NI 43-101 Technical Report Exploration and Mineral Resource Estimation for the Obichnik Property, Republic of Bulgaria

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Prepared for

Velocity Minerals Limited by

MPR Geological Consultants Pty Ltd

Report Date: 20th of March 2021

Effective Date: 11th of February 2021

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1. Summary

1.1. Introduction

This Technical Report has been prepared for Velocity Minerals Ltd. ("Velocity") to describe exploration activities and Mineral Resource estimates for the Obichnik Project ("Obichnik" or the "Project", or the "Property"), including Mineral Resources reported for Durusu in a news release disseminated on the 16th of March 2021. The report reflects exploration and drilling information available for the Project the 10th of February 2021.

1.2. Property description

The Project is within the municipality of Momchilgrad around 300 kilometres by road southeast of Sofia.

Obichnik lies within the Momchil Investment Proposal Area (IPA) which was registered to Gorubso-Kardzhali AD (Gorubso) with the Haskovo Regional Inspectorate of Environment and Waters (RIEW) in February 2019.

In March 2019, Velocity entered into an option agreement with Gorubso, under the terms of which Velocity can earn a 70% interest in the Property by delivering to Gorubso a Mineral Resource estimate prepared under National Instrument 43-101 and an environmental assessment report in accordance with Chapter Six of the Bulgarian Environmental Protection Act.

1.3. Mineralization

Obichnik lies within the "Zvezdel-Pcheloyad ore field" which includes hydrothermal lead-zinc and gold-lead-zinc mineral occurrences associated with the Zvezdel volcano.

Geological mapping of the project has outlined an approximately 2.5 by 1.0 kilometre zone of hydrothermal alteration, which encompasses areas designated as Sivri Tepe, Premka, Durusu, Adren and Mryanka.

Durusu, which has been the focus of Velocity's work to date is a structurally controlled, hybrid low/intermediate sulphidation sub-epithermal gold-silver deposit. It is hosted by intermediate epiclastic breccias and interbedded lava andesitic flows which are cross cut by narrow pre to syn-mineralization trachyandesitic to andesitic dykes.

1.4. Exploration and drilling information

Modern exploration of the Project commenced in the 1970's by Geoengineering AD, Asenovgrad (Geoengineering), with Gorubso undertaking further work prior to Velocity commencing field activities in 2019. Information from Geoengineering's and Gorubso's exploration and drilling does not inform Mineral Resource estimates, or Velocity's current exploration approach and is not detailed in this report.

This report reflects exploration and drilling information completed by Velocity to the 10th of February 2021. Velocity's exploration activities have included geological mapping, rock sampling, soil sampling and geophysical surveys. Results of these activities supported Velocity's decisions to undertake additional work at the project, including diamond drilling and in conjunction with drilling information provide a basis for planning of future exploration and drilling.

All field sampling and drilling activities were supervised by Velocity geologists using protocols established by Velocity which are consistent with the author's experience of good quality, industry standard techniques.

Velocity's drilling at the Property totals 74 diamond holes for 13,493.2 metres of drilling, comprising 37 holes in the Durusu area and 37 broadly spaced exploratory holes testing targets identified by exploration sampling and geophysical surveys. The Durusu area drill holes are generally inclined to the southwest at around 25 to 50 metre spacing along generally 50 metre spaced traverses with rare closer spaced holes, and some broader spaced drilling at depth and peripheral to the main mineralized zones.

Drill core was sampled over generally one metre down-hole intervals and generally halved for assaying with a diamond saw. The core samples were collected in sealed plastic bags and placed in plastic drums with tamper-evident seals for transport to ALS Minerals (ALS) in Romania by an individual directly employed by Velocity for analysis by thirty-gram fire assay.

Information available to demonstrate sample representivity and the reliability of sampling and assaying for Velocity's diamond drilling includes core recovery measurements, and assay results for field duplicates, coarse blanks and certified reference standards.

1.5. Mineral Resource estimation

Recoverable resources were estimated for Durusu using Multiple Indicator Kriging ("MIK") with block support adjustment. The resource estimates include a variance adjustment to give estimates of recoverable resources above gold cut off grades for selective mining unit dimensions of 5 by 2 by 2 metres.

Resource modelling incorporated two steeply northwest dipping mineralized domains interpreted from two metre down-hole composited gold grades and capturing intervals of greater than 0.1 g/t. The main northern domain extends over approximately 380 metres of strike with an average width at surface of around 80 metres. The subsidiary southern domain averages around 40 metres wide over 320 metres of strike. The mineralization is interpreted to be completely oxidized to average depth of around 55 metres, with fresh rock occurring at an average depth of around 68 metres.

