The following discussion is management's assessment and analysis of the results and financial condition of Victory Metals Inc. (formerly Ripper Oil and Gas Inc.) (the "Company" or "Victory") and should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements and related notes. The financial data was prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is November 19, 2019.

The scientific and technical geological content and interpretations contained in this report have been reviewed and approved by the Company's VP of Exploration, Cal Herron, P.Geo., a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101"). The scientific and technical metallurgical content and interpretations contained in this report have been reviewed and approved by Jeffery L. Woods, B.Sc., SME-QP, MMSA-QP, a Qualified Person as defined by NI 43-101.

Description of Business

The Company was originally incorporated on October 20, 2000, under the Business Corporations Act in the province of Alberta and on May 25, 2012, the Company was continued as a British Columbia corporation under the Business Corporations Act in the province of British Columbia. The address of the Company's registered office is Suite 2200 – 885 West Georgia Street, Vancouver, BC, Canada V6C 3E8.

The Company is a mineral exploration company engaged in the acquisition, exploration and development of resource properties in Nevada, United States of America. The Company owns a 100% interest in the Iron Point Vanadium Project, consisting of 690 unpatented lode claims covering approximately 13,300 acres, located in the Iron Point mining district 22 miles east of Winnemucca, Humboldt County, Nevada (USA) (the "Project" or the "Property"). The Project is located within a few miles of Interstate 80, has high voltage electric power lines running through the project area and a railroad line passing across the northern property boundary. The Company is well financed to advance the project through resource estimation and initial feasibility study work. In addition to the Property, the Company has the option to acquire interests in up to a further 228 acres contiguous to the Property.

On October 1, 2018, the Company entered into a letter of intent ("LOI") with Casino Gold Corp. ("Casino Gold"), pursuant to which the Company agreed to acquire all of the issued and outstanding securities of Brownstone Ventures (US) Inc. ("Brownstone"), a wholly-owned subsidiary of Casino Gold (the "Acquisition"). The Acquisition constitutes a reverse takeover (the "Transaction") of the Company under the policies of the TSX Venture Exchange ("TSX-V") as the former shareholders of Brownstone acquired control of the Company.

On January 31, 2019, the Company received approval from the TSX-V and the Company's shareholders for the consolidation of the Company's issued and outstanding common shares on the basis of one and one half (1.5) pre-consolidation share for one (1) post-consolidation share and completed the Transaction with Brownstone, which became a wholly-owned subsidiary of the Company. Pursuant to the Transaction, Casino Gold received an aggregate of 41,837,681 post-consolidation common shares as consideration for the sale of Brownstone. On February 1, 2019, the Company changed its name to Victory Metals Inc. and on February 8, 2019, commenced trading on the TSX-V under the ticker symbol VMX. The Acquisition was considered a reverse takeover for accounting purposes and Brownstone is considered the continuing entity. Accordingly, the comparative periods are those of Brownstone.

As of the date of this MD&A and as of September 30, 2019, the Company's Board of Directors consisted of the following: Paul Matysek (Executive Chairman), Collin Kettell, Craig Roberts and Doug Forster.

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.victorymetals.ca.

Project Summary

Iron Point Vanadium Deposit

Land History

The Project consists of 690 unpatented lode claims covering approximately 13,300 acres. The claim group is in North-Central Nevada in Humboldt County, 35 kilometers east of Winnemucca and centered at UTM Zone 11N geographical coordinates 472,000E, 4,531,000N (Lat 40.935°, Long 117.327°). Winnemucca is the largest town in the area with a population of 7,900. The project has been extensively explored for gold by numerous operators, but Newmont USA Ltd. ("Newmont") conducted drilling specifically for vanadium in 1966 and discovered widespread, low grade mineralization that was not of interest at the time.

The claims are owned by Brownstone Ventures (US) Inc. ("Brownstone"), a wholly owned subsidiary of Victory Metals Inc. (the "Company" or "Victory"). Brownstone holds a 100% interest in the claims.

On October 10, 2018, Victory, through Brownstone, entered into an option agreement with Ms. Patricia Tintle to acquire her 100% undivided interest in the Silver Coin Claim group which comprises 20.7 acres of unpatented land contiguous to the Company's Iron Point Vanadium Project. Under the terms of the agreement, Victory may exercise the option by making the following payments – 1) US$50,000 (already paid) within five days of signing, 2) US$50,000 on the first anniversary of signing, 3) US$50,000 on the second anniversary of signing, and 4) US$150,000 on the third anniversary of signing. Further, Victory has agreed to complete the first three payments (US$150,000) irrespective of whether the Company elects to complete the option payment (total of US$300,000). Upon making the final payment, Victory will own 100% of the Silver Coin Claim group with no underlying NSR or outstanding obligations.

On October 24, 2018, Victory entered into an option agreement with Canarc Resource Corp. ("Canarc") on its wholly-owned Silver King Patented claim group, also contiguous to the Company's Iron Point claims. The Silver King property consists of four patented mining claims totalling 83 acres (Silver King, Silver King #1, Silver Queen and Silver Coin Annex Extension). Under the terms of the ten-year agreement, Canarc will receive annual payments of US$12,000 (the first of which was made on signing) plus an option exercise payment of US$120,000. Upon exercise of the option, Canarc will retain a 2% NSR royalty on the property of which Victory will have the right to buy back one-half (1%) of the royalty for US$1,000,000.

On February 5, 2019, Victory entered into a purchase agreement with Nevada Pursuit LLC, a wholly-owned subsidiary of Golden Pursuit Resources Ltd., to acquire a 100% interest in the Prince Claims. The Prince Claims consist of six unpatented lode mining claims (Prince 1-6) totalling 124 acres, contiguous to the Company's Iron Point vanadium project. Under the terms of the agreement, Victory paid a one-time fee of US$30,000 to have and to hold all of the seller's right, title, and interest in the Prince group of claims. No NSR is applicable to these claims.

Environmental Permitting

The Property is located on Multiple Use BLM (Bureau of Land Management) lands administered by the Winnemucca District Office and is subject to surface management regulations contained in 43 CFR 3809. All mineral-related exploration or mining activities must be permitted either under a Notice (less than 5 acres of disturbance) or a Plan of Operation (exceeds 5 acres of disturbance).

An environmental scoping report dated October 3, 2018, was produced for the Property by consultants with EM Strategies, a consulting group based in Reno, Nevada. As stated in this preliminary scoping study, the Property is a relatively undeveloped site with no fatal flaw issues identified and historic exploration and mining centres existing in the east central portion of the Property. As is typical with almost all properties in Nevada there is the potential for the presence of cultural resources. These resources, if identified as eligible, may be mitigated through a well-defined process such that they would not impede development. For species that are managed by the Bureau of Land Management or the Nevada Department of Wildlife there are also well-defined mitigation methods to address potential impacts should a species of interest be present. In general, there are systems in place for managing these issues that are well established in Nevada. No significant environmental liabilities have been identified in the environmental assessment. A local rancher leases the grazing rights from the BLM within the project area, but these rights do not impact Victory's mineral rights or planned operations.

Victory established a US$50,000 reclamation bond with the Nevada State BLM Office and is currently operating its exploration program at the Property under a Notice – case file #NVN097176 – approved by the Winnemucca District BLM Office on September 6, 2018. This Notice and subsequent Addendums approve 50 drill sites disturbing 4.96 acres.

Project Infrastructure

The Project area straddles US Interstate 80 (I-80) – a major east-west transcontinental highway. From the Iron Point exit on I-80, dirt roads and jeep trails head north and south into all portions of the Property. The Union Pacific Railroad runs around the northern end of the Property. Regularly scheduled air passenger service is available in Reno, Nevada (260 air-kilometers to the southwest), and in Elko, Nevada (130 air-kilometers to the east).

The Project site does not have electrical service but electrical power is readily accessible. The 522-megawatt North Valmy Generating Station, located 15 kilometres east of the Property, feeds readily accessible, high-voltage transmission lines that run along the I-80 corridor and cross the southern end of the project area. There are currently no developed water supply or water rights attached to the project. Wells can be drilled in the future for sustained drilling but exploratory drilling will rely upon trucked water and temporary reservoirs.

Historical Work

To date there has been over 4,704 metres of core and RC drilled historically within the Iron Point Vanadium zone in approximately 35 holes (records are not consistent). Holes were RC or wireline core, or in some cases a combination of both. Full core information is not available for five of the historical holes as the records were lost and no casing remained on site. For these holes the approximate location of the DDH was gathered from historical maps and field observations. The historical drilling that was completed in the area by Newmont was in 1966. No information is available on these holes in the public record for this report. The majority of the holes drilled on the Iron Point Vanadium zone were drilled by Aur Resources in 1997, with the remaining holes being drilled by Chevron and Molycorp. Victory and the Qualified Persons are not aware of any records remaining of the Chevron and Molycorp holes. Aur Resources completed 15 holes totaling 3,817 metres of drilling. Drilling consisted of seven holes of wireline diamond drilling totaling 2,013 metres, and eight holes of RC drilling totalling 1,804 metres. Core and pulps are still available and have been reanalyzed by American Assay Laboratories. Re-logging of these historical holes for geological accuracy is still ongoing at the time of writing this report.

There have been no historic mineral resource or reserve estimates reported for this project that can be documented or reported in any extent.

Project Geology

The project area consists of Lower Paleozoic, Western Assemblage rocks belonging to the Roberts Mountains Allochthon that are unconformably overlain by Tertiary gravels and finally Pliocene basalt. A major range-front fault bounds the property along its eastern margin, and another major fault on the western side juxtaposes Cambrian Prebble Fm. shale against the Western Assemblage lithotypes. According to Willden (1964) the Prebble Fm. is unconformably overlain by an extensive sheet of Golconda Allochthon siliclastic-volcanic units that are exposed immediately west of the project area. These lithotypes are completely absent from the project area yet so close, so the fault separating Prebble from the Western Assemblage at Iron Point must be responsible for a large vertical displacement between these blocks, with the west side having been down-thrown.

