VICTORIA GOLD CORP
TSX | VGCX

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

As at and for the year ended December 31, 2020

DATED: March 23, 2021

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VICTORIA GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis has been prepared as at March 23, 2021 and contains certain "Forward-Looking Statements" within the meaning of the Canadian Securities laws. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding potential mineralization, mineral resources and mineral reserves, exploration results and future plans and objectives of Victoria Gold Corp. (the "Company" or "Victoria") are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The following management's discussion and analysis ("MD&A") of the operating results and financial position of the Company should be read in conjunction with the accompanying audited consolidated financial statements and the notes thereto of the Company for the year ended December 31, 2020 and the ten month period ended December 31, 2019. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and all amounts are expressed in Canadian dollars, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

Certain of the information and statements in this MD&A are considered "forward-looking information" or "forward-looking statements" as those terms are defined under Canadian securities laws (collectively referred to as "forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements and information involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. Victoria believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this MD&A, and the Company will not necessarily update this information, unless required to do so by securities laws.

Victoria's actual results could differ materially from those anticipated. Management has identified the following risk factors which could have a material impact on the Company or the trading price of its shares: risks relating to the impacts of the pandemic virus outbreak; risks associated with the Company's community relationships; risks related to financing requirements; failure by the Company to maintain its obligations under its debt facilities; operating risks; risks related to production estimates; risks related to Victoria's compliance with environmental laws and liability for environmental contamination; volatility in the price of gold; shortages of critical supplies; lack of availability of infrastructure; deficient or vulnerable title to mining concessions; easements and surface rights; risks related to the Company's workforce and its labour relations; inherent safety hazards and risk to the health and safety of the Company's employees and contractors; risks related to the Company's ability to obtain, maintain or renew regulatory approvals, permits and licenses; the imprecision of mineral reserve and resource estimates; key talent recruitment and retention of key personnel; volatility in the market price of the Company's shares; the potential influence of the Company's largest shareholders; measures to protect endangered species and critical habitats; the cost of non-compliance and compliance costs; exploration and development risks; the Company's reliance on one project; risks related to illegal mining; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; the adequacy of the Company's insurance; uncertainty as to reclamation and decommissioning; the ability of Victoria to ensure compliance with anti-bribery and anti-corruption laws; the uncertainty regarding risks posed by climate change; the potential for litigation; limits of disclosure and internal controls; security risks to the Company; its assets and its personnel; conflicts of interest; the risk that the Company will not declare dividends; and social media and the Company's reputation.

This report discloses certain information including "Total Cash Costs" and "All in Sustaining Costs" that are not part of IFRS or Canadian GAAP. This information may not be comparable to data reported by other issuers. See "Non-IFRS Performance Measures" in this MD&A for a reconciliation of this information to our financial results.

There can be no assurance that such statements will prove to be accurate, as Victoria's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed under the heading "Risk Factors" in the AIF available at www.sedar.com.

COMPANY OVERVIEW

Victoria is a gold mining company whose flagship asset is its 100% owned Dublin Gulch property which hosts the Eagle and Olive-Shamrock Gold deposits. Dublin Gulch is situated in central Yukon, Canada, approximately 375 kilometers north of the capital city of Whitehorse. The property covers an area of approximately 555 square kilometers, is accessible by road year-round and is fully powered directly from the Yukon energy grid.

HIGHLIGHTS

Operational highlights

- **Achieved commercial production** at Eagle Gold Mine on July 1, 2020
- **Mine production** in the fourth quarter was 2.2 million tonnes of ore. Mine production for the twelve months was 7.5 million tonnes of ore.
- **Ore stacked** on the heap leach pad in the fourth quarter was 2.3 million tonnes at an average grade of 0.81 grams per tonne (g/t). Ore stacked for the twelve months, was 7.3 million tonnes at an average grade of 0.84 grams per tonne (g/t).
- **Gold production** was 42,436 ounces in the fourth quarter. Gold production for the twelve months was 116,644 ounces.

Financial highlights for the 2020 period

- **Gold sold** in the fourth quarter was 40,023 ounces, at an average realized price[1] of $2,453 (US$1,883) per oz. Gold sold since declaring commercial production on July 1, 2020, was 72,052 ounces, at an average realized price[1] of $2,480 (US$1,882) per oz.
- Recognized **revenue** of $98.2 million based on sales of 40,023 ounces of gold in the fourth quarter. Recognized annual revenue of $178.7 million based on sales of 72,052 ounces of gold.
- **Operating earnings** were $39.8 million for the fourth quarter. Annual operating earnings were $66.9 million.
- Cash costs[1] of $1,013 (US$777) per oz and all-in sustaining costs ("AISC")[1] of $1,459 (US$1,120) per oz of gold sold for the fourth quarter. Cash costs[1] of $1,039 (US$788) per oz and all-in sustaining costs ("AISC")[1] of $1,589 (US$1,206) per oz of gold sold since achieving commercial production.
- Free cash flow[1] of $20.6 million or $0.33 per share[1] in the fourth quarter. Free cash flow[1] of $48.0 million or $0.78 per share[1] since achieving commercial production.
- Cash and cash equivalents of $56.1 million at December 31, 2020 after repaying $39.8 million of principal payments against the Company's debt facilities, which were refinanced in the fourth quarter for the year ended December 31, 2020.

Corporate highlights (since January 1, 2020)

Change in financial year-end – In 2019, the Company changed its fiscal year end to December 31, from its previous fiscal year end of February 28. Consequently, the Company has now reverted to a customary quarterly reporting calendar based on a December 31 financial year end, with fiscal quarters ending on the last day in March, June, September, and December each year. In this MD&A, references to Q4 2020 relate to the three and twelve month year ended December 31, 2020. For comparative purposes, the results for Q4 2020 have been compared to the four and ten month period ended December 31, 2019.

On February 18, 2020, the Company announced that it had received final approval from the TSX for the graduation of its listing from the TSX Venture Exchange ("TSXV") to the Toronto Stock Exchange ("TSX"). The common shares of the Company began trading on the TSX, under the new symbol "VGCX" on February 19, 2020.

On May 14, 2020, the Company was proud, on behalf of its employees and contractors, to announce a donation of $100,000 to the Food Bank Society of Whitehorse, which provides emergency food and food hampers to Yukoners in need. During the ongoing COVID-19 pandemic, Victoria's support is helping to enable the Society, in partnership with several not-for-profit community organizations and Yukon First Nations governments, to continue to provide food hampers to Yukon communities on a regular basis and implement a regular meal program seven days a week in Whitehorse, which includes the provision of lunch and dinner. The donation allows the Society to increase food hamper sizes and distribution to Yukon communities, which will also benefit all citizens of the Village of Mayo and Keno City.

On August 19, 2020, the Company announced the results of its Annual General and Special Meeting of Shareholders held on August 19, 2020 in Toronto. All eight individuals nominated as directors were approved. The new Board of Directors consists of T. Sean Harvey, Chairman, John McConnell, Michael McInnis, Christopher Hill, Sean Roosen, Letha MacLachlan Q.C, Joseph Ovsenek and Stephen Scott. Shareholders also voted in favour of appointing PricewaterhouseCoopers LLP as auditor of the Company for the ensuing year and approving the Omnibus Incentive Plan.

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[1] Refer to "Non-IFRS Performance Measures" section.

REVIEW OF OPERATING RESULTS

		Three month period ended December 31, 2020	Year ended December 31, 2020[1]
Operating data			
Ore mined	Tonnes	2,247,243	7,529,181
Waste mined	Tonnes	3,084,892	12,370,280
Total mined	Tonnes	5,332,135	19,899,461
Strip ratio	(waste to ore)	1.37	1.64
Mining rate (total material mined)	Tonnes/day	57,997	54,369
Ore stacked on pad	Tonnes	2,316,522	7,271,334
Ore stacked grade	g/t Au	0.81	0.84
Throughput (stacked)	Tonnes/day	25,174	19,866
Gold ounces produced	ounces	42,436	116,644
Gold ounces sold	ounces	40,023	102,551
Financial data			
Revenue[3]	$	98,221,599	178,747,827
Gross profit	$	43,159,771	76,315,208
Net income	$	54,851,137	14,891,909
EBITDA[2]	$	80,785,792	65,534,196
Cash and cash equivalents	$	56,136,314	56,136,314
Long-term debt	$	209,660,142	209,660,142
		Three month period ended December 31, 2020	**Six month period ended December 31, 2020**
Average realized price[2]	$/oz.	2,453	2,480
Cash costs[2]	$/oz.	1,013	1,039
AISC[2]	$/oz.	1,459	1,589
Average 1 US$ → C$ exchange rates	$	1.3030	1.3176
Sales & Cost Metrics (in US$):			
Average realized price[2]	US$/oz.	1,883	1,882
Cash costs[2]	US$/oz.	777	788
AISC[2]	US$/oz.	1,120	1,206

(1) Eagle Gold Mine achieved commercial production effective July 1, 2020. As such, only revenue and related cost of goods sold from this date are recognized in the Company's consolidated statements of income (loss) and comprehensive income (loss) for the year ended December 31, 2020 and in this table. Gold sales and related costs prior to that date were capitalized to mineral properties.
(2) Refer to the "Non-IFRS Performance Measures" section.
(3) Revenue includes immaterial amounts from the sale of by-product silver.

<u>H2 Results vs. Revised H2 2020 Guidance</u>

		H2 2020 Guidance	H2 2020 Results	H2 Achievement
Gold production	ounces	72,000 - 77,000	77,748 oz	Exceeded target
AISC	US$/oz sold	$1,175 - $1,275	$1,206/oz	Met AISC target

Operations Discussion

Note that the disclosure of operating results and supporting discussion in this MD&A does not present comparative statistics for the prior year as Eagle Gold Mine achieved commercial production effective July 1, 2020.

Gold production and sales

During the three months ended December 31, 2020, the Eagle Gold Mine produced 42,436 ounces of gold. During the three months ended December 31, 2020, the Company sold 40,023 ounces of gold.

During the year ended December 31, 2020 the Eagle Gold Mine produced 116,644 ounces of gold. Gold sales during the year ended December 31, 2020 were 102,551 ounces.

Mining

During the three months ended December 31, 2020, a total of 2.2 million tonnes of ore were mined, at a strip ratio of 1.4:1 with a total of 5.3 million tonnes of material mined.

During the year ended December 31, 2020, a total of 7.5 million tonnes of ore were mined, at a strip ratio of 1.6:1 with a total of 19.9 million tonnes of material mined.

Mining and processing activities continued to ramp up toward full production during the fourth quarter of 2020. Total tonnes mined were 19% lower in Q4 versus Q3 as a result of reduced waste mining. Waste mining was lower in Q4 as considerable waste mining was advanced in Q3 and ore mined increased by 7% quarter over quarter.

Processing

During the three months ended December 31, 2020, a total of 2.3 million tonnes of ore was stacked on the heap leach pad at an average head grade of 0.81 g/t Au. The throughput rate was 25.2 k tonnes per day.

A total of 7.3 million tonnes of ore was processed during the year ended December 31, 2020, at an average head grade of 0.84 g/t Au and a throughput rate of 19.9 k tonnes per day.

Ore stacked on the heap leach pad increased by 21% over Q3 2020. Ore stacked improved considerably in Q4 and particularly during the second half of November through the end of the year. Both gold grade and metallurgical recoveries are reconciling well against the Eagle reserve model and a significant gold inventory is building on the heap leach pad.

