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Velocity Reports Maiden Resource at Rozino Gold Project, Southeast Bulgaria

**Inferred Resource at 0.5g/t gold cut-off grade
17Mt @ 1.15g/t gold for 629,000 ounces**

Mineralization remains open for expansion

Vancouver, British Columbia – Velocity Minerals Ltd. (TSXV: VLC) (“Velocity” or the “Company”) announces that it has received Inferred Resource estimates for the Rozino gold deposit (“Rozino” or the “Project”), southeast Bulgaria. The estimates based on 2m down-hole composited gold assay grades are reported for a range of cut off grades (Table 1). Highlights include:

- 17Mt @ 1.15g/t gold for 629,000 ounces at 0.5g/t cut-off grade; and
- 8.2Mt @ 1.68g/t gold for 443,000 ounces at 0.8g/t cut-off grade;
- Estimated resources extend to the base of mineralized drilling at around 190m depth, with around 90% of estimates from depths of less than 110m and less than 1% from below 150m; and
- The mineralized system remains open for expansion and drill testing is ongoing.

The Company plans to publish a Preliminary Economic Assessment (“PEA”) in the second-half of 2018, which will include an updated Mineral Resource estimate. The current resource estimate is based on approximately 7,500 m of diamond drilling and the Company continues to drill test the system and expects to complete approximately 5,000m of further drilling before initiating a PEA.

Table 1: Rozino Inferred Mineral Resource Estimate, effective date March 1, 2018⁽¹⁾

Cut Off Grade gold g/t	Tonnes million	Gold g/t	Gold ,000 ounces
0.2	45	0.62	897
0.3	30	0.81	781
0.4	22	0.98	693
0.5	17	1.15	629
0.6	13	1.32	552
0.7	10	1.50	482
0.8	8.2	1.68	443
0.9	6.8	1.86	407
1.0	5.7	2.03	372
1.2	4.2	2.37	320
1.5	2.9	2.84	265

(1) Mineral resources were estimated by Jonathon Abbott, a member of the Australian Institute of Geoscientists and employee of MPR Geological Consultants Pty Ltd of Perth, Australia. Mr. Abbott is a Qualified Person, as defined by National Instrument 43-101.

“We are a little over half-way through our planned drilling at Rozino, which will bring us to a planned PEA later in 2018. On completion of the PEA, the Company will earn a 70% stake in the Project. The results of this resource are excellent and keep us on track to deliver our PEA within one year of the drill start,” stated Stuart Mills, Velocity’s Vice-President Exploration. “Having started drilling in late July 2017, we have moved quickly to get to this interim resource estimate in just over 7 months. Our stated objective has always been to define potentially open-pittable resources and defining 90% of resources within 110m of surface is consistent with that goal.”



Figure 1. Plan view of Inferred Resource extents relative to angled drill hole dataset.

Resource Estimate Methodology

Recoverable resources were estimated for Rozino using Multiple Indicator Kriging (MIK) with block support adjustment, a method that has been demonstrated to provide reliable estimates of recoverable open pit resources in gold deposits of diverse geological styles.

The Rozino sampling database includes 186 diamond holes for 29,924m of drilling, of which 86 drill holes (14,289m) completed by Asenovgrad Geoengineering EAD are not included in the resource estimation dataset due to insufficient quality control data. Drilling used in resource estimation total 78 (12,009m) drill holes and comprise 44 drill holes (7,475m) completed by Velocity, 28 drill holes (3,794m) completed by Hereward Ventures Ltd. (“**Hereward**”), and 6 drill holes (740m) completed by Asia Gold Inc. (“**Asia Gold**”). The remaining angled drill holes from the database are located outside the mineralized envelope and did not inform the resource estimation.

Samples from Velocity’s diamond drilling provide 63% of the estimation dataset, with angled diamond holes drilled by Hereward and Asia Gold contributing 32% and 5%, respectively.

