



Victory Nickel Receives Draft Environment Act Licence Granting of this licence opens the door to development of the Minago Mine

Toronto, June 29, 2011: Victory Nickel Inc. ("Victory Nickel" or "the Company") (TSX: NI, www.victorynickel.ca) today announced that it has received a draft of the Environment Act Licence (the "Licence") for its Minago Nickel Project in central Manitoba.

"The magnitude of this accomplishment by the Victory Nickel team is difficult to put into a few words," said Steve Harapiak, President and COO. "This is the culmination of approximately four years of effort and meetings between the Company, the government of Manitoba and the various First Nation and Métis representatives."

"Upon receipt of the final Licence, Victory Nickel will be one of the very few companies with a viable permitted mining project ready to move forward," said René Galipeau, Vice-Chairman and CEO. "I thank everyone involved for their efforts."

The final Licence will include changes recommended during the review of the draft by the Company and the government and accommodation measures resulting from the Crown - First Nation consultation process. The timeline for completion of Crown consultation is August 15, 2011, so that Manitoba is in a position to make a decision on Victory Nickel's Licence application by August 19, 2011.

The Minago open pit will produce approximately 110 million pounds of nickel per year for approximately nine years (see news release dated May 2, 2011). The open pit represents only a portion of the overall resource at Minago. While mining the open pit, the Company will plan for the potential underground mining and development of other pits on the North Limb if possible.

Annual and Special Meeting

As a reminder, the Company's Annual and Special Meeting for Shareholders ("ASM") will take place today at 4:00 p.m. Toronto Time at the Toronto Board of Trade, 1 First Canadian Place, Toronto, Ontario. The ASM will be webcast and can be accessed at <http://www.gowebcasting.com/events/victory-nickel-inc/2011/06/29/annual-general-meeting/play> and through Victory Nickel's website at www.victorynickel.ca.

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.

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Please visit the Company's website at www.victorynickel.ca. Should you wish to receive Company news via email, please email Juliet@chfir.com and specify "Victory Nickel" in the subject line.

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, 2011 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.