The vanadium mineralization occurs within the upper part of the Western Assemblage, within the Ordovician-age Vinini Formation. Vanadium mineralization is reported at the Silver King Mine (USGS MRDS, Garside 1984) within the underlying Comus Fm. limestone, but this mineralization may be strictly supergene and exotic. A Cretaceous quartz diorite sill intruded Western Assemblage units within the central part of the project area and created an extensive contact-metamorphic halo that resulted in skarnification, hornfel alteration, and carbon remobilization. Carlin-type gold mineralization related to a Tertiary-age, low-temperature hydrothermal system produced widespread anomalous Au-As-Sb-Hg mineralization that was the focus of numerous historical exploration efforts throughout the district.

Recent Exploration

Victory's Maiden Drill Campaign

In September 2018, Victory contracted Harris Exploration Drilling Inc. to commence an 8,000-metre program utilizing two RC drills and one core drill. All work was permitted under a Notice approved by the Winnemucca BLM office on August 31, 2018, and secured by a state-wide reclamation bond accepted September 5, 2018. In addition, on January 19, 2019, Victory contracted Fred Anderson Drilling to complete 300 metres of PQ coring for metallurgical testing.

The drill program was focused around an area of vanadium mineralization that was drilled in the 1960s and 1990s by Newmont and Aur Resources, respectively. The historically drilled area is roughly 1,000 metres in diameter with drilled mineralization extending in places from near surface down to a depth of 200 metres. The drill campaign aimed to identify and outline the geology and distribution of vanadium mineralization, which will be incorporated into a maiden resource estimate that will be completed once the campaign is completed and all drill data has been received and analysed. Samples from the RC and core drilling were sent to American Assay Lab, Reno, Nevada.

By April 10, 2019, Victory had finished the maiden drill campaign and released all assay results. The program had 69 RC holes and four diamond drill holes that collected samples for metallurgical testing.

Highlights from the program included:

- 44 metres grading 0.48% V_2O_5 in VM-02
- 27 metres grading 0.56% V_2O_5 in VM-07
- 46 metres grading 0.38% V_2O_5 in VM-18 (from surface)
- 6 metres grading 0.72% V_2O_5 in VM-51
- 21 metres grading 0.54% V_2O_5 (including 6 metres grading 0.67% V_2O_5) in VM-6
- 23 metres grading 0.63% V_2O_5 (including 6 metres grading 0.88% V_2O_5) in VM-23
- 20 metres grading 0.54% V_2O_5 (including 9 metres grading 0.68% V_2O_5) in VM-26
- 18 metres grading 0.53% V_2O_5 (including 2 metres grading 1.14% V_2O_5) in VM-76
- 20 metres grading 0.60% V_2O_5 in VM-9
- 26 metres grading 0.59% V_2O_5 (including 3 metres grading 0.84% V_2O_5) in VM-67
- 33 metres grading 0.48% V_2O_5 in VM-75
- 37 metres grading 0.55% V_2O_5 (including 5 metres grading 0.80% V_2O_5) in VM-26i
- 14 metres grading 0.63% V_2O_5 (including 4 metres grading 1.00% V_2O_5) in VM-26j
- 26 metres grading 0.42% V_2O_5 in VM-33
- 24 metres grading 0.48% V_2O_5 in VM-34
- 26 metres grading 0.46% V_2O_5 (including 3 metres grading 0.83% V_2O_5) in VM-48
- 21 metres grading 0.43% V_2O_5 (including 4 metres grading 0.60% V_2O_5) in VM-25i
- 26 metres grading 0.35% V_2O_5 (including 3 metres grading 0.61% V_2O_5) in VM-41
- 18 metres grading 0.39% V_2O_5 in VM-58
- 27 metres grading 0.46% V_2O_5 in VM-60

These intercepts are contained in two flat-lying higher grade vanadiferous horizons, referred to as the Upper and New High-Grade Zones, which occur within a broader and extensive envelope of vanadium mineralization within the Vinini Formation.

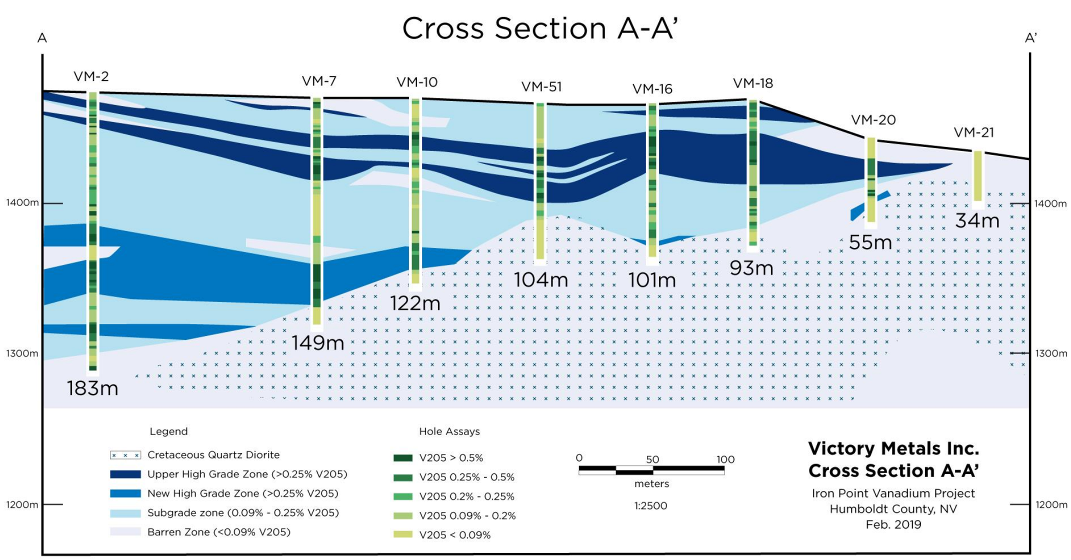
This broader envelope generally starts at surface and extends down to a depth of at least 175 metres, with intercepts from surface including:

- 175 metres grading 0.25% V_2O_5 in hole VM-02 (from surface)
- 139 metres grading 0.28% V_2O_5 in hole VM-07 (from surface)
- 168 metres grading 0.21% V_2O_5 in hole VM-4 (from surface)
- 104 metres grading 0.24% V_2O_5 in hole VM-25 (from surface)
- 151 metres grading 0.21% V_2O_5 in hole VM-76 (from surface)

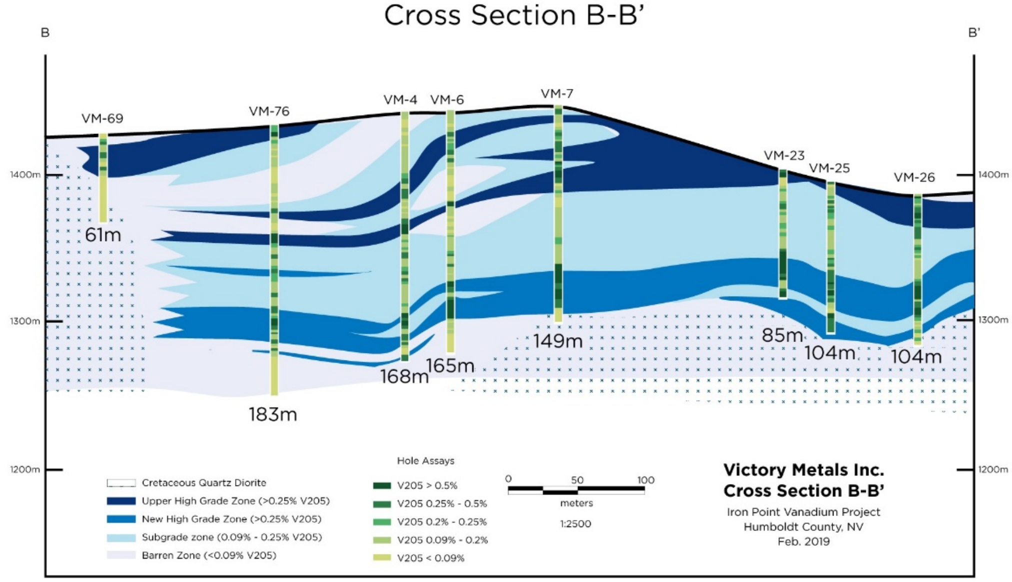
- 152 metres grading 0.23% V_2O_5 in hole VM-1
- 174 metres grading 0.23% V_2O_5 in hole VM-67
- 162 meters grading 0.22% V_2O_5 in VM-74
- 91 metres grading 0.36% V_2O_5 in hole VM-26i
- 110 metres grading 0.27% V_2O_5 in hole VM-33
- 125 metres grading 0.22% V_2O_5 in VM-34
- 81 metres grading 0.25% V_2O_5 in hole VM-25i
- 99 metres grading 0.22% V_2O_5 in hole VM-58
- 110 metres grading 0.25% V_2O_5 in hole VM-60

The Upper High-Grade Zone was indicated in historical drilling at Iron Point and was the basis for Victory's initial assessment of the project's resource potential. The New High-Grade Zone is newly discovered by this confirmation drilling campaign and has yielded some of the highest-grade mineralization found to date. Some of the holes tested historical Newmont and Aur Resources holes, and a comparison of the intercept results indicates that the current drilling is returning higher-grade vanadium values. Victory believes that this can be attributed to better sample recovery in the Victory RC drilling. Victory drill results show relatively flat-lying mineralized zones with good correlation between holes. A high degree of continuity was not apparent from historical drilling and the Company believes this significant improvement in zone correlation can be attributed to the higher sample recoveries and greater depth penetration achieved in the current program. Victory believes that this positive correlation of mineralized zones between holes will considerably facilitate the resource estimation process.

