part of a 15-hole, 6,000+ metre drill program done this past winter over 1,600 metres of strike in an effort to generate sufficient data to produce a grade and tonnage estimate in the North Limb. The North Limb extends to the north from the Nose Deposit which is the area containing the entire current nickel resource at Minago; no resource has ever been estimated on the North Limb.

“The nickel mineralization and host rock at the North Limb are identical to that of the Nose Deposit, and the North Limb provides an enormous target for expansion of what is already one of the world’s largest unexploited sulphide nickel resources at Minago,” said Paul Jones, Vice-President, Exploration.

The nickel analytical results tabulated below are from holes drilled at 50m line spacings collared around the interpreted middle of the North Limb trend and extending northward from DDH V-11-06. Combined, holes V-11-01 through V-11-10 extend along 500m of strike from the south end of the North Limb. The drilling continues to demonstrate strong nickel continuity between holes and sections and significant continuous widths of nickel mineralization with grade comparable to the Nose Deposit.

DDH	From (m)	To (m)	Int (m)	Grade (%Ni)
V-11-06	136.00	147.37	11.37	0.41
	175.03	214.50	39.47	0.35
	233.00	247.00	14.00	0.38
	267.12	277.87	10.75	0.35
V-11-07	169.30	194.75	25.45	0.32
	247.00	294.11	47.11	0.33
	333.04	347.43	14.39	0.44
	352.74	361.89	9.15	0.51
V-11-08	141.84	158.98	17.14	0.34
	162.61	184.32	21.71	0.34
	210.73	228.12	17.39	0.32
	248.38	293.20	44.82	0.37
	301.55	327.84	26.29	0.51
V-11-09	339.10	359.37	20.27	0.91
	102.10	107.15	5.05	1.84
	185.67	206.35	20.68	0.32
	215.00	223.00	8.00	0.31
	228.46	245.50	17.04	0.38
	266.02	361.50	95.48	0.72

V-11-10	218.12	240.50	22.38	0.36
	260.00	380.50	120.50	0.52
incl	292.50	324.00	31.50	0.75
	387.31	418.00	30.69	0.31
	423.50	442.00	18.50	0.33

Victory Nickel's Qualified Person under the NI 43-101 guidelines is Paul Jones, Vice-President, Exploration. Mr. Jones has reviewed and approved the contents of this news release. The results tabulated here report total nickel values. All intervals reported in this news release are core lengths. True widths have not yet been established. All analytical results were produced by TSL Laboratories of Saskatoon, Saskatchewan using HNO<sub>3</sub>-HCl atomic absorption with detection limits of between 1 ppm and 5,000 ppm for nickel; overlimits employed HNO<sub>3</sub>-HF-HClO<sub>4</sub>-HCL atomic absorption with detection limits between 0.01% and 45%.

### About Victory Nickel

Victory Nickel Inc. is a Canadian company with four sulphide nickel deposits containing significant NI 43-101-compliant nickel resources. Victory Nickel is focused on becoming a mid-tier nickel producer by developing its existing properties, Minago, Mel and Lynn Lake in Manitoba, and Lac Rocher in northwestern Québec, and by evaluating opportunities to expand its nickel asset base. Victory Nickel also owns shares in Prophecy Resource Corp. (TSX-V:PCY) and Wallbridge Mining Company Limited (TSX:WM), the third largest landholder in the Sudbury Basin, which in turn owns approximately 9% of Duluth Metals Limited.

### CONTACT:

#### Victory Nickel Inc.

Paul Jones or Sean Stokes

Phone: 416.363.8527

Fax: 416.626.0890

Email: admin@victorynickel.ca

Please visit the Company's website at [www.victorynickel.ca](http://www.victorynickel.ca). Should you wish to receive Company news via email, please email [cathy@chfir.com](mailto:cathy@chfir.com) and specify "Victory Nickel" in the subject line.

#### CHF Investor Relations

Cathy Hume

Phone: 416.868.1079

Fax: 416.868.6198

Email: [cathy@chfir.com](mailto:cathy@chfir.com)

**Forward-Looking Information:** This news release contains forward-looking information. All statements, other than statements of historic fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future constitute forward-looking information. This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from estimates and assumptions; uncertainties relating to the availability and costs of financing needed in the future; failure to establish estimated mineral resources; fluctuations in commodity prices and currency exchange rates; inflation; recoveries being less than those indicated by the testwork carried out to date (there can be no assurance that recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions or during production); changes in equity markets; operating performance of facilities; environmental and safety risks; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; unavailability of plant, equipment or labour; inability to retain key management and personnel; changes to regulations or policies affecting the Company's activities; the uncertainties involved in interpreting geological data; and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 31, 2010 filed on SEDAR at [www.sedar.com](http://www.sedar.com). Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

### North Limb Drilling - Minago Project

