



NEWS RELEASE – NR:20-10

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Victory Metals Provides Update Regarding Significantly Oversubscribed Financing

VANCOUVER, BC, December 22, 2020 - **Victory Metals Inc. (TSX-V: VMX) ("Victory")** is pleased to announce that, further to its news release dated December 4, 2020, and due to significant demand, Victory has increased the size of its non-brokered private placement financing (the "**Private Placement**") of subscription receipts of Victory ("**Subscription Receipts**") from \$8 million to approximately \$17.5 million. The Private Placement is expected to close in two tranches, with the first tranche anticipated to close on December 23, 2020 and the second tranche to close in January 2021. The Subscription Receipts will be issued at a price of \$0.55 per Subscription Receipt (the "**Subscription Price**").

The Private Placement is being conducted in conjunction with the previously announced merger of equals transaction (the "**Merger**") between Victory and Nevada King Mining Ltd. ("**Nevada King**") pursuant to which Victory will acquire all the issued and outstanding shares of Nevada King for common shares of Victory (the "**Victory Shares**"), with the shareholders of Nevada King to hold 50% of the issued and outstanding Victory Shares on completion of the Merger. In addition to customary conditions to completion of the Merger, including shareholder, court and regulatory approvals, a key business condition is the completion of an \$8 million financing at an effective price per Victory share of not less than \$0.50.

Details Regarding The Subscription Receipts

The Subscription Receipts will be issued pursuant to a subscription receipt agreement to be entered into between Victory and the subscription receipt agent (the "**Subscription Receipt Agreement**"). Pursuant to the Subscription Receipt Agreement, each Subscription Receipt will entitle the holder to receive one post-Merger Victory Share immediately after closing of the Merger, subject to other standard conditions, without further action on the part of the holder and without payment of additional consideration. The proceeds of the Private Placement will be held in escrow pending the completion of the Merger. If the Merger is not completed before April 16, 2020 the Subscription Receipts will be deemed to be cancelled and the holders of Subscription Receipts will receive a cash amount equal to the aggregate Subscription Price of their Subscription Receipts and any interest that was earned on the Subscription Price.

The Subscription Receipts to be issued under the Private Placement and the Victory Shares to be issued in exchange for the Subscription Receipts upon the closing of the Transaction will be subject to a statutory hold period expiring four months and one day from the closing date of the Private Placement.

The proceeds of the Private Placement will be used to advance Victory's development and exploration stage assets and for other general corporate purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements Regarding Forward Looking Information

This news release contains certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein, without limitation, statements relating to the future operations and activities of Victory, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this news release relate to, among other things, statements relating to the terms of the Private Placement, the terms of the Merger; and the completion of the Private Placement and Merger. Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the Victory, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, the Victory's failure to complete the Merger, the failure of Victory shareholders or Nevada King shareholders to approve the Merger, the failure of the TSX Venture Exchange to approve the Merger and the Private Placement and management's discretion to reallocate the use of proceeds. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these items. Victory does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by applicable securities laws.