



VELOCITY
MINERALS LTD.

ADVANCED GOLD IN BULGARIA
Rozino Project
Prefeasibility Study

TSX-V: VLC
OTCQB: VLCJF
Frankfurt: VMSP

AUGUST 2020

Forward Looking & Cautionary Statements

Forward Looking and Cautionary Statements This presentation contains forward-looking statements and forward-looking information (collectively, “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* concerning the business, operations and financial performance and condition of Velocity Minerals Ltd. (the “Company”). All statements, other than statements of historical fact, included herein including, without limitation, statements regarding future capital expenditures and financings (including the amount and nature thereof), anticipated content, commencement, and cost of exploration programs in respect of the Company's projects and mineral properties, anticipated exploration program results from exploration activities, the discovery and delineation of mineral deposits, resources and/or reserves on the Company's projects and mineral properties, 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”, “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, the ability of the Company to obtain sufficient financing to fund its business activities and plans, operating and technical difficulties in connection with mineral exploration and development and mine development activities for Company's projects generally, including the geological mapping, prospecting and sampling programs for the Company's projects, actual results of exploration activities, including the 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, future prices of precious metals, tantalum and lithium, 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, 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 most recent 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 statements. The Company undertakes no obligation to update any of the forward looking information in this presentation or incorporated by reference herein, except as otherwise required by law.

National Instrument 43-101 Stuart Mills, the Vice President Exploration for the Company, and a Qualified Person as defined by National Instrument 43-101, has approved the scientific and technical information concerning the Company discussed in this presentation. Mr. Mills is not independent of the Company as he is an officer, a shareholder and holds incentive stock options.

Cautionary Note to United States Investors The Company prepares its disclosure in accordance with the requirements of securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. All mineral resource and mineral reserve estimates contained in this presentation or in documents referenced in this presentation have been prepared in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the “CIM Standards”). NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms “mineral reserve”, “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Standards. These definitions differ materially from the definitions in the Securities Exchange Commission (the “SEC”) Industry Guide 7 (“SEC Industry Guide 7”) under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”). Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report mineral reserves, the three-year historical average price is used in any mineral reserve or cash flow analysis to designate mineral reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. The terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101 and the CIM Standards; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. U.S. investors are cautioned not to assume that any part of a “mineral resource”, “measured mineral resource”, “indicated mineral resource” or an “inferred mineral resource” will ever be converted into a “reserve”. In addition, “reserves” reported by the Company under Canadian standards may not qualify as reserves under SEC standards. Under SEC standards, mineralization may not be classified as a “reserve” unless the mineralization can be economically and legally extracted or produced at the time the “reserve” determination is made. Accordingly, information contained or referenced in this presentation containing descriptions of the Company's mineral deposits may not be compatible to similar information made public by U.S. companies subject to the reporting and disclosure requirements of U.S. federal securities laws, rules and regulations. Inferred mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Historical results or feasibility models presented herein are not guarantees or expectations of future performance.

The SEC has adopted final rules, effective February 25, 2019, to replace SEC Industry Guide 7 with new mining disclosure rules under subpart 1300 of Regulation S-K of the U.S. Securities Act (the “SEC Modernization Rules”). The SEC Modernization Rules replace the historical property disclosure requirements included in SEC Industry Guide 7. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”. In addition, the SEC has amended its definitions of “proven mineral reserves” and “probable mineral reserves” to be substantially similar to international standards. The SEC Modernization Rules will become mandatory for U.S. reporting companies beginning with the first fiscal year commencing on or after January 1, 2021.

Currency All amounts in this presentation are expressed in United State dollars, unless otherwise stated.

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Prefeasibility¹ Highlights

After-tax NPV₅
CAD \$163 M

After-tax IRR
27.4%

All-in Sustaining Costs²
\$755 per oz.

Cash Cost³
\$699 per oz.

Total Estimated Capital Cost
\$94.8 M

Pre-production Capital Cost
\$87.1 M

Probable Mineral Reserve
11.8M t @ 1.22 g/t Au, 0.5 COG
465,000 oz

Life of Mine Production
368,000 oz.

