

## **Victoria Gold Corp. Provides Update on Activities**

*June 23, 2010 – Toronto, ON - Victoria Gold Corp. (VIT.TSX-V) (“Victoria” or the “Company”)* provides an update on activities.

“Victoria has evolved considerably and continues to steadily add value to its key gold assets” said Chad Williams, President, CEO and Director. “Exploration drilling is in full operation at both the Santa Fe and Eagle Gold Projects plus design and permitting is advancing on schedule at the Cove Gold Project. The rest of 2010 promises to yield exciting results on many fronts especially since the bulk of the Company’s 2010 exploration expenditures are planned for the second half of the year. Victoria has approximately \$20 million in cash.”

### **Cove Gold Project, Nevada**

On Mar. 22, 2010, Victoria filed a National Instrument (“NI 43-101”) Preliminary Assessment (“Cove PA”) regarding the Cove Gold Project in Nevada demonstrating that the Helen Zone has positive economics as evidenced by a robust internal rate of return of 48% at a gold price of US\$900/oz. or 75% at US\$1,100/oz. (details of the Cove PA are summarized in a press release dated Feb. 4<sup>th</sup>, 2010). Management is of the view that the Helen Zone’s exploration potential remains excellent. The Cove property hosts 13 other drill-ready exploration targets.

Victoria has completed all work commitments required to earn a 100% interest in the project from Newmont USA Limited, a subsidiary of Newmont Mining Corporation (NEM-NYSE; “Newmont”). Newmont has a right to earn-in to the project for a 51% interest in exchange for a contribution to the property by Newmont equal to 2.5 times the amount spent on the property by Victoria up to the time of the earn-in decision. An earn-in decision by Newmont is required to

be made within 90 days (“90 Day Decision Period”) following the delivery by Victoria of a detailed report (the “Earn-In Report”) that recommends the development of a mine based on certain prescribed criteria including a minimum resource of 500,000 ounces of gold. If Newmont decides not to earn-in, Victoria would keep a 100% interest in the property, but would have to pay US\$1.5 million cash and be subject to a maximum royalty of up to 5% at Cove, both payable to Newmont.

Victoria provided Newmont with a copy of the Cove PA as the Earn-In Report. Newmont has informed Victoria that the Cove PA did not fulfill the requirements of the Earn-In Report and thus the 90 Day Decision Period was not triggered.

Victoria will keep advancing Cove as operator toward production in a timely manner. The Company maintains its 100% stake in Cove and control of the advancement of the project. The amount that Newmont will have to pay to earn-in will continue to increase by 2.5 times the amount spent by Victoria on the property. Victoria has spent approximately \$13 million at Cove to date.

Current work is focused on the design and permitting of an adit (tunnel) into the Helen Zone for Stage 1 of the mine development process. Permitting of the adit remains on schedule for construction to commence in early 2011.

### **Eagle Gold Project, Yukon**

Exploration drilling re-started recently at Eagle after the winter break. Two core drills are currently evaluating the extent of mineralization approximately 500 m west of the existing main Eagle orebody. If successful, this could represent a roughly 25% extension to the known strike length of the Eagle resource.

The Olive and Shamrock targets, located within trucking distance of the Eagle deposit, will then be drilled in an attempt to define new zones of gold

mineralization that could be incorporated into an expanded mine production scenario.

Victoria will be spending about \$5 million in exploration at Eagle in 2010, which is the largest amount ever spent on this property in a field season.

The summer work program at Eagle also includes environmental baseline data collection and geotechnical and condemnation drilling. A feasibility study on the Eagle deposit, following the pre-feasibility study released on Mar. 9, 2010 will be started in Q4, 2010. Community relations continue to advance in a positive manner.