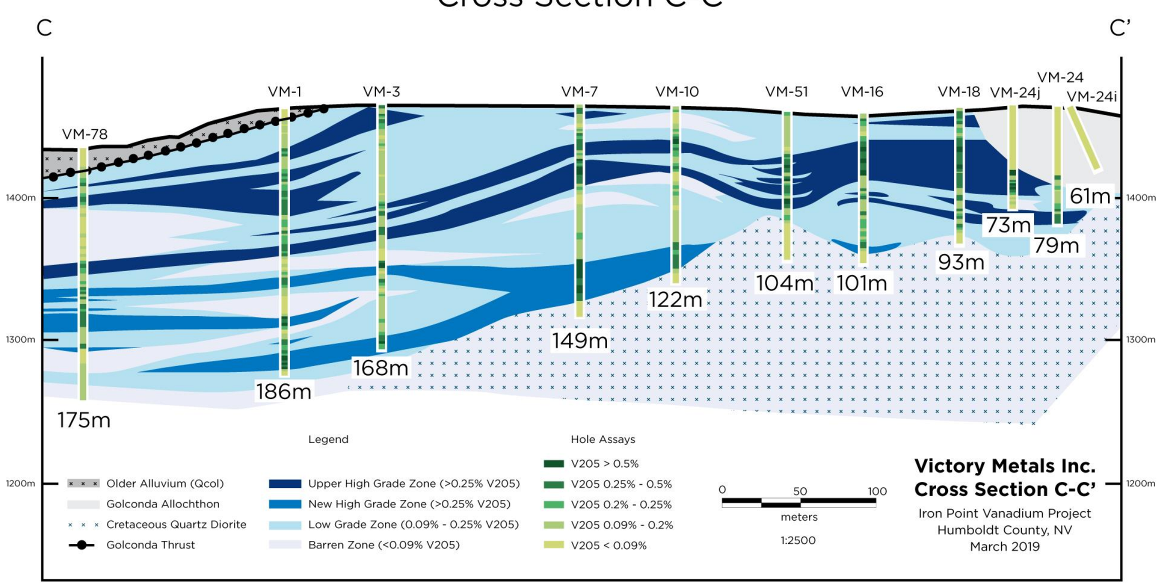
Continuity of mineralization in both the lower grade vanadium envelope and the two high-grade zones continues to be strong as drilling extends throughout the southern portion of the historical vanadium mineralized zone, and steps outside of that zone to the south. As indicated in the five sections (Sections A-A', B-B', C-C', F-F' and G-G'), the Upper High Grade and New High Grade Zones as well as the broader envelope of vanadium mineralization has now been drill defined over an area exceeding 1,200 metres north-south and approximately 700 metres east-west.

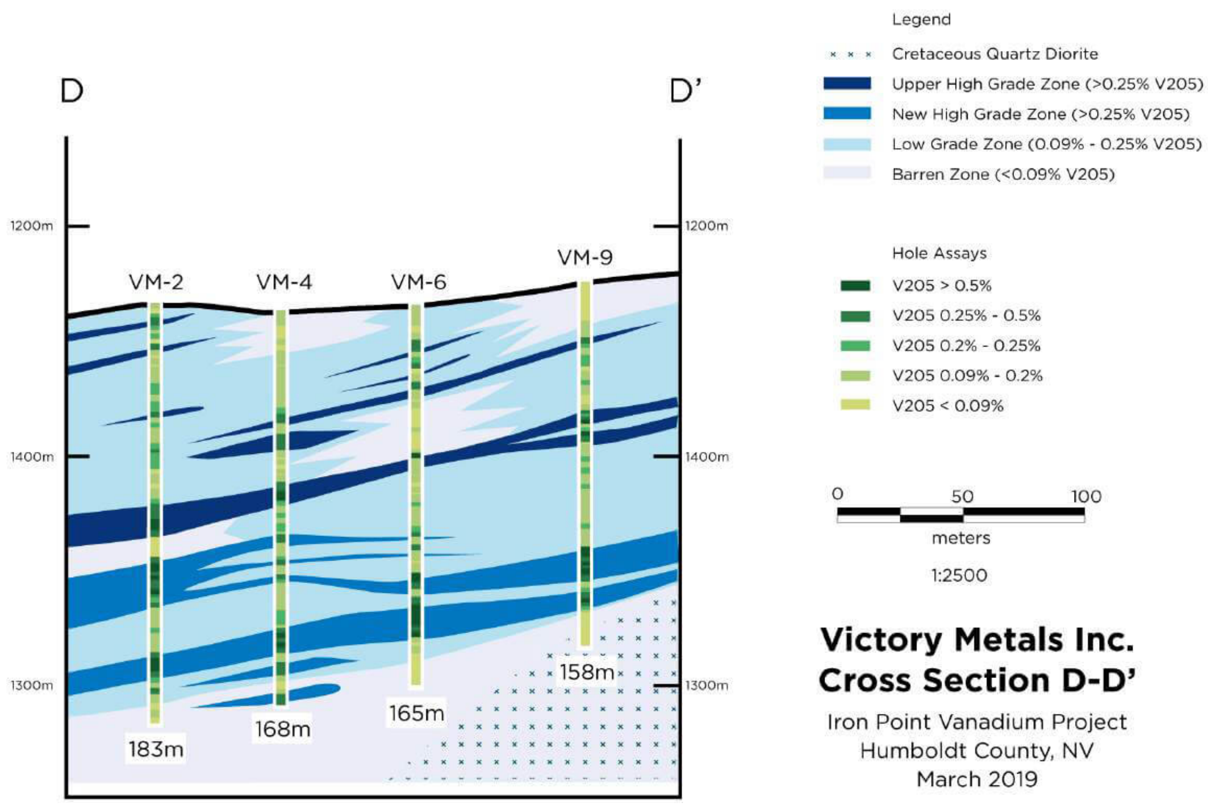


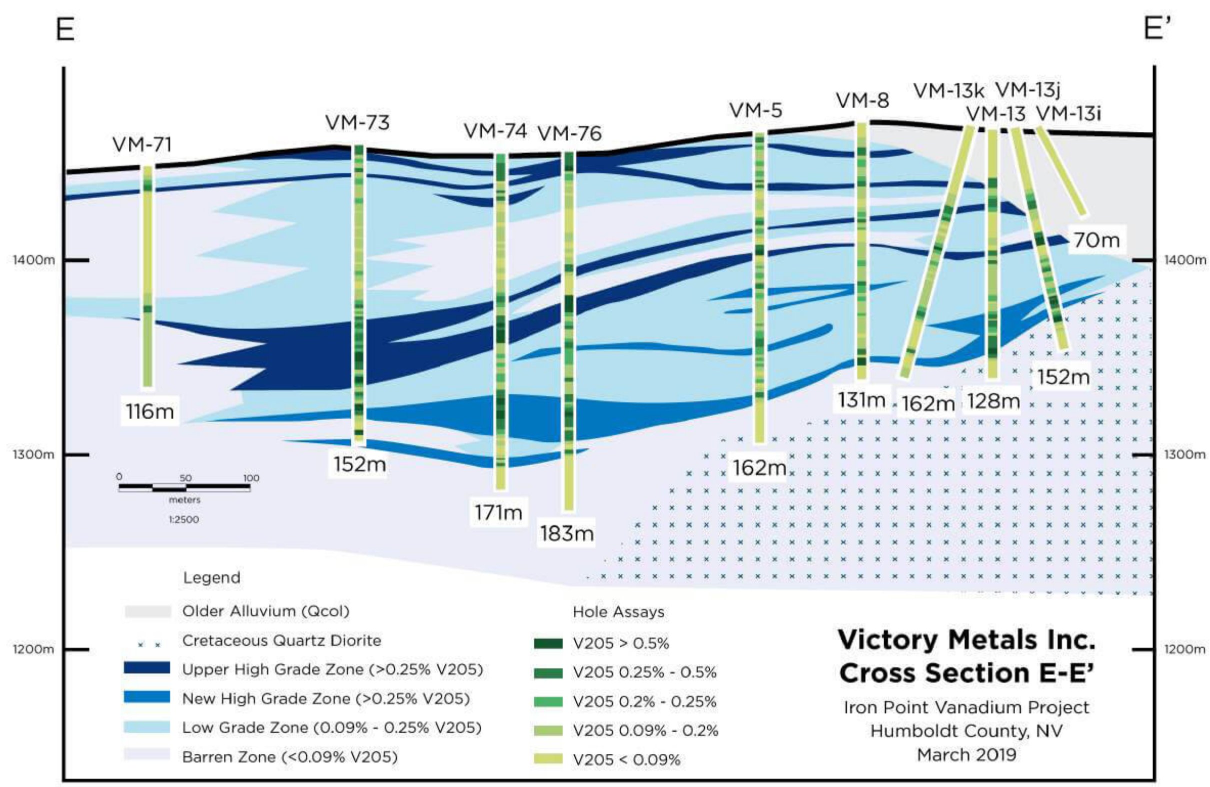
Cross Section B-B'