Steady State Annual Production
59,400 oz.

Recovery to Doré
79.3%

Notes: All amounts in this presentation are expressed in United State dollars, unless otherwise stated.

(1) Base case parameters assume a gold price of US\$1,500/ounce and an exchange rate (CAD\$ to US\$) of 0.75. Tintyava Property (Rozino) ownership; 70% Velocity, 30% Gorubso Kardzhali AD. Financial results on 100% equity basis.

(2) All-In Sustaining Cost (AISC) is defined as all cash costs related to production costs such as mining, processing, refining, site administration, and NSR royalty to final product (direct and indirect), and mine closure and rehabilitation. Sustaining capital costs related to continuing the business including development and equipment required to sustain production are included. Taxes, working capital, M&A, disposals, and acquisitions as well as new mine development capital costs are excluded.

(3) Cash Costs include production costs such as mining, processing, refining, site administration, and NSR royalty, divided by gold ounces sold to arrive at a cash cost per gold ounce sold.

Financial Results & Sensitivities

Financials

After-tax NPV_{5%} of CAD \$163 million an after-tax IRR of 27.4%

Capital

Total capital costs of \$94.8 million (incl. 11% contingency)

Pre-production capital costs of \$87.1 million (incl. 11% contingency)

Operating Cost

All-in sustaining cost² of \$755 per ounce gold

Cash cost³ of \$699 per ounce gold

Gold Price Base Case

\$1,500 per ounce gold

Sensitivities

Most significant sensitivity to gold price, capex and opex

Notes:

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- (3) Cash Costs include production costs such as mining, processing, refining, site administration, and NSR royalty, divided by gold ounces sold to arrive at a cash cost per gold ounce sold. See "Use of Non-IFRS Financial Performance Measures" below.

	Sensitivities	After-Tax IRR%	After-Tax NPV _{5%} (\$M)
CAPEX	-25%	46.5%	158
	Base Case	27.4%	123
	+25%	15.3%	77
OPEX	-25%	37.9%	186
	Base Case	27.4%	123
	+25%	13.8%	47
Gold Price	US\$1,125 (-25%)	10.2%	27
	Base Case US\$1,500	27.4%	123
	US\$1,875 (+25%)	41.4%	218

Gold Price	US\$1,125/oz	US\$1,500/oz	US\$1,875/oz	US\$2,250/oz
After-Tax NPV ₀ (\$M)	\$58	\$179	\$301	\$423
After-Tax NPV ₅ (\$M)	\$27	\$123	\$218	\$314
After-Tax NPV ₀ (CAD \$M)	CAD \$77	CAD \$239	CAD \$401	CAD \$563
After-Tax NPV ₅ (CAD \$M)	CAD \$35	CAD \$163	CAD \$291	CAD \$419
After Tax IRR %	10.2%	27.4%	41.4%	53.5%

