

POSITIVE FEASIBILITY STUDY OUTLINES ANNUAL GOLD PRODUCTION OF 200,000 OUNCES AT VICTORIA'S EAGLE GOLD PROJECT, YUKON

February 22, 2012 – Victoria Gold Corp. (TSX-V: VIT) (“Victoria” or the “Company”) is pleased to announce the results of a National Instrument 43-101 definitive feasibility study for its 100% owned Eagle Gold Project located on the Dublin Gulch Property, Yukon. A conference call will be held on Thursday February 23, 2012 at 9:00am Eastern Time (see details below).

“Completion of this definitive feasibility study is a significant milestone for development of the Eagle Gold Project” stated John McConnell, President & CEO, “the project is economically robust and, with several years of 200,000 ounces per year of gold production at an operating cost less than US\$600 per ounce, we are well on our way to creating a mid-tier gold company”.

The feasibility study was prepared under the direction of Tetra Tech, Inc. (“Tetra Tech”), an industry leading, international engineering firm, supported by a globally recognized feasibility study team, all of whom are independent of the Company, including:

- Merit Consultants International Inc. (“Merit”), responsible for the capital cost estimate (“CCE”) and construction and project execution activities;
- SRK Consulting (U.S.) Inc (“SRK”), responsible for the in-pit Mineral Resource;
- BGC Engineering (“BGC”), responsible for geotechnical engineering pertaining to on-site infrastructure, waste rock storage area and pit slopes;
- Kappes, Cassidy & Associates (“KCA”), responsible for metallurgy; and
- Knight Piesold, responsible for water management.

The feasibility study builds upon the pre-feasibility study completed by Scott Wilson RPA (see news release dated, March 9, 2010) and confirms the technical and financial viability of constructing and operating a 29,500 tonne/day (“tpd”) open-pit gold mine including a three-stage crushing circuit, in-valley heap leach and an adsorption desorption gold recovery plant (“ADR plant”) operation at Eagle.

Highlights of the Feasibility Study (all amounts in Canadian dollars unless otherwise stated)	
Probable Gold Reserves (oz)	2,300,768
Average annual gold production (oz, first 5 years)	212,000
Average annualized gold production (oz, LOM)	192,000
Initial capital expenditure	\$382,799,000
Capitalized pre-stripping for mining operations	\$16,941,000
Operating costs (\$ per tonne processed, first 5 years)	\$11.95
Operating costs (\$ per tonne processed, LOM)	\$12.21
Operating cost per ounce (\$US/oz, first 5 years)	\$542

First production is targeted for Q4 2014 following a two year construction phase beginning in 2012. Probable Mineral Reserves of 91.6 million tonnes of ore grading 0.78 grams per tonne (g/t) result in 2.3 million contained ounces of gold. Life of mine ("LOM") payable gold production is 1.7 million ounces. Initial capital costs are estimated to be \$382.8 million including contingency, excluding working capital of \$31.2 million and pre-stripping of \$16.9 million.

In-Pit Mineral Resources

SRK estimated an in-pit gold Resource for the purpose of mine planning using Inverse Distance Squared at a cut-off grade of 0.2 g/t constrained within a US\$1,500/oz pit optimization shell. A total of 22,439 assay intervals with gold assays in 183 drill holes were used to define a wireframe with assays capped at 13.0 g/t Au. The capped gold assays were composited into 3 m intervals from the top of the drillhole with breaks at the wireframe boundary. Composite intervals less than 0.5 m in length were added to the composite immediately above. A block model with a cell size of 15 m x 15 m x 7.5 m was used for the grade estimation.

Mineral Reserves

Probable Mineral Reserves are the economically minable portions of the Indicated in-pit Mineral Resources as demonstrated by this feasibility study.

Eagle Mineral Reserves			
Classification	Ore (000's tonnes)	Gold (g/t)	Contained Gold (oz)
Proven	0	0	0
Probable	91,594	0.78	2,300,768
Proven & Probable	91,594	0.78	2,300,768

Mining

Eagle is an open pit mine and will operate as a drill, blast, shovel and haul operation with a nominal rate of 29,500 tpd ore and mine life of 9 years. Ore will be hauled to the first stage crushing unit located toward the north east side of the pit. Total ore to be mined and processed is 91.6 million tonnes grading 0.78 g/t for a total contained 2.3 million ounces gold. Grades are significantly higher in the initial 3 years and include 21.6 million tonnes of ore grading 0.94 g/t, significantly accelerating cash flows in the first few years of operations.