All class grades were for MIK modelling determined from bin mean grades with the exception of the upper bins, which were reviewed on a case by case basis for each mineralized domain/oxidation zone subset and bin grades selected on the basis of bin mean, or median with or without exclusion of high grade composites. This approach was adopted to reduce the impact of a small number of outlier composites.

Bulk densities of 2.30, 2.50 and 2.55 tonnes per cubic metre were assigned to completely oxidized, transitional and fresh material respectively on the basis of 30 immersion density measurements performed by Velocity on diamond drill core samples.

Mineral Resources are truncated at a maximum vertical depth of 180 metres around 20 metres above the base of mineralized drilling, with around 80% of estimates from depths of less than 120 metres and less than 5% from below 160 metres.

The Mineral Resource estimates have been classified and reported in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the classifications adopted by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") in May 2014. The estimates are classified as Inferred, primarily reflecting the drill hole spacing.

1.6. Conclusions

The author considers that quality control measures adopted for sampling and assaying of Velocity's exploration sampling and drilling have established that the field sub-sampling, and assaying is representative and free of any biases or other factors that may materially impact the reliability of the sampling and analytical results. The author considers that the sample preparation, security and analytical procedures adopted for Velocity's Obichnik exploration and drilling provide an adequate basis for the Mineral Resource estimates and exploration activities.

Information from Durusu area drilling defines mineralization in this area with sufficient confidence for estimation of Inferred Mineral Resources.

Although limited, the available metallurgical test-work indicates that the Durusu mineralization is amenable to treatment by industry standard methods, yielding comparatively high gold recoveries.

Table 1 presents Mineral Resources estimated for Durusu for a range of cut off grades. The figures in this table are rounded to reflect the precision of the estimates and include rounding errors.

Assessment of the economic potential of the Durusu mineralization is at an early stage of evaluation. Mineral Resources that are not Mineral Reserves do not have demonstrated economic validity. The extents to which mining, metallurgical, marketing, infrastructure, permitting, marketing and other financial factors may affect the Mineral Resource estimates are not well defined.

Table 1: Durusu Inferred Mineral Resource estimates

Effective date of estimates: 11th February 2021			
Cut off (Au g/t)	**Tonnes (Mt)**	**Grade (Au g/t)**	**Metal (Au koz)**
0.2	5.9	0.9	171
0.3	**4.4**	**1.1**	**156**
0.4	3.5	1.3	146
0.5	**2.8**	**1.5**	**135**
0.6	2.3	1.6	118
0.7	**2.0**	**1.8**	**116**
0.8	1.7	2.0	109

1.7. Recommendations

The author's recommendations for future work at the Obichnik focus on the Durusu area and include additional drilling, analysis and investigations aimed at improving understanding of mineralization in the area and increasing confidence in estimated Mineral Resources.

Recommended drilling includes infill diamond holes within the currently interpreted mineralized domains and step-out drilling within coincident radiometric and gold in soil geochemical anomalies to the south and east of currently interpreted Durusu mineralization.

Estimated costs for this work, which total CAD $1,380,000 were derived in consultation with Mr. Stuart Mills, Velocity Vice President Exploration, in February 2021, with unit costs reflecting Velocity's operational experience.

2. Introduction

This Technical Report has been prepared for Velocity to describe exploration activities and Mineral Resource estimates for the Obichnik Property.

This report is based on the references listed in Section 27, the author's site visit observations and information provided by Velocity personnel including Mr Stuart Mills (Vice President Exploration). This report relies on other experts for the description of project tenure and ownership.

The work reported herein was undertaken by Jonathon Abbott, MAIG, who is a full-time employee of MPR Geological Consultants Pty Ltd. Mr Abbott has more than five years' experience in the field of Mineral Resource estimation and is a Qualified Person as defined by NI 43-101.

Mr Abbott is responsible for all sections of this Technical Report. Mr Abbott visited the project on the 27th of February 2018.

3. Reliance on Other Experts

This report is based on the references listed in Section 27, the author's observations and information in sampling and assay data files supplied by Velocity. The report relies on other experts for the description of project tenure and ownership. These aspects are detailed and referenced in relevant sections of the report, and listed below:

- Section 4: The description of mineral tenure and project ownership relies upon Tabakov, Tabakova & Partners, 2019.

- Section 6: The description of mineral tenure and project ownership relies upon Tabakov, Tabakova & Partners, 2019.

The report author is not qualified to comment on any environmental or legal considerations relating to the status of the Obichnik Property and expresses no opinion as to the ownership status of the Property. The author has not independently verified the status of Velocity's agreements with Gorubso.

4. Property Description and Location

4.1. Property location and mineral tenure

The Project lies within the municipality of Momchilgrad, Kardzhali region in southeast Bulgaria around 300 kilometres by road southeast of the capital, Sofia (Figure 1). It is around 20 kilometres southeast of the city of Kardzhali where Gorubso operates gold processing facilities, 7 kilometres southeast of Momchilgrad and 5 around kilometres northwest of Pcheloyad where Velocity has a core logging and sampling facility.

