

NR-20-08

April 7, 2020

Velocity Provides Update on its 2020 Gold Exploration Programs in Bulgaria

Vancouver, British Columbia – Velocity Minerals Ltd. (TSXV: VLC) (“Velocity” or the “Company”) provides an update on the Company’s 2020 exploration programs and plans in southeastern Bulgaria in the context of the global COVID-19 crisis. The Company continues to move forward with planned work, including drilling, while putting strict protocols in place to protect employees, contractors, consultants and their families. The safety and well-being of the work force is the Company’s highest priority.

The Company is well-financed to continue gold exploration at its advanced projects having closed a non-brokered \$5.78 million private placement on February 12, 2020 (see news release NR20-04).

The Company is focused on its 70%-owned Tintyava Joint Venture, which includes the advanced Rozino gold deposit (“Rozino”) as well as a number of target areas within the 160km² Tintyava prospecting and exploration licence (“Tintyava”). Rozino is advancing to prefeasibility while target generation continues and exploration drilling at Rozino is scheduled to commence imminently - any discovery could potentially utilize common infrastructure at Rozino as part of the Company’s “Hub and Spoke” development model.

In addition, exploration work is ongoing at three gold projects held under option agreements: the Obichnik and Sedefche projects, where more than 8,500m of drilling were completed in Q1 2020, and the Makedontsi project, where drilling is planned for later in 2020.

The longer-term effects of the ongoing COVID-19 pandemic on Velocity’s exploration business is uncertain and the Company is reviewing strategies to reduce costs where appropriate. Management and Board will be meeting on an approximately monthly basis to review operating protocols and exploration strategy as they relate to the COVID-19 crisis and financial market conditions.

Rozino Prefeasibility Study

Since Velocity commenced drilling at Rozino in mid-2017, the Company has completed approximately 23,000m of drilling, publishing an initial mineral resource estimate in March 2018 and a preliminary economic assessment in September 2018.

The Prefeasibility Study (“PFS”) at Rozino continues to progress and the scheduled publication of the PFS results in late Q2 2020 remains on track. Field-based data collection is complete and test work awaiting results is limited to metallurgical testing with laboratories in Bulgaria and UK continuing to operate, but at reduced staffing levels and under strict operating protocols, which has naturally resulted in longer delivery times for results.

In the immediate Rozino area, 2020 exploration drilling is scheduled to begin in April to test new targets immediately outboard of the Rozino deposit and in the Rozino South target area, located approximately 800m south of the deposit. In total 3,000m of drilling will be completed.

Tintyava Exploration

The licence area at Tintyava is approximately 160km² in area and falls within the JV area (Figure 1). Over the last number of months, Velocity has defined seven target areas for exploration follow up. As the Company moves to complete the PFS at Rozino, exploration in the surrounding area has intensified. All targets are located with 8km of the proposed Rozino processing plant and priority targets are generally within 4km. This proximity means that any discovery arising from the current exploration plan and successfully developed would make use of common infrastructure.

To date approximately 50 drainage samples and more than 1,500 detailed soil samples have been taken bringing the total area of geochemical screening to more than 25km². Additional stream sediment and soil sampling in conjunction with mapping is ongoing and planned to be completed in Q2. A total of 6,000m follow-up drilling is budgeted in 2020, contingent on exploration results and development of drill targets. A total of three drill targets have already been established at the Tumbata target.