Waste rock will be hauled to one of two waste rock storage areas immediately to the south and north of the open pit respectively. Waste rock storage will be managed to allow for future pit expansion. The ratio of waste to ore is favourable at 1.45 to 1 and total waste material is 132.4 million tonnes.

Processing

Ore will be hauled from the open-pit to the primary crusher at a nominal rate of 29,500 tpd. Following the primary crusher, the ore will be conveyed through a secondary and tertiary crushing circuit to a final crush size of 6.3 mm and conveyed to an in-valley heap leach pad. Ore will be stacked in 10m lifts using grasshopper conveyors and leached for 150 days. The pregnant solution, laden with gold once leaching is complete, will be pumped to an ADR plant where gold will be stripped from the solution and poured into doré bars. Life of mine recovery is estimated at 72.6% with significantly higher recovery in the initial three years as a result of greater oxidation of ore in the upper portion of the pit.

Infrastructure

The project is well supported by local infrastructure. Eagle is accessed via an existing year round road connecting to the Silver Trail Highway. Grid power currently runs along the highway and Victoria has a letter of intent in place with the Yukon Energy Corp to support grid power via a spur line to be constructed along the existing access road. A sizable gravel airstrip is located in Mayo approximately 85km by road from the project site. An existing construction ready 100-person camp is currently operational at site. All mine site infrastructure to be built for Eagle is located within a few kilometers of the open pit.

Capital Costs

The initial capital cost for Eagle is estimated (in Q1 2012 dollars) at CAD\$382.8 million with an accuracy of 15%, includes contingency of \$38.2 million and excludes \$16.9 million in pre-stripping for mining operations. The contingency allowance was calculated

based on assessed risk factors for each of the major capital cost categories. Direct costs include the mining fleet, crushers, heap leach, processing plant, power, water management systems, infrastructure, communications and temporary construction camp. Indirect costs include initial fills, spares, commissioning and start-up, engineering and procurement, construction management and freight and logistics.

Life of mine sustaining capital costs are estimated at \$132.9 million and closure costs (net of salvage value) are \$64.2 million.

Initial Capital Cost Estimate

Initial Capital Cost Estimate (all amounts in Canadian dollars unless otherwise stated)	
Mining	\$ 36,266,000
Site General	\$ 33,522,000
Process	\$ 96,399,000
Ancillaries	\$ 21,153,000
Power Supply & Distribution	\$ 11,113,000
Water Management	\$ 5,085,000
Heap Leach Pad	\$ 63,833,000
Owner's Costs	\$ 8,913,000
Indirect Costs	\$ 68,277,000
Contingency	\$ 38,238,000
Total Directs, Indirects, Owner's Costs, and Contingency	\$ 382,799,000

- excluding \$16.9 million pre-stripping for mining operations

Operating Costs

LOM site operating costs, are CAD\$12.21 per tonne processed, as summarized below:

Year	Tonnes Leached (000's)	Average Grade (g/t Au)	Gold Produced (oz)	Cost (\$CAD per tonne leached)	Operating Cost (\$USD per oz)
2014	1,284	0.89	23,719	\$ 12.64	\$ 629
2015	9,720	0.93	207,132	\$ 12.84	\$ 554
2016	10,607	0.96	233,119	\$ 11.28	\$ 472
2017	10,544	0.89	215,040	\$ 11.63	\$ 525
2018	10,589	0.80	201,180	\$ 11.92	\$ 577
2019	10,634	0.78	202,216	\$ 12.08	\$ 584
2020	10,647	0.78	190,141	\$ 11.34	\$ 584
2021	10,654	0.63	153,346	\$ 11.47	\$ 733
2022	10,302	0.59	136,377	\$ 11.71	\$ 814
2023	6,613	0.58	88,558	\$ 11.41	\$ 784
2024			17,924		
2025			3,745		
Total or Average	91,594	0.78	1,672,496	\$ 12.21	\$ 615

Financial Analysis

Base case: consensus based long-term gold price US\$1,325/ounce gold and US\$/CAD\$ exchange rate of \$0.92:

- Net Present Value (NPV) at 5% is **\$380.8 million**, pre-tax
- NPV at 8% is **\$273.1 million**, pre-tax
- Internal Rate of Return (IRR) is **24.1%**
- Payback is **3.1 years**

