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June 5, 2018

Velocity Initiates Preliminary Economic Assessment for Rozino gold project, Southeast Bulgaria

Drill Results Continue to Expand East Zone, which Remains Open for Expansion

Vancouver, British Columbia – Velocity Minerals Ltd. (TSXV: VLC) (“Velocity” or the “Company”) announces that it has retained CSA Global Canada Geoscience Ltd. (“CSA Global”) to complete a Preliminary Economic Assessment (“PEA”) and NI 43-101 Technical Report (the “Report”) for the Rozino gold project (“Rozino” or the “Project”).

Hitting Milestones at Rozino

“We remain on target to meet our aggressive timeline for delivery of a PEA at Rozino in September 2018, a little over a year since acquiring the project and initiating drilling. The delivery of the PEA is the mechanism by which we will earn our 70% interest in the Rozino deposit,” stated Keith Henderson, Velocity’s President & CEO. “We have selected CSA Global to complete the PEA because of their strong track record in Bulgaria, including Mineral Resource estimates and an updated Definitive Feasibility Study for Dundee Precious Metal’s Krumovgrad project, which is under construction approximately 20km west of Rozino and slated for production before year end.”

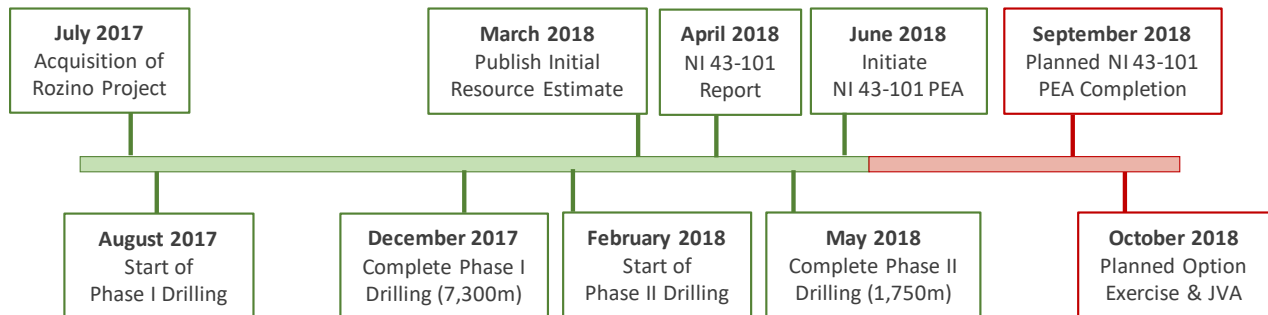


Figure 1: Velocity’s aggressive exploration program on target to take the Rozino gold project from acquisition to preliminary economic assessment in approximately 14 months.

Mr. Henderson continued, “In the nine months since we initiated exploration drilling in Bulgaria, the Company has moved forward considerably. In addition to meeting planned milestones at Rozino, we have negotiated several pivotal deals, including an exploration alliance with our local operating partner Gorubso Mining and exclusive access to Gorubso’s CIL processing plant, which is available for the processing of material from all projects within the alliance area, including Rozino.”

Preliminary Economic Assessment

The PEA for the Rozino gold deposit will be completed by CSA Global, a leading geological and mining consulting company with over 30 years international experience. CSA Global has extensive experience in the Balkan region in general and Bulgaria in particular.

The PEA will include an updated NI 43-101 mineral resource estimate and results of ongoing metallurgical testing as well as high-level mine and process design and an economic assessment of the project. Drill holes RDD-045 to RDD-056 were not included in the initial NI 43-101 mineral resource estimate published in March 2018 but will be included in the updated resource estimate.

Drilling Continues to Expand East Zone

The East Zone at Rozino has a gold-in-soil anomaly and drill hole RDD-040 intersected 144.7m grading 1.52g/t gold from surface. In general, soil anomalies at Rozino are related to zones where mineralization comes to surface and the presence of soil anomalies has been a useful tool in defining drill targets. Where mineralization is present but does not come to surface, soil anomalies are either absent or low in magnitude and a large number of smaller / lower tenor soil anomalies require drill testing. A program of trenching in the vicinity of these soil anomalies is underway.

