



Victory Nickel Begins 2010 Drill Program at Minago *Program to enhance in-pit resource and project economics, evaluate North Limb*

Toronto, February 5, 2010 – Victory Nickel Inc. (the “Company”) (TSX:NI, www.victorynickel.ca) today announced it has begun the 2010 work program on its 100% owned Minago Nickel Project located in the Thompson Nickel Belt, 225 kilometres south of Thompson, Manitoba. Diamond drilling equipment has been mobilised, and this phase of the work program will comprise a minimum 7,500 metres of drilling in the current pit shell and in the North Limb.

The winter drilling program has the following objectives:

- To upgrade inferred resources within the current pit limits to the indicated or measured categories so that it can be incorporated into the Minago economic evaluation.
- To attempt to incorporate areas at the top of the deposit near the sandstone contact that were excluded by Wardrop, a Tetra Tech Company, from the resource and reserve estimates due to a perceived lack of drill coverage.
- To obtain additional geological information to improve the predictability of the geological model.
- To further evaluate the potential of the North Limb mineralisation and potentially produce an Exploration Target Mineralization Inventory (“ETMI”) estimating the potential tonnage and grade of North Limb mineralization.

“This program is one part of the optimization of the Minago definitive feasibility study (“DFS”) that we discussed when the results of the DFS were announced,” said Vice-Chairman and CEO René Galipeau. “Based on the DFS, each additional year of mine life adds approximately \$80 million to the project’s net present value at an 8% discount rate. In step with the site work, we are evaluating numerous financing alternatives to keep Minago development on schedule.”

To maximize the near surface resource at Minago, at least 16 drill holes will target Nose Deposit mineralisation within the limits of the proposed open pit. Another important aspect of this drilling will be to produce an improved deposit geological model that may lead to cost savings and enhance returns through the use of selective mining methods that minimize the processing of barren rock. The program is intended to begin the process of expanding resources beyond the Nose Deposit where all the current resources and reserves are located. Drilling will be conducted on the North Limb, a zone of mineralization with a known strike length of 1.5 kilometres located to the north of the Nose Deposit, with the objective of developing an ETMI and, ultimately, additional resources and reserves.

The drill program is being supervised by Paul Jones, Vice-President, Exploration for Victory Nickel, who acts as QP under National Instrument 43-101 and has reviewed and approved the contents of this news release.

In addition, the contractors have begun mobilizing to the site to begin construction on the previously announced 4.3 kilometre exploration road at Minago that will provide direct access from paved Hwy 6 to a limestone outcrop and the property in general.

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 approximately 5% of Wallbridge Mining Company Limited (TSX: WM), the third largest landholder in the Sudbury Basin, which in turn owns approximately 12.9% of Duluth Metals Limited.

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Forward-Looking Information: This news release contains forward-looking information. All statements, other than statements of historical 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, 2009 filed on SEDAR at 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.