The summaries of the Property's mineral tenure in this Chapter are derived from Tabakov, Tabakova & Partners, 2019.

Obichnik contains the Momchil deposit (as the project was then known) as defined by the Geological Discovery issued to Gorubso in 2010 and duly entered into the 'State Balance' by the Bulgarian government. A subsequent Commercial Discovery report was submitted in the same year and in 2018 Gorubso defined an IPA which was registered with the RIEW in Haskovo. In February 2019 Gorubso received confirmation to open a Bulgarian State Environmental Investment Assessment procedure within the Momchil IPA and the Obichnik Property is defined by this IPA. Gorubso are currently in the process of completing an Environmental Impact Assessment (EIA) within the Obichnik Property.

In March 2019, Velocity entered into an option agreement with Gorubso to acquire a 70% interest in the Obichnik Property. Under the terms of the option agreement, Velocity can earn a 70% interest by delivering to Gorubso a Mineral Resource estimate prepared under National Instrument 43-101 and an environmental assessment report (OVOS) in accordance with the Bulgarian Environmental Protection Act.

There are no encumbrances registered against the Property.

Figure 2 shows the IPA boundaries and local road infrastructure. The coordinate system used in this figure and throughout this report is World Geodetic System (WGS84) Zone 35 N coordinates. The IPA has an area of approximately 2.81 square kilometres and is centred at around 374,000 mE, 4,595,400 mN.

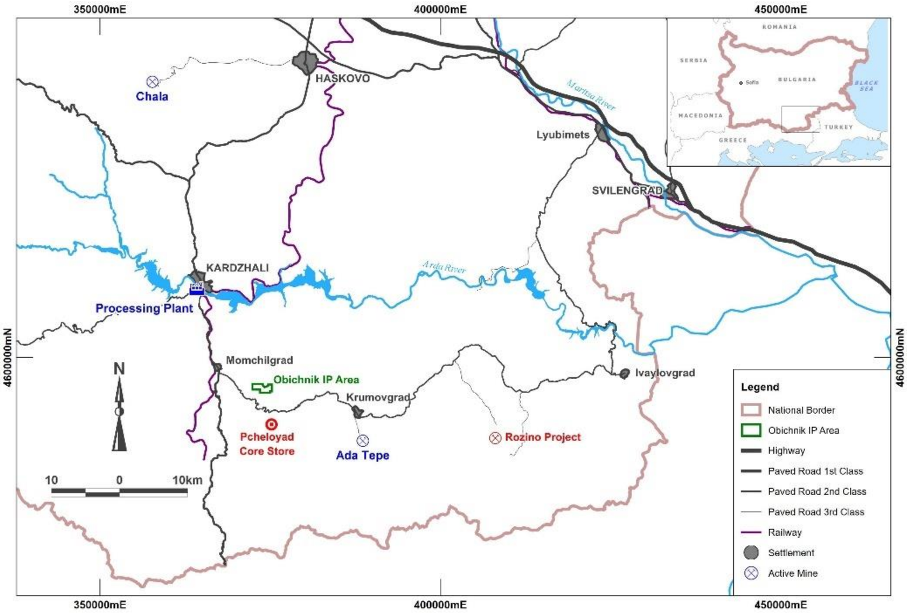

Figure supplied by Velocity in February 2021

Figure 1: Regional location diagram

4.2. Exploration permitting, surface rights and royalties

The RIEW in Haskovo approved the Momchil Investment Proposal with prescription for preparation of an OVOS report, allowing exploration activities to commence.

Additional permissions have been received from the local municipality and forestry, under the terms of which, exploration and drilling, environmental and engineering work is completed. An agreement was made with the local forestry department that drilling would utilize man portable rigs where required to obviate the need to cut trees for drill pads and access.

Approximately 70% of the Property is within State Forestry lands. The remaining 30% is agricultural land where around one quarter is private and the rest is State owned or managed by the local municipality. On receipt of a mining concession, a contract would be required to transfer the surface rights to Gorubso, or a Joint Venture set up to facilitate mining. In Bulgaria, if no agreement can be reached with the existing incumbent of the surface rights, the matter may be passed to the respective authorities for compulsive purchase.

The only royalties payable on potential production from the Property are to the Bulgarian state. Such royalties are determined at the time of granting of a mining licence based upon projected profitability of the operation in line with the mining plan submitted to the government. Royalties are generally between 0.5 and 2.5% net smelter return.

As far as the author can ascertain, all necessary permits to conduct the work proposed for the Property have been obtained and there are no known significant factors or risks that may affect access, title or the right or ability to perform work on the Property.

