



Victory Nickel Takes Significant Step Forward at Minago with Filing of EIS *Environmental Impact Statement represents main step in permitting process*

Toronto, May 4, 2010 – Victory Nickel Inc. (the “Company”) (TSX:NI, www.victorynickel.ca) today announced that the Environmental Impact Statement (“EIS”) for the the 100%-owned Minago sulphide nickel deposit in Manitoba’s Thompson Nickel Belt has been completed and submitted to regulators in Manitoba, representing the main step in the permitting process.

“Completion of the EIS and submission of the Environment Act Proposal marks a tremendous milestone toward permitting for development of a 10,000 tonne per day nickel mine at Minago,” said Vice-Chairman and CEO René Galipeau. “The submission of the EIS culminates a three year effort in environmental baseline data collection, environmental design work and impact analysis, and also provides a comprehensive view of Minago’s expected impact and cumulative effects on the local and regional environment. The EIS development process also included extensive community of interest involvement, beginning in March 2007 when Victory Nickel announced its intent to conduct a Feasibility Study of the Minago Project. The EIS represents work by the Company and various third-party consultants and will form the blueprint for a nickel mine that we anticipate will set the standard for responsible mine development in Manitoba.”

“Our initial decision to conduct a comprehensive study gives us a great confidence that we fully understand the environmental impact of the Minago Project and can successfully address any concerns in our final development plan,” said Vice-President, Environment and Sustainable Development, David Mchaina. “We have always adopted a thorough, cooperative and transparent approach to regulatory and community engagement and environmental matters for the Minago Project and that is why we selected experienced firms to assist in the development of our EIS. We look forward to a positive outcome which will launch Minago into its final stage of development.”

It is expected that the technical review of the EIS and subsequent Manitoba Conservation advice with respect to public consultations and requests for specific additional information will require several months.

Once developed, Minago is expected to provide approximately 600 jobs during the construction period and 400 full-time jobs once production begins. In addition, the Minago mine will make a significant contribution to the local economy and the tax base in the province of Manitoba.

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 10% of Prophecy Resource Corp. (TSX-V: PCY) and 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 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. 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.