As at December 31, 2020, the Company estimates there are 62,959 recoverable ounces within mineral inventory.

As of the date of this MD&A, a number of improvements related to material handling within the process circuit have been completed. These corrective measures are significantly improving reliability and, in turn, will improve ore stacking and gold production going forward. Optimization activities included:

Optimization Activity	Details	Progress
Tertiary stockpile feeders and crusher feed chutes	Improved design to reduce maintenance requirements and increase productivity.	Complete
Equipment protective wear liners	Enhanced liner design and product selection to significantly increase wear life, reduce maintenance requirements and down time.	Complete
Control systems	Process logic upgrades to reduce nuisance trips and improve start-up times.	Complete
Dust suppression in secondary/tertiary crusher building	Improved spillage & dust suppression to improve safety and productivity.	Complete
Grasshopper conveyors on HLP	Increasing horse power to allow for improved capacity and production.	Complete

Sustaining capital

The Company incurred a total of $15.8 million in sustaining capital expenditures during the three months ended December 31, 2020. Significant sustaining capital expenditures during the period included Phase I B heap leach facility infrastructure of $1.0 million, upgrades to the material handling system including chute liners of $7.2 million, spares for the CAT 6040 shovels of $1.0 million and capitalized stripping costs of $4.4 million.

The Company incurred a total of $35.7 million in sustaining capital expenditures during the year ended December 31, 2020. Significant sustaining capital expenditures during the period included Phase I B heap leach facility infrastructure of $5.4 million, upgrades to the material handling system including chute liners of $9.6 million, spares for the CAT 6040 shovels of $2.3 million and capitalized stripping costs of $11.2 million.

2021 OUTLOOK

Outlook includes forward-looking statements which are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. See page 1 "FORWARD-LOOKING STATEMENTS".

Victoria's operational outlook assumes that operations will continue without any significant COVID-19 related interruptions. The Company continues to maintain preventative measures at site to protect our workforce and communities, and to mitigate the effects of COVID-19 on our operations. Any reduction or suspension of our operations due to COVID-19, could impact our ability to achieve the Company's 2021 outlook.

Production at the Eagle Gold Mine for 2021 is estimated to be between 180,000 to 200,000 ounces. Mining, crushing and ore stacking on the heap leach pad are all expected to operate at full capacity during 2021 while gold production, which lags mining and stacking activities in heap leach operations, will continue to build up through the first half of 2021 reaching full capacity in the second half of 2021. Gold production will be strongly weighted to the second half of the year due to the seasonal stacking of ore on the Eagle leach pad, which is curtailed for the 90 coldest days of the year, January through March. During this no stacking period, mining operations, primary crushing and stockpiling of ore continues with ongoing leaching and gold production. Subject to favourable weather conditions ore stacking may be resumed ahead of schedule.

AISC for 2021 are expected to be between US$1,050 and US$1,175 per oz of gold sold. Sustaining capital is estimated at US$47 million for 2021. Sustaining capital will be high in 2021 compared with future years due to one-time infrastructure expenditures including construction of the truck shop (US$8 million) and water treatment plant (US$11 million).

Waste stripping is included in AISC but is not included in the estimated sustaining capital above. Waste stripping will be expensed or capitalized based on the actual quarterly stripping ratio versus the expected life of mine stripping ratio. This accounting treatment for waste stripping will affect earnings and sustaining capital but will not affect AISC or cash flow.

Exploration spending in 2021 is estimated to be US$10 million and is considered growth capital.

PROPERTY INFORMATION

The Dublin Gulch property includes the Eagle Gold Deposit, the Olive-Shamrock Deposit, the Wolf Tungsten Deposit, the Potato Hills Trend including the Nugget, Raven, Popeye, Rex-Peso, East Potato Hills, Eagle West, Falcon, as well as other targets. The property is located 85 km by road north of the village of Mayo in the Yukon, Canada. The property is centered on the confluence of the Haggart Creek and Dublin Gulch, at approximately 64º02' N and 135º50' W. The property comprises an aggregate area of approximately 555 square kilometers.

On December 4, 2019, the Company released the results of an updated National Instrument 43-101 technical report on its 100% owned Eagle Gold Mine. The technical report was prepared under the direction of JDS Energy & Mining ("JDS").

Technical Report Highlights

- Reserves of 3.3 Million ozs Au
- Annual average production of approximately 210,000 ozs Au
- Cash Costs(1) per Au ounce: US$577
- All-in Sustaining Costs ("AISC")(2) per Au ounce: US$774
- Post tax Net Present Value @ 5% discount = $1,034 million

1. Cash Costs include: mining, processing and general & administrative costs.
2. AISC include: Cash Costs plus refining, royalties, sustaining capital, reclamation, corporate and sustaining exploration costs.
3. Non-IFRS Measures disclosure: The Company has included certain non-IFRS measures including "Cash Cost per Au ounce" and "All-in Sustaining Cost per Au ounce" in this press release which are not in accordance with International Financial Reporting Standards ("IFRS"). Cash Cost per Au ounce is equal to production costs divided by gold ounces produced. All-in Sustaining Cost per Au ounce is equal to production costs plus corporate general and administrative, sustaining exploration, royalties, refining, and sustaining capital expenditures divided by gold ounces produced. The Company believes that these

measures provide investors with an alternative view to evaluate the economics of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Table 1: Gold Price Sensitivity Table

Economic Sensitivities After Tax NPV @ 5% (Cdn$ Millions)											
FX	Au Price – US$/oz										
US$/C$	**1,000**	**1,100**	**1,200**	**1,300**	**1,400**	**1,500**	**1600**	**1,700**	**1,800**	**1,900**	**2,000**
0.90	310	454	592	725	850	974	1,098	1,222	1,345	1,468	1,592
0.85	390	539	683	817	948	1,079	1,210	1,341	1,471	1,602	1,732
0.80	479	633	779	919	1,058	1,197	1,336	1,475	1,614	1,752	1,891
0.75	576	736	886	**1,034**	1,183	1,331	1,479	1,627	1,775	1,923	2,070
0.70	685	848	1,007	1,166	1,325	1,483	1,642	1,800	1,959	2,117	2,275
0.65	804	976	1,147	1,318	1,489	1,659	1,830	2,000	2,171	2,341	2,511
0.60	939	1124	1,310	1,495	1,680	1,864	2,049	2,234	2,418	2,602	2,787

In-Pit Mineral Resource Estimate

This Resource includes all Eagle and Eagle proximal drilling completed post the 2016 Feasibility Study (“FS”), 58 new core holes.

Table 2: Pre-Production Mineral Resource Estimate - Eagle Pit

Eagle Constrained In-Pit Mineral Resource				
Classification	Cut-off Grade (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Au (koz)
Measured	0.15	37	0.71	850
Indicated	0.15	180	0.61	3,547
Meas. + Ind.	**0.15**	**217**	**0.63**	**4,397**
Inferred	**0.15**	**21**	**0.52**	**361**

Notes to Table 2:

1. *The effective date for the Mineral Resource is July 1, 2019.*
2. *Mineral Resources which are not mineral reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.*
3. *The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.*
4. *This resource has not been depleted for production in 2019. Pre-Production Resource based on original topo with no depletion from preproduction/ramp up period up. A total of 2.44 Mt at 0.82 g/t Au for 64,500 ounces of gold were extracted from the Eagle Mine as of 15 November 2019.*
5. *The mineral resource estimate is constrained by a Lerchs-Grossman pit shell using a gold price of US$1,700/oz.*

Table 3: Pre-Production Mineral Resource Estimate - Olive Pit

Olive Constrained In-Pit Mineral Resource				
Classification	Cut-off Grade (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Au (koz)
Measured	0.4	2	1.19	75
Indicated	0.4	8	1.05	254
Meas. + Ind.	**0.4**	**10**	**1.07**	**329**
Inferred	**0.4**	**7**	**0.89**	**210**

Notes to Table 3:

1. *The effective date for the Mineral Resource is September 12, 2016.*
2. *Mineral Resources which are not mineral reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.*
3. *The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.*
4. *Gold price used for this estimate was US$1,700/oz.*

Mineral Reserves

The Proven and Probable Mineral Reserve Estimate is the economically minable portions of the Measured and Indicated in-pit Mineral Resource as demonstrated by the updated Technical Report.

The Mineral Reserves were developed by examining each deposit to determine the optimal and practical mining method. Cut-off grades were then determined based on appropriate mine design criteria and the adopted mining method. A shovel and truck open pit mining method was selected for the two deposits.

The mineral reserve estimations take into consideration on-site operating costs (mining, processing, site services, freight, general and administration), geotechnical analysis for open pit wall angles, metallurgical recoveries, and selling costs. In addition, the Mineral Reserves incorporate allowances for mining recovery and dilution and overall economic viability.

The estimated Proven and Probable Mineral Reserves is shown in Table 4.

Table 4: Pre-Production Mineral Reserve Estimate - Eagle Gold Mine

Type	Area	Ore (Mt)	Diluted Grade (g/t)	Contained Gold (koz)
Crushed Ore	Eagle	114	0.77	2,818
	Olive	7	0.95	200
	Total	**121**	**0.78**	**3,018**
Run of Mine Ore	Eagle	35	0.22	243
	Olive	-	-	-
	Total	**35**	**0.22**	**243**
Crushed + ROM	**Total**	**155**	**0.65**	**3,261**

Notes to Table 4:

1. *The effective date for the Mineral Reserve is July 1, 2019*
2. *Mineral Reserves are included within Mineral Resources*
3. *A gold price of US$1,275/oz is assumed.*
4. *A US$:C$ exchange rate of 0.75*
5. *Cut-off grades, dilution and recovery factors are applied as per open pit mining method*
6. *This resource has not been depleted for production in 2019. Pre-Production Resource based on original topo with no depletion from preproduction/ramp up period up. A total of 2.44 Mt at 0.82 g/t Au for 64,500 ounces of gold were extracted from the Eagle Mine as of 15 November 2019.*

Table 5: Pre-Production Mineral Reserve Estimate Classification - Eagle Gold Mine

Area	Classification	Ore (Mt)	Diluted Grade (g/t)	Contained Gold (koz)
Eagle	Proven	30	0.71	694
	Probable	118	0.63	2,366
	Total	**148**	**0.64**	**3,061**
Olive	Proven	2	1.02	58
	Probable	5	0.93	142
	Total	**7**	**0.67**	**200**
Eagle + Olive	**Total**	**155**	**0.65**	**3,261**

Notes to Table 5:

1. *The effective date for the Mineral Reserve is November 15, 2019*
2. *Mineral Reserves are included within Mineral Resources*
3. *A gold price of US$1,275/oz is assumed.*
4. *A US$:C$ exchange rate of 0.75*
5. *Cut-off grades, dilution and recovery factors are applied as per open pit mining method*
6. *This resource has not been depleted for production in 2019. Pre-Production Resource based on original topo with no depletion from preproduction/ramp up period up. A total of 2.44 Mt at 0.82 g/t Au for 64,500 ounces of gold were extracted from the Eagle Mine as of 15 November 2019.*

<u>Mining</u>

Eagle and Olive are open pit mines and operate as drill, blast, shovel and haul operations with a mine life of 11 years. Crushed ore is hauled to the primary crusher located toward the north east side of the Eagle pit. Run of mine ("ROM") ore will be hauled directly to the primary heap leach pad.