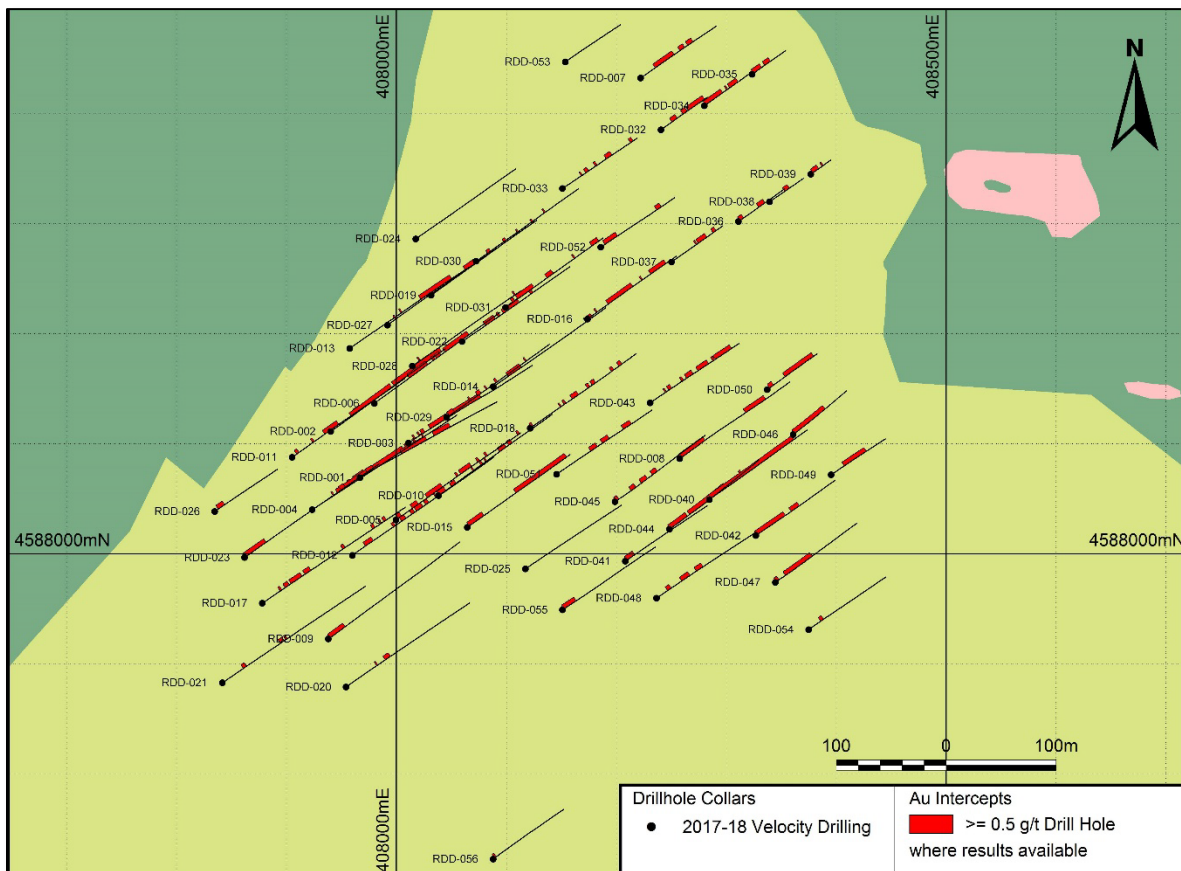


Figure 2: Geological map showing results of all drilling to date at Rozino.

Results have been received for drill holes RDD-050 to RDD-056 (Figure 2, Table 1). Highlights include RDD-055, which intersected 20.7m grading 0.76g/t gold, having stepped 50m to the southwest from previous drill hole RDD-041 (13.8m grading 1.05g/t gold). East Zone remains open and will require further

systematic drill testing after the completion of the PEA to define the extent of mineralization and to potentially discover additional new zones of mineralization.

