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## Velocity Announces \$3.5M Non-Brokered Private Placement

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**Vancouver, British Columbia** – Velocity Minerals Ltd. (TSXV: VLC) (“Velocity” or the “Company”) announces a non-brokered private placement (the “Financing”) of up to 17,500,000 units (the “Units”) priced at \$0.20 per Unit to raise total gross proceeds of up to \$3.5 million. Each Unit will consist of one common share in the capital of Velocity (each, a “Share”) and one-half of one warrant, with each whole warrant entitling the holder to purchase one common share in the capital of Velocity at a price of \$0.30 per share for a period of 12 months from the closing of the Financing. All securities issued in connection with the Financing will be subject to a hold period of four-months and one day in Canada.

The proceeds of the Financing are intended to fund ongoing work at the Company’s **Balkan Gold Project**, the cornerstone of which is the recently announced **Exploration and Mining Alliance** (the “Alliance”) with the Bulgarian mining company Gorubso Kardzhali AD (“Gorubso”) (see news release February 22, 2018). In addition to exclusive access to an operating Carbon-In-Leach (CIL) processing plant, the Alliance provides Velocity with option agreements on multiple exploration projects and an operating gold mine within a 10,000km<sup>2</sup> area in southeast Bulgaria.

- **Rozino Project** -- Planned work at the advanced Rozino gold project will include publication of a Preliminary Economic Assessment (“PEA”) prepared under NI 43-101 *Standards of Disclosure for Mineral Projects* (“NI 43-101”) in late 2018. The Company may exercise its option to acquire a 70% interest in the Rozino project through the publication of the PEA.
  - The Company completed 7,500m of drilling prior to publishing a maiden inferred mineral resource estimate in early March 2018 (see news release March 5, 2018); 17 million tonnes grading 1.15g/t gold for 629,000 ounces of gold (0.5g/t cut-off grade)<sup>(1)</sup>.
  - Approximately 5,000m of additional drilling will be completed in the coming months before publishing the PEA and the report will include an updated resource estimate.
  - The Company recently announced positive results from initial metallurgical studies (see news release March 21, 2018) and more detailed work is in progress for inclusion in the PEA.
- **Chala Gold Mine** -- The Company has negotiated the exclusive option to acquire a 50% interest in the operating Chala gold mine through exploration expenditures of \$1 million.
  - Planned work at Chala includes an underground drill program to explore for additional mineralized zones at the mine.
  - The Company’s recently employed mining engineer is on site finalizing drill targets and preparing for the drill program.
- **Sedefche Project** -- The Company has negotiated the exclusive option to earn a 70% interest in the Sedefche project through delivery of an NI 43-101 Feasibility Study.

- Sedefche is located on a fully permitted mining concession and while historical resources have been published (see news release February 22, 2018) the deposit has only been explored to approximately 60m from surface.
- Planned due diligence will focus on historical exploration and assess the potential to discover more mineralization in and around the existing deposit.

Note (1): Mineral resources were estimated by Jonathon Abbott, a member of the Australian Institute of Geoscientists and employee of MPR Geological Consultants Pty Ltd of Perth, Australia. Mr. Abbott is a Qualified Person, as defined by NI 43-101. Mr. Abbott is independent of the Company

The Company may pay finder's fees on a portion of the Financing consisting of a cash commission equal to 7% of the total gross proceeds raised and finder's warrants equal to 7% of the total number of Units issued, where each finder's warrant will entitle the holder thereof to purchase one common share in the capital of Velocity at a price of \$0.20 per share for a period of 12 months from the closing of the Financing. The Financing is subject to TSX Venture Exchange and other regulatory approval.

#### **Qualified Person**

The technical content of this release has been approved for disclosure by Keith Henderson, P.Geo., a Qualified Person as defined by NI 43-101 and the Company's President & CEO. Mr. Henderson is not independent of the Company.

#### **About Velocity Minerals Ltd.**

Velocity is a gold exploration and development company focussed on eastern Europe. The Company's management and board includes mining industry professionals with over 100 years of 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.

The Company's portfolio of advanced gold exploration assets is currently in Bulgaria, which is a member of the European Union (2007) and an attractive destination for mining investment. 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 like Canada, Peru and Chile. Bulgaria also boasts a corporate tax rate of only 10% and the country's education system has yielded a good availability of experienced mining professionals in a favourable cost environment. Foreign mining companies are successfully operating in Bulgaria.

Velocity Minerals has entered into the Alliance with Gorubso, an established and respected mining company in Bulgaria. Gorubso currently operates the underground Chala Gold Mine (2006) and the Kardzhali Carbon-In-Leach (CIL) processing plant (2011), which produces gold dore. The Alliance outlines the scope of a broad partnership that includes an option to earn a 50% beneficial interest in the Chala Mine, access to Gorubso's gold processing plant in Kardzhali, and the ability for Velocity to option any or all of Gorubso's exploration properties.

On Behalf of the Board of Directors

*"Keith Henderson"*  
President & CEO

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS:** This news release includes certain "forward-looking statements" within the meaning of applicable Canadian and U.S. securities legislation, including the United States *Private Securities Litigation Reform Act of 1995*. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the use of proceeds from the Financing and funds on hand, the Company's future exploration and testing carried out on the Rozino, Chala and Sedefche projects and the future business and operations of Velocity are forward-looking statements. 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. 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 gold demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future exploration and development of its Bulgarian projects in a timely manner, the completion of the Financing, the continued operation of the Chala Gold mine, the continuation of the Alliance 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 statements. Such risks and other factors include, among others, lack of investor interest in the Financing, operating and technical difficulties in connection with mineral exploration and development and mine development activities for the Rozino, Chala and Sedefche projects, including the geological mapping, prospecting and sampling programs for same, the fact that the Company's interests in the Rozino, Chala and Sedefche projects (and its other Bulgarian exploration properties) are options only and there is no guarantee that the Company's interests in same, if earned, will be certain, actual results of exploration activities, completion of a PEA on the Rozino project, the completion of due diligence and a Feasibility Study for the Sedefche project, 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 plans, 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 for the Financing), 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](http://www.sedar.com). Information concerning mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed and/or is in production. The actual results or performance by the Company could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters.

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