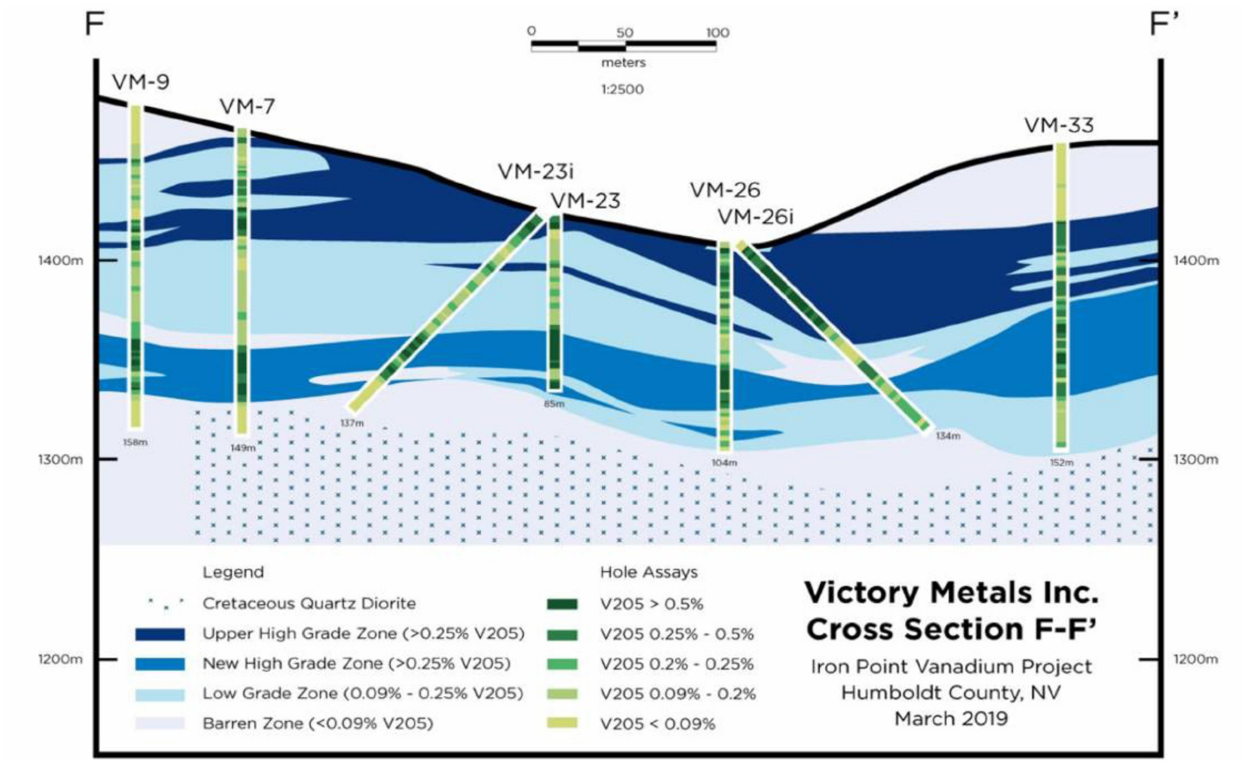


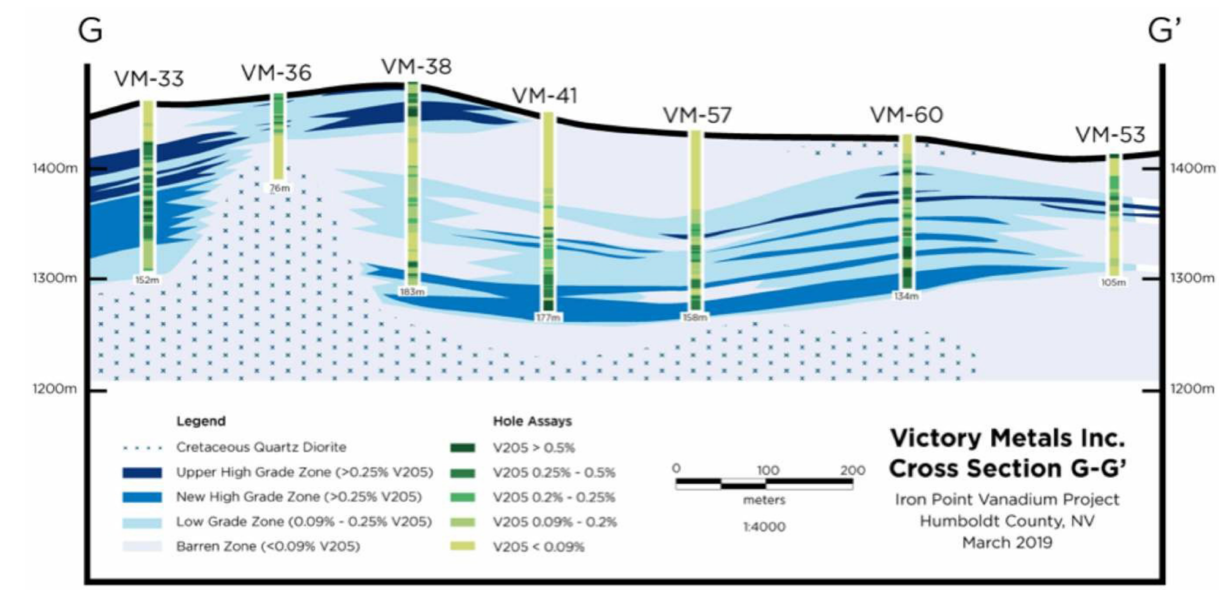
Cross Section C-C'




D
D'
Legend
Cretaceous Quartz Diorite
Upper High Grade Zone (>0.25% V205)
New High Grade Zone (>0.25% V205)
Low Grade Zone (0.09% - 0.25% V205)
Barren Zone (<0.09% V205)
1200m
1400m
1300m
VM-2
VM-4
VM-6
VM-9
183m
168m
165m
158m
Hole Assays
V205 > 0.5%
V205 0.25% - 0.5%
V205 0.2% - 0.25%
V205 0.09% - 0.2%
V205 < 0.09%
0
50
100
meters
1:2500
Victory Metals Inc.
Cross Section D-D'
Iron Point Vanadium Project
Humboldt County, NV
March 2019


E
E'
VM-71
VM-73
VM-74
VM-76
VM-5
VM-8
VM-13k
VM-13j
VM-13
VM-13i
70m
1400m
1300m
1200m
116m
152m
171m
183m
162m
131m
162m
128m
152m
Legend
Older Alluvium (Qcol)
Cretaceous Quartz Diorite
Upper High Grade Zone (>0.25% V205)
New High Grade Zone (>0.25% V205)
Low Grade Zone (0.09% - 0.25% V205)
Barren Zone (<0.09% V205)
Hole Assays
V205 > 0.5%
V205 0.25% - 0.5%
V205 0.2% - 0.25%
V205 0.09% - 0.2%
V205 < 0.09%
Victory Metals Inc.
Cross Section E-E'
Iron Point Vanadium Project
Humboldt County, NV
March 2019





Based upon the continuing footprint expansion of vanadium mineralization, Victory added 96 claims or 1,800 acres to the Iron Point project bringing the extent of the Property area to an aggregate of 690 claims or 13,300 acres.

Phase II Drill Campaign

On May 27, 2019, Victory commenced a Phase II, 10,000-metre drill program to further define vanadium mineralization at its Iron Point Vanadium Project in Nevada.

Highlights include:

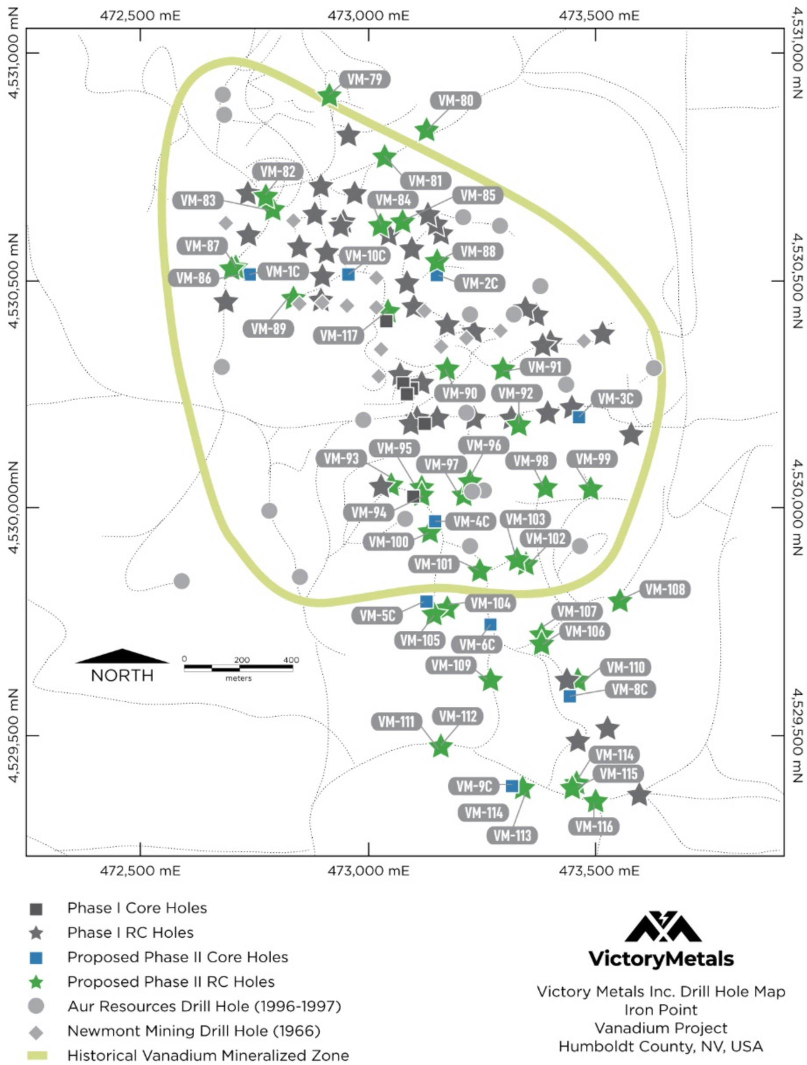
- The Phase II program consists of 52 holes (approximately 9,750 metres) utilizing two RC rigs and one diamond drill rig. These rigs have been mobilized to the project.
- The program is designed to infill zones of vanadium mineralization defined in the Company's Phase I maiden drill campaign, as well as to test lateral and downward extensions of these zones.
- The program will also provide sample material for the next phase of metallurgical test work. The diamond drill will be utilized for approximately 10 of the 52 planned holes, and these 10 core holes will be distributed over the project area to provide representative metallurgical samples of the vanadium mineralization.