Table 1: Highlights from drill holes RDD-050 to RDD-056

Drillhole	From (m)	To (m)	Thickness (m)^	Gold (g/t) Uncut
RDD-050	4.0	11.0	7.0	0.63
and	31.0	80.0	49.0	0.57
RDD-051	59.4	71.4	12.0	0.54
and	80.4	92.4	12.0	0.75
and	117.4	131.4	14.0	0.54
RDD-052	7.2	28.9	26.8	0.67
and	97.1	105.1	8.0	0.58
RDD-053	No Significant Intercept			
RDD-054	21.0	26.0	5.0	0.73
RDD-055	2.1	22.8	20.7	0.76
<i>including</i>	<i>12.1</i>	<i>21.8</i>	<i>9.7</i>	<i>1.16</i>
RDD-056	2.8	5.5	2.7	0.64

^ The current exploration model has not had sufficient drill testing to be able to determine true thickness of mineralization.

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 used for the results described herein are 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 added to every batch. Drill intersections in this news release are calculated using a 0.2 g/t gold trigger, a minimum 0.5 g/t gold composite, and a maximum of 3 meters consecutive waste.

Qualified Person

The technical content of this release has been approved for disclosure by Stuart A. Mills, BSc, MSc, CGeol, a Qualified Person as defined by National Instrument 43-101 and the Company's Vice President Exploration. Mr. Mills is not independent of the Company.

About the Rozino Gold Project

Velocity has been exploring and drilling at Rozino since August 2017, publishing a maiden Inferred Mineral Resource Estimate⁽¹⁾ in Q1 2018; 17Mt @ 1.15g/t gold for 629,000 ounces at 0.5g/t cut-off grade with 8.2Mt @ 1.68g/t gold for 443,000 ounces at 0.8g/t cut-off grade. Approximately 90% of estimated

resources at depths of less than 110m from surface and less than 1% below 150m from surface. Mineralization remains open for expansion.

The Company has completed the 2018 drill program with a view to publishing an updated mineral resource estimate and PEA before year end. On completion of the PEA, the Company will exercise its option for a 70% interest in the project and will move forward in joint venture with its Bulgarian partner.

About the Balkan Gold Project

Velocity formed an Exploration and Mining Alliance (“Alliance”) with Bulgarian operating partner Gorubso Kardzhali A.D. (“Gorubso”) in February 2018. The Alliance is the cornerstone of the Balkan Gold Project.

Within the Balkan Gold Project, the Company’s portfolio of assets in Bulgaria includes exclusive access to a modern, centrally located CIL plant for processing of material from gold projects in the surrounding area. The Company has negotiated an option to earn a 70% interest in any or all of seven advanced gold projects, including the Rozino Project where drilling is ongoing. In addition, the Company has negotiated an option to earn a 50% interest in the operating Chala Gold Mine.

The Alliance area covers all existing and future Gorubso and Velocity projects within an area of 10,400km² covering the prospective Eastern Rhodope Gold Mining District in southeastern Bulgaria.

The Agreement contemplates the exploration, development, and mining of the various projects within the Alliance area and provides for an option/joint venture mechanism by which Velocity and Gorubso will partner to maximize value for both companies.

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 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.

About Bulgaria

Bulgaria is a member of NATO (2004) and a member of the European Union (2007). The local currency (BGN) has been tied to the Euro since 1999 (1.956 BGN/EUR). The country is served by modern European infrastructure including an extensive network of paved roads. Bulgaria boasts an exceptionally low corporate tax rate of only 10%. The country’s education system is excellent with good availability of experienced mining professionals in a favourable cost environment. Foreign mining companies are successfully operating in Bulgaria. 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.

About CSA Global

CSA Global is a mining, geological, technology, and management consulting company providing strategic services and advice to companies to the international mining industry. CSA Global’s mining services team provides expert evaluation, planning, review, development advice, and solutions for surface and underground mines worldwide, with experience across a wide spectrum of mineral commodities and diverse physical environments. CSA Global services mining clients worldwide from its offices in Australia, Canada, the United Kingdom, South Africa, and Indonesia. For more information: www.csaglobal.com

On Behalf of the Board of Directors

"Keith Henderson"

President & CEO

For further information, please contact:

Keith Henderson

Phone: +1-604-484-1233

E-mail: info@velocityminerals.com

Web: www.velocityminerals.com

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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: future exploration and testing carried out on the Tintyava property; use of funds; and the future business and operations of Velocity. 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. 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 the Tintyava property, including the geological mapping, prospecting and sampling programs for the projects, the fact that the Company's interests in the Tintyava property is only an option and there is no guarantee that the interest, if earned, will be certain, actual results of exploration activities, including the program, estimation or realization 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.

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