Comprehensive Metallurgical Study Confirms Improved Recoveries, Ability to Produce High-Grade Nickel Concentrate at Victory Nickel’s Minago Deposit

Toronto, July 3, 2008 - Victory Nickel Inc. ("Victory Nickel" or the "Company") (TSX: Ni, www.victorynickel.ca) today announced that the most recent comprehensive metallurgical study of composite samples from the Minago nickel deposit in Manitoba’s Thompson Nickel Belt confirms that a high-grade nickel concentrate can be produced, achieving an increased total nickel recovery of 58.2%, using conventional milling and flotation. With these final confirmatory tests now complete, the Company intends to aggressively move forward with completion of the definitive feasibility study this year and development of the Minago mine beginning in 2009.

The metallurgical report prepared by Wardrop Engineering Inc. ("Wardrop") as part of the ongoing Minago Definitive Feasibility Study is based on testing that began at SGS Lakefield ("SGS") in March, 2007. Samples came from four metallurgical drill holes (979 drill core intervals with a total weight of 4,331 kg) completed in early 2007. Locked cycle tests on material from the open pit portion of the deposit produced a nickel concentrate containing 22.23% nickel with an average total nickel recovery of 58.2%. MgO content was 10.43%. Grindability testing indicates intermediate hardness, with a median Rod Mill Work Index of 9.6 kWh/t and a median Ball Mill Work Index of 14.9 kWh/t.

"Given an average open pit grade of 0.52% nickel, it is vital to fully understand the metallurgy at Minago. These results are the culmination of an exceptionally comprehensive metallurgical study undertaken over the past several years, and as expected we have now verified the positive metallurgy at Minago that was identified in prior rounds of testing and reported most recently in the November, 2006 Preliminary Economic Assessment," said President and COO Steve Harapiak. "Confirmation that Minago can produce an exceptionally high-grade nickel concentrate using conventional processing and that overall total nickel recovery has increased from the 57% reported in the PEA is great news, and we are actively moving forward with all the elements necessary to begin mining nickel at Minago in late 2010.”

The metallurgical testing was done by SGS Mineral Services (Lakefield) ("SGS"). Victory Nickel’s Qualified Person (QP) for these metallurgical programs under the NI 43-101 guidelines is Dr. Wm. Gordon (Gord) Bacon. Dr. Bacon, P.Eng., has reviewed and approved the contents of this news release. The QP at Wardrop is Dr. Hai Guo, P.Eng.

About Victory Nickel
Victory Nickel Inc. is a Canadian company with over 660,000,000 pounds of in-situ nickel in National Instrument 43-101-compliant measured (154,000,000 pounds (11.2 million tonnes@0.63%Ni)) and indicated (511,000,000 pounds (43.4 million tonnes@0.50%Ni)) resources in three sulphide nickel projects: Minago and Mel on Manitoba’s Thompson nickel belt, and the high-grade Lac Rocher deposit in northwestern Quebec, and an additional 530 million pounds of in-situ nickel in inferred resources (45.1 million tonnes@0.53%Ni). Created from the nickel assets of Nuinsco Resources Limited (TSX: NWL), Victory Nickel is well financed and focused on becoming a substantial nickel producer by developing its existing properties and evaluating opportunities to expand its nickel asset base.

For further information, please visit our website at www.victorynickel.ca, or contact: René Galipeau, Steve Harapiak or Sean Stokes, (416) 626-0470, admin@victorynickel.ca

FORWARD-LOOKING STATEMENTS: This news release contains certain "forward-looking statements." All statements, other than statements of historical fact, that address activities, events or developments that Victory Nickel believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "would," or "might" occur or be achieved and other similar expressions. These forward-looking statements reflect the current expectations or beliefs of Victory Nickel based on information currently available to Victory Nickel. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of Victory Nickel to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from current expectations include, among other things, failure to successfully complete financings, capital and other costs varying significantly from estimates, production rates varying from estimates, changes in灼灼"" costs of financing needed in the future, equipment failure, unexpected geological conditions, epidemics, changes in the price of nickel, the ability to raise sufficient capital, changes in equity markets, uncertainties relating to the availability and costs of financing needed in the future, equipment failure, unexpected geological conditions, imprecision in resource estimates, success of future development initiatives, competitive, operating performance of facilities, environmental and safety risks, delays in obtaining or failure to obtain necessary permits and approvals from government authorities, and other development and operating risks. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Victory Nickel disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although Victory Nickel believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.