

**VICTORY CAPITAL ENTERS INTO DEFINITIVE AGREEMENT TO COMPLETE
QUALIFYING TRANSACTION WITH ACAPULCO GOLD**

February 8, 2021 – Vancouver, British Columbia – Victory Capital Corp. (“**Victory**” or the “**Company**”) is pleased to announce that further to the letter of intent entered into on November 24, 2020 (the “**LOI**”) with Acapulco Gold Corp. (“**Acapulco**”), a corporation incorporated under the *Business Corporations Act* (British Columbia), it has entered into a binding merger agreement effective on February 5, 2021, with Acapulco, and 1287878 B.C. Ltd. (“**Victory Subco**”), a wholly-owned subsidiary of Victory (the “**Merger Agreement**”) in respect of the completion of an arm’s length reverse-takeover transaction of Acapulco by Victory (the “**Proposed Transaction**”), which will constitute the completion of Victory’s Qualifying Transaction (as such term is defined in Policy 2.4 – *Capital Pool Companies* of the Corporate Finance Manual (“**Policy 2.4**”) of the TSX Venture Exchange (the “**Exchange**”)).

The completion of the Proposed Transaction is subject to the satisfaction of various conditions that are customary for a transaction of this nature, including but not limited to: (i) the completion of a concurrent financing for gross proceeds of a minimum of \$2,000,000 (the “**Private Placement**”) through the issuance of subscription receipts of Acapulco (the “**Subscription Receipts**”); (ii) the approval by the directors of Victory and Acapulco of the Proposed Transaction and the matters related therein; and (iii) the receipt of all requisite regulatory, stock exchange, or governmental authorizations and consents, including the Exchange.

Subject to satisfaction or waiver of the conditions precedent referred to herein and in the Merger Agreement, Victory and Acapulco anticipate that the Proposed Transaction will be completed no later than June 30, 2021. There can be no assurance that the Proposed Transaction or Private Placement will be completed on the terms proposed above or at all.

Trading in the common shares of Victory (the “**Victory Common Shares**”) is currently halted in accordance with the policies of the Exchange and will remain halted until such time as all required documentation in connection with the Proposed Transaction has been filed with and accepted by the Exchange and permission to resume trading has been obtained from the Exchange.

The Qualifying Transaction

The Proposed Transaction will result in Victory acquiring all of the issued and outstanding securities of Acapulco in exchange for the issuance of securities of Victory, which will result in Acapulco becoming a wholly-owned subsidiary of Victory (after completion of the Proposed Transaction, the “**Resulting Issuer**”); the existing shareholders of Acapulco will own a majority of the outstanding Victory Common Shares (after completion of the Proposed Transaction, referred to herein as the “**Resulting Issuer Shares**”). Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be a Tier 2 Mining Issuer listed on the Exchange.

The Proposed Transaction is contemplated as an amalgamation under the *Business Corporations Act* (British Columbia) between Victory Subco and Acapulco and will not constitute a non-arm’s length Qualifying Transaction or a related party transaction pursuant to the policies of the Exchange. As such, the approval of the holders of the Victory Common Shares (the “**Victory Shareholders**”) is not anticipated to be required to approve the Proposed Transaction. Nonetheless, although the approval of the Victory Shareholders is anticipated to not be required for the Proposed Transaction, if the Proposed Transaction is not completed by March 31, 2021, in accordance with the Exchange’s updates to Policy 2.4 effective

January 1, 2021 (the “**Policy 2.4 Updates**”), the approval of the Victory Shareholders may be required to be obtained by June 30, 2021 in connection with approving the Policy 2.4 Updates as applicable to Victory.

As consideration for the acquisition of all of the outstanding securities of Acapulco, holders of the issued and outstanding common shares of Acapulco (the “**Acapulco Common Shares**”) will receive one (1) Victory Common Share for each one (1) Acapulco Share (the “**Exchange Ratio**”) held. As such, Victory will issue approximately an aggregate of 32,460,771 Victory Common Shares to the shareholders of Acapulco.

Upon closing of the Proposed Transaction, subject to receiving the approval of the Exchange, a finder’s fee in the amount of up to 5% of the value of the Proposed Transaction, plus applicable taxes, payable through the issuance of Resulting Issuer Shares to a finder (the “**Finder**”). The Finder is an arm’s length party to both Acapulco and Victory.

Bridge Loan

Subsequent to the approval of the Exchange, Victory will provide Acapulco with a bridge loan in the aggregate amount of up to \$100,000 for working capital purposes, of which \$25,000 was immediately advanced to Acapulco pursuant section 8.5(b) of Policy 2.4 of the policies of the Exchange and a promissory note entered into between the parties (the “**Promissory Note**”). The Promissory Note bears an interest rate of 6% per annum and the outstanding principal plus accrued interest shall be payable back on the earlier of: (i) receipt of final approval of the Exchange for the Proposed Transaction; and (ii) June 30, 2021.