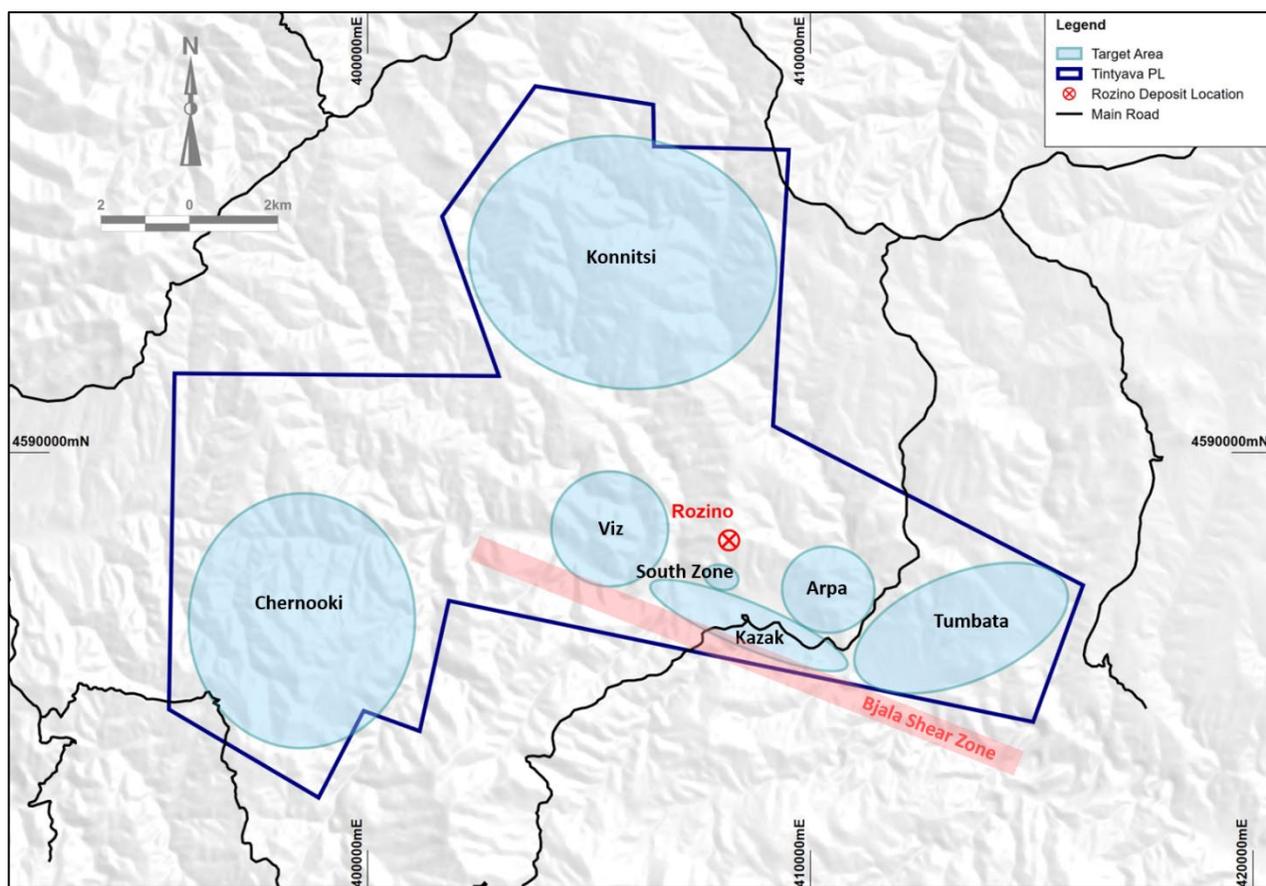


Figure 1: Exploration targets within the Tintyava JV area and proximity to the advanced Rozino gold deposit

Obichnik

The Obichnik gold project is held under an option agreement and the Company hopes to exercise the option to earn a 70% interest in 2020 via delivery of an initial *National Instrument 43-101* mineral resource estimate and an environmental assessment report.

Following positive drill results in 2019, the Company has completed 4,200m of drilling at Obichnik during Q1 2020, with drilling currently ongoing. Most recent results were disseminated on February 24, 2020 (see news release NR20-06), including drill hole ODD-025, which intersected 17.1m grading 2.29 g/t gold. Additional

results will be available in due course. With the implementation of new protocols to protect workers, drilling has continued, and the Company expects to catch up with core logging and sampling in the coming weeks.

In Q2 2020, exploration at Obichnik will focus on collection of induced polarization and magnetotellurics geophysical data. This survey is designed to help with the definition of porphyry drill targets and an additional 4,000m of drilling is budgeted in 2020, contingent on positive results.