Eagle waste rock is hauled to one of two waste rock storage areas immediately to the south and north of the open pit which results in short haul distances. Olive waste rock will be hauled to a waste rock storage area immediately south-west of the open pit. Waste rock storage will be managed to allow for future pit expansion. The ratio of waste to ore is 0.96 to 1 and total waste material is 149 million tonnes.

Processing

Material above crushed ore cut-off grades is hauled from the open-pits to the primary crusher. Ore is primary crushed at a nominal rate of 29,500 tpd. Following primary crushing, ore is conveyed through a secondary and tertiary crushing circuit to a final crush size of P80 6.5 mm. Crushed ore is conveyed to one of the two in-valley heap leach pads.

Ore is stacked in 10m high lifts using a mobile conveying and stacking system then primary leached for 45 days. The pregnant solution, laden with gold once leaching is complete, is pumped to an Adsorption Desorption Recovery ("ADR") plant where gold is stripped from the solution and poured into doré bars. Life of mine recovery is estimated at 76%.

Ore will be mined and primary crushed 365 days per year. Ore is stacked on the heap leach pads 275 days per year. A primary crushed ore stockpile will be used during the coldest 90 days of the year and the stockpile will be reclaimed to the secondary crushing circuit and loaded onto the pads during the 275 day stacking period.

A total of 155 million tonnes of ore will be mined, including 121 million tonnes of crushed ore and 35 million tonnes of ROM ore.

Infrastructure

The project is well supported by local infrastructure. Eagle is accessed via an existing year-round road connecting to the Silver Trail Highway. The Eagle Gold Mine is connected to grid power with a long-term power purchase agreement with Yukon Energy Corp. A 1,400m airstrip is located in Mayo, approximately 85km by road from the project site, with daily scheduled commercial flights. An existing camp and all supporting infrastructure is in place and supporting mine and processing operations.

Sustaining Capital Cost Estimate

Life of Mine sustaining capital costs are estimated at $174.5 million and closure costs are $35 million.

Category	LOM (C$M)	2020 (C$M)	LOM Total (C$M)
Long Lead Procurement	10.5	1.6	8.9
Construction Contracts	119.1	11.9	107.2
Construction Support Contracts	3.3	1.6	1.7
General Field Indirects	0.7	-	0.7
Freight	2.3	-	2.3
Engineering & EPCM	26.7	21.2	5.5
HME Equipment	12.0	-	12.0
Total Sustaining Capital	**174.5**	**36.3**	**138.2**
Closure (Net of Salvage)	35.0	-	35.0
Total Capital Costs (sustaining plus closure)	**209.5**	**36.3**	**173.2**

Operating Costs

LOM site operating costs are $12.43 per tonne processed, as summarized below:

Area	Operating Costs		
	C$/t mined	C$/t leached	US$/oz payable
Mine	2.45	4.84	225
Process/leach	n/a	4.86	225
G&A	n/a	2.73	127
Total		**12.43**	**577**

Financial Analysis

Base case: gold price US$1,300/ounce gold and US$/C$ exchange rate of 0.75:

Pre-tax

- Net Present Value discounted at 5% is **$1,389 million**

Post-tax

- Net Present Value discounted at 5% is **$1,034 million**

The economics do not include principal repayment or interest payments associated with the debt incurred to construct the Eagle Gold Mine (see new release dated March 8, 2018).

Operational and Sustaining Capital Cost Estimate Fluctuations

The technical report relied upon operating cost and sustaining capital estimates developed in late 2019. Input parameters, including, but not limited to, labour, equipment, fuel and other consumables and exchange rates are subject to change which may in turn lead to material fluctuations in operating costs and sustaining capital costs. Further risks to the operating cost and sustaining capital costs estimates may be found in the Risks and Uncertainties section of this Management Discussion and Analysis.

Developments since the effective date of the Technical Report

The information in this section provides a reconciliation to the Mineral Reserves and Resources of the Company since December 4, 2019 and has been reviewed and approved by Paul D. Gray, P. Geo, as the a "qualified person" for purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

Since the date of the Technical Report (defined herein), the Company has continued to produce gold from its Eagle Mine. The Company had production of 116,644 ounces of gold in 2020 along with production from December 4, 2019 to December 31, 2019 of 6,899 ounces. There are no new material scientific or technical information that would make the disclosure of mineral resources, mineral reserves or results of the Technical Report inaccurate or misleading. The follow tables indicate the gold mineral reserves as at December 31, 2020, with a comparison as at the date of the Technical Report demonstrating the depletion due to production activities at the Eagle Gold Mine.

2019 – 2020 Mineral Reserve Reconciliation

Gold Reserves – Proven and Probable

Area	Classification	Mineral Reserves as per the December 6, 2019 Technical Report			Reserves remaining as of December 31, 2020		
		Tonnes (Mt)	Grade (Au)	Contained Au (koz)	Tonnes (Mt)	Grade (Au)	Contained Au (koz)
Eagle	Proven	30	0.71	694	27	0.71	594
	Probable	118	0.63	2,366	114	0.64	2,251
	Total	**148**	**0.64**	**3,061**	**141**	**0.65**	**2,845**
Olive	Proven	2	1.02	58	2	1.02	58
	Probable	5	0.93	142	5	0.93	142
	Total	**7**	**0.67**	**200**	**7**	**0.67**	**200**
Total Gold Reserves	**Total**	**155**	**0.65**	**3,261**	**148**	**0.65**	**3,045**

Notes:

(1) A gold price of US$1,275/oz is assumed.
(2) Reserve based on original topo with no depletion from preproduction/ramp up period up to December 4, 2019.
(3) A US$:C$ exchange rate of 0.75.
(4) Cut-off grades, dilution and recovery factors are applied as per open pit mining method.
(5) Reserve reflects ore depleted as of December 31, 2020.
(6) Since the start of mining, 10.17M tonnes at 0.86 g/t Au for 282 Koz of gold were mined. The difference between the tonnes mined and the updated Reserve statement are the result of additional ore not captured in the Reserve model.
(7) Since the start of mining, geological contact refinement resulted in a certain amount of material, both within and an outside of the Eagle Mineral Reserve that was previously characterized as waste, to be converted to Ore during mining activities.
(8) Total Gold ounces may not add up due to rounding.
(9) Depletion includes all ounces extracted from the Eagle deposit, including those produced and in inventory, both in ore stockpiles and the heap leach pad.

2019 – 2020 Mineral Resource Reconciliation

Gold Resources – Measured, Indicated and Inferred

Area	Classification	Mineral Resources Contained as per the December 6, 2019 Technical Report			Resources remaining as of December 31, 2020		
		Tonnes (Mt)	Grade (Au)	Contained Au (koz)	Tonnes (Mt)	Grade (Au)	Contained Au (koz)
Eagle 0.15 g/t cut-off(2)	Measured	37	0.71	850	33	0.69	736
	Indicated	180	0.61	3,547	173	0.61	3,358
	Combined (M&I)	**217**	**0.63**	**4,397**	**206**	**0.62**	**4,094**
	Inferred(8)	22	0.52	361	21	0.52	361
Olive 0.40 g/t cut-off(2)	Measured	2	1.19	75	2	1.19	75
	Indicated	8	1.05	254	8	1.05	254
	Combined (M&I)	**10**	**1.08**	**329**	**10**	**1.08**	**329**
	Inferred(8)	7	0.89	210	7	0.89	210

Notes:

(1) CIM definitions were followed for Mineral Resources

(2) Mineral Resources are estimated at a cut-off of 0.15 g/t Au for Eagle and 0.40 g/t Au for Olive

(3) Gold price used for this estimate was US$1,700/oz

(4) High-grade caps were applied as per the text of the report

(5) Specific gravity was estimated for each block based on measurements taken from core specimens.

(6) Resources are In-pit resources as defined by pit parameters described in the text of the Technical Report.

(7) Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. However, there are no currently known issues that negatively impact the stated mineral resources.

(8) The inferred mineral resources have a lower level of confidence than that applying to measured and indicated mineral resources and must not be converted to mineral reserves. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

(9) Since the start of mining, 10.17M tonnes at 0.86 g/t Au for 282 Koz of gold were mined. The difference between the tonnes and ounces mined and the updated Resource statement result from the use of different cut-off grades for the Resource and mining.

(10) Resource reflects ore depleted as of December 31, 2020

(11) Total Gold ounces may not add up due to rounding.

(12) Depletion includes all ounces extracted from the Eagle deposit, including those produced and in inventory, both in ore stockpiles and the heap leach pad.

EXPLORATION AND DEVELOPMENT ACTIVITIES

a) Exploration and Development Update

The Company has incurred exploration and evaluation expenditures since inception through December 31, 2020, net of property acquisitions, sales, transfers and impairments, totalling $41.0 million. During the year ended December 31, 2020, the Company incurred net exploration and evaluation expenditures totalling $8.1 million.

Comparatively, the Company had incurred exploration and evaluation expenditures since inception through December 31, 2019, net of property acquisitions, sales, transfers and impairments, totalling $32.9 million. During the ten month period ended December 31, 2019, the Company incurred net exploration and evaluation expenditures totalling $2.4 million.

	Santa Fe (Nevada)	Other property interest (Nevada)	Dublin Gulch (Yukon)	Other properties **	Total
Balance December 31, 2019	$ 6,585,828	$ -	$ 24,642,125	$ 1,681,929	$ 32,909,882
Sale of property interest	(7,028,892)	-	-	(172,500)	(7,201,392)
Salaries and benefits	75,026	-	828,518	-	903,544
Amortization	-	-	-	-	-
Consulting and administration	107,115	-	-	-	107,115
Land claims and royalties	68,681	-	15,000	57,500	141,181
Environmental and permitting	15,264	-	-	-	15,264
Government and community relations	-	-	22,800	-	22,800
Drilling and indirects	-	-	1,339,306	-	1,339,306
Other exploration	-	-	2,192,334	-	2,192,334
Exploration and evaluation costs for the year	266,086	-	4,397,958	57,500	4,721,544
Interest in other properties	-	10,419,030	-	-	10,419,030
Currency translation	176,978	-	-	-	176,978
Balance December 31, 2020	$ -	$ 10,419,030	$ 29,040,083	$ 1,566,929	$ 41,026,042

*** Other properties include interests in Donjek, Aurex, CanAlask, Dace and Clear Creek in Yukon Territory.*

For the year ended December 31, 2020, the Company incurred $4.4 million in property exploration and evaluation expenditures on its Dublin Gulch, YT property. $3.5 million was spent on drilling, drilling indirects, assays and exploration support. There was $0.8 million incurred for salaries and benefits.

During the year ended December 31, 2020, the Company entered into a transaction with a third-party company, Lahontan Gold Corp. ("Lahontan") under which it agreed to sell its existing subsidiary company, Gateway Gold Corp. which also included Gateway Gold (USA) Corp. which in turn held 100% of the Company's interest in the Santa Fe property. As a result of this transaction, Victoria Gold received consideration of shares in Lahontan which provide it with a controlling ownership position of 66% of Lahontan. The primary asset of Lahontan is the Santa Fe property. Consideration for this transaction approximated its book value and as a result, no gain or loss was recognized.

b) Recently Completed Exploration and Development Activities

Eagle Gold Mine Operations

On July 1, 2020, the Company declared commercial production at the Eagle Gold Mine. All facilities required at this stage of the mine life are complete. Mining, crushing, processing and maintenance operations were performing at a high level. Assessment of commercial production was partially based on management judgement. Primary considerations management used in their assessment of determining commercial production were; continued mining, stacking ore on the heap leach pad and pouring gold doré at close to design capacity for an extended and consistent period. The Company's first reporting period under commercial production was the third quarter ended September 30, 2020.