5. Accessibility, Climate, Local Resources and Physiography

Obichnik is accessible year-round via sealed roads and a short unsealed dirt road, with forestry roads and historical drill tracks providing year-round access within the Property by four-wheel drive vehicle.

The Project area's climate is transitional from Temperate Continental to Mediterranean. Average temperatures are above 0°C during winter, around 23°C in summer respectively. Snow cover is sporadic usually lasting generally only 5 to 10 days per year. Stream flow is dependent on local precipitation. Exploration activities can be undertaken throughout the year. The IPA is generally overgrown with low deciduous shrubs or pine plantations. There are no natural coniferous forests in the Property.

Local inhabitants are primarily involved in subsistence farming, particularly livestock and the growing of tobacco and orchards. The other main land use within the licence area is state controlled forestry. The Obichnik and Drumche villages, to the southwest and north of the IPA (Figure 2) are largely deserted with only a small number of residents remaining.

Topography of the IPA is characterised by low mountains intensively dissected by steep sided valleys. Regional elevations range from 330 to 400 mRL in valley floors to 960 mRL. Figure 3 shows a view of the licence area looking southeast. For the Durusu area that has been the focus of Velocity's work, mineralization outcrops on an east-west trending ridge, and in the deposit area, elevation averages around 600 mRL, reducing to around 470 mRL in valleys to the south and east of the deposit (Figure 16).

For exploration and resource definition activities to date, personnel have commuted daily from Momchilgrad. Evaluation of the Project is at an early stage and details of labour sources for potential mining have not yet been established. However, it is anticipated that the nearby towns of Kardzhali and Momchilgrad are likely to provide the main sources of unskilled and semi-skilled labour, with skilled and management personnel sourced from throughout Bulgaria where possible.

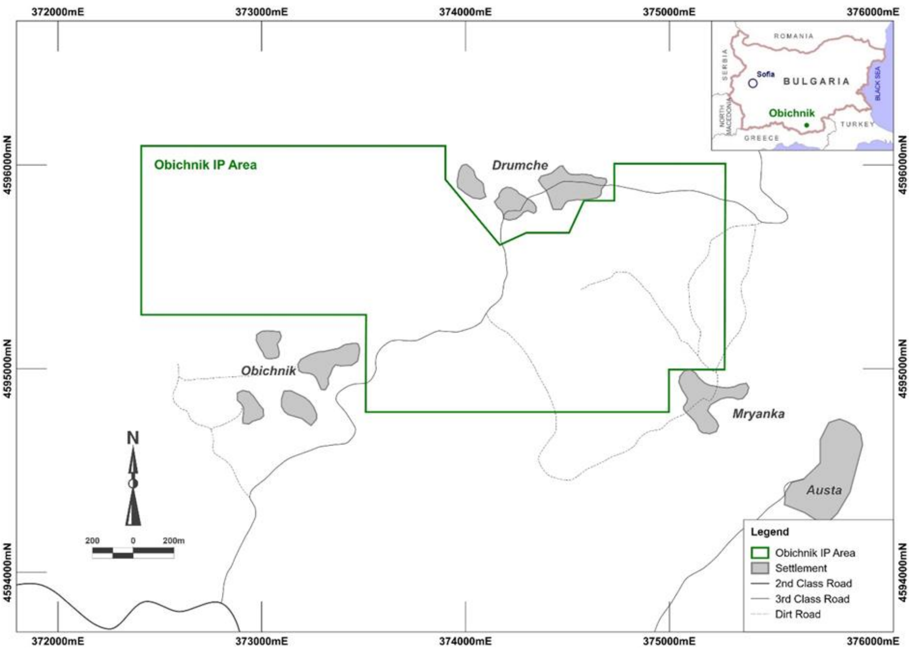

Figure supplied by Velocity in February 2021

Figure 2: Local road infrastructure

Photograph supplied by Velocity in February 2021. View from approach road looking northeast
Figure 3: Photograph of project area

6. History

6.1. Introduction and Property ownership

The summaries of the Property's exploration history in this Chapter are derived from the cited references, Dragiev, H., and Dragieva B. 2009 and Dragiev, H., and Dragieva B. 2010 and notes supplied by Velocity. The summaries of the Property's ownership in this Chapter are derived from Tabakov, Tabakova & Partners, 2019.

Modern exploration of the Property commenced in the 1970's with work first being completed by Geoengineering, which was a State-owned entity. Geoengineering's activities at the Property included geological mapping, trenching, geophysical surveys and diamond drilling.

