



## CORPORATE DISCLOSURE POLICY

### **PURPOSE**

The purpose of this Policy is to establish procedures which permit the disclosure of information about Velocity Minerals Ltd (“Velocity” or the “Company”) to the public in a timely manner. It is the intention of this policy to ensure that when information has not been publicly disclosed it remains confidential. Strict adherence to these policies will help the Company maintain credibility in the marketplace by ensuring that all investors in securities of the Company have equal access to information that may affect their investment decisions.

### **SPECIFICS OF THIS POLICY**

#### **1. Definitions**

“Disclosure Officer” means the individual who is responsible for communicating with analysts, the news media and investors and ensuring that other Employees do not communicate confidential information about the Company;

“Disclosure Committee” – consists of the Company's Chief Executive Officer ("CEO"), President ("President"), Chief Financial Officer (“CFO”) and the Vice President – Operations (VP-Ops), and such other persons as are designated from time to time by the Board of Directors of the Company (the "Board");

“Employees” means all individuals currently employed by the Company, including directors and officers, who may become aware of Undisclosed Material Information;

“Exchange” means the Toronto Stock Exchange, the OTCQB and any other stock exchange on which the securities of the Company are listed from time to time;

“IIROC” means the Investment Industry Regulatory Organization of Canada;

“Material Change” means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision to implement the change by the Board of Directors of the Company or by senior management of the Company who believe that confirmation of the decision by the Board of Directors is probable;

“Material Fact” means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Company’s securities;

“Material Information” means any information (Material Fact or Material Change) relating to the business and affairs of the Company that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Company’s securities, or that a reasonable investor would likely consider important in making investment decisions; and

“Undisclosed Material Information” means Material Information pertaining to the Company that has not been publicly disclosed or information that has been publicly disclosed, but a reasonable period of time for its dissemination has not passed.

## **2. Scope**

This Policy applies to the directors, officers and Employees of the Company and to contractors, consultants and other persons engaged by or on behalf of the Company or that possess confidential information of the Company. If there is any question or concern with respect to the application of this Policy to any Employee of the Company or to any particular circumstance, the Disclosure Officer should be contacted for guidance.

## **3. Disclosure**

### **a. Timely Disclosure**

The Company will publicly disclose Material Information concerning its business and affairs immediately upon it becoming apparent that the information is material except in restricted circumstances where immediate release of the information would be unduly detrimental to the interests of the Company, where immediate release of the information may compromise certain strategic business opportunities of the Company or where the information may not be disclosable due to third-party confidentiality restrictions or uncertainty of events (and where the Company complies with all applicable laws and regulations, including any confidential filing obligations and maintains confidentiality of the information). The determination of when to not disclose Material Information immediately will be made by the Disclosure Committee who shall advise the Chair of the Corporate Governance and Nominating Committee of such decision in order to assess when the appropriate confidential filings must be made. Unusual trading marked by significant changes in the price or trading volumes of any of the Company’s securities prior to the announcement of Material Information is embarrassing to the Company and damages the reputation of the Company with the investing public.

Disclosure will be prepared in compliance with applicable laws and policies.

### **b. Disclosure Officer**

For purposes of this Policy, and unless other persons are designated by the Company’s Board of Directors, the Chief Executive Officer (primary) and the Chief Financial Officer and Vice President - Corporate Communications (backups) have been designated as the Disclosure Officers. The names of these individuals shall be given to the market surveillance divisions of the Exchange as Company contacts.

Generally, the Disclosure Officer or other specific persons authorized by the CEO are the only individuals authorized to communicate with analysts, the news media and investors about information concerning our Company. If it is appropriate for another Employee to discuss information about our Company, the Employee should first advise the Disclosure Officer of the nature of the information to be discussed and, afterwards, advise the Disclosure Officer of what actually was discussed. Persons subject to this Policy are prohibited from communicating Undisclosed Material Information about the Company unless they have prior permission from the Disclosure Officer, which permission shall not be given unless:

- i. the information has been publicly disclosed; or
- ii. if it has been determined that the information is to be kept confidential pursuant to Part 4. of this Policy, all rules and procedures under Part 4. hereof to maintain confidentiality have been complied with.

In addition, if any person subject to this Policy becomes aware of any information which may constitute Material Information with respect to the Company, the person must advise the Disclosure Officer as soon

as possible.

c. What Constitutes Material Information?

Information is material if it would reasonably be expected to result in a significant change in the market price or value of any of the Company's securities or if it would be likely to influence an investor's decision to buy or sell securities of the Company, the information is probably material. Any person who is unsure whether or not information is material should immediately contact the Disclosure Officer before disclosing it to anyone and should err on the side of caution in such matters. If the Disclosure Officer is unable to determine whether or not the information is material, they may convene a meeting of the Disclosure Committee, or of senior management and, if necessary, the Board, to determine if the information is material, whether or not it should be disclosed or remain confidential, and if the information needs to be disclosed, the method for disseminating the information.

d. Basic Disclosure Rules

All public disclosure of Material Information pursuant to this Policy must be made in a way that ensures full disclosure is available to the public. The methods used to ensure full public disclosure may include the following: issuing a widely disseminated press release, including the information in another document filed with Canadian regulators, or a webcast or conference call that is available to the public, and for which adequate advance public notice has been given.