'Hub & Spoke' Development Strategy

OPEN PIT MINING OF SATELLITE DEPOSITS & PROCESSING IN A CENTRAL PLANT

Staged open pit mining of satellite deposits

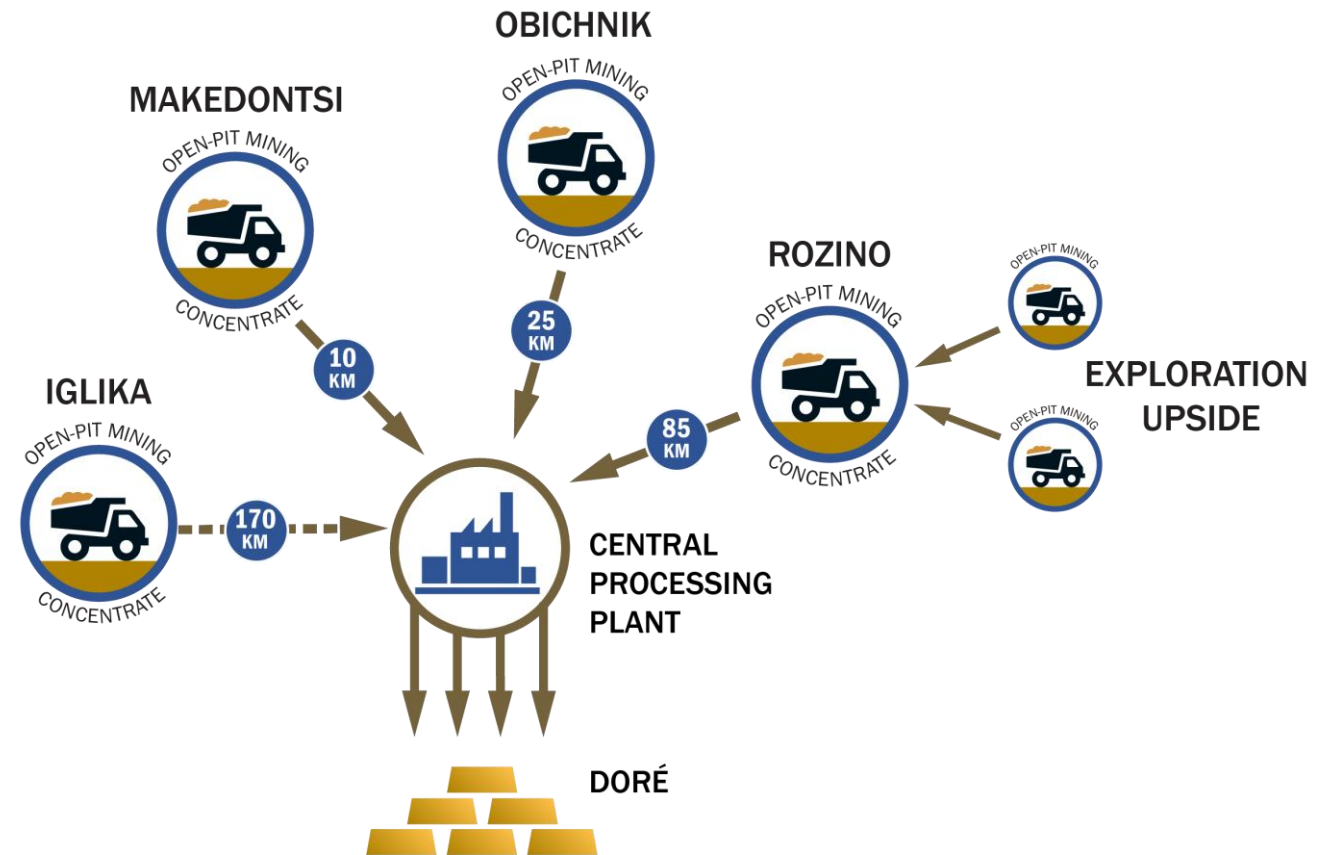
On-site flotation plant to produce concentrate

Trucking of concentrate on existing roads

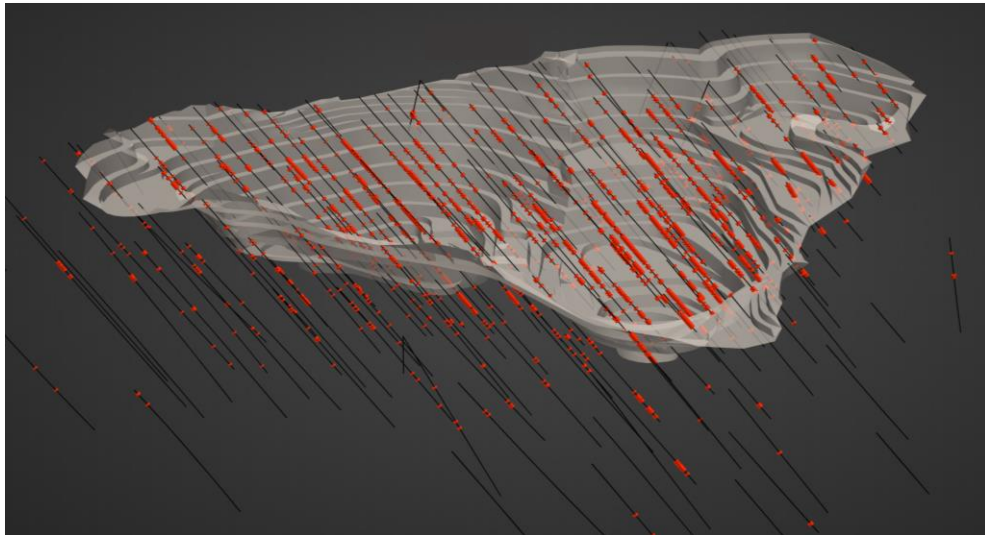
Further processing in existing off-site processing plant