Operational updates were issued in September 2019, October 2019, November 2019, April 2020, May 2020, June 2020 and July 2020. The June 2020 update is included below while the other updates can be found on the Company's website.

On July 7, 2020, the Company provided an update on the Eagle Gold Mine's operations.

Site Operations, including mining of ore and waste as well as ore crushed and stacked on the Heap Leach Facility, continued to perform well.

	June 2020	6 Months Ended June 2020
Hours Without A Lost Time Incident	90,363	460,500
Ore mined (tonnes)	764,613	3,204,806
Waste mined (tonnes)	1,285,372	4,851,225
Ore stacked (tonnes)	693,944	3,045,442
Grade (gpt)	0.97	0.86
Gold produced (ozs)*	13,828	38,896

**Metal sales through June 30, 2020 were capitalized to Property, Plant & Equipment.*

Exploration Update

On December 8, 2020, the Company provided its first exploration results from Lynx, one of several targets along the extensive Potato Hills Trend which hosts a corridor of mineralization within the greater Dublin Gulch Gold Camp.

Exploration work at Lynx consisted of a short, focused program including four diamond drillholes totalling 590 meters, 720 meters of surface trenches from six trenches and the collection of over 1,600 grid based soil geochemical samples. The program was designed to test the near-surface mineralization potential of the Lynx target.

Intersections of highly anomalous, on and near-surface gold mineralization have been identified from this season's drillholes, including:

- 0.49 g/t Au over 153.8 meters ("m") from surface in hole LX20-021C
    - including 6.14 g/t Au over 8.4 m from 23.3 m
- 1.26 g/t Au over 11.9 m from surface in hole LX20-022C
    - and 1.12 g/t Au over 13.5 m from 131.3 m

Surface Trench results also returned impressive high-grade gold mineralization including:

- 4.65 g/t Au over 32.0 m in trench TRLX20-5
- 3.33 g/t Au over 16.0 m in trench TRLX20-4
- 1.62 g/t Au over 46.0 m in trench TRLX20-1
- 1.35 g/t Au over 80.0 m in trench TRLX20-5

Lynx is located centrally in the Dublin Gulch claim block, approximately five kilometers southwest of Raven, the main target of Victoria's 2020 exploration campaign, and is centered on a 400 by 700 meter elliptical exposure of Cretaceous granodiorite stock that intrudes overlying metasedimentary Proterozoic Hyland Group and Devono-Missippian Keno Hill Quartzite Formations. The Lynx target exhibits similar characteristics to Victoria Gold's Nugget and Raven exploration targets and has seen limited exploration by previous operators including a preliminary drilling/trenching campaign in 1997 that received follow-up drill testing in 2004. Since then, the target has remained unexplored and has never been assessed within the framework of Victoria's Potato Hills Trend Mineralization Model.

2020 results extend and expand upon the known mineralization, confirming the Lynx target is part of the Potato Hills Trend and has the potential to host a much larger and more robust mineralized system than previously recognized. Importantly, the surface trenches excavated and sampled this year were able to penetrate into the host rock deeper than previous historic efforts and were constructed to extend and expand the exploration footprint over the target.

2020 diamond drilling results were designed to complement and extend the previous historic drillholes by targeting the intrusive-metasedimentary contacts and structures mapped in newly constructed trenches with step-out drillholes collared up to 150 meters from any previous drillholes.

A summary table of Lynx 2020 diamond drillhole highlights along with assay highlights from 2020 trenching can be found on the Company's website.

On November 16, 2020, the Company provided results from the final set of 2020 Raven drillholes. The 2020 Raven exploration campaign increased the mineralized strike length of the Raven target by more than 750 meters, tripling the previously known strike length. Gold assay results from all drillholes collared in Raven this past season have been received, with this release representing the final thirteen (13) drillholes from the 2020 Raven drill campaign.

Once again, multiple long intersections of gold, typical of Raven-style mineralization have been identified from these holes, including:

- 3.95 g/t Au over 19.0 m in hole NG20-037C
- 3.05 g/t Au over 13.2 m in hole NG20-037C
- 2.13 g/t Au over 10.5 m in hole NG20-038C
- 4.48 g/t Au over 13.7 m in hole NG20-045C
- 1.63 g/t Au over 50.8 m in hole NG20-045C

Other notable high-grade intercepts of gold mineralization from this suite of holes include:

- 19.40 g/t Au over 0.9 m in hole NG20-043C
- 25.10 g/t Au over 1.0 m in hole NG20-047C
- 15.20 g/t Au over 1.3 m in hole NG20-048C

Raven, Victoria's newest gold discovery, was the main focus of 2020 Dublin Gulch Gold Camp exploration efforts. Diamond drilling in conjunction with detailed surface trenches, geologic mapping and soils geochemical surveys were utilized during the course of the campaign. Oriented core was collected over Raven this past season and, in unison with the detailed core logging and surface mapping, will be utilized to help vector in on mineralization controls.

The 2020 Dublin Gulch Exploration Program culminated in the collaring of 35 diamond drill holes totalling over 8,040 meters; over 3,000 meters of surface trenches, the collection of 3,700 soil samples and the shipment of more than 6,000 core and trench samples.

A summary table of highlights from the final 13 Raven drillholes of 2020 can be found on the Company's website.

On October 19, 2020, the Company provided a Dublin Gulch Camp exploration update; inclusive of the expansion of Raven to over 750 meters in strike length, tripling the extent of known Raven mineralization from 2019. Drillhole NG20-033C, a 250m step out hole to the east returned 2.77 g/t Au over 65.7 meters.

Gold assay results from an additional 2,162 samples have been received representing thirteen (13) new drillholes from the 2020 Raven drill campaign.

Multiple, long intersections of gold, typical of Raven-style mineralization, were identified, including:

- 1.01g/t Au over 19.8 m in hole NG20-024C;
- 1.24 g/t Au over 4.7 m in hole NG20-026C;
- 1.02g/t Au over 21.1 m in hole NG20-027C;
- 1.47 g/t Au over 5.5 m in hole NG20-031C;
- 2.77 g/t Au over 65.7 m in hole NG20-033C; and
- 2.31 g/t Au over 16.0 m in hole NG20-034C.

A summary table of highlights for the 13 Raven drillholes from which assays for full holes were received along with sections and maps can be found on the Company's website.

On August 17, 2020, the Company provided a 2020 Dublin Gulch camp exploration update. The program focused on step-out diamond drilling and surface trenches at the high-grade, near-surface gold showings at Raven, Victoria's newest gold discovery, located along the Potato Hills Trend. Gold assay results from 1,094 samples were received including complete results for the first five step-out drillholes.

High-grade gold intersections were identified in holes including:

- 34.60 grams per tonne gold (g/t Au) over 0.6 meters (m);
- 29.80 g/t Au over 0.6m; 27.40 g/t Au over 0.7m;
- 24.20 g/t Au over 1.1 m; 19.06 g/t Au over 1.4 m;
- 10.76 g/t Au over 3.6 m;
- 4.17 g/t Au over 9.6 m;
- 3.41 g/t Au over 12.6 m; and
- 2.25 g/t Au over 10.3 m.

Long intercepts of gold mineralization from surface were also encountered, including:

- 0.43 g/t Au over 199.5 m; and
- 0.42 g/t Au over 240.8 m.

A summary table of the first five 2020 Raven diamond drill holes along with maps and sections can be found on the Company's website.

c) Exploration Outlook

Outlook includes forward-looking statements which are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. See page 1 "FORWARD-LOOKING STATEMENTS".

On June 23, 2020, the Company provided a video press release announcing the commencement of the 2020 Exploration Program at Dublin Gulch. The 2020 Exploration Program will focus on the Nugget target which includes the Raven target. The 2020 Exploration Program also tested the Lynx Target for the first time within the framework of the Potato Hills Trend mineralization model. Further drill results from the Raven and Lynx targets are expected to be released in the coming weeks.

FINANCING ACTIVITIES

On December 18, 2020 the Company announced it had entered into a credit agreement with a syndicate of banks, comprised of Bank of Montreal, CIBC and BNP Paribas, in connection with a secured US$200 million debt facility (the "Loan Facility"). The Loan Facility is comprised of a US$100 million term loan (the "Term Facility") and a US$100 million revolving facility (the "Revolving Credit Facility").

The funding from the Loan Facility was used to repay the previously outstanding project finance facility, which included senior and subordinated debt that was used for the construction of the Eagle Gold Mine. The Revolving Credit Facility is available for general corporate purposes subject to customary terms and conditions.

The Loan Facility is available by way of US dollar LIBOR loans, with an interest rate ranging from 3.00% to 4.00% over LIBOR (currently one month LIBOR is approximately 0.15%), based on the Company's leverage ratio and other customary terms and conditions.

The Loan Facility includes certain covenants that are calculated and reported each fiscal quarter, which commenced on December 31, 2020. As at December 31, 2020, the Company is in compliance with all covenants.

<u>Loan Facilities</u>

Term Facility

US$100 million loan facility with the following commercial terms:

- Interest rate of LIBOR plus 3.25%;
- Principal and interest are repayable in 12 equal quarterly installments starting on March 31, 2021.

As at December 31, 2020, principal of US$100 million was outstanding on the Term Facility. Deferred financing charges in the amount of $2.6 million will be amortized over the term using the effective interest rate method.

Revolving Credit Facility

US$100 million loan facility with the following commercial terms:

- Interest rate of LIBOR plus 3.25%;
- Accrued interest is repayable quarterly starting on March 31, 2021;
- Principal and accrued interest are due at maturity, on December 31, 2023, and may be repaid early without penalty.

As at December 31, 2020, principal of US$74.9 million was outstanding on the Revolving Credit Facility. Deferred financing charges in the amount of $2.6 million will be amortized using the full amount of the facility, including any undrawn amount, over the full term of the facility using the effective interest rate method.

Equipment Finance Facility
US$50 million facility with Caterpillar Financial Services Limited ("Cat Financial") with the following commercial terms:

- Available for drawdown against the acquisition cost of Cat mining equipment;
- Interest rate of 3-month LIBOR (minimum LIBOR set at 1.0%) plus 4.25%;
- 4-6 year, amortizing facility, maturing between November 29, 2022 and July 1, 2025;
- Secured by Cat mining equipment.

As at December 31, 2020, principal of US$38.2 million was outstanding on the Equipment Finance Facility. Deferred financing charges in the amount of $2.7 million will be amortized over the term using the effective interest rate method.

On February 27, 2020, the Company closed a brokered flow-through financing of 801,822 common shares of the Corporation, that qualify as CDE flow through shares, at a price of $8.73 per share for gross proceeds of $6,999,900. No finders' fees were paid in connection with this transaction. The flow-through shares were subject to a four-month hold period.

February 27, 2020 CDE Flow-through Financing
(All amounts are approximate)

Description	Prior Disclosure	Actual Spent December 31, 2020	Remaining	Total	Variance
Eagle Mine Canadian Development Expenses (CDE)	$7.0	$7.0	$0	$7.0	Nil

On May 8, 2020, the Company closed a brokered prospectus financing of common shares with a syndicate of underwriters co-led by BMO Capital Markets and PI Financial Corp. and including Cormark Securities Inc. 3,007,250 common shares of the Corporation, including the over-allotment, were issued at a price of $7.65 per share for gross proceeds of $23,005,463. Underwriter fees of 5% and other issuance costs were paid in connection with this transaction.

