



## Victory Nickel Announces Rights Offering To Shareholders

**Toronto, June 25, 2009** – Victory Nickel Inc. (“Victory Nickel” or the “Company”) (TSX:NI) today announced the terms of a rights offering to existing shareholders to raise gross proceeds of up to approximately \$3.9 million (the “Offering”).

“We believe it is important to give our existing shareholders the opportunity to participate in the future success of Victory Nickel on a non-dilutive basis,” said Vice-Chairman and CEO René Galipeau. “This rights offering does just that, and will ensure that Victory Nickel remains financially strong and able to actively advance its projects during the current period of market uncertainty.”

The Company will be offering to eligible holders of its outstanding common shares (each, a “Common Share”) of record as at the close of business on July 9, 2009 (the “Record Date”) approximately 262 million rights (each, a “Right”) to subscribe for up to approximately 65.5 million units of the Company (each, a “Unit”) on the terms set forth in a rights offering circular (the “Circular”) to be mailed by the Company to shareholders (and which will also be available on SEDAR). Each such holder will receive one Right for each Common Share held on the Record Date. Four Rights will entitle the holder to purchase one Unit at a price of \$0.06. Each Unit is comprised of one Common Share and one half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant will entitle the holder to purchase one Common Share at a price of \$0.12 during the 12 month period beginning at 9:00 a.m. (Toronto time) on August 18, 2010 and ending at 4:00 p.m. (Toronto time) on August 18, 2011. The Rights will expire at 4:00 p.m. (Toronto time) on August 17, 2009. Shareholders who exercise all of their Rights will also be entitled to acquire additional shares pursuant to an additional subscription privilege to be provided for under the Offering, the terms of which are described in the Circular.

The Rights will be listed on the Toronto Stock Exchange (the “TSX”) on July 7, 2009, and the Common Shares underlying the Units will begin trading on an ex-rights basis on that date. The TSX has also approved the listing of the Common Shares issuable upon exercise of the Warrants.

The Rights and underlying Units are not being offered to, and the Rights may not be exercised by, persons who are residents of any jurisdiction other than each of the provinces and territories of Canada, the Bahamas or the Cayman Islands. Reference is made to the section in the Circular entitled “Ineligible Shareholders.”

Net proceeds of the Offering will be approximately \$3.6 million (excluding any potential proceeds from the exercise of the Warrants), assuming that all of the Rights are exercised. The Company intends to use the proceeds of the Offering towards advancing programs related to its four sulphide nickel projects: Minago, Mel and Lynn Lake in Manitoba and Lac Rocher in Quebec, and for general corporate purposes.

### **About Victory Nickel**

Victory Nickel Inc. is a Canadian company with four sulphide nickel deposits containing significant 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 Quebec, and by evaluating opportunities to expand its nickel asset base. Victory Nickel also owns approximately 9% of Wallbridge Mining Company Limited (TSX:WM) the third largest landholder in the Sudbury Basin.

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For further information, please visit the Company's website at [www.victorynickel.ca](http://www.victorynickel.ca). Should you wish to receive Company news via email, please email [catarina@chfir.com](mailto:catarina@chfir.com) and specify "Victory Nickel" in the subject line.

**Forward-Looking Information:** This news release contains forward-looking information. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding the mailing of the Circular to shareholders, the listing of the Rights and the Common Shares underlying the Units and the Warrants, the amount and use of the proceeds raised from the Offering, the Company's development plans and objectives, estimates and/or assumptions in respect of production, revenue, cash flow, costs, economic return, and net present value) 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: failure to successfully complete the maximum Offering; 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](http://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 (including that all of the Rights will be exercised under the Offering) 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.