Estimated resources are constrained within a mineralized envelope interpreted from 2m down-hole composited gold grades and geological logging from diamond drilling and surface trenches. The envelope captures intervals of greater than 0.1 g/t, with the lower boundary reflecting the contact between variably mineralized sedimentary rocks and un-mineralized basement. It covers an area of approximately 780m by 600m. Estimated resources extend to the base of mineralized drilling at around 190m depth, with around 90% of estimates from depths of less than 110m and less than 1% from below 150m (Figures 1 & 2).

Bulk densities of 2.2, 2.4 and 2.6 tonnes per cubic metre were assigned to completely weathered, transitional and fresh material, respectively, using surfaces representing the base of complete oxidation (“BOCO”) and top of fresh rock (“TOFR”) interpreted by Velocity (Figure 2). Within the resource area the depth to BOCO averages around 7m, with fresh rock occurring at an average depth of around 18m.

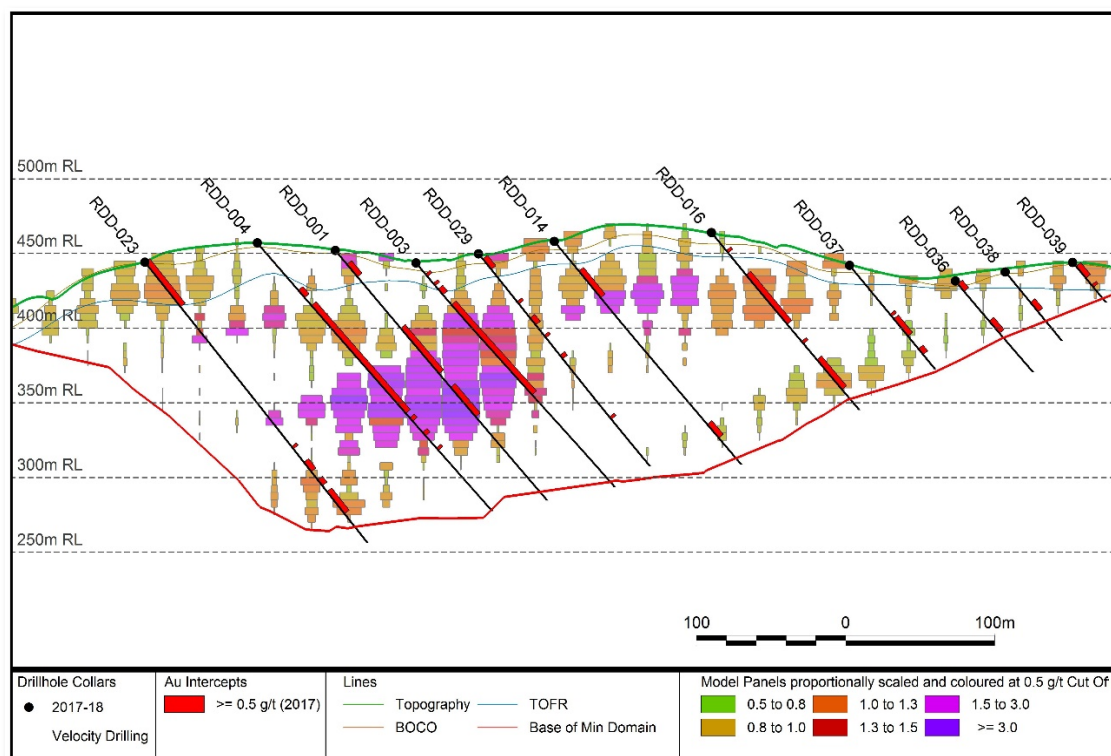


Figure 2. Representative section of resource estimate scaled and coloured by proportion above 0.5g/t gold cut off grade

Future Work

Ongoing diamond drilling and initial metallurgical test work to support an independent PEA study scheduled for release in late 2018.

Quality Assurance / Quality Control

The work program at Rozino was designed and is supervised by Stuart A. Mills, CGeol, the Company's Vice-President Exploration, who is responsible for all aspects of the work, including the quality control/quality assurance program. On-site personnel at the project rigorously collect and track samples which are then security sealed and shipped to ALS Global laboratory in Romania. Samples were prepared and analyzed by fire assay using a 30-gram charge in compliance with industry standards. Field duplicate samples, blanks and independent controlled reference material (standards) are included in every batch.