May 8, 2020 Short Form Prospectus Financing
(All amounts are approximate)

Description	Prior Disclosure	Actual Spent December 31, 2020	Remaining	Total	Variance
Mining, including open pit blasting, load & haul	$7.4	$7.4	$0	$7.4	Nil
Processing, including heap leaching and ADR plant	$8.6	$8.6	$0	$8.6	Nil
Sustaining Capital, including heap leach pad expansion	$2.5	$2.5	$0	$2.5	Nil
General & Administrative	$2.5	$2.5	$0	$2.5	Nil
Working Capital & Corporate costs	$2.0	$2.0	$0	$2.0	Nil
Total	**$23.0**	**$23.0**	**$0**	**$23.0**	Nil

SELECTED FINANCIAL INFORMATION

The following information has been extracted from the Company's consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), for the year ended December 31, 2020, ten month period ended December 31, 2019 and year ended February 28, 2019.

Selected Information for December 31:

	December 31, 2020	December 31, 2019	February 28, 2019
Total revenues	$ 178,747,827	$ -	$ -
Net income (loss)	$ 14,891,909	$ (9,835,212)	$ (11,976,065)
Earnings (loss) per share			
Basic	$ 0.246	$ (0.173)	$ (0.241)
Diluted	$ 0.232	$ (0.173)	$ (0.241)
Total assets	$ 776,760,617	$ 686,615,731	$ 522,615,338
Total non-current liabilities	$ 277,099,442	$ 291,752,840	$ 142,885,588

FINANCIAL RESULTS

Three Month Period ended December 31, 2020

VARIANCE ANALYSIS	3 MONTHS ENDED December 31, 2020	4 MONTHS ENDED December 31, 2019	VARIANCE HIGHER/ (LOWER)
Revenue	**$ 98,221,599**	$ -	**$ 98,221,599**
Cost of goods sold	**40,929,335**	-	**40,929,335**
Depreciation and depletion	**14,132,493**	-	**14,132,493**
Gross profit	**43,159,771**	-	**43,159,771**
Corporate general and administration	**3,386,185**	4,249,795	**(863,610)**
Operating earnings (loss)	**39,773,586**	(4,249,795)	**44,023,381**
Finance income	**27,276**	225,773	**(198,497)**
Finance costs	**(7,424,414)**	(63,512)	**(7,360,902)**
Foreign exchange gain (loss)	**11,781,073**	6,197,823	**5,583,250**
Unrealized gain (loss) on marketable securities	**(482,978)**	286,584	**(769,562)**
Unrealized and realized gain (loss) on derivative instruments	**12,964,267**	9,643,172	**3,321,095**
	16,865,224	16,289,840	**575,384**
Income (loss) before taxes	**56,638,810**	12,040,045	**44,598,765**
Current income taxes	**2,672,327**	-	**2,672,327**
Deferred tax (expense) recovery	**(4,460,000)**	(1,905,570)	**(2,554,430)**
Net income (loss)	**$ 54,851,137**	$ 10,134,475	**$ 44,716,662**

Revenue

For the three months ended December 31, 2020, the Company sold 40,023 ounces of gold at an average realized price of $2,453 (US$1,883) (see "Non-IFRS Performance Measures" section) resulting in revenue of $98.2 million. Revenue is net of treatment and refining charges, which were $0.3 million for the three months ended December 31, 2020.

Cost of goods sold

Cost of goods sold of $40.9 million for the three months ended December 31, 2020 are comprised of production costs, (including mining, processing, site services and site general and administration costs), royalty and selling costs.

Depreciation and depletion

Depreciation and depletion was $14.1 million for the three months ended December 31, 2020. Assets are depreciated on a straight-line basis over their useful life, or depleted on a units-of-production basis over the reserves to which they relate.

Corporate general and administration
During the three month period ended December 31, 2020, the Company reported salaries and benefits of \$0.3 million versus \$1.9 million for the previous year's comparable period. The prior period included increased personnel to support ramp up activities at Eagle. Office and administrative costs are \$0.1 million lower than the prior year as a result of decreased usage. Share-based payments were \$1.2 million higher than the previous year due to the number, value and vesting schedule of employee option issuances. Marketing expenses (\$0.2 million lower) fell from the prior year due to a decreased marketing program. Professional fees, which include legal, accounting and consulting costs are \$0.2 million for the three month period ended December 31, 2020 versus \$0.4 million for the previous year's comparable period. The lower costs are a result of decreased usage.

Finance costs, net
For the three months ended December 31, 2020, the Company recorded net finance costs of \$7.4 million compared to finance income of \$0.2 million for the previous year's comparable period. Finance costs are composed mostly of interest incurred on the Company's long-term debt facilities, and amortization of deferred financing charges. With the achievement of commercial production, interest expense and amortization of deferred financing charges associated with the Company's debt facilities are no longer being capitalized.

The decrease in finance income for the period is a result of lower returns earned on lower cash balances year over year.

Foreign exchange gain (loss)
The Company reported a gain on foreign exchange during the three month period ended December 31, 2020 of \$11.8 million compared to a gain of \$6.2 million in the previous year's comparable period. This is due to fluctuations in the Canadian dollar and US dollar exchange rate.

Unrealized gain (loss) on marketable securities
During the three month period ended December 31, 2020, the Company reported a loss in the fair value of marketable securities of \$0.5 million compared to a gain of \$0.3 million in the previous year's comparable period.

Unrealized and realized gain (loss) on derivative instruments
During the three month period ended December 31, 2020, the Company reported a gain in the fair value of derivative instruments of \$12.9 million compared to a gain of \$9.6 million in the previous year. Due to material weakening of the US dollar, partially offset by a slight increase in gold price, the zero-cost collar contributed a gain of \$9.7 million, gold put options contributed a \$1.0 million loss and gold calls contributed a \$0.6 million gain. Due to a decrease in the Company's share price over the period, the common stock purchase warrants had a \$3.6 million gain.

Net income (loss)
The Company reported income of \$54.9 million (basic and diluted earnings per share of \$0.885 and \$0.834 respectively) for the three month period ended December 30, 2020, compared to income of \$10.1 million (basic and diluted earnings per share of \$0.177) for the previous year's comparable period. The increase in net income for the three month period ended December 31, 2020 is the result of operating earnings, unrealized and realized gains on derivative instruments, foreign exchange gains and current income taxes, partially offset by finance costs and deferred taxes.

Twelve Month Year ended December 31, 2020

VARIANCE ANALYSIS	12 MONTHS ENDED December 31, 2020	10 MONTHS ENDED December 31, 2019	VARIANCE HIGHER/ (LOWER)
Revenue	$ **178,747,827**	$ -	$ **178,747,827**
Cost of goods sold	**75,304,328**	-	**75,304,328**
Depreciation and depletion	**27,128,291**	-	**27,128,291**
Gross profit	**76,315,208**	-	**76,315,208**
Corporate general and administration	**9,389,637**	7,821,687	**1,567,950**
Operating earnings (loss)	**66,925,571**	(7,821,687)	**74,747,258**
Finance income	**216,445**	669,176	**(452,731)**
Finance costs	**(13,379,451)**	(280,174)	**(13,099,277)**
Other	**6,721,000**	-	**6,721,000**
Foreign exchange gain (loss)	**4,217,047**	5,462,861	**(1,245,814)**
Unrealized gain (loss) on marketable securities	**2,643,935**	315,503	**2,328,432**
Unrealized and realized gain (loss) on derivative instruments	**(44,837,302)**	(11,357,809)	**(33,479,493)**
	(44,418,326)	(5,190,443)	**(39,227,883)**
Income (loss) before taxes	**22,507,245**	(13,012,130)	**35,519,375**
Current income taxes	**(1,634,488)**	-	**(1,634,488)**
Deferred tax (expense) recovery	**(5,980,848)**	3,176,918	**(9,157,766)**
Net income (loss)	$ **14,891,909**	$ (9,835,212)	$ **24,727,121**

Revenue
For the year ended December 31, 2020, since the start of commercial production on July 1, 2020, the Company sold 72,052 ounces of gold at an average realized price of $2,480 (US$1,882) (see "Non-IFRS Performance Measures" section) resulting in revenue of $178.7 million. Revenue is net of treatment and refining charges which were $0.5 million for the year ended December 31, 2020.

Cost of goods sold
Cost of goods sold of $75.3 million for the year ended December 31, 2020 are comprised of production costs, (including mining, processing, site services and site general and administration costs), royalties and selling costs.

Depreciation and depletion
Depreciation and depletion was $27.1 million for the year ended December 31, 2020 since the start of commercial production. Assets are depreciated on a straight-line basis over their useful life, or depleted on a units-of-production basis over the reserves to which they relate.

Corporate general and administration
During the year ended December 31, 2020, the Company reported salaries and benefits of $3.3 million. The increase from the previous year's comparable period is a result of adding personnel to support operations. During the year ended December 31, 2020, the Company reported office and administrative costs of $1.3 million. Office and administrative costs are lower than the prior year as a result of decreased usage. Share-based payments were $0.8 million higher than the previous year due to the number, value and vesting schedule of employee option issuances. Marketing expenses ($0.2 million lower) fell from the prior year due to a decreased marketing program. Professional fees, which include legal, accounting and consulting costs are $1.6 million for the year ended December 31, 2020 versus $0.6 million for the previous year's comparable period. The higher costs are a result of increased usage.

Finance costs, net
For the year ended December 31, 2020, the Company recorded net finance costs of $13.2 million compared to finance income of $0.4 million for the previous year's comparable period. With the achievement of commercial production, interest expense and amortization of deferred financing charges associated with the Company's debt facilities are no longer being capitalized.

The decrease in finance income for the period is a result of lower returns earned on lower cash balances year over year.

Other
Other represents a $6.7 million gain for amounts received from a prior period sale.

Foreign exchange gain (loss)
The Company reported a gain on foreign exchange during the year ended December 31, 2020 of $4.2 million compared to a gain of $5.5 million in the previous year's comparable period. This is due to fluctuations in the Canadian dollar and US dollar exchange rate.

Unrealized gain (loss) on marketable securities
During the year ended December 31, 2020, the Company reported a gain in the fair value of marketable securities of $2.6 million compared to a gain of $0.3 million in the previous year's comparable period.

Unrealized and realized gain (loss) on derivative instruments
During the year ended December 31, 2020, the Company reported a loss in the fair value of derivative instruments of $44.8 million compared to a loss of $11.4 million in the previous year. Due to a strengthening gold price, the zero-cost collar contributed a loss of $33.5 million, gold put options contributed a $1.0 million loss and gold calls contributed a $6.3 million loss. Due to an increase in the share price over the period, the common stock purchase warrants had a $4.0 million loss.

Net income (loss)
The Company reported income of $14.9 million (basic and diluted earnings per share of $0.246 and $0.232 respectively) for the year ended December 31, 2020, compared to a loss of $9.8 million (basic and diluted loss per share of $0.173) for the ten month period ended December 31, 2019. The increase in net income for the year ended December 31, 2020 is the result of operating earnings, unrealized gains on marketable securities, foreign exchange gains and income from a prior period sale, partially offset by finance costs, unrealized and realized losses on derivative instruments and current and deferred taxes.