Mine Development Associates ("MDA"), a highly respected resource estimation and engineering firm based in Sparks, Nevada, designed the Phase II program based on preliminary geostatistical analysis of the Phase I results, with the objective of ensuring the drill spacing after Phase II will be sufficient for a resource estimate predominantly in the measured and indicated category.

Following the results of the Phase I maiden drilling campaign, Victory worked with MDA to evaluate the overall extent of the vanadium mineralization at Iron Point, and to position holes to support the planned maiden resource estimation work. With this objective MDA has developed the Phase II drill program of 52 holes (42 RC and 10 core holes). The drill pattern covers a north-westerly trending zone measuring 1,800 metres long by 550 meters wide. Hole depths range from 130 meters to 280 meters with angles ranging from -50° to vertical. Most of the holes are concentrated within the southern half of the property, where the previous drill holes were more widely spaced and where holes failed to fully penetrate both mineralized horizons.

Two RC drills, one buggy-mounted and the other track-mounted, operated by New Frontier Drilling are currently engaged in perimeter definition drilling. The core drill is operated by National and is currently drilling PQ-size core that will provide samples for metallurgical testing. The RC drilling operates on a dayshift basis, while the core drill utilizes 24-hour drilling.

The proposed holes will be collared from existing historical drill roads, with several holes being drilled at an angle, allowing for minimal surface disturbance, importantly allowing Victory to complete the program on its existing state-bonded Notice. The Company has been working closely with the Bureau of Land Management, Humboldt County, to ensure that ongoing drilling complies closely with the Notice area.



Metallurgy

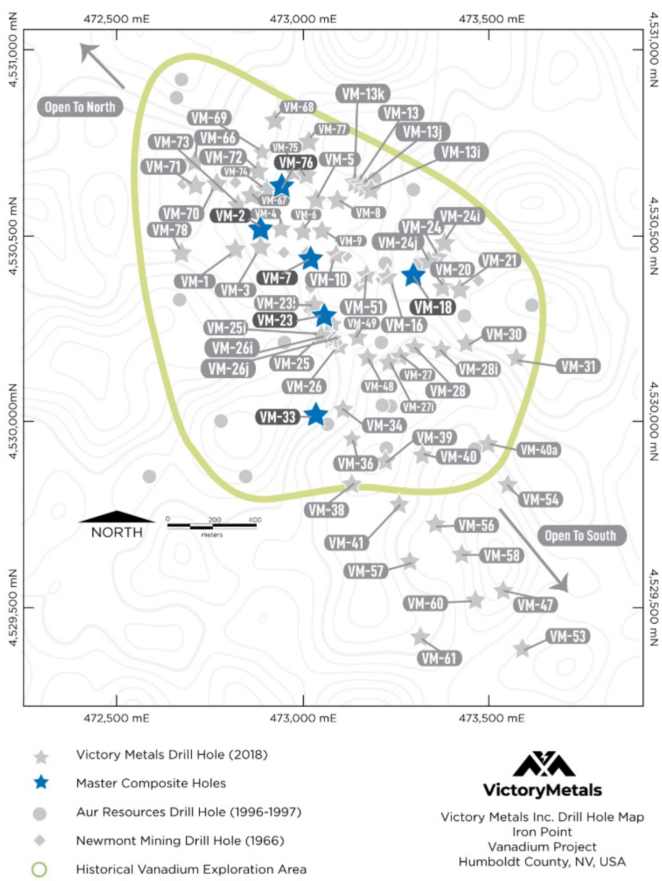
Phase I Testing

A total of 197 RC drill reject samples were delivered to McClelland Laboratories of Sparks, Nevada, for sample preparation, assaying, and compositing.

A Master Composite sample was constructed using 197 drill cuttings interval samples that best represented both the spatial and stratigraphic distribution of mineralized zones throughout the Iron Point Project as described in the table and shown in map. Specifically, the Master Composite is made up of cuttings from drill intervals ranging between a depth of 1.5 metres to 164.6 metres. Intervals incorporated into the composite had a minimum grade of 0.17% V_2O_5, a maximum grade of 1.14% V_2O_5, a median grade of 0.38% V_2O_5, and a mean (unweighted) grade of 0.34% V_2O_5 from triplicate analysis.

Table 1: RC Drill Cutting Intervals used in the Master Composite.

	Number	Range of Depth m		V_2O_5 %		
RC Hole ID	**N**	**Min**	**Max**	**Min**	**Max**	**Mean**
VM-2	36	9.1	164.6	0.21	0.79	0.45
VM-7	39	6.1	137.2	0.20	0.79	0.46
VM-18	31	4.6	65.5	0.21	0.64	0.38
VM-23	18	1.5	85.3	0.25	0.99	0.61
VM-33	44	42.7	128.0	0.21	0.71	0.35
VM-76	29	6.1	146.3	0.17	1.14	0.42



After a review of published work and some early test work on drill core samples, a Design of Experiments program (DOE) was initiated as a scoping level trial using four primary leaching factors, namely: leach temperature, slurry solids density, hydrofluoric acid dosage and sulfuric acid dosage. DOE methods are used to determine the effects of several factors at once and are statistically analyzed to determine the effects of each factors, i.e. acid dosage or temperature, also the interaction of two or more factors on the system, i.e. temperature and slurry solids density.

Owing to the number of factors, a two-level factorial design was used for the initial runs. Sixteen tests were run using different combinations of high and low values for each of the factors. All tests were run at atmospheric pressure with a leach time of eight hours. Initial factor high and low levels were selected based on similar unit operations currently used in the industry, i.e. slurry solids density 20 to 40 percent, which is common in flotation concentrate products and gold leach circuits, respectively. Owing to the atmospheric leaching process, maximum temperature considered was 90 degrees centigrade. Intermittent samples were taken at two, four, and six hours and each solution analyzed for pH, oxidation-reduction potential (ORP), and acid concentration. For each test make-up, water and reagents were added as required to maintain the DOE factor levels. At the termination of the test, samples were filtered with dried solids and leach solutions submitted for analyses. Statistical analysis of the data was done using Stat-Ease's Design Expert and SAS' JMP statistical analysis software.

Table 2: DOE Parameter Matrix with Summary Agitation Leach Test Results, Iron Point Master Composite, for each of the 16 Tests

Test ID	Factor 1 Temp., ^0C	Factor 2 Density, % solids	Factor 3 HF g/L	Factor 4 H_2SO_4, g/L	Leach Time, hr	V Recovery, %	H2SO4 Consumption kg/mt
DOE-1	Lo	Lo	Hi	Lo	8	47.3	115
DOE-2	Lo	Lo	Lo	Hi	8	48.9	189
DOE-3	Lo	Hi	Lo	Lo	8	21.3	103
DOE-4	Lo	Hi	Hi	Hi	8	53.5	170
DOE-5	Lo	Lo	Lo	Lo	8	33.7	122
DOE-6	Lo	Hi	Hi	Lo	8	33.0	99
DOE-7	Lo	Hi	Lo	Hi	8	44.0	102
DOE-8	Lo	Lo	Hi	Hi	8	65.7	N/A*
DOE-9	Hi	Hi	Hi	Hi	8	90.6	142
DOE-10	Hi	Lo	Lo	Hi	8	89.0	103
DOE-11	Hi	Hi	Lo	Lo	8	41.8	118
DOE-12	Hi	Lo	Hi	Lo	8	92.8	88
DOE-13	Hi	Hi	Hi	Lo	8	66.9	127
DOE-14	Hi	Lo	Lo	Lo	8	71.5	112
DOE-15	Hi	Hi	Lo	Hi	8	75.3	127
DOE-16	Hi	Lo	Hi	Hi	8	94.3	101

**Conditions for DOE-8 are being re-run owing to anomalies with the acid balance results.*

The table shows the high and low level for each of the tests, as well as two of the primary responses, namely eight hour vanadium recovery percentage and sulfuric acid consumption. Highlighted areas correspond to the upper quartile of vanadium recovery, i.e. the top four tests. The highest vanadium recoveries are associated with some combination of higher sulfuric acid dosage and temperature. The best four combinations average 91.7% vanadium recovery with the highest recovery of 94.3% associated with a low percentage of solid solution, and higher temperature and acid dosage. The upper quartile vanadium tests show acid consumptions ranging between 88 kg/t and 142 kg/t with an average of 109 kg/t. The high temperature runs consistently outperformed the low temperature runs with respect to vanadium. Acid dosages have a lower level of impact than temperature on recovery. High solids density has a negative influence on the recovery, though not as statistically significant as temperature or sulfuric acid dosage.

Phase II Testing: Centre Point Runs

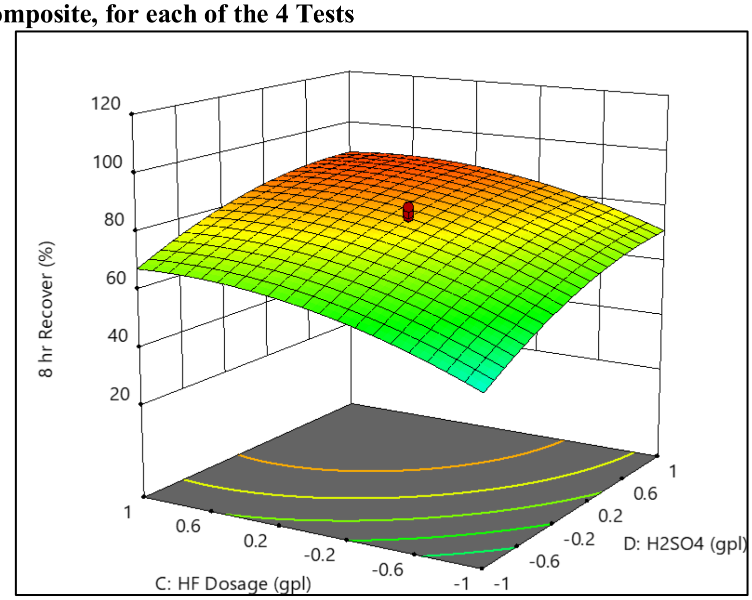
The original experimental design was augmented with additional tests to determine if the metallurgical response is linear or exhibits curvature for any of the variable. A total of four tests using the midpoint between the low and high values was used as the centre points. Summary data is presented in Table 3 and is shown graphically in Figure 4.