The Private Placement

In conjunction with the Proposed Transaction, Acapulco intends to complete a concurrent non-brokered Private Placement for aggregate gross proceeds of a minimum of \$2,000,000 up to a maximum of \$3,000,000, through the offering of Subscription Receipts to be sold at an issue price to be determined in the context of the market. Acapulco intends to use the net proceeds from the Private Placement for expenditures for the further advancement of its mining properties and general corporate purposes.

The Private Placement shall be completed on such date to be determined between Acapulco and Victory and is a condition precedent to closing the Proposed Transaction.

Acapulco Financial Information

The financial statements of Acapulco are currently being generated and the parties expect to provide an update with respect to the financial information of Acapulco in a subsequent press release in accordance with Policy 2.4.

Insiders of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the board of directors of the Resulting Issuer will consist of four nominees: Michael Williams (Chairman), David Jones, John Larson, and Vikas Ranjan. The management of the Resulting Issuer shall be determined by Victory and Acapulco and shall be disclosed by the parties in a subsequent press release.

Michael Williams (Vancouver, British Columbia), Director

Michael Williams has over 20 years of experience as a senior executive within the mining industry. Experienced in the structuring, administrating and marketing of Toronto Stock Exchange listed companies.

Executive Chairman of numerous public companies including Underworld Resources Ltd, which was sold to Kinross Gold Corp for \$138,000,000. He has developed an international banking and financing network that includes extensive contacts with both institutional and retail investors; raised significant capital funds for advanced exploration and development projects. He currently serves as a director, President and CEO of Vendetta Mining Corp. and is the Founder and Chairman of Aftermath Silver.

David Jones (Tucson, Arizona), Director

David M. Jones is a graduate of Dartmouth College (B.A.) and the University of Arizona (M.S.) with 42 years of experience in mineral exploration and project development in the U.S. and Latin America. As the foremost expert in the Guerrero Gold Belt, Mr. Jones discovered the Los Filos gold deposit in 1995 (Teck), was the leader of the technical team that won the bid for the Morelos reserve in 1998 (El Limon-Guajes deposits) and served as the principal geologic advisor in the start-up of Torex Gold. For the past 20 years he has worked extensively in epithermal precious metals system in Oaxaca and was responsible for targeting the recent discovery of Gold Resource Corporation's polymetallic Switchback mine. Mr. Jones was a board member of Cayden Resources at the time of its sale to Agnico Eagle, and is currently a director of Minaurum Gold, Megastar Development, and the private concern Acapulco.

John Larson (Tucson, Arizona), Director

John Larson holds advanced degrees in geology and chemistry from the University of Western Ontario and the Colorado School of Mines. With over 40 years' experience, he is known as an expert in volcanogenic massive sulphide deposits and porphyry systems. His career exploration team successes include the La Choya and La Trinidad gold deposits in Mexico; the HD Summit, Big Ledge, Snoose Creek and Loomis Creek barite deposits in the U.S.; and the Santo Domingo copper-iron-gold deposit in Chile.

Vikas Ranjan (Mississauga, Ontario), Director

Vikas Ranjan is a management professional with an MBA in Finance from McGill University, Montreal, Canada. His background includes over 25 years experience in diverse areas of finance, capital markets, entrepreneurship and investing. He is a co-founder of Gravitas Group of companies and his experience encompasses working in senior executive roles, both in Canada and India. Mr. Ranjan has been involved in launching several public and private enterprises in the areas of capital markets and growth investing. He currently serves on the boards of several public and private companies.

Sponsorship

Sponsorship of a Qualifying Transaction is required by the Exchange unless a waiver from the sponsorship requirement is obtained. Victory intends to apply for a waiver from sponsorship for the Proposed Transaction. There is no assurance that a waiver from this requirement will be obtained.

About Acapulco

Acapulco Gold Corp, and its wholly owned Mexico subsidiary Empresa Minera Acagold, S.A. de C.V., is a private corporation which has entered into an agreement for 100% interest in two drill-ready high-potential copper-gold volcanogenic massive sulfide (VMS) properties (Riqueza Marina and Zaachila) in the state of Oaxaca, and a third high-potential gold property (El Rescate) (collectively, the "**Acapulco Property**") in the state of Puebla. The Oaxaca projects incorporate the most highly prospective areas of high-grade copper mineralized surface exposures ('gossans') and prominent gravity anomalies along an emerging copper-gold VMS belt that includes Minaurum Gold's Santa Marta project (see <https://www.minaurum.com/news/2013/minaurum-receives-report-from-dr-james-franklin-on-the-santa->

marta-vms-project/). The Oaxacan VMS belt is similar to the geology of other deposits in Mexico such as Campo Morado mine (Guerrero) and San Nicholas (Zacatecas), and is reported by expert Dr. Jim Franklin as having characteristics similar to the world-class Noranda camp of Canada.

