



Victory Nickel Receives Encouraging Results in First Hole of 2010 Minago Drill Program Viability of Mel and Lac Rocher production being evaluated in light of prevailing metal prices

Toronto, March 31, 2010 – Victory Nickel Inc. (the “Company”) (TSX:NI, www.victorynickel.ca) today announced results from the first drill hole of its 2010 Minago exploration program, which indicated that additional nickel mineralization will likely be added to the open-pit exploitable reserve at the 100%-owned Minago Nickel Project in Manitoba.

This 2010 winter drill program was designed, in part, to incorporate “wedges” (see diagram below of representative section 24C) or domains that occur at the top of the deposit near the contact with the immediately overlying sandstone (frac sand). These wedges were excluded by Wardrop, a Tetra Tech Company, from the resource and reserve estimates used in the Minago definitive feasibility study (“DFS”) due to a perceived lack of drill coverage.

“One of our goals with this drilling is to add tonnage in the Nose Deposit to extend the open pit mine life at Minago, and we’re optimistic that we will achieve this,” said Paul Jones, Vice-President, Exploration. “We’re confident that the resource model can be enhanced with additional drilling. The wedges are currently considered waste, and by incorporating them into the resource and reserve we see the dual benefit of potential for more tonnage within the Minago pit and reduced waste rock removal which would have a positive impact on the overall economics of the mine. 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.”

Drill hole V-10-01, collared on line 40E and drilled to a length of 267m, intersected sulphide mineralized serpentinite between 102.28m and 249.23m with local granitoid intervals. This mineralization is located in the NE part of the Nose Deposit. Significant results from the drill hole are tabulated below.

From (m)	To (m)	Interval (m)	Ni (Total %)
111.27	121.82	10.55	0.47
151.03	178.92	27.89	0.60
204.53	209.45	4.92	0.38
214.33	227.80	13.47	0.66
243.40	249.23	5.83	0.97

In addition to incorporating the excluded wedges as described above, the objectives of the winter drilling program are to:

- test for Inferred resources and convert them into at least Indicated for the purposes of economic evaluation;
- obtain additional geological information pertaining to granite and granite/serpentinite/peridotite contacts in order to improve the predictability of the geological model; and,
- further evaluate the potential of the North Limb mineralisation.

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. Samples were submitted to ALS Chemex through its Thunder Bay preparation laboratory.

In addition to the drilling as noted above, the status of programs and initiatives on the Company’s projects are as follows:

Minago: Construction of the 4.3km exploration road that provides direct access from paved provincial highway 6 to a limestone outcrop and the Minago property in general is now virtually complete. This road provides a basis for year-round site access allowing cost-effective exploration and other work to occur on the Minago site.

Mel: The Company is continuing discussions with Vale Inco Limited ("Vale Inco") with respect to Vale Inco's 51% back-in right. Additional metallurgical tests on Mel material are underway and expected to be completed in April.

The Mel Project is located on the prolific Thompson Nickel Belt, approximately 25km north of the city of Thompson in northern Manitoba. The Mel sulphide nickel deposit has a National Instrument 43-101-compliant indicated resource of 4,300,000 tonnes grading 0.88% nickel (approximately 83,000,000 pounds in-situ nickel) and an additional inferred resource of 1.0 million tonnes grading 0.84% nickel (approximately 19,000,000 pounds in-situ nickel).

This near-surface resource, along with Vale Inco's contractual obligation to mill ore mined from the Mel deposit at cost plus 5% (provided that the product meets Vale Inco specifications and that Vale Inco has sufficient mill capacity), makes near-term nickel production from the Mel deposit a possibility. The Company is currently preparing an upgraded resource and scoping study on the Mel deposit to evaluate economic potential at current metal prices.

Lac Rocher: Victory Nickel is re-evaluating the Lac Rocher Project, located 140km northeast of the village of Matagami, Quebec, in light of current metal price levels.

A November 2008 Preliminary Economic Assessment of the potential to direct ship mineralized material for processing in Chibougamau, Quebec, indicated that higher metal prices than prevailed at the time were required to move Lac Rocher forward (see news release dated November 3, 2008). The project had been maintained in "ready-mode" in order for it to be advanced quickly when the economics warrant. Given that metal prices have increased considerably from November 2008 levels, a re-evaluation of Lac Rocher is warranted.

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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For further information, please visit www.victorynickel.ca. Should you wish to receive Company news via email, please email chelsea@chfir.com and specify "Victory Nickel" in the subject line.

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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, 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.

Representative Minago Cross Section Depicting Areas of Potential Additional Mineralization