Table 3: DOE Centre Point Runs with Summary Agitation Leach Test Results, Iron Point Master Composite, for each of the 16 Tests

Test ID	Factor 1 Temp., ^0C	Factor 2 Density, % solids	Factor 3 HF g/L	Factor 4 H_2SO_4, g/L	Leach Time, hr	V Recovery, %	H2SO4 Consumption kg/mt
DOE-17	C	C	C	C	8	80.6	76
DOE-18	C	C	C	C	8	74.6	89
DOE-19	C	C	C	C	8	83.2	86
DOE-20	C	C	C	C	8	80.9	107

Vanadium recoveries for the centre point runs ranged between 74.6% and 83.2% with an average of 79.8%. Sulfuric acid consumptions ranged between 76 kg/t and 107 kg/t with an average of 89.4 kg/t. As shown in Figure 4, curvature is evident in the leaching system being considered. The plot shows vanadium recovery versus sulfuric and hydrofluoric acid dosage at eight hours of leaching in coded values. The coded values related to the low and high levels being tested, with -1 equal to Low level, +1 equal to High level and zero equal to the centre points. The surface represents the experimental model and the red dots representing the results of the centre point runs to further define the experimental leaching model, the original DOE was augmented to a surface response experimental design and additional tests conducted.

Figure 4: Plot of DOE Centre Point Runs Vanadium Recovery vs. H2SO4 and HF Dosage Leach Test Results, Iron Point Master Composite, for each of the 4 Tests



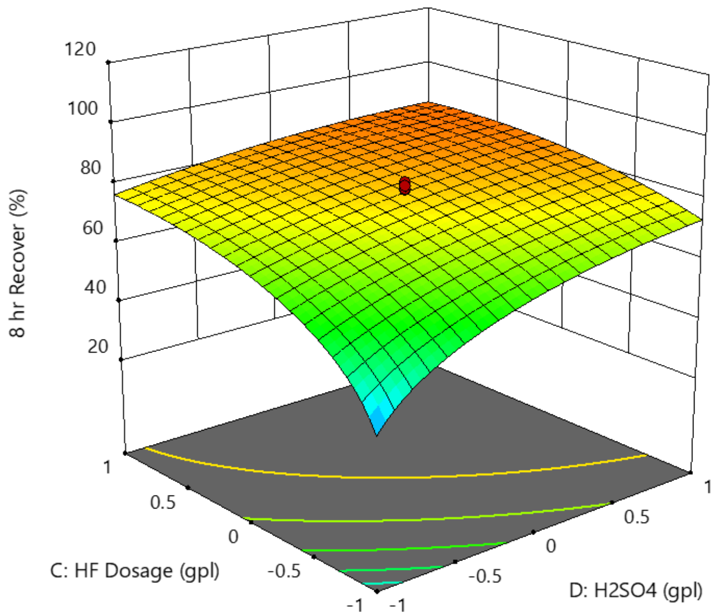
Phase III Testing: Surface Response Experimental Design.

The original DOE series with center points was augmented with 17 additional tests focusing on maximizing vanadium recovery and minimizing acid dosage. Table 4 contains the variable set points in coded values with pertinent metallurgical results. As expected during the surface response testing, there was a large range in metallurgical performance with vanadium recovery ranging between 26.2% and 91.5%. Sulfuric acid consumption ranged between 7.4 kg/t and 234.0 kg/t of ore. Figure 6 illustrates the surface response model for vanadium recovery versus acid dosage in coded values.

Table 4: Surface Response DOE with Summary Agitation Leach Test Results, Iron Point Master Composite, for each of the 17 Tests

Test ID	Factor 1 Temp., ^{0}C	Factor 2 Density, % solids	Factor 3 HF g/L	Factor 4 H_2SO_4, g/L	Leach Time, hr	V Recovery, %	H2SO4 Consumption kg/mt
DOE-39	0.00	0.00	0.00	1.67	8	89.0	126
DOE-40	0.00	0.00	0.00	-1.33	8	40.3	144
DOE-41	-1.66	0.00	0.00	0.00	8	64.1	131
DOE-42	0.00	0.00	0.00	0.00	8	84.2	130
DOE-43	0.00	0.00	0.00	1.67	8	90.5	128
DOE-44	0.00	-1.70	0.00	0.00	8	91.5	83
DOE-45	0.00	0.00	-0.17	0.00	8	43.0	234
DOE-46	0.00	0.00	-0.17	0.00	8	48.1	194
DOE-47	-1.66	0.00	0.00	0.00	8	26.2	NA
DOE-48	0.00	-1.70	0.00	0.00	8	86.7	11
DOE-49	0.00	0.00	0.00	0.00	8	84.3	NA
DOE-50	0.00	0.00	0.00	0.00	8	85.3	9
DOE-51	0.00	2.00	0.00	0.00	8	57.3	117
DOE-52	0.33	0.00	0.00	0.00	8	83.3	100
DOE-53	0.00	2.00	0.00	0.00	8	56.3	126
DOE-54	0.00	0.00	2.00	0.00	8	87.5	7
DOE-55	0.33	0.00	0.00	1.67	8	87.3	39

Figure 6: Surface Response DOE Vanadium Recovery vs Acid Dosage Agitation Leach Test Results, Iron Point Master Composite, for each of the 17 Tests



Phase IV Testing: Model Confirmation Tests

Confirmation of the leaching model was using the Design Expert software to select factors that would maximize vanadium recovery while minimizing acid consumption. The five combinations tested to date are presented in Table 5. As shown, the model allows for maximizing vanadium recovery with a range of 88.0% to 91.5% and an average of 90.0%. Sulfuric acid consumption averaged 74.8% and ranged between 5 kg/t and 102.0 kg/t. Note that the 5 kg/t consumption for CON-1 is likely an outlier but is included in the analysis at this point.

Table 5: Model Confirmation Runs with Summary Agitation Leach Test Results, Iron Point Master Composite, for each of the 5Tests

Test ID	Factor 1 Temp., ^{0}C	Factor 2 Density, % solids	Factor 3 HF g/L	Factor 4 H_2SO_4, g/L	Leach Time, hr	V Recovery, %	H2SO4 Consumption kg/mt
CON-1	0.022	0.000	0.000	1.667	8	89.7	5
CON-2	0.511	-0.200	0.787	-0.013	8	90.4	102
CON-3	0.511	-0.200	0.800	-0.013	8	91.5	93
CON-4	0.556	-0.300	0.987	-0.013	8	90.4	81
CON-5	0.422	-0.100	1.000	0.307	8	88.0	93

Testing of several samples spatially distributed throughout the deposit and at different vanadium grades, will also be completed ("variability testing") to confirm metallurgical responses throughout the deposit. Results of the variability testing will be used to develop the geometallurgical model for the Iron Point deposit and support the engineering and design process. Additionally, bulk samples will be used to generate pregnant leach solution for subsequent solvent extraction and vanadium precipitation testing. Owing to the nature of the Victory leach process, downstream processing of the vanadium rich solutions will be via a commercially proven process to produce a high grade V_2O_5 product.

The following tables summarize the capitalized costs associated with the Company's exploration and evaluation assets:

Six months ended September 30, 2019	Iron Point (i) $	Other $	Total $
Acquisition Costs			
Balance as at March 31, 2019	855,023	16,561	871,584
Additions			
Land claim payments and acquisition costs	117,558	77,859	195,417
Balance as at September 30, 2019	972,581	94,420	1,067,001
Exploration Costs			
Balance as at March 31, 2019	2,228,345	-	2,228,345
Drilling	3,258,458	-	3,258,458
Environmental	101,072	-	101,072
Exploration	78,151	-	78,151
Geochemistry	56,370	-	56,370
Metallurgy	174,424	-	174,424
Resource estimate	42,052	-	42,052
Other	117,833	-	117,833
Staking	1,794	3,987	5,781
Balance as at September 30, 2019	6,058,498	3,987	6,062,485
Total Exploration and Evaluation Assets			
Balance as at September 30, 2019	7,031,079	98,407	7,129,486

Period ended March 31, 2019	Iron Point $	Other $	Total $
Acquisition Costs			
Balance as at September 30, 2018	599,502	632,317	1,231,819
Additions			
Land claim payments and acquisition costs	255,521	16,561	272,082
Disposals			
Sale of non-Iron Point assets	-	(632,317)	(632,317)
Balance as at March 31, 2019	855,023	16,561	871,584
Exploration Costs			
Balance as at September 30, 2018	105,408	214,252	319,660
Drilling	1,684,220	-	1,684,220
Environmental	14,827	-	14,827
Exploration	92,239	-	92,239
Geochemistry	33,498	-	33,498
Geological information systems and mapping	21,761	-	21,761
Metallurgy	165,821	-	165,821
Resource estimate	39,697	-	39,697
Other	70,874	-	70,874
Sale of non-Iron Point assets	-	(214,252)	(214,252)
Balance as at March 31, 2019	2,228,345	-	2,228,345
Total Exploration and Evaluation Assets			
Balance as at March 31, 2019	3,083,368	16,561	3,099,929

Overall Performance and Results of Operations

Total assets increased to $10,250,146 at September 30, 2019, from $7,919,248 at March 31, 2019, primarily as a result of an increases in exploration and evaluation assets of $4,029,557 partially offset by a decrease in cash of $1,194,021 and short term investments of $500,000. The most significant assets at September 30, 2019, were cash of $464,594 (March 31, 2019: $1,658,615) short term investments of $2,500,000 (March 31, 2019: $3,000,000) and exploration and evaluation assets of $7,129,486 (March 31, 2019: $3,099,929). Cash decreased by $1,194,021 and short term investments decreased by $500,000 during the six months ended September 30, 2019 as a result of exploration and evaluation asset expenditures of $4,326,563 and cash used in operating activities of $1,485,458 partially offset by the issuance of common shares in the amount of $3,618,000 and proceeds received for subscriptions in advance of a non-brokered private placement financing of $500,000 during the six months ended September 30, 2019.