The El Rescate gold project lies adjacent to a currently producing high-grade vein/intrusive breccia gold mine in the state of Puebla where recent mapping has identified 900 meters of undrilled surface veining similar in nature and mineralogy that currently being mined.

History of the Acapulco Property

The prospects of the Acapulco Property for polymetallic volcanogenic massive sulfide deposits (“**VMS**”) was first recognized by geologist David M. Jones over a number of years in the early 2000’s. This led to the filing of concession applications on the project areas through his Mexican subsidiary, Minera Zalamera S.A. de C.V (“**Zalamera**”). The potential for high-grade gold mineralization at the El Rescate project (state of Puebla) was recognized through his decades of work in that part of Mexico, which started with his discovery of the Los Filos gold deposit (Guerrero) on behalf of Teck Corporation in 1995.

In 2011, the Zaachila and Riqueza Marina concessions were optioned to Acapulco, and limited funds were raised through equity (share) sales to support initial exploration efforts in 2011-2012. This work identified multiple target areas with anomalous geochemistry in favorable geologic settings, including the first find of gossan (oxidized sulfide) material inferred to be derived from massive sulfide mineralization. In April 2017, Acapulco, Zalamera, and OZ Exploration PTY Ltd. (“**OZ**”) entered into a tripartite option agreement (the “**Tripartite Option Agreement**”). From 2017 to 2019, the joint venture between the parties conducted extensive exploration work consisting of geologic mapping, geochemical sampling, and geophysics. The Tripartite Option Agreement was formally terminated in late 2019.

The cumulative exploration history of the Acapulco Property is summarized in the following table:

Riqueza Marina and Zaachila Exploration History						
<u>Years</u>			<u>2000-2003</u>	<u>2006-2008</u>	<u>2012-2013</u>	<u>2017-2019</u>
<u>Riqueza Marina</u>	Geology	Observations	1	5	109	2053
	Geochemistry	StreamSeds	0	0	46	0
		Rock	6	0	200	668
		Soil (NitonXRF)	0	0	0	740
	Geophysics	Gravity	-	-	-	754 stations
		GroundMag	-	-	-	63 line-km’s
<u>Zaachila</u>	Geology	Observations	29	9	16	1756
	Geochemistry	StreamSeds	0	10	31	0
		Rock	0	26	124	179
		Soil (NitonXRF)	0	0	0	26

	Geophysics	Gravity	-	-	-	370 stations
		GroundMag	-	-	-	33 line-km's

At Riqueza Marina, exploration work generated five high-potential target areas of well-mineralized VMS-style gossans within a multiple kilometer trend; each of these areas are modestly to strongly mineralized with a polymetallic suite of Cu-Au-Ag-Pb-Zn. Such multiple gossan centers are characteristic of highly prospective VMS belts where clusters of deposits are the norm rather than the exception. A ground gravity survey over selected areas yielded a blind anomaly approximately equivalent in size and magnitude as that seen above the San Nicholas VMS deposit (Zacatecas). Exploration drill targets have been selected and environmental permitting for a minimum first-round core drill program of 3000 meters minimum is underway. Further field work, target definition, and optional ground geophysics are planned for the most recently found high-potential areas that have seen little work to date.

At Zaachila, exploration work identified a minimum 5-kilometer trend of surface copper mineralization in a highly prospective geologic terrane flanking a large granitic (trondhjemite) intrusion. The center of this mineralized belt correlates with a positive gravity anomaly and a negative magnetic anomaly, both considered highly positive indicators for VMS potential. Exploration drill targets have been selected and environmental permitting for a first-round core drill program of 1800 meters minimum is pending. Further field work and target definition are planned for additional high-potential areas that have seen little work to date.

About Victory Capital Corp.

Victory is a capital pool company created pursuant to the policies of the Exchange. It does not own any assets, other than cash or cash equivalents and its rights under the Merger Agreement. The principal business of Victory is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the Exchange so as to complete a Qualifying Transaction in accordance with the policies of the Exchange.

Forward-Looking Statements Disclaimer and Reader Advisory

*Not for dissemination in the United States or for distribution to U.S. newswire services. The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, a person in the United States or a U.S. person (as defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and any applicable state securities laws, or compliance with an exemption therefrom. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.*

Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Victory assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to Victory. Additional information identifying risks and uncertainties is

contained in filings by Victory with the Canadian securities regulators, which filings are available at www.sedar.com.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

TSX Venture Exchange Inc. has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

The Victory Common Shares will remain halted until such time as permission to resume trading has been obtained from the Exchange. Victory is a reporting issuer in Alberta, British Columbia, Saskatchewan, and Ontario.

For more information about Victory, please contact Raj Dewan, Director, at (416) 865-7878.