### **Santa Fe Gold Project, Nevada**

Drilling of core hole BH-7 is almost complete. The purpose of BH-7 is to better define the orientation of gold mineralized structures so that future drill holes will be optimally located. A plan showing the location of BH-7 can be found at [www.vitgoldcorp.com](http://www.vitgoldcorp.com). BH-7 is the first hole in the Phase 2 drill program at Santa Fe. About \$4 million will be spent by Victoria at Santa Fe for the balance of 2010. The objective at Santa Fe is the potential definition of a large Carlin-type disseminated gold system that may contain higher-grade gold zones.

Victoria remains excited about the exploration potential at Santa Fe where the Company released positive drill results over the past few months including 309 m grading 2.25 g/t gold and 154 m grading 3.94 g/t gold.

### **Nevada Staffing**

After a period of distinguished service with Victoria, Raul Madrid, Ph. D, has decided to step down from his full-time duties as VP, Exploration. However, Dr.

Madrid will continue to provide assistance on matters relating to Victoria's gold exploration.

Marcus Johnston, Ph. D., a Victoria geologic team member since 2004, has been promoted to Manager, Nevada Exploration. Dr. Johnston was employed as a geologist at Newmont before joining Victoria. He completed his Ph. D. at the Ralph J. Roberts Center for Research in Economic Geology at the University of Nevada, Reno, in 2003. The focus of his Doctoral thesis was the Cove mine.

"We look forward to Dr. Johnston's positive impact as the new exploration leader in Nevada", said Chad Williams, "He and the rest of the Reno-based team have been instrumental in Victoria's gold exploration successes including generating the recent promising Santa Fe results".

#### About Cove

Mineral resources that are not mineral reserves do not have demonstrated economic viability.

#### About Dublin Gulch

The Dublin Gulch property contains the Eagle Gold Deposit which hosts a National Instrument 43-101 compliant Probable Reserve of 1,751,000 ounces of gold contained in 66,141,000 tonnes of ore grading 0.823 g/t calculated using a gold price of \$900/oz. On Mar. 9, 2010 Victoria released the results of an independent pre-feasibility study demonstrating robust economics at Eagle under an open-pit mining scenario at that same gold price with average annual gold production of roughly 170,000 ounces at a total cash cost of under US\$500/oz. The Dublin Gulch property is road accessible year-round and is situated in the Mayo Mining District of Yukon Territory, Canada. Dublin Gulch is 100% owned by Victoria and covers an area of 34,576 hectares.

#### About Santa Fe

Victoria has the right to earn from Homestake Mining Company of California ("Homestake"), an indirect subsidiary of Barrick Gold Corporation (ABX-TSX, ABX-NYSE), up to a 70% interest in the Santa Fe gold property, which comprises 24 patented claims and 226 unpatented claims, by incurring exploration expenses in an aggregate amount of US\$6.5 million over a six-year period. Victoria has also staked 42 unpatented claims within the Area of Interest for the Santa Fe project. Homestake does not have a back-in right with respect to the Santa Fe project.

### About Victoria

Victoria is a high-growth gold company with a focus on adding value per share through efficient exploration, project development, and accretive acquisitions. Maintaining a low risk profile through project diversification, sound financial management, and operating in secure jurisdictions are key priorities for Victoria's management team.

### Qualified Person

Chad Williams, P. Eng, the President and Chief Executive Officer of the Company, is the Qualified Person under NI 43-101 responsible for reviewing and approving the technical information contained in this news release.

### *Cautionary Language and Forward-Looking Statements*

*Neither the TSX Venture Exchange, nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release. This press release includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future exploration drilling, exploration activities, anticipated metal production, internal rate of return, estimated ore grades, commencement of production estimates and projected exploration and capital expenditures (including costs and other estimates upon which such projections are based)*

*and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include metal prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Accordingly, readers should not place undue reliance on forward-looking statements.*

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For Further Information Contact:

Chad Williams

President & CEO

Victoria Gold Corp.

Tel: 416-866-8800 ext 230

[cwilliams@vitgoldcorp.com](mailto:cwilliams@vitgoldcorp.com)