Obichnik was part of the Momchil Prospecting and Exploration Licence (PEL) and following acceptance of the Geological Discovery by Gorubso and submission of the Commercial Discovery report in 2010; approval of the Momchil IPA by RIEW in Haskovo in February 2019 allowed for the preparation of an OVOS report. There have been no subsequent changes to ownership of the Property. Gorubso's activities at the Property included surface mapping, trenching and diamond drilling.

Details of sampling and assaying for Geoengineering and Gorubso's exploration and drilling are not available, and no material is available for check-assaying. Information from this sampling does not inform Mineral Resource estimates or Velocity's current exploration activities and it is not detailed in this report.

There has been no production from the Property.

6.2. Geoengineering 1977 to 1994

Between 1977 and 1994 Geoengineering undertook geological mapping, trenching, geophysical surveys and diamond drilling within the current IPA comprising the following:

- 1:10,000 scale geological mapping – 3 km^2
- 1:5,000 scale geological mapping – 2 km^2
- Trenching – 133 trenches
- Diamond drilling – 64 drill holes for 13,227 m
- IP/Resistivity and ground magnetic surveys – 2 km^2
- Down-hole gamma-spectrometry of 15 drill holes.

6.3. Gorubso 2002 to 2013

Between 2005 and 2010, Gorubso undertook exploration in the project area including surface mapping, excavation of 3 trenches for 375 metres, along with drilling of 8 diamond holes for 1,017 metres. Sample preparation and analysis of Gorubso's exploration and drilling was not undertaken by independent laboratories and did not include stringent quality control measures.

Gorubso's investigations lead to a report submitted for the registration of a Geological Discovery of the Momchil deposit (as the Project was then known) to Gorubso on the 28th January 2010. This report incorporated information from Geoengineering's activities and described three mineralized bodies interpreted to be sub-horizontal. In 2010 Gorubso submitted an Updated Resource Report for Obichnik.

A Geological report for Commercial Discovery was submitted by Gorubso in 2010 with an application for Commercial discovery. Gorubso started the EIA procedure in 2014 and submitted the Investment Proposal notification for the Momchil deposit to Haskovo RIEW who confirmed the initiation of the EIA procedure in 2019.

7. Geological Setting and Mineralization

7.1. Regional geological setting

The following summary of the Project's regional geological setting is derived from the cited references and notes supplied by Velocity.

Obichnik lies within the Eastern Rhodope mineralization district of south eastern Bulgaria which is located within an Eocene-Oligocene continental magmatic belt extending around 500 kilometres from Serbia and Macedonia to northwest Turkey. The eastern part of this belt is occupied by the Rhodope Massif, which comprises Precambrian to Mesozoic metamorphic rocks and Palaeogene magmatic rocks (Figure 4).

Metamorphic rocks of the Rhodope basement are represented by the Kessebir and Biala Reka core complexes which comprise a lower gneiss-migmatite complex and overlying variegated complexes. (Haydoutov et al., 2001).

The gneiss–migmatite complex forms the cores of the Kesebir and Byala Reka metamorphic domes and is dominated by metagranites, migmatites, and migmatized gneisses overlain by a series of pelitic gneisses, marbles, and amphibolites. The variegated complex consists pelitic schists, para-gneisses, amphibolites, marbles and ophiolite bodies with metamorphosed ophiolitic peridotites and amphibolitised eclogites intruded by gabbros, gabbronorites, plagiogranites and diorites. The variegated complex is intruded by volumetrically minor Cretaceous plutons.

Late Eocene-Oligocene development of extensional basins and formation of discrete volcanic centres in the Rhodope Massif was followed by extensive magmatic activity, which is represented in the Bulgarian part of Eastern Rhodopes as volcanic centres at Iran Tepe, Zvezdel, Dambalak, Sveti Iliya, Madjarovo, and Borovitsa, and predominantly felsic and intermediate dyke swarms within the metamorphic domes.

Cretaceous to Tertiary orogenic collapse of the extensional basins was associated with formation of metamorphic core complexes, block faulting, metamorphism and silicic to intermediate magmatism. Hydrothermal deposits formed during this stage vary with style and composition geographically from lead-zinc-silver veins and replacement base-metal deposits in the Central Rhodopes, through intermediate-sulphidation epithermal base and precious metal deposits in sedimentary basins in the Bulgarian Eastern Rhodopes, to high-sulphidation epithermal deposits in the Greek part of the Rhodopes (Marchev, 2005).

Obichnik lies to the north of the Zvezdel volcano within the east-west trending Momchilgrad volcanic depression (Figure 4). The Momchilgrad volcanic depression comprises basal Paleocene-Eocene sedimentary rocks of terrigenous origin and intermediate to felsic extrusive igneous rocks and late-stage dyke swarms of the Dambalak magmatic group (Figure 5).

