



NR-25-01

February 28, 2025

Velocity Enters into Definitive Agreement to Sell All Bulgarian Assets

Vancouver, British Columbia – Velocity Minerals Ltd. (TSX.V: VLC, OTCQB: VLCJF) ("**Velocity**" or the "**Company**") announces that, further to its news releases of October 1, November 29 and December 17, 2024, it has entered into a definitive share purchase and option agreement made as of February 24, 2025 (the "**Definitive Agreement**") with Türker Global Madencilik Sanayi Ve Ticaret A.Ş. ("**Türker Mining**"), a subsidiary of Türkerler İnşaat Turizm Madencilik Enerji Üretim Ticaret ve Sanayi A.Ş. ("**Türkerler**"), a diversified company based in Ankara, Turkey, whereby Velocity has agreed to (i) sell its 70% interest in the Rozino project, together with certain licences, licence applications and associated tenures and rights (the "**Rozino Project**") to Türker Mining, and (ii) grant to Türker Mining the option (the "**Option**") to acquire Velocity's interest in certain other Bulgarian mineral property assets, licences, licence applications and associated tenures and rights (collectively, the "**Non-Rozino Assets**"; together with the Rozino Project, the "**Subject Assets**") (the "**Transaction**").

"It is a great pleasure to announce another significant Transaction milestone, and I would like to thank Türker Mining for their meaningful contribution to a successful outcome," stated Keith Henderson, President & CEO of Velocity. "Türker Mining are financially and technically well-positioned to bring Rozino to production. We look forward to receipt of shareholder approval and ultimately to closing the Transaction. Projects like Rozino bring far-reaching economic benefits for both local residents and businesses and we are certain this development will be welcomed in the southeast Bulgaria region."

Commercial Terms

Under the terms of the Definitive Agreement, which supersedes and replaces the previously announced letter agreement between Velocity and Türkerler, Türker Mining has agreed to purchase 100% of the Rozino Project for USD \$55.0 million (the "**Rozino Purchase Price**"). The Rozino Purchase Price will be payable in two tranches, as follows: (i) an initial payment in the amount of USD \$16.5 million following receipt of Velocity shareholder approval and TSX Venture Exchange ("**TSXV**") acceptance for the Transaction (the "**First Tranche Payment**"); and (ii) an additional payment in the amount of USD \$38.5 million (the "**Second Tranche Payment**") on or before the 18 month anniversary of the date of the First Tranche Payment (the date of the Second Tranche Payment being the "**Closing**"), provided that if the Second Tranche Payment is paid by Türker Mining on or before the 12 month anniversary of the First Tranche Payment, then the amount of the Second Tranche Payment will be reduced by USD \$1.5 million. If Türker Mining fails to make the Second Tranche Payment it will acquire no interest in the Subject Assets and the First Tranche Payment will be non-refundable in accordance with the terms of the Definitive Agreement. Gorubso-Kardzhali AD, which holds a 30% interest in the Rozino Project, will be entitled to 30% of the Rozino Purchase Price.

Following the First Tranche Payment until Closing, Türker Mining will engage Velocity under a funding and technical services agreement pursuant to which Türker Mining will be responsible for funding all exploration and development costs required to (i) keep the Subject Assets in good standing, (ii) complete field work supporting Türker Mining's planned Feasibility Study (to be prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects*), and (iii) file an Environmental Impact Assessment report required under Bulgarian mine permitting regulations.

In order to exercise the Option, Türker Mining must make a cash payment of USD \$4.0 million (the "**Non-Rozino Purchase Price**") to Velocity prior to Closing, provided that the Option shall not be exercisable unless and until Türker Mining shall have paid the Second Tranche Payment. Upon payment of the Non-Rozino Purchase Price, Türker Mining shall be deemed to have exercised the Option and agreed to acquire a 100% interest in the Non-Rozino Assets. The acquisition by Türker Mining of the Rozino Project and, if the Option is exercised, the Non-Rozino Assets, will be affected through the sale and purchase of shares in the Bulgarian subsidiaries holding the Subject Assets. In connection with the Transaction, Türker Mining also agreed to pay to Velocity a USD \$1.0 million transaction fee upon execution of the Definitive Agreement.

Türker and Velocity will each, subject to certain terms and conditions in the Definitive Agreement, be responsible for payment of a break or non-completion fee to the other party in certain circumstances if the Transaction does not proceed. Closing is subject to customary conditions precedent, including, without limitation, receipt of all necessary shareholder, board, third party and regulatory (including TSXV) consents and approvals. The Transaction requires the favourable vote of 66 2/3% of the votes cast by Velocity shareholders and Velocity has set a shareholder meeting date of April 15, 2025, to approve the Transaction.

Subject to TSXV acceptance for filing, finder's fees in the amount of 4% will be payable upon Closing in connection with the Transaction.

About Türkerler

Türkerler was founded more than 50 years ago in Ankara, Türkiye, and has grown to become a diversified group of companies with over 24,000 staff, and which is active in real estate development, renewable energy (wind, solar, geothermal), electrical generation & distribution, public-private partnerships, the textile sector, as well as mining. Türkerler's experience includes major construction projects, such as hydro-electric dams, tunnels, highways, subways and hospitals, which experience will be critical in its ongoing expansion into the mining sector. As at the end of the last financial year, Türkerler has total investments of USD \$6 billion dollars in active projects.

On Behalf of the Board of Directors

"Keith Henderson"
President & CEO

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the completion of the Transaction, the completion of the conditions precedent to the Transaction, the holding of a shareholder meeting to approve the Transaction, the exercise of the Option, the completion of a Feasibility Study, the completion and filing of an Environmental Impact Assessment report, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as "pro forma", "plans", "expects", "may", "will", "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 precious metals demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the Transaction in a timely manner, the availability of financing on suitable terms for the continued operation of the Company's business, and the Company's ability to comply with environmental, health and safety laws.

Forward-looking statements involve 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 at the Company's properties, estimation or realization of mineral reserves and mineral resources, inability to complete a Feasibility Study and an Environmental Impact Assessment report in respect of the Rozino Project, requirements for additional capital, future prices of precious metals and copper, 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 or the inability of the Company to obtain any necessary permits, approvals, consents or authorizations required, including receipt of shareholder approval and TSXV acceptance for the Transaction, financing or other planned activities, changes in laws, regulations and policies affecting mining operations, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, 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 latest Management 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.sedarplus.ca.

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