Total assets increased by $90.2 million from $686.6 million to $776.8 million during the period from January 1, 2020 to December 31, 2020. Current assets increased by $127.4 million (see "Liquidity and Capital Resources" herein), and Restricted cash decreased by $8.1 million due to the release of the debt service account and a newly structured reclamation bond program. Property, plant and equipment decreased by $37.3 million primarily due to the $82.5 million transfer from mineral properties to inventory. Exploration and evaluation assets increased by $8.1 million due to continued exploration and evaluation expenditures. Total liabilities, primarily accounts payable and accrued liabilities, derivative instruments and long-term debt increased by $32.7 million due to US dollar debt translation, increased gold prices and continued construction and exploration and evaluation activities on the Dublin Gulch property.

Summary of Unaudited Quarterly Results:

	31 DEC 20	30 SEPT 20	30 JUNE 20	31 MAR 20
Total Revenues	$ 98,221,599	$ 80,526,228	$ -	$ -
Net income (loss)	$ 54,851,137	$ 20,272,444	$(12,865,589)	$(47,366,083)
Basic earnings (loss) per share	$ 0.885	$ 0.328	$ (0.214)	$ (0.819)
Diluted earnings (loss) per share	$ 0.834	$ 0.312	$ (0.214)	$ (0.819)
	31 DEC 19*	**31 AUG 19(1)**	**31 MAY 19(1)**	**28 FEB 19(1)**
Total Revenues	$ -	$ -	$ -	$ -
Net income (loss)	$ 10,134,475	$(21,463,642)	$ 1,493,955	$(10,112,555)
Basic earnings (loss) per share	$ 0.177	$ (0.375)	$ 0.027	$ (0.194)
Diluted earnings (loss) per share	$ 0.177	$ (0.375)	$ 0.027	$ (0.194)

**Quarter includes four months (September – December).*

(1) Per share data has been re-stated to reflect the share consolidation that was implemented on November 18, 2019.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2020, the Company had cash and cash equivalents of $56.1 million (ten month period ended December 31, 2019 - $16.9 million) and a working capital surplus of $25.4 million (ten month period ended December 31, 2019 – $54.7 million deficit). The increase in cash and cash equivalents of $39.3 million over the ten month period ended December 31, 2019, was due to operating activities and changes in working capital including foreign exchange losses on cash balances ($111.4 million increase in cash), partially offset by investing activities ($63.8 million decrease in cash) from construction and sustaining capital for the Eagle Gold Mine, net of amounts received from a prior period sale and a release of restricted cash requirements and financing activities ($8.3 million decrease in cash) from principal and interest repayments made on credit facilities, net of amounts received from share issuances.

The following table details the Company's expected remaining contractual cash flow requirements for its financial liabilities based on repayment or maturity periods as of December 31, 2020. The amounts presented are based on the contractual undiscounted cash flows, these balances may not agree with the carrying amounts on the consolidated statements of financial position:

	LESS THAN 1 YEAR	1 TO 3 YEARS	3 TO 5 YEARS	MORE THAN 5 YEARS	TOTAL
Non-derivatives:					
Accounts payable and accrued liabilities	$ 52,057,162	$ -	$ -	$ -	$ 52,057,162
Lease liability	751,785	359,302	1,017,439	4,872	2,133,398
Debt	55,048,331	208,641,920	13,113,752	-	276,804,003
Total	**107,857,278**	**209,001,222**	**14,131,191**	**4,872**	**330,994,563**
Derivatives:					
Derivative instruments	19,736,634	7,594,811	20,899,560	-	48,231,005
Total	**19,736,634**	**7,594,811**	**20,899,560**	**-**	**48,231,005**

The Company's future is currently dependent upon the existence and successful processing of economically recoverable mineral reserves to generate sufficient positive cashflows from operations to continue to fund the repayment of current debt which is $55.0 million for the period January 1, 2021 to December 31, 2021. The Company periodically seeks financing to continue the exploration and evaluation of its exploration and evaluation assets, and to meet its future administrative requirements. Although the Company has been successful in raising funds to date, there can be no assurances that the steps management is taking, and will continue to take, will be successful in future reporting periods. These material uncertainties lend significant doubt about the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern and therefore these financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The Company is in the process of advancing certain mineral properties and the recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the ability of the Company to obtain the necessary financing to complete the development and/or upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as mineral property costs represent incurred costs to date and do not necessarily represent future values.

The Company holds the predominant amount of its cash in chequing and investment accounts at a major Canadian bank. The investment accounts predominantly invest in Government of Canada treasury bills.

OPERATING ACTIVITIES

During the year ended December 31, 2020, operating activities, including non-cash working capital changes, provided funding of $112.1 million (as compared with the ten month period ended December 31, 2019 that required funding of $5.3 million). The year over year increase in cash flows from operating activities is due to net adjusted operating results and increases in working capital changes, partially offset by foreign exchange losses on cash balances.

RELATED PARTY TRANSACTIONS

Related parties include key management personnel, Orion Mine Finance, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Transactions as of December 31, 2020 and during the year ended December 31, 2020 with Orion are included in *Note 11*.

The remuneration of directors and key management of the Company for the year ended December 31, 2020 and the ten month period ended December 31, 2019 were as follows:

	December 31, 2020	December 31, 2019
Salaries and other short term employment benefits	**$ 3,139,640**	$ 1,754,600
Share-based compensation	**$ 1,164,519**	$ 2,165,010

The Company granted unsecured loans in May 2018 which were subsequently amended, to directors and officers of the Company at interest rates of 2% per annum and were paid in full by December 31, 2020.

	December 31, 2020	December 31, 2019
Outstanding, beginning of the year	**$ 1,389,435**	$ 1,366,948
Loan repayments received	**(1,350,950)**	-
Interest charged	**24,408**	22,487
Interest received	**(62,893)**	-
Outstanding, end of the year	**$ -**	$ 1,389,435

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of March 22, 2021, the number of issued common shares was 62,145,040 (65,935,702 on a fully diluted basis).

As at March 22, 2021, there were 2,119,996 director, employee and consultant stock options outstanding with an exercise price ranging from $7.50 to $12.10 per share and expiring between May 28, 2021 and December 14, 2023. This represents approximately 3.4% of the issued and outstanding common shares. As at March 22, 2021, there were 1,666,667 warrants outstanding with an exercise price of $9.375 per share and an expiration date of April 13, 2023.

RISK AND UNCERTAINTIES

Operation, exploration and acquisition of mineral properties involves a number of risks and uncertainties, many of which are beyond the Company's control. The following information pertains to the outlook and conditions currently known to Victoria that could have a material impact on the financial condition of the

Company. Other factors may arise that are not currently foreseen by management of the Company that may present additional risks in the future. Current and prospective security holders of Victoria should carefully consider these risk factors.

Coronavirus ("COVID-19")
The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in a number of countries including Canada, where the Company operates. The outbreak has caused various levels of governments to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation.

The risks to the Company of such public health crises also include risks to employee health and safety, shortages of employees, unavailability of contractors and subcontractors, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 and its related impacts may impact the Company's operating and exploration activities and ability to service its debt obligations or obtain financial resources, and over a longer term may have a material adverse effect on the Company's business, results of operations and financial condition.

The Company continues to monitor its ability to access refining operations run by third parties, whom could be subject to any of their own operational restrictions. To date, the Company's Eagle Mine continues to operate and mining operations have been deemed an essential service in the Yukon. The Company has and continues to engage in discussions with Yukon government and local First Nations, to adjust to the dynamic conditions.

Mineral reserve and resource estimates
Mineral reserve and resource figures are estimates, and there is a risk that any of the mineral resources and mineral reserves identified at the Eagle Gold Mine will not be realized. Until a deposit is actually mined and processed, the quantity of mineral resources and mineral reserves and grades must be considered as estimates only. In addition, the quantity of mineral resources and mineral reserves may vary depending on, among other things, precious metal prices. Any material change in quantity of mineral resources, mineral reserves or percent extraction of those mineral reserves recoverable by open pit mining techniques may affect the economic viability of any project undertaken by the Company. In addition, there is a risk that metal recoveries during production do not reach anticipated rates.

Mineral resources that are not mineral reserves do not have demonstrated economic viability, and there is a risk that they will never be mined or processed profitably. Further, there is a risk that Inferred mineral resources will not be upgraded to proven and probable mineral reserves as a result of continued exploration.

Dependence on single project
The only material property interest of the Company is the Eagle Gold Mine. Unless the Company acquires additional property interests or advances its other exploration properties, any adverse developments affecting the Eagle Gold Mine could have a material adverse effect upon the Company and would materially and adversely affect the profitability, financial performance and results of operations of the Company. While the Company may seek to develop and acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that the Company will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire such properties or that such properties will be available on terms acceptable to the Company or at all.

Exploration and mining risks
The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Financial capability and additional financing
The Company has limited financial resources and has no assurance that additional funding will be available to it for further exploration and evaluation, including construction, of its projects. Although the Company has been successful in the past in financing its activities through the sale of equity securities and drawing on debt facilities, there can be no assurance that it will be able to obtain sufficient financing in the future to execute its business plan.

Fluctuating prices
Factors beyond the control of Victoria may affect (i) the ability of Victoria to raise additional capital and (ii) the marketability of any gold or any other minerals discovered. Among such factors is the prevailing price for natural resources, including gold, which prices may fluctuate widely and which are affected by numerous considerations beyond Victoria's control. The effect of these factors cannot accurately be predicted.

Dependence on key personnel
Many of Victoria's personnel are specialized, highly skilled and experienced. The Company's current operations and future exploration and development success will depend to a significant extent on its ability to attract and retain qualified personnel. While Victoria has not experienced any significant difficulties to date in attracting and retaining personnel, there can be no assurance that this will continue. The loss of key personnel could have a material adverse effect on the Company's operations and business prospects. In addition, Victoria's ability to keep essential operating staff in place may also be challenged as a result of potential COVID-19 outbreaks or quarantines.

Health and safety
Exploration and mining operations represent inherent safety hazards and maintaining the health and safety of the Company's employees and contractors is of paramount importance to the Company. Health and safety hazard assessments are carried out regularly throughout the lifecycle of the Company's activities, and robust policies, procedures and controls are in place. Significant potential risks include, but are not limited to, fires, rock blasting accidents, vehicle accidents, fall from heights, and contact with energized sources. Any incident resulting in serious injury or death could result in litigation and/or regulatory action (including, but not limited to suspension of operations and/or development activities and/or fines and penalties), or otherwise adversely affect the Company's reputation and ability to meet its objectives.

Government regulations and permitting

Victoria's exploration, development and operations activities are subject to laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, mine development and protection of endangered and protected species, treatment of indigenous peoples and other matters. Each jurisdiction in which Victoria has properties regulates mining and mineral exploration activities. It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to Victoria or its properties, which could have a material and adverse effect on Victoria's current exploration, development and operations activities. Where required, obtaining necessary permits can be a complex, time-consuming process and Victoria cannot provide assurance whether any necessary permits will be obtainable on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Victoria from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

Title

The acquisition of title to mineral properties is a very detailed and time consuming process. Title to, and the area of, mineral concessions and claims may be disputed. While Victoria believes it has diligently investigated title to the mineral concessions and claims underlying its properties, Victoria cannot guarantee that title to any such properties will not be challenged, or that title to such properties will not be affected by an unknown title defect. Victoria has not surveyed the boundaries of all of its mineral properties and consequently the boundaries of the properties may be disputed.

Estimates contained in production and cost guidance may not be achieved

Victoria's estimates of future production, cash costs and capital costs for operations utilize certain assumed Canadian dollar to U.S. dollar foreign exchange rates. No assurance can be given that such estimates will be achieved. Many other factors may result in our failure to achieve our production estimates or materially increase our costs, either of which would have an adverse impact on our future cash flows, results of operations, and financial condition.

