



Victory Nickel identifies Western Extension of Nose Deposit at Minago Drilling highlights potential for expansion of open pit nickel resource

Toronto, August 8, 2011, – Victory Nickel Inc. (the “Company”) (TSX:NI, www.victorynickel.ca) today announced that drilling has identified a previously unknown western extension of nickel mineralization in the Nose Deposit at its 100%-owned Minago nickel project in Manitoba. These results highlight the potential to add to the mine life in the Nose Deposit, which contains the entire current Minago resource.

The three drill holes reported here, totalling 1,095 metres, were drilled to test the western extremity of the Nose Deposit in an attempt to define a western limit to the near surface, nickel mineralization that can be exploited by open pit. All of the holes were drilled at or just beyond the interpreted western edge of the Nose Deposit and all three holes intersected a number of intervals of serpentinized ultramafic rock with significant nickel mineralization, demonstrating that nickel mineralized rock extends farther west than previously interpreted.

“The presence of such intervals serves to highlight the potential for enhancement to the open pit nickel resource at Minago and the potential to extend the open pit mine life,” said Paul Jones, Vice-President, Exploration. “Of particular significance are the robust total-nickel grades that have been encountered in the intersections – generally at the upper-end of the grades encountered in the Nose Deposit.”

DDH No.	From (m)	To (m)	Int (m)	Grade (%Ni)
V-11-21	99.15	103.27	4.12	0.77
	116.08	122.54	6.46	0.39
V-11-23	111.50	122.00	10.50	0.65
	142.85	152.00	9.15	1.17
	157.50	165.00	7.50	0.55
	173.00	205.50	32.50	0.73
incl	176.10	187.50	11.40	1.11
V-11-24	196.33	199.84	3.51	0.45
	230.00	233.86	3.86	0.64

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 HNO₃-HCl atomic absorption with detection limits of between 1 ppm and 5,000 ppm for nickel; overlimits employed HNO₃-HF-HClO₄-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 Coal Corp. (TSX-V:PCY), Prophecy Platinum Corp. (TSX-V:NKL) and Wallbridge Mining Company Limited (TSX:WM), the third largest landholder in the Sudbury Basin, which in turn owns an interest in 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.

Drill Plan - Minago Project