Three months ended September 30, 2019 and 2018

During the three months ended September 30, 2019, loss from operating activities increased by $441,716 to $441,778 compared to $62 for the three months ended September 30, 2018. The increase in loss from operating activities is largely due to:

- An increase of $69,000 in consulting fees. Consulting fees were $69,000 for the three months ended September 30, 2019, compared to $Nil for the three months ended September 30, 2018. The increase is due to higher consulting fees incurred as a result of increased operations.

- An increase of $239,768 in management and directors fees. Management and directors fees were $239,768 for the three months ended September 30, 2019, compared to $Nil for the three months ended September 30, 2018. The increase is due to compensation paid to key management personnel as a result of increased operations.

- An increase of $51,973 in professional fees. Professional fees were $51,973 for the three months ended September 30, 2019, compared to $Nil for the three months ended September 30, 2018. The increase is due to professional fees incurred in connection with the annual audit and tax return filing of the Company's financial statements for its most recently completed fiscal year end.

The Company recorded loss and comprehensive loss of $434,876 or 0.00 basic and diluted loss per share for the three months ended September 30, 2019 (September 30, 2018: $69 or 0.00 basic and diluted loss per share).

Six months ended September 30, 2019 and 2018

During the six months ended September 30, 2019, loss from operating activities increased by $1,787,566 to $1,788,933 compared to $1,367 for the six months ended September 30, 2018. The increase in loss from operating activities is largely due to:

- An increase of $140,000 in consulting fees. Consulting fees were $140,000 for the six months ended September 30, 2019, compared to $Nil for the six months ended September 30, 2018. The increase is due to higher consulting fees incurred as a result of increased operations.

- An increase of $1,015,380 in management and directors fees. Management and directors fees were $1,015,380 for the six months ended September 30, 2019, compared to $Nil for the six months ended September 30, 2018. The increase is due to performance bonuses and compensation paid to key management personnel as a result of increased operations.

- An increase of $331,406 in share-based compensation. Share-based compensation was $331,406 for the six months ended September 30, 2019, compared to $Nil for the six months ended September 30, 2018. A total of 560,000 fully vested stock options with a value of $331,406 were granted during the six months ended September 30, 2019, compared to no stock options granted during the six months ended September 30, 2018.

- An increase of $51,973 in professional fees. Professional fees were $51,973 for the six months ended September 30, 2019, compared to $Nil for the six months ended September 30, 2018. The increase is due to professional fees incurred in connection with the annual audit and tax return filing of the Company's financial statements for its most recently completed fiscal year end.

Other items

During the six months ended September 30, 2019, other income decreased by $678,437 to $6,531 compared to $684,968 for the six months ended September 30, 2018. The decrease in other income is largely due to:

- A decrease of $679,971 in debt forgiveness from New Found Gold Corp. In June 2018, New Found Gold Corp. undertook a series of transactions that transferred its 100% ownership in Brownstone to Casino Gold. As a result, New Found Gold Corp. forgave $679,971 of advances that were made to Brownstone.

The Company recorded loss and comprehensive loss of $1,782,402 or 0.02 basic and diluted loss per share for the six months ended September 30, 2019 (September 30, 2018: $683,601 or 0.04 basic and diluted earnings per share).

Summary of Quarterly Results

	2019			2018				2017
	Sep. 30 $	Jun. 30 $	Mar. 31 $	Dec. 31 $	Sep. 30 $	Jun. 30 $	Mar. 31 $	Dec. 31 $
Revenues	-	-	-	-	-	-	-	-
(Loss) income and comprehensive (loss) income for the period	(434,876)	(1,347,526)	(9,487,206)	-	(69)	683,670	-	-
(Loss) earnings per Common Share Basic and Diluted[(1)]	(0.00)	(0.02)	(0.24)	N/A	(0.00)	0.04	N/A	N/A

(1) On January 31, 2019, the Company received approval from the TSX Venture Exchange and the Company's shareholders for the consolidation of the Company's issued and outstanding common shares on the basis of one and one half (1.5) pre-consolidation share for one (1) post-consolidation share. Comparative periods have been retroactively restated.

Liquidity and Capital Resources

As at September 30, 2019, the Company had cash of $464,594 and short-term investments of $2,500,000 to settle current liabilities of $206,737.

The Company does not currently have a recurring source of revenue, other than interest income on its short-term investments and has historically incurred negative cash flows from operating activities. As at September 30, 2019, the Company had working capital of $2,913,923 consisting primarily of cash and short-term investments. Although the Company presently has sufficient financial resources to cover its existing obligations and operating costs, the Company expects to require further funding in the longer term to fund is planned programs for the next year. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These items may cast a significant doubt on the company's ability to continue as a going concern.

The sources of funds currently available to the Company for its acquisition and exploration projects are solely due from equity financing.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

October 2019 Financing – Net Proceeds of $500,000

In October 2019, the Company completed a non-brokered private placement of 746,268 common shares at a price of $0.67 per common share for total proceeds of $500,000. The Company intends to use these proceeds for working capital purposes to fund ongoing operations.

Uses of Funds:	**Intended Use of Proceeds (Estimated) $**	**Actual Use of Proceeds $**	**Over/(Under)-Expenditure at September 30, 2019 $**
Working capital to fund ongoing operations	500,000	-	(500,000)
Total Uses	500,000	-	(500,000)

May 2019 Financing – Net Proceeds of $3,618,000

In May 2019, the Company completed a non-brokered private placement of 5,400,000 common shares at a price of $0.67 per common share for total proceeds of $3,618,000. The Company paid finder's fees of 270,000 common shares to certain finders in connection with the private placement financing. The Company intends to use these proceeds to continue advancement towards resource definition, completion of a Preliminary Economic Assessment and Phase II drill program.

Uses of Funds:	Intended Use of Proceeds (Estimated) $	Actual Use of Proceeds $	Over/(Under)-Expenditure at September 30, 2019 $
Acquisition, exploration and development	3,618,000	3,105,687	(512,313)
Total Uses	3,618,000	3,105,687	(512,313)

$3,105,687 was used towards the Company's Phase II drilling program which commenced in May of 2019 and was completed in the second quarter of fiscal year ended March 31, 2020.

Prior Financings

January 2019 Financing – Net Proceeds of $5,950,000

On January 31, 2019, the Company completed a non-brokered private placement financing of 17,000,000 subscription receipts at $0.35 per subscription receipt for gross proceeds of $5,950,000. Each subscription receipt automatically converted into one post-consolidation common share of the Company upon completion of the acquisition of Brownstone. The Company paid finder's fees of 514,942 post-consolidation common shares to certain finders in connection with the private placement financing.

A comparison of the use of proceeds disclosed in the Filing Statement dated January 28, 2019, to management's current estimate of the use of proceeds is as follows:

Uses of Funds:	Intended Use of Proceeds (Estimated) $	Actual Use of Proceeds $	Over/(Under)-Expenditure at September 30, 2019 $
Costs related to the Transaction	150,000	114,748	(35,252)
Property work program	2,151,350	2,151,350	-
Property payments, acquisition and maintenance costs	218,700	218,700	-
General and administrative expenses for the first 12 months	2,148,000	2,006,034	(141,966)
Working capital to fund ongoing operations	1,281,950	-	(1,281,950)
Total Uses	5,950,000	4,490,832	(1,459,168)

The Company incurred $1,092,687 on the Phase I 2019 property work program for the Iron Point Project, which included Phase I reverse circulation drilling and metallurgical testing. The 2019 Phase I work program activities was completed during the Company's second quarter. $1,058,663 was used towards the Company's Phase II drilling program which commenced in May of 2019 and was completed in the second quarter of fiscal year ended March 31, 2020. The Company has used $2,006,034 of the proceeds from the January 2019 financing for general and administrative expenditures primarily related to consulting, executive management and directors fees of $1,529,490 and advertising, professional fees, travel and transfer agent fees of $471,851.

Outstanding Share Data

During the six months ended September 30, 2019, the Company completed a non-brokered private placement of 5,400,000 common shares at a price of $0.67 per share for gross proceeds of $3,618,000. The Company also issued 270,000 common shares with a value of $180,900 to certain finders in connection with the private placement.

During the six months ended September 30, 2019, 560,000 stock options were granted to directors, officers and consultants with an exercise price of $0.63 and an expiry date of June 17, 2024.

Subsequent to September 30, 2019, the Company completed a non-brokered private placement of 746,268 common shares at a price of $0.67 per common share for gross proceeds of $500,000 which was received during the six months ended September 30, 2019.

As at September 30, 2019, there were 90,387,800 common shares issued and outstanding. As at the date of this report, there were 91,134,068 common shares issued and outstanding.

As at September 30, 2019 and the date of this report, there were 9,030,000 stock options and no warrants outstanding.

Related Party Transactions

Debt Forgiveness from New Found Gold Corp.

During the six months ended September 30, 2018, the Company received advances from New Found Gold Corp. ("New Found Gold") to fund exploration activities, including property staking. On June 8, 2018, New Found Gold undertook a series of transactions that transferred its 100% ownership in Brownstone to Casino Gold Corp. As a result, New Found Gold forgave $679,971 (US$529,734). These advances to Brownstone were not interest bearing, had no term of repayment and were due on notice from New Found Gold Corp.

During the six months ended September 30, 2019, advances from New Found Gold was $Nil.

Key Management Personnel Compensation

During the six months ended September 30, 2019, key management personnel compensation totaled $1,195,878 (September 30, 2018 - $Nil) comprised of management fees and bonuses of $955,380 paid to the Chief Financial Officer and companies controlled by the Company's Chief Executive Officer and Executive Chairman, $60,000 paid to directors and share-based compensation of $180,498 relating to 305,000 stock options granted to directors and officers of the Company.