Gold doré production

EXISTING PROCESSING PLANT
WITH POTENTIAL TO PRODUCE
>200,000 OUNCES PER YEAR



Project Highlights



PFS pit shell showing Velocity drill holes and highlighting drill intercepts greater than 0.5 g/t gold

Development Strategy – Rozino comports well with ‘Hub & Spoke’ development plan

Bulgarian Partner – Rozino is a JV with experienced Bulgarian mining company (70% Velocity, 30% Gorubso Kardzhali AD)

Conventional Mining and Processing – Conventional open pit mine with on-site flotation to produce concentrate

Exploration Upside – Potential for nearby exploration targets to share common infrastructure at Rozino

Environment – Small mine footprint design and non-hazardous, non-acid generating waste material

Bulgarian Operations – Gold proposed to be mined, processed and refined within Bulgaria

Reserves & Resources

Probable Mineral Reserves (effective date 20th August 2020)

Ore Type	Reserve Category	Tonnes Mt	Gold Grade g/t	Contained Metal koz Gold	Metallurgical Recovery %	Recoverable Metal koz Gold
Oxide	Probable	1.9	1.07	64	67.4	43
Transitional	Probable	1.8	1.15	68	70.7	48
Sulphide	Probable	8.1	1.27	332	83.3	277
Total	Probable	11.8	1.22	465	79.3	368

Notes:

- (1) The Mineral Reserve disclosed herein has been estimated in accordance with CIM Definition Standards.
- (2) Mineral Reserves discard cut-off grade was 0.5 g/t gold.
- (3) Mineral Reserves are based on a \$1,500/oz gold price.
- (4) Mineral Reserves account for mining dilution and ore loss.
- (5) Probable Mineral Reserves were based on Indicated Mineral Resources.
- (6) Sum of individual amounts may not equal due to rounding.

Upside Potential

Rozino deposit is open for expansion

Mineral Resource Estimate (effective date 15 April 2020)

Within \$1,500/oz pit shell			
Indicated Mineral Resource Estimate			
Cut-off g/t	Tonnes Mt	Grade Gold g/t	Contained Gold koz
0.2	27.2	0.72	630
0.3	20.5	0.87	573
0.4	15.5	1.04	518
0.5	12.0	1.22	471
0.6	9.42	1.40	424
Inferred Mineral Resource Estimate			
Cut-off g/t	Tonnes Mt	Grade Gold g/t	Contained Gold koz
0.2	0.49	0.7	11
0.3	0.38	0.8	10
0.4	0.29	0.9	8
0.5	0.23	1.0	7
0.6	0.17	1.2	7

Notes:

- (1) The selected base case Mineral Resources are reported at a cut-off grade of 0.3 g/t gold.
- (2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- (3) The Mineral Resources have been classified and reported in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum "CIM Definition Standards - For Mineral Resources and Mineral Reserves" ("CIM Definition Standards").
- (4) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Inferred Mineral Resources are considered too speculative geologically in nature to enable them to be categorized as Mineral Reserves and there can be no certainty that all or any part of an inferred mineral resources will ever be upgraded to Indicated Mineral Resources or Measured Mineral Resources.