Sedefche

The Sedefche gold project is held under option and the Company can exercise its right to earn a 70% interest at any time prior to September 2020 but is aiming to reach a decision point in Q2. The Sedefche gold project has advanced through a successful permitting process and is permitted for near-term production.

Velocity has drilled more than 5,000m to date, including 4,400m in Q1 2020 and drilling is currently ongoing. Most recent results were disseminated on March 2, 2020 (see news release NR20-07), with drill hole SDD-019 intersecting 25.2m grading 5.45 g/t gold and 57.8 g/t silver. Results are currently outstanding and expected in due course for 27 drill holes.

An additional 3,000m of drilling is budgeted in 2020, contingent on results of the current drilling and other due diligence work. The Company has been completing a range of due diligence activities including detailed metallurgical testing and review of the mine plan.

Makedontsi

The Makedontsi gold project is held under option and the Company can exercise the option to earn a 70% interest through delivery of an initial *National Instrument 43-101* mineral resource estimate and an environmental assessment report. Exploration work in 2020 has focused on initial controlled-source audio-frequency magnetotellurics (CSAMT) geophysical data collection. Additional mapping and target generation is expected to be completed in Q3.

A drill program of 2,500m is budgeted in 2020 contingent on results of geophysical exploration.

COVID-19

The Company's priority is the health and safety of its workforce. No positive COVID-19 cases have been reported among the Company's employees, consultants, contractors or their families. Company employees and consultants in Canada and Bulgaria are working from home where possible and where personal family circumstances dictate this to be necessary. For most field-based technical personnel in Bulgaria, exploration work continues but with strict operating protocols in line with national and local government guidance and directives, and advice from leading medical experts. Aside from restrictions common throughout the world such as physical distancing and increased personal hygiene, the Company has also modified work rosters to prevent mixing of work groups and introduced temperature and health screening at the work sites.

Stock Option Grant

The Company also announces that it has granted 1,500,000 common share stock options (each, an "Option") to various employees and consultants of the Company and its affiliates. The Options entitle the holder to purchase shares at a price of \$0.34 per share for a period of 24 months from the issue date.

Quality Assurance / Quality Control

The work programs at all of Velocity's gold exploration projects are designed and 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. Sample results for gold and silver that are used for mineral resource estimation as described herein are prepared and analyzed by fire assay using a 30-gram charge in compliance with industry standards at ALS' Romanian

laboratory. A sample split of the milled material is shipped to ALS' Irish laboratory for multi-element analysis using an inductively coupled Mass Spectrometer. Field duplicate samples, blanks and independent controlled reference material (standards) are added to every batch. Geochemical samples are collected under strict guidelines in accord with industry best-practice utilising field duplicate samples and blanks. The company maintains a close chain of custody throughout the process of processing and delivery prior to reporting of results from independent laboratories.

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 NI 43-101 and the Company's Vice President Exploration. Mr. Mills is not independent of the Company.

About Velocity Minerals Ltd.

Velocity is a gold exploration and development company focused on southeastern Bulgaria. Velocity's strategy is to develop a low cost centralized "Hub and Spoke" operation whereby multiple projects within this emerging gold district produce gold concentrates for trucking to a central processing plant for production of doré. The Company envisions staged open pit mining of satellite deposits and processing in a currently operating carbon-in-leach (CIL) plant. Velocity has a 70% joint venture interest in the Rozino gold project and has entered into option agreements to earn a 70% interest in the Obichnik, Makedontsi and Sedefche gold projects, with Gorubso Kardzhali A.D., an established and respected mining company in Bulgaria. Velocity'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.

On Behalf of the Board of Directors

"Keith Henderson"

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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 the Company's Bulgarian gold projects in a timely manner, the availability of financing on suitable terms for the development, construction and continued operation of the Company's Bulgarian gold projects, 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 the Company's Bulgarian gold projects, 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, the inability to or delay 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.