Risks and Uncertainties

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of acquiring, exploring and evaluating vanadium properties. It is exposed to a number of risks and uncertainties that are common to other vanadium mining companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Mining Exploration and Development

Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. There is no assurance that any exploration activities of the Company will result in the development of an economically viable mine project.

The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of mining and processing equipment, government regulations, location of the orebody and its proximity to infrastructure such as roads and power, required metallurgical processes, regulatory permit requirements, prevailing metal prices, economic and financing conditions at the relevant time.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change.

The Company has never completed a mining development project and does not generate any revenues from production. The future development of properties found to be economically feasible will require the construction and operation of mines, processing plants and related infrastructure and the Company does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history. The development of the Iron Point Project will include the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including risks relating to the availability and cost of skilled labour, mining equipment, fuel, power, materials and other supplies; the ability to obtain all necessary governmental approvals and permits; potential opposition from non-governmental organizations, environmental groups or local residents; and the availability of funds to finance construction and development activities. Cost estimates may increase as more detailed engineering work is completed on a project. It is common for new mining operations to experience unexpected costs, problems and delays during construction, development, and mine start-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that its activities will result in profitable mining operations at its mineral properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which effect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Risks Associated with Vanadium Markets

Vanadium is not an exchange traded commodity and is sold directly to end users. The profitability of the Company's vanadium operations will be dependent upon the market price of vanadium. Vanadium prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices.

Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of vanadium has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations. Depending on the market price of vanadium, the Company may determine that it is not economically feasible to continue some or all of its operations or the development of some or all of its projects, as applicable, which could have an adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Regulatory Risks

Mining activities are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health and safety, water disposal, toxic substances, explosives, management of natural resources, environmental management and protection, mine safety, dealings with native groups, historic and cultural preservation and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, construction, operating and closing mines and other facilities. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations, requiring corrective measures or other remedial actions, any of which could result in the Company incurring significant expenditures. Changes to current laws, regulations and permits governing operations and activities of mining companies, including environmental laws and regulations or more stringent enforcement thereof, could have a material adverse impact on the Company and increase costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of new properties.

The Company may be subject to potential legal claims based on an infringement of applicable laws or regulations which, if determined adversely to the Company, could have a material effect on the Company or its financial condition or require the Company to compensate persons suffering loss or damage as a result of any such infringement.

Permitting Risks

There can be no assurance that all licenses, permits or property rights which the Company may require for any exploration or development of mining operations will be obtainable on reasonable terms or in a timely manner, or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties. Delays in obtaining or a failure to obtain such licenses, permits or property rights or extension thereto, challenges to the issuance of such licenses, permits or property rights, whether successful or unsuccessful, changes to the terms of such licenses, permits or property rights, or a failure to comply with the terms of any such licenses, permits or property rights that the Company has obtained, could have a material adverse effect on the Company by delaying or preventing or making more expensive exploration, development and/or production.

Environmental Risks and Hazards

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. Compliance with environmental regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Risks with Title to Mineral Properties

Title on mineral properties and mining rights involves certain risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyance history of many mining properties. Although the Company has, with the assistance of its legal advisors, diligently investigated and validated title to its mineral claims, there is no guarantee that the Company will not encounter challenges or loss of title to its assets. The Company does not carry title insurance. The Company is actively engaged in the process of seeking to strengthen the certainty of its title to its mineral concessions, which are held either directly or through its equity interest in its subsidiaries. The Company cannot give any assurance that title to properties it acquired individually or through historical share acquisitions will not be impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. Failure by the Company to retain title to properties which comprise its projects could have a material adverse effect on the Company and the value of its Common Shares.

Dependence on Iron Point Project

The Company's only material mineral property is the Iron Point Project. As a result, unless the Company acquires or develops any additional material properties or projects, any adverse developments affecting this project or the Company's rights to develop this property could materially adversely affect the Company's business, financial condition and results of operations.

Risks Associated with Potential Acquisitions

The Company may evaluate opportunities to acquire additional mining assets and businesses. These acquisitions may be material in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition targets, acquire them on acceptable terms and integrate their operations successfully with those of the Company. The Company may need additional capital to finance any such acquisitions.

Debt financing related to acquisition would expose the Company to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where the Company contemplates conducting exploration activities. The Company may be at a disadvantage in its efforts to acquire quality mining properties as it must compete with individuals and companies which in many cases have greater financial resources and larger technical staffs than the Company. Accordingly, there can be no assurance that the Company will be able to compete successfully for new mining properties.

Negative Operating Cash Flow

The Company is an exploration stage company and has not yet commenced commercial production on any property and, accordingly, has not generated cash flow from operations. The Company has a history of losses and there can be no assurance that it will ever be profitable. The Company expects to continue to incur losses unless and until such time as it commences profitable mining operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with any strategic partners, if any. There can be no assurance that the Company will ever generate revenues from operations or that any properties the Company may hereafter acquire or obtain an interest in will generate earnings, operate profitably or provide a return on investment in the future. There can be no assurance that the Company's cost assumptions will prove to be accurate, as costs will ultimately be determined by several factors that are beyond the Company's control. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it enters into commercial production.

Financing

Additional funding will be required to complete the proposed or future exploration and other programs on the Company's properties. There is no assurance that any such funds will be available. Failure to obtain additional financing, if required, on a timely basis, could cause the Company to reduce or delay its proposed operations. The majority of sources of funds currently available to the Company for its acquisition and exploration projects are in large portion derived from the issuance of equity. While the Company has been successful in the past in obtaining equity financing to undertake its currently planned exploration and development programs, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Personnel and Equipment

The ability to identify, negotiate and consummate transactions that will benefit the Company is dependent upon the efforts of the Company's management team. The loss of the services of any member of management could have a material adverse effect on the Company. The Company's future drilling activities may require significant investment in additional personnel and capital equipment. Given the current level of demand for equipment and experienced personnel within the mining industry, there can be no assurance that the Company will be able to acquire the necessary resources to successfully implement its business plan. The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled persons. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage its current needs and anticipated growth. The failure to attract such qualified personnel to manage growth effectively could have a material adverse effect on the Company's business, financial condition or results of operations.

Insurance

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions and other environmental occurrences may occur. It is not always possible to fully insure against such risks and, even where such insurance is available the Company may decide to not take out insurance against such risks. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company.

Currency Risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk. Certain of the Company's cash, amounts receivable and accounts payable and accrued liabilities are denominated in US dollars including mineral property obligations. Therefore, the US dollar amounts are subject to fluctuation against the Canadian dollar. The Company also has transactional currency exposures. Such exposures arise from purchases in currencies other than the respective functional currencies, typically in the US dollar. The Company maintains its accounts in Canadian dollars, while the market for vanadium is principally denominated in U.S. dollars.

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

Enforcement of Civil Liabilities

Certain of the Company's directors and certain of the experts named herein reside outside of Canada and, similarly, a majority of the assets of the Company are located outside of Canada. It may not be possible for investors to effect service of process within Canada upon the directors and experts not residing in Canada. It may also not be possible to enforce against the Company and certain of its directors and experts named herein judgements obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

Critical Accounting Policies and Estimates

The Company prepares its financial statements in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”).

The preparation of the condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

(i) Critical accounting estimates

- The valuation of share based payments. The fair value of common share purchase options granted is determined at the issue date using the black-Scholes pricing model. The fair value of common shares issued for finders fees are based on the closing price of the transaction those fees pertain to.

- The net carrying value of each exploration and evaluation asset is reviewed regularly for conditions that suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

(ii) Critical accounting judgments

- Presentation of the condensed consolidated interim financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

- The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary company, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

- Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. Management has determined that there were no indicators of impairment as at September 30, 2019.

Recently Issued Accounting Pronouncements

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods after the date of the accompanying audited consolidated financial statements.

IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16, Leases. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of a low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The mandatory effective date of IFRS 16 for the Company is for the annual period beginning on or after October 1, 2019. The Company has completed a preliminary assessment and determined there will be no material impact from adopting IFRS 16.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company does not have financial instruments that potentially subject the Company to credit risk. Overall the Company's credit risk has not changed significantly from the prior year. The Company places its cash and short-term investments with financial institutions with high credit ratings, the credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to fund exploration programs and may require doing so again in the future.

The Company has $206,737 in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuation include cash accounts and accounts payable and accrued liabilities denominated in US dollars. The sensitivity of the Company's net earnings and other comprehensive income to a change in the exchange rate between the United States dollar and the Canadian dollar at September 30, 2019 would change the company's net loss (income) by $14,666 as a result of a 10% change in the CAD dollar exchange rate relative to the US dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the Company deposits its short-term investments into fixed rate guaranteed investment certificates with one year maturities or less, the Company is not exposed to interest rate risk.

Price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly vanadium. Commodity prices, especially vanadium, greatly affect the value of the Company and the potential value of its property and investments.

Capital management

The Company's objectives when managing capital are:
- To safeguard our ability to continue as a going concern in order to develop and operate our current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing our capital structure, we include in our assessment the components of shareholders' equity. In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company's current capital resources are insufficient to carry out our exploration plans and support operations through the current operating period. The Company is dependent upon the ability to raise additional funding to meet its obligations and commitments.

The Company is not subject to any capital requirements imposed by any regulator.

There were no changes in the Company's approach to capital management during the six months ended September 30, 2019.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions as at the date of this report.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Outlook

The Company is focused on becoming a low-cost supplier for the vanadium industry. The Company has currently completed a Phase II drilling program to define a recourse, is completing metallurgical studies to identify a cost-effective extraction process and is seeking attractive and accretive acquisitions in the vanadium sector. Victory is leveraging the extensive track record of its management team in unlocking value of the Iron Point Vanadium project.

Additional information relating to the Company is available on SEDAR at www.sedar.com.