Conventional Mining

Conventional Open Pit Mining Operation

Open pit truck and shovel operation

1.75 Mt of ore per annum over 7 year mine life

LOM gold head grade of 1.22 g/t at 0.5 g/t cut off grade

Low 2.2 strip ratio

Environmental Design

Compact mine footprint design

Benign, non-acid-generating, non-hazardous waste material

Rural location within supportive municipality

Upside Potential

Excess waste storage capacity allows for integration of future exploration discoveries into the mine plan

Mining Parameters	Units	Base Case
Steady State Ore Mining Rate	Mtpa	2.20
Steady State Plant Processing Rate	Mtpa	1.75
Steady State Mining Rate (ore plus waste)	Mtpa	7.00
Total HG Mineralisation Mined	Mt	9.2
Total LG Mineralisation Mined	Mt	2.7
Total Waste Mined	Mt	26.5
Total Material Mined	Mt	38.3
LOM Average Strip Ratio	Waste : Ore	2.2
Average HG Gold Head Grade	g/t	1.22
Total Mined Gold	koz	465
Cut-off Gold Grade	g/t	0.5
LOM	Years	7
Mining Operating Cost	\$/t mined	2.60

Conventional Mining

Mining Detail

Mine life of 7 years

Phased ore production

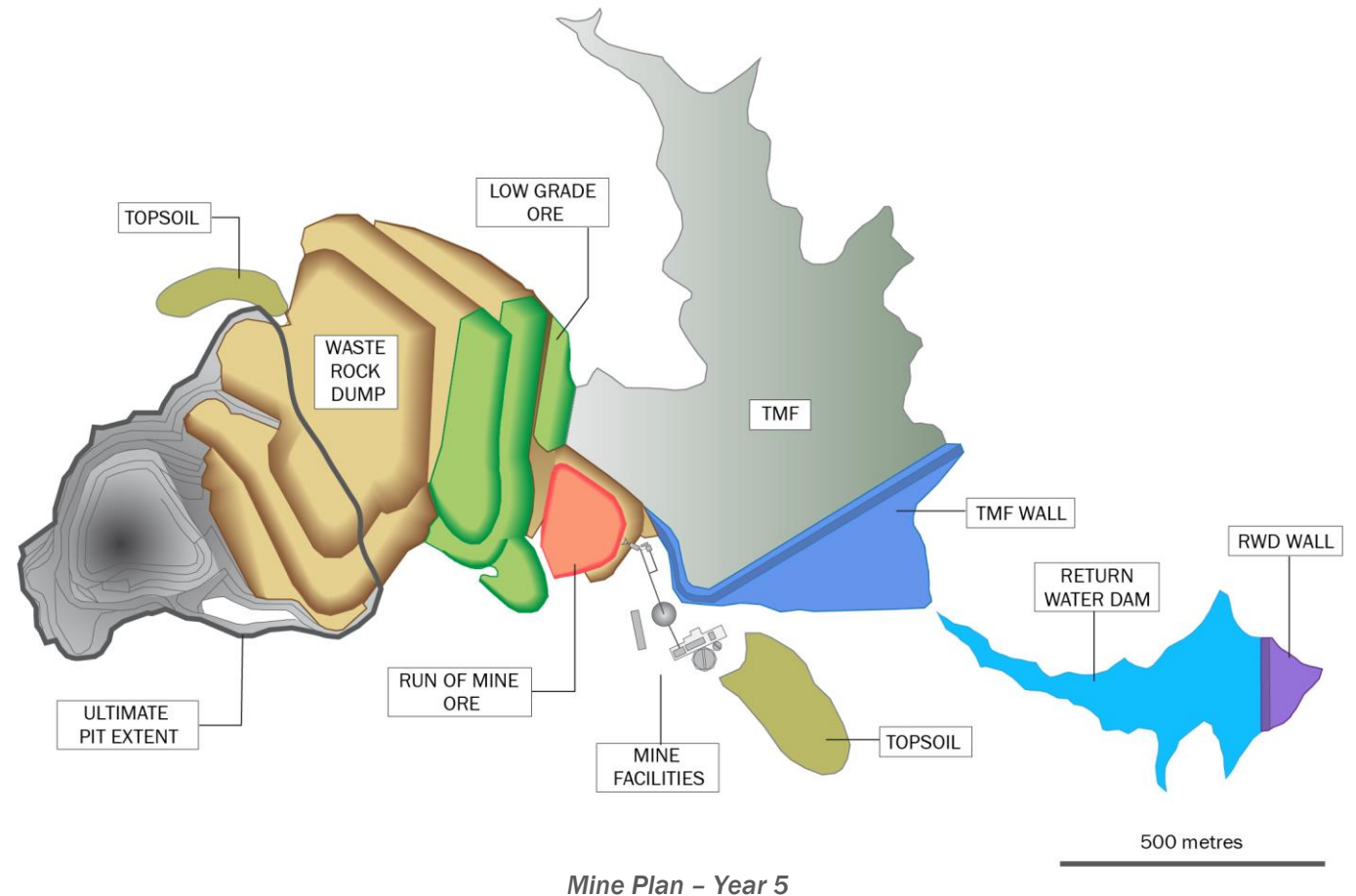
High-grade ore (>0.8 g/t COG) delivered to plant in first 5 years