Hereward and Asia Gold's diamond core from angled drilling was sampled and analyzed by industry standard methods. The core was generally halved for analysis with a diamond saw over generally 1m

intervals, and samples were analyzed for gold by fire assay by commercial laboratories. Information available to demonstrate the reliability of these results includes duplicates and blanks for both data sets and certified reference standards for Asia Gold's drill results.

General Notes with Respect to Technical Information

The mineral resource disclosed herein has been estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum "CIM Definition Standards for Mineral Resources and Mineral Reserves" (CIM, 2014).

Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Any known legal, political, environmental, or other risks that could materially affect the potential development of the Mineral Reserves are detailed below in the section entitled "Cautionary Statement Regarding Forward-Looking Information".

Qualified Person

The technical content of this news release has been approved for disclosure by Jonathon Abbott, a member of the Australian Institute of Geoscientists and employee of MPR Geological Consultants Pty Ltd. Mr. Abbott is a Qualified Person, as defined by National Instrument 43-101. Mr. Abbott is independent of the Company.

About Velocity Minerals Ltd.

Velocity is a gold exploration and development company focused on eastern Europe. The Company's management and board includes mining industry professionals with over 100 years of combined experience spanning Europe, Asia, and the Americas as employees of major mining companies as well as founders and senior executives of junior to mid-tier public companies. The team's experience includes all aspects of mineral exploration, resource definition, feasibility, finance, mine construction and mine operation as well as a track record in managing publicly listed companies.

The Company's portfolio of advanced gold exploration assets is currently in Bulgaria, which is a member of the European Union (2007) and an attractive destination for mining investment. The country's mining law was established in 1999 and updated in 2011. Mining royalties are low and compare favourably with more established mining countries like Canada, Peru and Chile. Bulgaria also boasts a corporate tax rate of only 10% and the country's education system has yielded a good availability of experienced mining professionals in a favourable cost environment. Foreign mining companies are successfully operating in Bulgaria.

Velocity Minerals has entered into an Exploration and Mining Alliance (the "**Alliance**") with Gorubso Kardzhali A.D. ("**Gorubso**"), an established and respected mining company in Bulgaria. Gorubso currently operates the underground Chala Gold Mine (2006) and the Kardzhali Carbon In Leach (CIL) processing plant (2011), which produces gold dore. The Alliance outlines the scope of a broad partnership that includes an option to earn a 50% beneficial interest in the Chala Mine, access to Gorubso's gold processing plant in Kardzhali, and the ability for Velocity to option any or all of Gorubso's exploration properties.

On Behalf of the Board of Directors

"Keith Henderson"

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: statements related to proposed exploration and development programs at Rozino, grade and tonnage of material and resource estimates and the Alliance. Often, but not always, forward looking statements can be identified by words such as "pro forma", "plans", "expects", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that market fundamentals will result in sustained gold demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of Rozino in a timely manner, the availability of financing on suitable terms for the development, construction and continued operation of Rozino, and the Company's ability to comply with environmental, health and safety laws.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, among others, operating and technical difficulties in connection with mineral exploration and development and mine development activities for Rozino, including the geological mapping, prospecting and sampling programs for the project, the fact that the Company's interests in Rozino (Tintyava property) is only an option and there is no guarantee that the interest, if earned, will be certain, actual results of exploration activities, variations to the geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), the timing and amount of estimated future production, costs of production, capital expenditures, the costs and timing of the development of new deposits, the availability of a sufficient supply of water and other materials, requirements for additional capital to fund the Company's business plan, future prices of precious metals, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, possible variations in ore grade or recovery rates, possible failures of plants, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental and regulatory approvals (including of the TSX Venture Exchange), permits or financing or in the completion of development or construction activities, changes in laws, regulations and policies affecting mining operations, hedging practices, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risk Factors" in the Company's annual management's discussion and analysis and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile

on the SEDAR website at www.sedar.com. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed and / or is in production. The actual results or performance by the Company could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements in this news release or incorporated by reference herein, except as otherwise required by law.

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