Reclamation obligations

There can be no assurance that closure estimates prove to be accurate. The amounts recorded for reclamation costs are estimates unique to a property based on estimates provided by the Company's assessment of the anticipated timing of future reclamation and remediation work required to comply with existing laws and regulations. Actual costs incurred in future periods could differ from amounts estimated. Additionally, future changes to environmental laws and regulations could affect the extent of reclamation and remediation work required to be performed by the Company. Any such changes in future costs could materially impact the amounts charged to operations for reclamation and remediation.

Operations

Victoria's operations are subject to operational risks and hazards inherent in the mineral exploitation, extraction and production industry, including, but not limited to:

- variations in grade
- deposit size
- geological problems, including earthquakes and other Acts of God

- density and other geological problems
- unusual or unexpected mineralogy or rock formations
- ground or slope failures
- unanticipated ground and water conditions
- hydrological conditions
- flooding or fires
- heap leach pad breaches or failures
- availability or interruption of power supply
- variation in recoveries, metallurgical and other processing challenges
- mechanical equipment performance problems
- periodic interruptions due to inclement or hazardous weather conditions or operating conditions and other force majeure events
- lower than expected ore grades or recovery rates
- accidents
- drill rig shortages
- the unavailability of materials and equipment including fuel
- labour force disruptions, including the ability to keep essential operational staff in place as a result of COVID-19
- unanticipated transportation costs and shipment delays
- delays in receipt of, or failure to receive, necessary government permits
- the results of litigation, including appeals of agency decisions
- unanticipated regulatory changes
- global financial conditions, including market reaction to COVID-19
- unanticipated or significant changes in the costs of supplies including, but not limited to, petroleum and labour
- the failure of equipment or processes to operate in accordance with specifications or expectations
- climate change impacts
- risks related to the COVID-19 outbreak

These risks could result in damage to, or destruction of, our mine, crushing and processing facilities, resulting in partial or complete shutdowns, personal injury or death, environmental or other damage to our properties or the properties of others, delays in mining, reduced production, monetary losses and potential legal liability. Processing operations are subject to hazards, such as equipment failure or failure of retaining dams that may result in personal injury or death, environmental pollution and consequential liabilities.

Should any of these risks and hazards affect any of Victoria's exploration and operation activities, it may cause delays or a complete stoppage in Victoria's exploration or operation activities, which would have a material and adverse effect on the business of Victoria.

Information systems and cyber security

The Company's operations depend on information technology (IT) systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority.

Litigation risks
All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. 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 solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

Share price fluctuation
Securities markets have experienced a high degree of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations or lack of liquidity will not occur in the future, and if they do occur, the Company does not know how severe the impact may be on Victoria's ability to raise additional funds through equity issues. If the Company is unable to generate such revenues or obtain such additional financing, any investment in Victoria may be materially diminished in value or lost.

Limited operating history and uncertainty of future revenues
Victoria has a limited operating history and it is therefore difficult to evaluate Victoria's business and future prospects. The future success of Victoria is dependent on the Company's ability to implement its strategy. While the Victoria leadership team is optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. Victoria faces risks regarding its future growth and prospects will depend on its ability to manage growth and to continue to expand and improve operational, financial and management information and quality control systems on a timely basis, while at the same time maintaining effective cost controls. Any failure to expand and improve operational, financial and management information and quality control systems in line with Victoria's growth could have a material adverse effect on the Company's business, financial condition and results of operations.

Competition
Victoria faces strong competition from other mining companies in connection with the identification and acquisition of properties producing, or capable of producing, precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to identify, maintain or acquire attractive mining properties on acceptable terms or at all. Consequently, the Company's future prospects, revenues, operations and financial condition could be materially adversely affected.

Fair value of financial instruments
The carrying values for primary financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, approximate fair values due to their short-term maturities.

Risk exposure is summarized as follows:

(a) Credit risk

Certain of the Company's financial assets are exposed to a degree of credit risk. The Company endeavours to mitigate credit risk by holding its cash and cash equivalents as cash deposits and short-term government treasury funds with major commercial banks.

Credit risk relating to accounts receivable and restricted cash arises from the possibility that any counterparty to an instrument fails to perform. The Company's accounts receivables include GST, HST and trade receivables. Restricted cash is comprised of reclamation bonds. Reclamation bonds reflect non-interest bearing cash deposits held with governmental agencies representing the state of Nevada, and interest bearing certificates of deposit held by Wells Fargo and Bank of Nova Scotia. The Company does not feel there is significant counterparty risk that could have an impact on the fair value of cash and cash equivalents, restricted cash, receivables and due from related parties. The maximum exposure is limited to amounts of cash and cash equivalents, restricted cash and receivables on the statement of financial position.

(b) 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 manages liquidity risk through the management of its capital structure and financial leverage. Accounts payables and accrued liabilities are due within the current operating period, from January 1, 2021 through March 31, 2021.

(c) Market risk

I. Interest rate risk

Interest rate risk is the impact that changes in interest rates could have on the Company's investments and liabilities. The Company's cash balances are not subject to significant interest rate risk as balances are current. The Credit Facilities are subject to a variable LIBOR rate. Significant changes in the LIBOR rate could have a significant impact on the Company's loans payable balance in the consolidated statements of financial position and interest expense on debt facilities in the consolidated statements of income (loss) and comprehensive income (loss).

II. Foreign currency risk

The Company incurs minimal exploration expenditures in the United States and holds a portion of its restricted cash and cash and cash equivalents in US dollars. The Company also has debt facilities in US dollars. The Company funds certain construction expenditures in US dollars. This gives rise to a risk that its US dollar expenditures and US dollar cash holdings may be adversely impacted by fluctuations in foreign exchange. The Company does not currently undertake currency hedging activities.

III. Price risk

The Company's financial assets and liabilities are exposed to price risk with respect to commodity prices and prices of the Company's equity investments. The price risk on equity investments is limited due to the nature and low balance of the Company's holdings. Commodity price risk refers to the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company entered into gold zero-cost collars (*Note 12*) under the Company's hedging policy that was adopted by the Board and continues to monitor prices of precious minerals to determine the appropriate course of action to be taken.

There has been no significant change in the risk factors affecting the Company on a period over period basis.

Where prudent, the Company uses insurance, derivative instruments and other methods to mitigate risks.

Sensitivity Analysis:

The following table summarizes the sensitivity of the Company's cash, cash equivalents and restricted cash to changes in interest rates and foreign exchange rates over the year ended December 31, 2020.

	CARRYING AMOUNT	INTEREST RATE CHANGE (1)		FOREIGN CURRENCY CHANGE (2)	
		+ 1%	- 1%	+ 10%	- 10%
Cash and cash equivalents (Cdn $)					
Cash - Cdn$ denominated	464,085	4,641	(4,641)	-	-
Cash - US$ denominated	41,933,207	419,332	(419,332)	4,193,321	(4,193,321)
Treasury funds – Cdn$ denominated	13,739,022	137,390	(137,390)	-	-
Total cash and cash equivalents	56,136,314	561,363	(561,363)	4,193,321	(4,193,321)
Reclamation bonds - US$ denominated (interest bearing)	313,542	3,135	(3,135)	31,354	(31,354)
Reclamation bonds - Cdn$ denominated (interest bearing)	2,839,654	28,397	(28,397)	-	-
Total amount or impact - cash and deposits	**59,289,510**	**592,895**	**(592,895)**	**4,224,675**	**(4,224,675)**
Total debt – US$ denominated	**264,708,473**	**(3,403,233)**	**3,403,233**	**(26,470,847)**	**26,470,847**
Total impact – cash, deposits and debt		**(2,810,338)**	**2,810,338**	**(22,246,172)**	**22,246,172**

1) Interest earned on the Company's interest bearing cash accounts, treasury funds and certificates of deposit is at prevailing rates that fluctuate with changes in banking interest rates and Government t-bill rates. Interest expense on the Company's interest bearing debt is at prevailing rates that fluctuate with changes in banking interest rates. Management believes that a plus or minus 1% annual change in rates is a reasonable estimate of variability over a twelve month period.

2) The Company's US dollar cash balance, US dollar reclamation bonds, US dollar based certificates of deposit and US dollar debt balances are subject to foreign exchange risk. Management has shown a sensitivity analysis of a plus or minus change of 10%.

CONTRACTUAL COMMITMENTS

The Company has no contractual commitments, other than leases of offices and equipment entered into in the normal course of business (*Note 10* of the accompanying audited consolidated financial statements for the year ended December 31, 2020). All mineral property agreement commitments are at the option of the Company and the Company can terminate the agreements prior to being required to make payments on the properties.

FOREIGN CURRENCY TRANSLATION

The Company's US operations are denominated in USD, the functional currency of the US entities. The functional currency of all other entities is the Canadian dollar. The presentation currency of the Company is CAD. The Company's Canadian operations have debt denominated in USD which is subject to fluctuations in the exchange rates (USD/CAD). There is a natural off-set with the USD denominated gold sales the Company earns. Accordingly, fluctuations in the exchange rates (USD/CAD) may impact the consolidated results of operations and the consolidated reported net assets. The effect of changes in currency fluctuations from the functional currency to the presentation currency on the operations' net assets is recorded in the Company's shareholders' equity as a cumulative translation adjustment.

OFF-BALANCE SHEET TRANSACTIONS

During the most recent twelve months ended December 31, 2020, and up to the date of this report, the Company had no off-balance sheet transactions.

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING CHANGES

The Corporation's audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The significant accounting policies applied and recent accounting pronouncements are described in (*Note 3*) of the Corporation's consolidated financial statements for the year ended December 31, 2020.

The preparation of these audited consolidated financial statements requires management to make estimates 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 audited consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the audited consolidated 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 the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the balance sheet date, 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, but are not limited to, the following:

Asset Retirement Obligation (ARO)

The determination of provisions for environmental rehabilitation and reclamation obligations arising from the Company's evaluation and exploration activities requires the use of estimates and management judgment. Future reclamation costs in relation to changes in estimates are accrued based on management's best estimate at the end of each period of the discounted cash costs expected to be incurred. Accounting for reclamation obligations requires management to make estimates of the future costs the Company will incur to complete the reclamation work required to comply with existing laws and regulations. These estimates are dependent upon labor and materials costs, known environmental impacts, the effectiveness of rehabilitation measures, inflation rates, and pre-tax interest rates that reflect a current market assessment of time value for money and the risk specific to the obligation. The Company also estimates the timing of the outlays, which is subject to change depending on continued exploitation and newly discovered mineral resources.

Actual reclamation costs incurred may differ from those amounts estimated by management. Moreover, future changes to environmental laws and regulations could increase the extent of reclamation work required to be performed by the Company, therefore increasing future costs.

Inventory valuation
All inventory is valued at the lower of average costs or net realizable value. Management is required to make various estimates and assumptions to determine the value of stockpiled ore, in-process inventory and finished goods inventory. The estimates and assumptions included surveyed quantities of stockpiled ore, in-process volumes, contained metal content, recoverable metal content, costs to recover saleable metal and metal prices. Changes in these estimates can result in changes to the carrying amounts of inventories and mine operating costs in future periods.