Low-grade ore (0.5 to 0.8 g/t COG) stockpiled and processed in last 2 years

Waste rock backfilled to pit minimizes waste haulage and contributes to compact mine footprint

Storage of low-grade ore tailings in pit reduces TMF size

Mine sequence generates an optimized cash flow



Conventional Processing

On-Site Flotation Plant

On-site concentration in flotation plant to produce a gold concentrate grading 15 g/t to 40 g/t gold

Concentrate transported 85 km on existing paved road for further processing

Flotation Plant Processing Parameters	Units	Base Case
Flotation Plant Throughput	tpd	5,000
Annual Plant Throughput	Mtpa	1.75
Flotation Plant Metallurgical Recovery	%	90.4
Mass Pull	%	3.8
Moisture in Concentrate	%	12.0
Average Annual Concentrate Production	dkmt	65
Total Concentrate Production	kt	454
Average Concentrate Gold Grade	g/t	29
Flotation Process Costs - OPEX	\$/processed t	7.04
Concentrate Transport Cost	\$/wmt concentrate	13.92

Off-Site Processing Plant

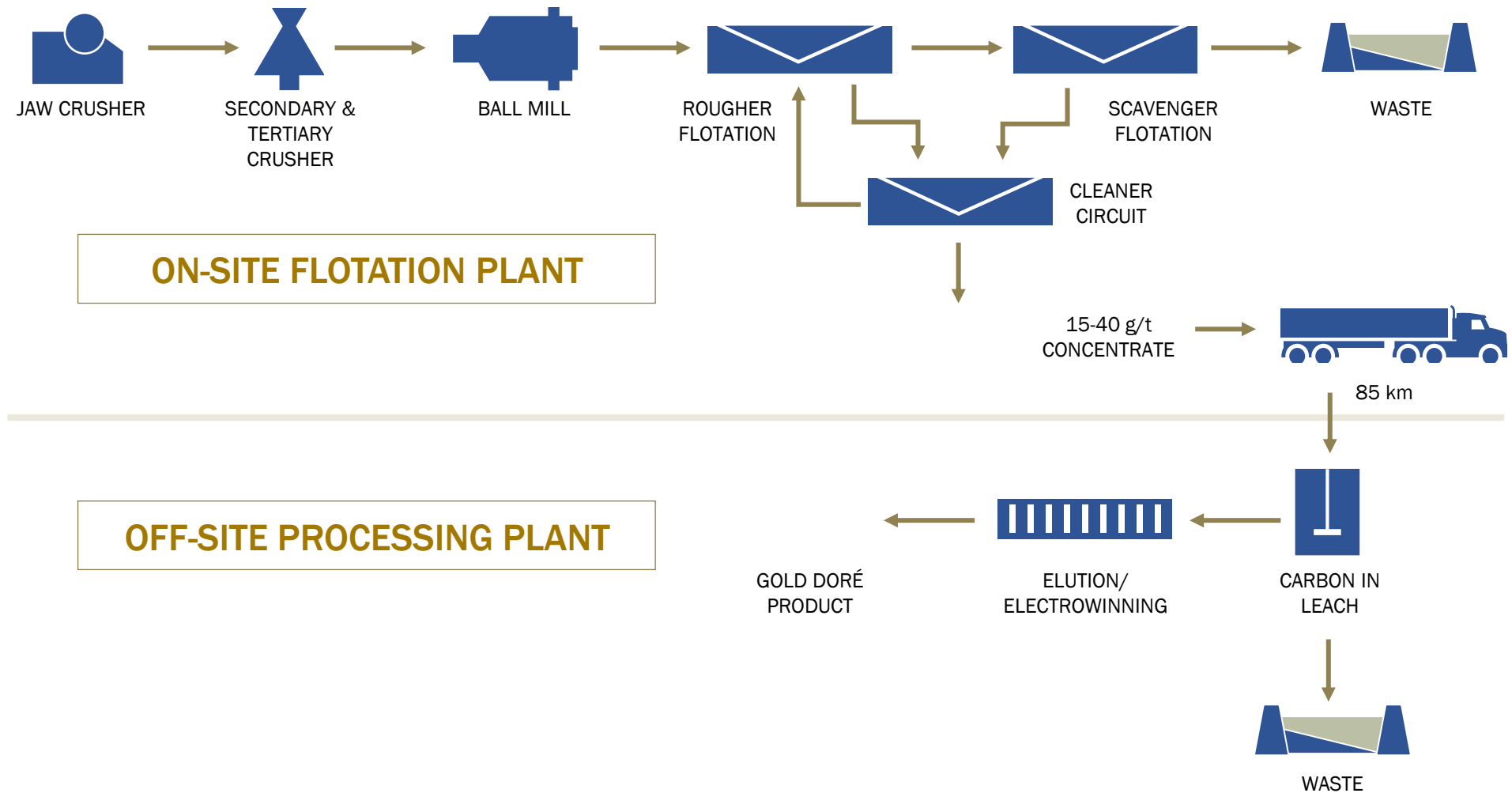
Existing and operating processing plant will process Rozino concentrate