Obichnik lies within a region known as the "Zvezdel-Pcheloyad ore field" which includes hydrothermal lead-zinc and gold-lead zinc mineral occurrences associated with the Zvezdel volcano. Naming of this region does not imply any economic or Mineral Reserve considerations, and it includes mineral occurrences without Mineral Resources or Ore Reserves. These mineral occurrences are zoned from proximal veinlet-disseminated lead-zinc styles such as Zvezdel to distal veinlet/disseminated and replacement gold lead-zinc mineralization such as that noted at Obichnik, Drumche, Mryanka, Asara and Sedefche. Distal uranium-base metal hydrothermal occurrences at Ptichar and Pcheloyad represent the most distal zonation of the occurrences. (Figure 5).

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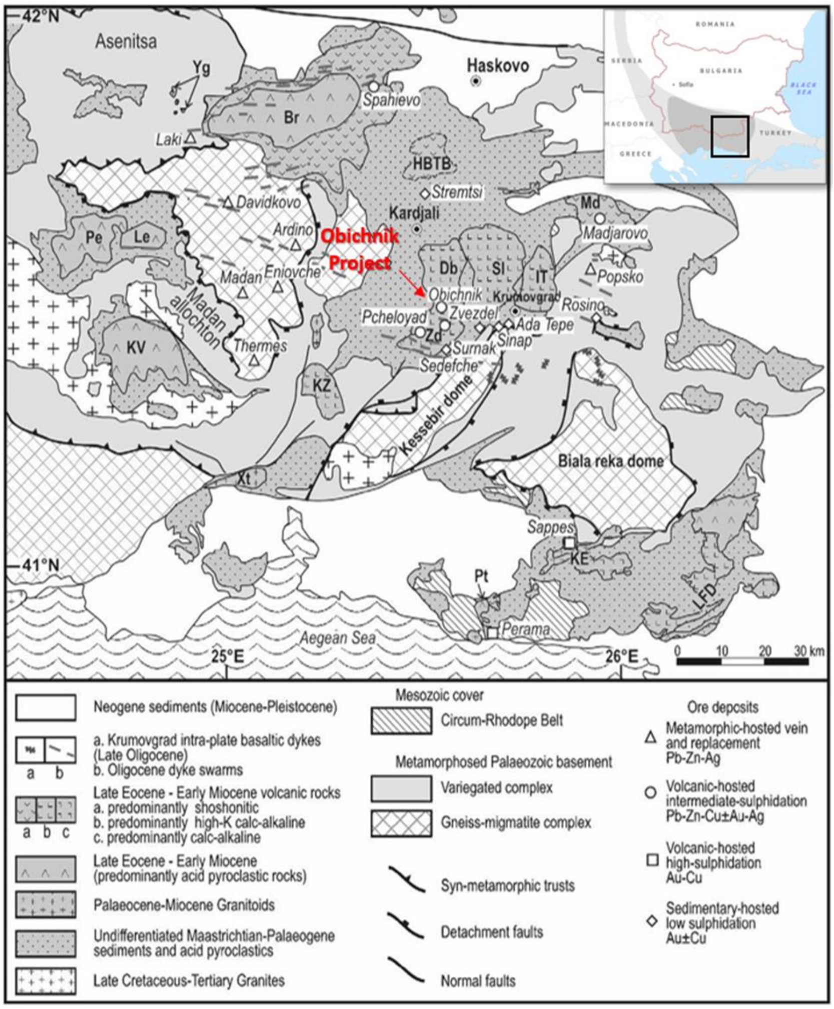
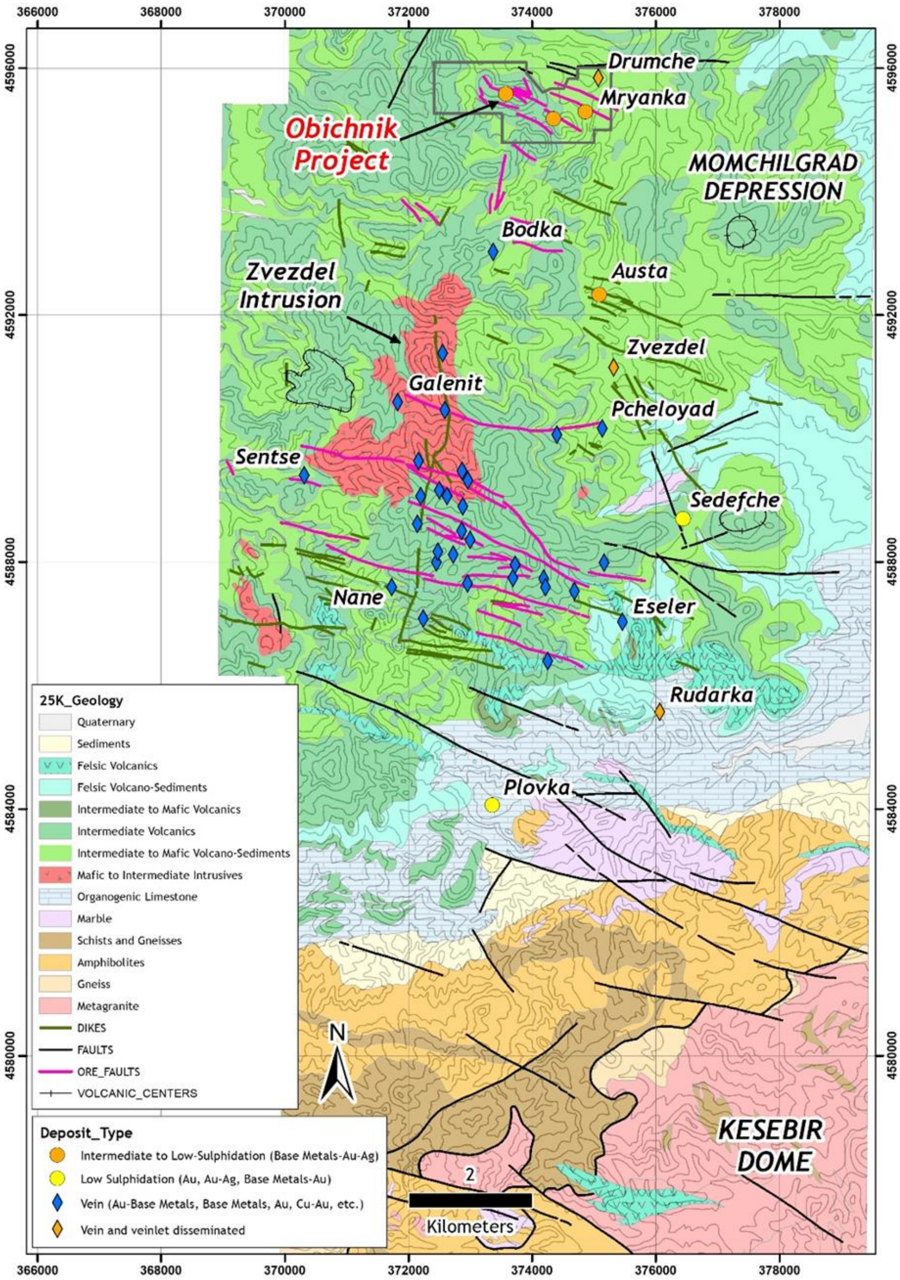
Eocene volcanic complexes within the Palaeogene intrusive and volcanic belt, Rhodope Mountains. Inset shows the Palaeogene Macedonian-Rhodope-North-Aegean Volcanic Belt. After Marchev et al, 2004.



