

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Victory Nickel Inc. (the “**Company**”)
80 Richmond Street West, Suite 1802
Toronto, Ontario
M5H 2A4

2. **Date of Material Change**

December 31, 2017.

3. **News Release**

The news release attached hereto as Schedule “A” announcing the material change described herein was released through FSCWire at Toronto, Ontario on January 3, 2018.

4. **Summary of Material Change**

The Company announced that it had completed the restructuring of its secured debt in the amount of \$5,500,000 which was to mature on January 31, 2018. The amount has been increased to \$7,050,000 to include accrued interest and the maturity date has been extended 18 months to July 31, 2019 (the “**Amended Secured Loan**”). Other terms of the Amended Secured Loan remain the same as the existing secured debt except that the Company was to issue 2,500,000 shares at a deemed price of \$0.05 as of December 31, 2017 and will issue an additional 2,500,000 shares on December 31, 2018 should the debt not be repaid.

The material change is further described in the Company's news release attached hereto as Schedule “A”, which news release is incorporated herein.

5. **Full Description of Material Change**

5.1 Full Description of Material Change

No information other than that provided in Item 4 above is presently available.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Sean Stokes
Corporate Secretary and Vice-President, Public Affairs
(416) 363-8527

9. **Date of Report**

January 3, 2018.

Schedule "A"

Victory Nickel Restructures Secured Debt

Toronto, January 3, 2018 – Victory Nickel Inc. ("**Victory Nickel**" or the "**Company**") (CSE:NI, www.victorynickel.ca) today announced that it has completed the restructuring of its secured debt in the amount of \$5,500,000 which was to mature on January 31, 2018. The amount has been increased to \$7,050,000 to include accrued interest and the maturity date has been extended 18 months to July 31, 2019 (the "**Amended Secured Loan**"). Other terms of the Amended Secured Loan remain the same as the existing secured debt except that the Company was to issue 2,500,000 shares at a deemed price of \$0.05 as of December 31, 2017 and will issue an additional 2,500,000 shares on December 31, 2018 should the debt not be repaid.

"Although the price of oil has increased from its lows, fracking activity in the geographic area serviced by the Company's frac sand plant in Medicine Hat Alberta has not seen a significant increase in activity. Frac sand prices are increasing but have not returned to the highs of 2014. As previously announced, the refurbishing of the wet plant at the company's 7P Plant near Medicine Hat Alberta is completed and working well and approximately 5,000 tons were washed before freeze up. The price of nickel is seeing signs of improvement and is expected to perform well in the near future as demand for nickel in batteries grows. The Company's projects are sulphide deposits which produce the high quality nickel necessary for electric car batteries," said Rene Galipeau, CEO. "We continue to look at growth opportunities which are complementary to our existing frac sand activities and to strengthen our balance sheet. With the support of our lenders and suppliers, we are getting there."

About Victory Nickel

Victory Nickel Inc. is a Canadian company with four sulphide nickel deposits containing significant NI 43-101-compliant nickel resources and a significant frac sand resource at its Minago project. Victory Nickel is focused on becoming a mid-tier nickel producer by developing its existing properties, Minago, Mel and Lynn Lake (currently under option to Corazon Mining Ltd.) in Manitoba, and Lac Rocher in northwestern Québec. Through a wholly-owned subsidiary, Victory Silica Ltd., Victory Nickel at its 7P Plant frac sand processing facility in Seven Persons Alberta, has established itself in the frac sand business prior to commencing frac sand production and sales from Minago.

CONTACT:

Victory Nickel Inc.

René Galipeau or Sean Stokes

Phone: 416.363.8527

Fax: 416.626.0890

Email: admin@victorynickel.ca

www.victorynickel.ca

Forward-Looking Information: This news release contains certain forward-looking information. All information, other than information regarding historic fact that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future is forward-looking information. The forward-looking information contained in this news release, including information related to the completion and outcome of any debt restructuring activities reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. The forward-looking information contained in this news release is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from current expectations. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable law, the Company disclaims any obligation to update or modify such forward-looking information, either

because of new information, future events or for any other reason. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.