End-product will be doré

Refining expected to be completed at Bulgarian facility

Processing Plant Parameters	Units	Base Case
Metallurgical Recovery	%	87.6
Overall Metallurgical Recovery	%	79.3
Steady State Payable Gold Production	kozpa	59.4
Total Gold Production	Koz	368
Operating Cost	\$/t _{milled}	2.35
Operating Cost	\$/t _{concentrate treated}	61.16

Conventional Process Flowsheet



Rozino Infrastructure

Rozino Infrastructure Layout

Compact mine and plant design

Design and capex appropriate for mine life

Conventional flotation plant

Roads

85 km existing paved roads from Rozino mine site to processing plant

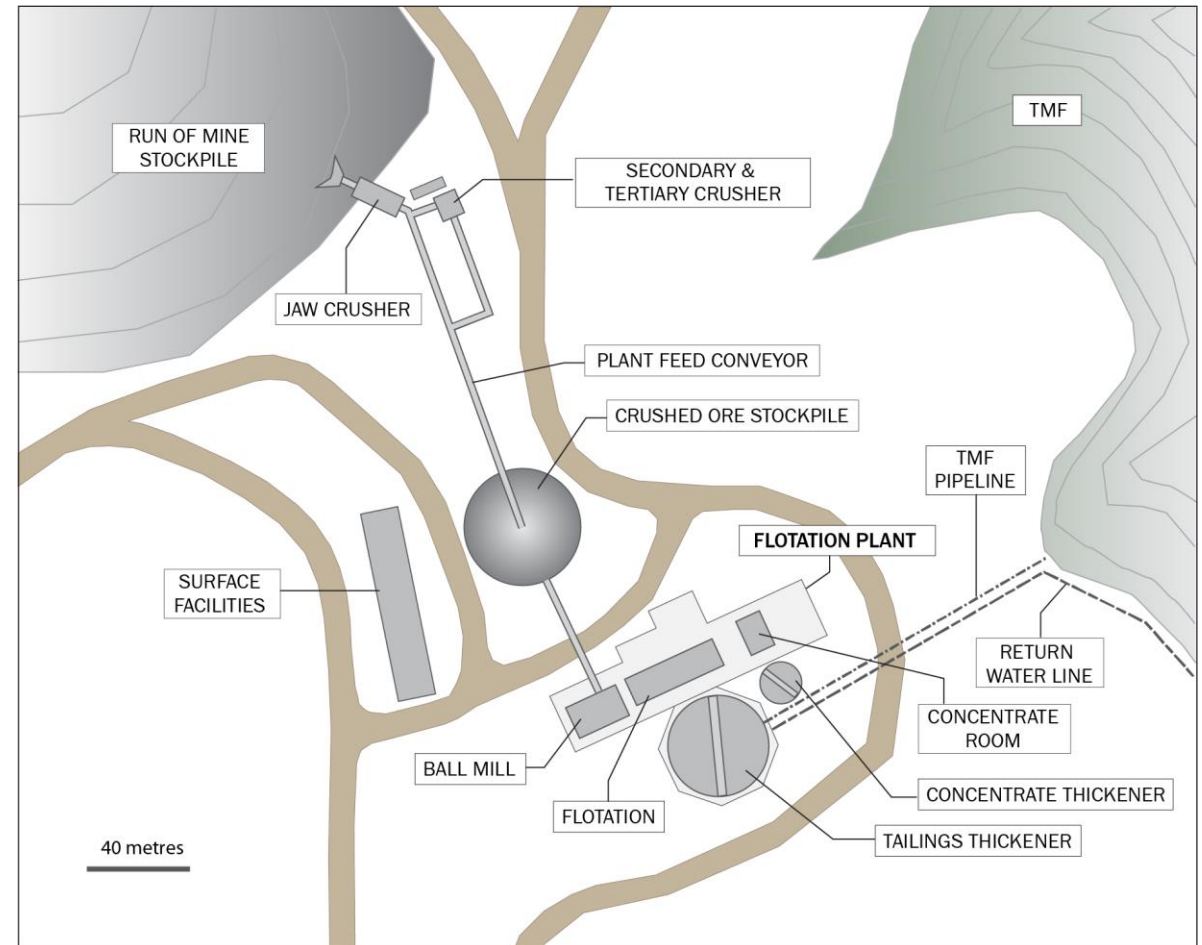
Water Management

Contact water flowing within operational areas to stay within a single watershed area; minimal environmental footprint

Power

Electric power will be supplied by a 23km 110 KVA overhead line