Commencement of commercial production
The determination of when a mine has reached commercial production is a matter of significant judgement which will impact when the Company recognizes revenue, operating costs and depreciation and depletion in the consolidated statements of income (loss) and comprehensive income (loss). In making this judgement, management examines the following factors:

- All major capital expenditures to bring the mine to the condition necessary for it to be capable of operating in the manner intended by management have been completed;
- The completion of a reasonable period of testing of the mine properties;
- The mine has reached a pre-determined production threshold; and
- The ability to sustain ongoing production of ore.

Mineral reserves and resources
Determining mineral reserves and resources is a complex process involving numerous variables and is based on a professional evaluation using accepted international standards for the assessment of mineral reserves. Estimation is a subjective process, and the accuracy of such estimates is a function of the quantity and quality of available data, the assumptions made and judgement used in engineering and geological interpretation. Mineral reserve estimation may vary as a result of changes in the price of gold and silver, production costs, and with additional knowledge of the ore deposits and mining conditions.

Differences between management's assumptions including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company's results and financial position, particularly a change in the rate of depreciation and depletion of the related mining asset.

Units-of-production depreciation
Mineral properties is depreciated/depleted using the units-of-production method over the expected operating life of the mine based on proven and probable reserves, which are the prime determinants of the

life of a mine. Changes in the estimated mineral reserves and resources will result in changes to the depreciation charges over the remaining life of the operation. A decrease in the mineral reserves would increase depreciation and depletion expense and this could have a material impact on the operating results. The depletion base is updated on an annual basis based on the new mineral reserve and resource estimate.

Equipment Finance Facility

Upon the drawdown under the Cat Financial facility, judgment is required in assessing the appropriate accounting treatment for the transaction. The Company considers the terms of the Master Lease Agreement ("MLA") to determine whether the transaction should be treated as a sale and finance leaseback or as a debt facility. The Company concluded that the substance of the sale and finance leaseback is a means whereby Cat Financial can provide the Company with financing with the assets used as security. The Company determined that it will account for the Cat Facility as a debt facility with consistent financial statement disclosures.

Impairment of non-financial assets

Determining whether facts and circumstances indicate that the Company's assets may be impaired and require the recognition of an impairment loss, or conversely whether a reversal of an impairment loss recognized in a prior period may be required, is a subjective process involving judgment and a number of estimates and interpretations.

When there are indications that an asset may be impaired, the Company is required to estimate the asset's recoverable amount. Recoverable amount is the greater of value in use and fair value less costs of disposal.

In testing an individual asset or CGU for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the CGU. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change as new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ from amounts recognized in the Company's financial statements, and significant adjustments to the carrying values of the Company's assets and reported earnings may occur during subsequent accounting periods.

Management applies significant judgment in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in quantity of the recoverable resources and reserves; (iii) changes in metal prices, capital and operating costs; and (iv) changes in interest rates, are evaluated by management in determining whether there are any indicators of impairment.

No impairment indicators of non-financial assets have been noted for the year ended December 31, 2020 and the ten month period ended December 31, 2019.

Income taxes and recovery of deferred tax assets

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on income in the period that the changes occur.

Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, market prices, production costs, quantities of proven and probable reserves, and interest rates.

Royalty agreements

When entering into a long-term royalty arrangement linked to production at specific project, judgment is required in assessing the appropriate accounting treatment for the transaction. The Company considers the specific terms of each arrangement to determine whether the Company has disposed of an interest in the reserves and resources of the respective operation. This assessment considers what the counterparty is entitled to and the associated risks and rewards attributable to them over the life of the operation.

Stock-based compensation

Management is required to make certain estimates when determining the fair value of stock options awards and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based payments in the consolidated statements of income (loss) and comprehensive income (loss) based on estimates of forfeiture, stock price volatility and expected lives of the underlying stock options.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events which will be confirmed by the occurrence or non-occurrence of future events. These contingencies are not recognized in the consolidated financial statements when the obligation is not probable or if the obligation cannot be measured reliably. The Company exercises significant judgment when determining the probability of the future outcome and with regard to any required disclosure of contingencies, and measuring the liability is a significant estimate.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, loan receivable, accounts payable and accrued liabilities and reclamation bonds. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The reclamation bonds are held with a state of Nevada governmental institution and the Government of Yukon and represent restricted cash, which will be returned to the Company upon the satisfactory completion of reclamation obligations. The reclamation bonds and certain of the Company's cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities are denominated in USD$ leading to currency risk arising from fluctuations in the CAD$ and USD$ exchange rate. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments.

NON-IFRS PERFORMANCE MEASURES

Average realized price per ounce of gold sold

Average realized price per ounce of gold sold is a non-IFRS measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Average realized price per ounce of gold sold is calculated by dividing gold sales proceeds received by the Company for the relevant period by the ounces of gold sold. It may not be comparable to information in other gold producers' reports and filings.

	Three months ended December 31, 2020	Six months ended December 31, 2020
Revenue per financial statements	$ 98,221,599	$ 178,747,827
Treatment and refining charges	283,978	462,565
Less: Silver revenue from mining operations	(320,872)	(556,144)
Gold revenue from mining operations (a)	$ 98,184,705	$ 178,654,248
Ounces of gold sold (b)	40,023	72,052
Average realized price gold sold C$ (c) = (a) / (b)	$ 2,453	$ 2,480
Average 1 US$ → C$ exchange rate (d)	1.3030	1.3176
Average realized price gold sold US$ (c) / (d)	**$ 1,883**	**$ 1,882**

Cash costs per ounce of gold sold

Cash cost per ounce of gold sold is a non-IFRS performance measure and does not constitute a measure recognized by IFRS and does not have a standardized meaning defined by IFRS. Cash cost per ounce may not be comparable to information in other gold producers' reports and filings. The Company has included this non-IFRS performance measure throughout this document as Victoria believes that this generally accepted industry performance measure provides a useful indication of the Company's operational performance. The Company believes that certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of total cash costs per ounce of gold sold to cost of goods sold per the financial statements for the three and six months ended December 31, 2020.

	Three months ended December 31, 2020	Six months ended December 31, 2020
Cost of goods sold per financial statements	$ 40,929,335	$ 75,304,328
Treatment and refining charges	283,978	462,565
Less: Site share-based compensation	(366,847)	(366,847)
Less: Silver revenue from mining operations	(320,872)	(556,144)
Cash costs (a)	$ 40,525,594	$ 74,843,902
Ounces of gold sold (b)	40,023	72,052
Cash costs per ounce of gold sold C$ (c) = (a) / (b)	$ 1,013	$ 1,039
Average 1 US$ → C$ exchange rate (d)	1.3030	1.3176
Cash costs per ounce of gold sold US$ (c) / (d)	**$ 777**	**$ 788**

All-in sustaining costs

All-in sustaining costs ("AISC") include mine site operating costs, sustaining capital, mine site exploration expenditures, reclamation and remediation costs (including accretion and amortization), lease payments related to the mine operations and corporate general and administration expenses. The Company believes that this measure represents the total costs of producing gold from current operations and provides Victoria and other stakeholders with additional information that illustrates the Company's operational performance and ability to generate cash flow. This cost measure seeks to reflect the full cost of gold production from current operations on a per-ounce of gold sold basis. Depreciation and depletion, new project and growth capital, growth exploration, financing costs including interest expense, income tax and Yukon mining tax are not included in AISC.

	Three months ended December 31, 2020		Six months ended December 31, 2020	
Total cash costs	$	40,525,594	$	74,843,902
Sustaining capital[(1)]		15,769,340		35,742,567
Accretion on reclamation provision		85,975		171,948
Corporate general and administration costs[(2)]		1,785,944		3,277,737
Payment of lease liabilities		234,934		471,314
All-in Sustaining costs (AISC) (a)	$	58,401,787	$	114,507,468
Ounces of gold sold (b)		40,023		72,052
AISC C$ (c) = (a) / (b)	$	1,459	$	1,589
Average 1 US$ → C$ exchange rate (d)		1.3030		1.3176
AISC US$ (c) / (d)	**$**	**1,120**	**$**	**1,206**

(1) Sustaining capital of $15.8 million for the three months ended December 31, 2020 are related to $4.4 million for the cash component of capitalized stripping activities, and $11.8 million for sustaining equipment and infrastructure expenditures. Sustaining capital of $35.7 million for the six months ended December 31, 2020 are related to $11.2 million for the cash component of capitalized stripping activities, and $24.9 million for sustaining equipment and infrastructure expenditures. Non-sustaining capital expenditures of $0.4 million in the three and six months ended December 31, 2020 relating to the Eagle Deep drilling campaign, have been excluded from AISC.
(2) Corporate general and administration costs is net of amortization for the three and twelve months year ended December 31, 2020. Excluded from Corporate general and administration costs is $1.6 million in interest in other properties for the three and twelve months year ended December 31, 2020.

<u>Free cash flow</u>

Free cash flow is a non-IFRS performance measure with no standardized meaning under IFRS. Free cash flow is calculated by taking net cash from operating activities less cash flows from (used in) investing activities and interest paid. Free cash flow per share is calculated by dividing free cash flow by the weighted average number of shares outstanding for the period.

	Three months ended December 31, 2020		Six months ended December 31, 2020	
Net cash flows from operating activities per financial statements	$	40,111,872	$	112,744,674
Net cash flows used in investing activities		(14,519,924)		(55,171,340)
Interest paid		(4,976,703)		(9,529,635)
Free cash flows (a)	**$**	**20,615,245**	**$**	**48,043,699**
Weighted average number of shares (b)		61,947,008		61,889,439
Per share data				
Free cash flow (a) / (b)	**$**	**0.333**	**$**	**0.776**

<u>EBITDA</u>

Earnings before interest, taxes and depreciation and amortization ("EBITDA") is a non-IFRS financial measure which excludes the following items from net income (loss): finance costs, finance income, income taxes, capital asset depreciation and depletion, equity-settled share-based compensation expense and gains/losses on assets, liabilities and investment dispositions. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use EBITDA as an indicator of Victoria's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures. EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other producers may calculate EBITDA differently. The following table provides a reconciliation of net income in the Company's consolidated financial statements to EBITDA.

	Three months ended December 31, 2020	**Year ended December 31, 2020**
Net income per financial statements	$ 54,851,137	$ 14,891,909
Adjustments for:		
Mining and income tax expense	1,787,673	7,615,336
Depreciation and depletion	14,132,493	27,128,291
Amortization	29,526	117,384
Share-based payments	2,587,825	2,618,270
Finance costs	7,424,414	13,379,451
Finance income	(27,276)	(216,445)
EBITDA	**$ 80,785,792**	**$ 65,534,196**

INTERNAL CONTROL OVER FINANCIAL REPORTING

The President and Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on a review of the internal controls over financial reporting at December 31, 2020 conducted by the President and Chief Executive Officer and Chief Financial Officer, the Company's internal controls and procedures are appropriately designed and operating effectively to provide reasonable assurance that the financial information is recorded, processed, summarized and reported in a timely manner.

There was no change in the Company's internal controls over financial reporting that occurred during the fourth quarter of 2020 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design and operating effectiveness of the disclosure controls and procedures, that as of December

31, 2020, the Company's disclosure controls and procedures have been designed and operate effectively to provide reasonable assurance that material information is made known to them by others within the Company.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and President and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

QUALIFIED PERSONS

The technical content of Victoria's MD&A has been reviewed and approved by Paul D. Gray, P. Geo., the Company's Qualified Person as defined by National Instrument ("NI") 43-101.

ADDITIONAL INFORMATION

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

"John McConnell"
John McConnell
Chief Executive Officer & President

"Marty Rendall"
Marty Rendall
Chief Financial Officer