In order to maintain consistent and accurate disclosure about the Company, the following rules must be followed in respect of such public disclosures:

- i. half-truths are misleading; disclosure must include any information without which the rest of the disclosure would be misleading;
- ii. unfavourable information must be disclosed as promptly and completely as favourable information;
- iii. no selective disclosure. Previously undisclosed information should not just be disclosed to selected individuals; if there is disclosure it must be done widely, i.e., by way of a press release;
- iv. disclosure must be updated if earlier disclosure has become materially misleading or incorrect as a result of intervening events; and
- v. if Material Information is to be announced at an analyst or shareholder meeting or a press conference, its announcement must be coordinated with a general public announcement by a press release.

e. Correction of Selective Disclosure

If previously Undisclosed Material Information has been inadvertently disclosed to an analyst or any other person, the information must be publicly disclosed promptly.

f. Contact with Analysts

The Disclosure Officer should avoid getting involved in the contents of an analyst's report, except to correct factual errors. Confirmation of or attempting to influence an analyst's opinions or conclusions may be considered to be disclosure by the Company. "No comment" is an acceptable answer to questions that cannot be answered without violating the rule against selective disclosure. To the extent practicable, more than one Disclosure Officer or persons specifically authorized by the Disclosure Officer should be present at each meeting with analysts or the media. After such a meeting, if the authorized spokesperson has any concerns regarding the information disclosed, he or she should discuss the matter with the CEO or legal

counsel.

Analyst reports will not be posted on the Company's website.

g. Notification of Market Surveillance

If required or if otherwise applicable in the circumstances, the Disclosure Committee should supply copies of press releases to IIROC and the applicable Exchange and should seek assistance and direction from IIROC as to whether an announcement should be released and whether trading in the securities should be halted for the dissemination of an announcement.

h. Disclosure Records

The Disclosure Officer or his/her designate will maintain a file containing all public information about the Company. This includes news releases, brokerage research reports, reports in the press and notes from meetings with analysts or shareholders.

#### **4. Confidentiality**

a) When Information May Be Kept Confidential

Where the immediate disclosure of Material Information concerning the business and affairs of the Company would be unduly detrimental to the interests of the Company (and where the Company complies with all applicable laws and regulations, including any confidential filing obligations and maintains confidentiality of the information), its disclosure may be delayed and kept confidential temporarily. Keeping information confidential can only be justified where the potential harm to the Company or to investors caused by immediate disclosure may reasonably be considered to outweigh the undesirable consequences of delaying disclosure.

Examples of circumstances in which disclosure might be unduly detrimental to the interests of the Company include:

- i. where the release of information would prejudice the ability of the Company to pursue specific and limited objectives or to complete a transaction or series of transactions that are underway;
- ii. where the disclosure of the information would provide competitors with confidential corporate information that would be of significant benefit to them; or
- iii. where the disclosure of information concerning the status of ongoing negotiations would prejudice the successful completion of those negotiations.

All decisions to keep Material Information confidential must be made by either the Disclosure Committee or the Board.

b) Access to Confidential Information

Employees and other personnel shall be given access to confidential information on an "as needed" basis only and must not disclose that information to anyone except in the ordinary course of business (e.g., discussions with the Company's bankers or advisers where the disclosure of the confidential information is necessary). Persons subject to this Policy must not discuss confidential information in situations where they may be overheard or participate in discussions regarding decisions by others about investments in the Company.

In certain circumstances the Disclosure Officer may assign a "code name" to confidential information.

Persons subject to this Policy should utilize the “code name” at all times when discussing the confidential information. Printed documents containing confidential information shall be stored in a secured cabinet and access to these documents on the Company’s computer network must be restricted.

c) Maintaining Confidentiality

In the event that confidential Material Information, or rumours respecting the same, is divulged in any manner (other than in the necessary course of business), consideration should be given as to whether immediate disclosure of the relevant Material Information must be made by the Company, and a trading halt may be instituted by the Exchange pending release and dissemination of the information. IIROC and the applicable Exchange should be notified of the announcement in advance in the usual manner.

d) Disclosure of Information to Outsiders

Before a meeting with other parties at which Undisclosed Material Information of the Company may be discussed, the other parties must agree that they will not divulge that information to anyone else.

## **5. Penalties**

Where the Company determines that this Policy has been violated and it is able to identify the individual person that breached this Policy, the Company will take its own disciplinary actions, which could result in termination of employment or engagement or implementation of a probationary period. The Company is also entitled to pursue its legal remedies through the courts. If appropriate, the Company will report the matter to the regulatory authorities.

## **6. Policy Review**

This Policy shall be reviewed, and amendments proposed as necessary, by the Disclosure Committee. All amendments must be approved by the Corporate Governance and Nominating Committee or the Board.

Each new employee of the Company will be provided with a copy of this Policy and informed that they are required to read and understand it. This Policy will be brought to the attention of each employee of the Company on at least an annual basis and any amendment to this Policy will be brought to the attention of each employee upon becoming effective.

This Policy was adopted by the Board on May 17, 2021.