Transmission line designed with peak load capacity of 10 MW



Rozino Plant and Mine Facilities Layout

Existing Processing Plant

Shortened Permitting Timelines

Off-site processing plant permitted and operating

On site development at Rozino requires permitting for mining, flotation, and storage of benign waste materials

Capital Cost Efficiencies

Reduces total capital cost requirements for Rozino

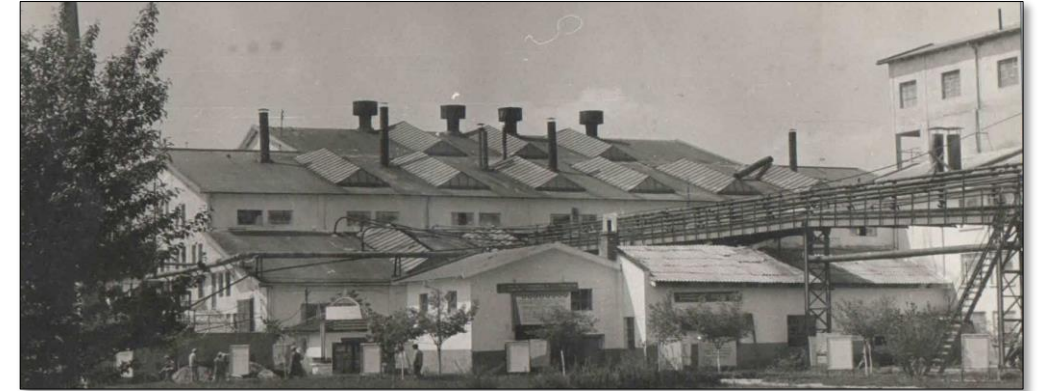
Processing Plant Capacity

Sufficient capacity to process concentrate from Rozino

Upside Potential

Excess design capacity for potential future development of projects in the region

Velocity actively exploring properties held under option aiming to discover and define additional mineralized material



Historical Gorubso Base Metal Flotation Plant



Modern-Day Gorubso Gold Processing Plant



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