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Velocity Exercises Option for 100% Ownership of Iglika Project

Vancouver, British Columbia – Velocity Minerals Ltd. (TSX.V: VLC) (“**Velocity**” or the “**Company**”) announces that it has accelerated the exercise of its option to acquire the Iglika copper-gold project (“**Iglika**” or the “**Project**”), located in southeastern Bulgaria. The Company has now acquired a 100% interest in the Project and the associated exploration license. The Project is located in the westernmost portion of the prolific Tethyan belt that transects Bulgaria and hosts a number of epithermal gold and porphyry copper-gold mineral deposits and operating mines.

Commercial Terms

Velocity has entered into a definitive option agreement with the property vendors that amends the previously announced option exercise terms (see news release dated July 8, 2020). Under the amended option terms, Velocity has exercised the right to acquire 100% of the shares of Balkan Minerals Development EOOD, the Bulgarian company that holds the exploration licence for the Project area. The vendors of the Project have retained a 2% net smelter returns royalty capped at US\$5,000,000. At any time, 1.5% of the royalty can be purchased for €1,500,000.

Ongoing Exploration

Iglika is an underexplored property located in a highly prospective precious and base metal mineral belt and limited historical drilling has been undertaken. The Project has potential for both epithermal gold and porphyry copper-gold deposits. Velocity is focused on near surface gold potential, which comports well with Velocity’s “Hub and Spoke” exploration and development strategy.

Velocity is completing a program of comprehensive geochemical sampling, geophysical surveying (induced polarization and ground magnetics), and geological mapping. On completion, targets will be assessed and prioritized for drill testing in Q2.

About the Cretaceous Belt

The Cretaceous belt, extends for approximately 950km from Transylvania to the Balkans, is the westernmost portion of the prolific West-Tethyan Eurasian Metallogenic Belt. The West Tethyan belt hosts several large copper porphyry and epithermal gold deposits and operating mines. Operating mines include Bor in Serbia (800Mt @ 0.84% copper and 0.39g/t gold) and Chelopech in Bulgaria (42Mt @ 1.28% copper and 3.4g/t gold). Recent discoveries include Cukaru Peki in Serbia (1,700Mt @ 0.86% copper and 0.18g/t gold). The West Tethyan Cretaceous belt has seen sustained recent exploration by both major and junior mining companies including Rio Tinto, Freeport McMoran, Vale, Zijin Mining, JOGMEC and Dundee Precious Metals.

Iglika is located in the relatively underexplored Strandzha region which contains the recently permitted Prohorovo porphyry copper-molybdenum deposit in Bulgaria and the Derekoy porphyry copper-molybdenum deposit in Turkey.

Readers are cautioned that the mines and deposits described above are adjacent properties and Velocity has no interest in or right to acquire any interest in the properties. Mineral deposits on adjacent properties and any production therefrom or economics with respect thereto, are not in any way indicative of mineral deposits on the Project or the potential production from, or cost or economics of, any future mining on the Project. The properties are described to highlight the potential of the belt and certain properties contained within it.

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% interest in the Tintyava prospecting licence, which includes the Rozino gold project, and has entered into option agreements to earn a 70% interest in the Obichnik, Makedontsi and Sedefche gold projects, and holds a 100% interest in the Iglika project. 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.

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 and 2020. Mining royalties are low and compare favourably with more established mining countries.

On Behalf of the Board of Directors

"Keith Henderson"

President & CEO

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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 Project; use of funds; and the future business and operations of the Company. 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 Project, including the geological mapping, prospecting and sampling programs for the Project, actual results of exploration activities, 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, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, financial condition and results of operations, 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.