Gold Price (\$USD)	FOREX (CAD/US)	PRE-TAX IRR (%)	PRE-TAX NPV, 5%, (CAD M\$)	Pay Back (yrs)
1,200	0.92	17.2%	224	3.7
1,325	0.92	24.1%	381	3.1
1,400	0.92	27.8%	475	2.8
1,600	0.92	36.9%	726	2.3
1,800	0.92	45.1%	976	1.9
2,000	0.92	52.8%	1,227	1.7

Aspects Not Included in This Study

There are numerous initiatives currently underway which may further enhance project economics, including:

- undertaking an expansion study – SRK has been engaged to look at the possibility of expanding the Eagle Gold project to a second heap leach pad and, if viable, increase throughput to run two pads concurrently;
- undertaking an equipment trade-off study to investigate used equipment and equipment leasing arrangements;
- conversion of Inferred Mineral Resources to Indicated Mineral Resources, particularly at depth, to increase reserve potential and decrease waste;
- increase recovery potential of ore in weathered sediments through further metallurgical testing;
- further refinement of water management and water treatment to reduce potential closure costs; and
- further investigation of process stacking plan and leach solution application to accelerate gold recovery.

Permitting

Permitting of Eagle remains on track and we anticipate completing the environmental assessment process and receiving a Quartz Mining License to allow for non-water related construction in the second half of 2012. Receipt of a Water License is expected in 2013.

Development Schedule

Construction of the Eagle Gold Project is anticipated to begin in the second half of 2012 and finish in late 2014 with initial production also beginning late 2014. We believe there are opportunities to further improve the schedule and will be examining this in greater detail in advance of project construction.

Conference Call Details

A conference call to discuss these matters will be held at 09:00 am EST on February 23, 2012. Investors are invited to participate by connecting to the call using the following dial-in number:

Participant dial-in numbers: 416-695-7806 / 888-789-9572

Participant pass code: 5136770

A replay of the conference call will be available until March 1, 2012 by calling 905-694-9451 / 800-408-3053 and entering pass code 6256287. An mp3 will also be available for download on our website.

About Eagle

Victoria's 100% owned Dublin Gulch gold property is situated in central Yukon Territory, Canada, approximately 375 kilometers north of the capital city of Whitehorse, and approximately 40 kilometers from the town of Mayo. The property is accessible by road year round, and is located within Yukon Energy's electrical grid. The Company has constructed a 100 person all season camp at the project site.

The property covers an area of approximately 650 square kilometers, and is the site of the Company's Eagle Gold Deposit, which has been estimated to host a NI 43-101 Compliant Mineral Resource of 222 million tonnes averaging 0.68 grams of gold per tonne, containing 4.86 million ounces of gold in the "Indicated" category, inclusive of Probable Reserves, and a further 78 million tonnes averaging 0.60 grams of gold per tonne, containing 1.49 million ounces of gold in the "Inferred" category.

About Victoria

Victoria is a high growth gold company with a focus on adding value per share through efficient exploration, project development, accretive acquisitions and effective marketing. 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 Persons

In December 2010, Victoria commissioned Tetra Tech to complete the Eagle Gold Project feasibility study in accordance with NI 43-101. The initial and sustaining capital costs estimates for the Eagle Gold Project in the feasibility study were compiled and reviewed by Merit under the direction of Jay Collins, P.Eng. The scientific and technical information in this release has been reviewed and approved by Dr. Peter Guest, P.Eng., Director Engineering for Tetra Tech, and overall manager for the feasibility study. Both Mr. Collins and Dr. Guest are Independent Qualified Persons within the meaning of NI 43-101.

This release was also reviewed by Rich Eliason, Acting VP, Exploration, of Victoria. Mr. Eliason is a Non-independent Qualified Person within the meaning of NI 43-101.

Readers should refer to the feasibility study Technical Report for further details of the project development. The feasibility study Technical Report will be filed in accordance with NI 43-101 on SEDAR (www.sedar.com) within the required 45 day statutory period and on the Company's website www.vitgoldcorp.com.

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.

For Further Information Contact:

John McConnell
President & CEO
Victoria Gold Corp.
Tel: 416-866-8800
Fax: 416-866-8801
www.vitgoldcorp.com

Marty Rendall
CFO
Victoria Gold Corp.
Tel: 416-866-8800
Fax: 416-866-8801
www.vitgoldcorp.com