Schematic geological map and mineralized deposits of the Central and Eastern Rhodopes
After Marchev, 2005

Figures supplied by Velocity, February 2021

Figure 4: Regional geological setting



After Dragiev, H., 2010. Figure supplied by Velocity in February 2021.

Figure 5: Geology and main mineral occurrences of the Zvezdel-Pcheloyad area

7.2. Obichnik geological setting and mineralization

Field mapping including traverses and observation points by Velocity geologists during 2019 lead to production of an interpretative geological map of most of the IPA including rock-types, structure and alteration (Figure 6).

Velocity's mapping outlined approximately 2.5 by 1 kilometre east-west zone of hydrothermal alteration, which encompasses the areas designated as Sivri Tepe, Premka, Durusu, Adren and Mryanka. The alteration ranges from peripheral clay and iron oxide with variable chlorite and carbonate development to intense quartz-sericite-hematite and variably developed pyrite alteration along structurally controlled zones and fractured lithological contacts with generally easterly to east-south easterly trends. This alteration is associated with elevated gold grades, of up to 7.73 g/t in rock chips.

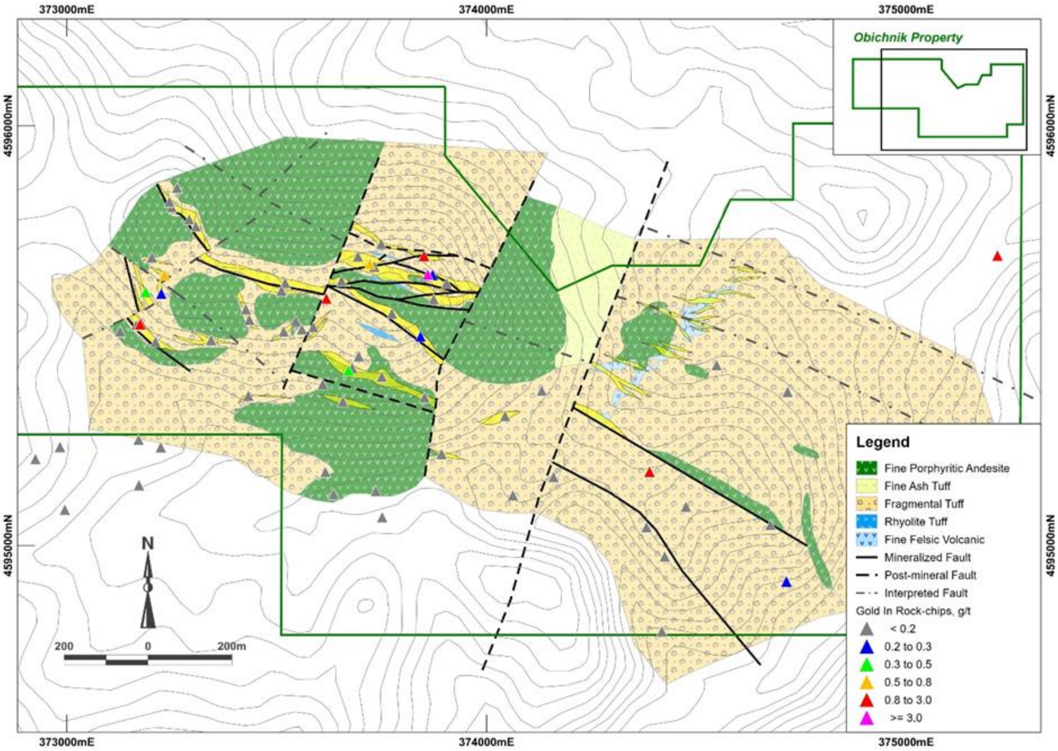


Figure Supplied by Velocity in February 2021

Figure 6: Obichnik geology, rock chip samples and surface topography

7.3. Durusu geological setting and mineralization

The following summary of Durusu’s geological setting and mineralization is derived from the cited references, and notes supplied by Velocity.

Durusu is a structurally controlled, hybrid low/intermediate sulphidation (LSE/ISE) sub-epithermal gold-silver deposit. It is hosted by intermediate epiclastic breccias and interbedded lava andesitic flows which are cross cut by narrow pre to syn-mineralization trachyandesitic to andesitic dykes.

Figure 7 shows example core photographs of common mineralization styles. Figure 8 shows an example cross section of drill hole traces overlain on interpreted geology.

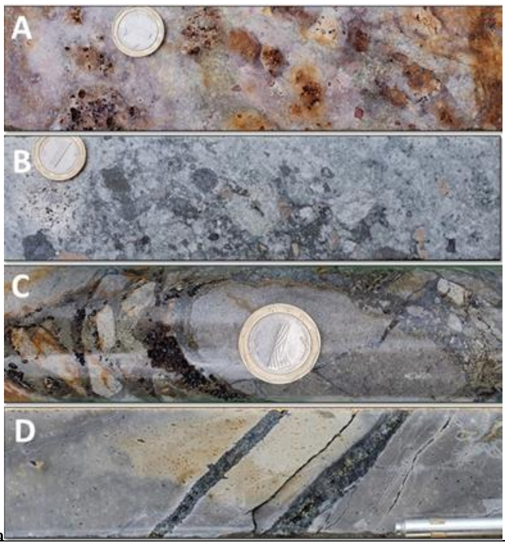
The general west-northwest mineralization trend reflects the structurally controlled distribution of quartz-sericite-pyrite altered epiclastic breccias which are cut by open space and comb textured veins/veinlets and narrow hydrothermal breccias. Higher gold grade mineralization is observed at the intersections of the main west-northwest trending veins and second order north-northwest trending mineralized veins, silicified structures and hydrothermal breccias.

Within central, higher gold grade portions of the deposit the dykes are intensely altered and contain quartz-base metal veinlets and silicified hydrothermal breccias with strongly altered selvedges developed within the host volcanic rocks. In peripheral, lower grade portions of the deposit the dykes show variable quartz, sericite and pyrite alteration, and outside the mineralized area they are generally unaltered to weakly altered.

Notable features of the Durusu mineralization include a high degree of short-scale variability, which is evident in observations of drill core, and the variability shown by gold assay grades of drill samples.

Drilling has intersected gold mineralization at Durusu over an area around 430 metres by 230 metres to a vertical depth of around 200 metres.

Resource modelling incorporated two steeply northerly dipping mineralized domains interpreted from two metre down-hole composited gold grades and capturing intervals of greater than 0.1 g/t. The main, northern domain extends over approximately 380 metres of strike with an average width of around 80 metres. The subsidiary southern domain averages around 40 metres wide over 320 metres of strike (Figure 16). The mineralization is interpreted to be completely oxidized to average depth of around 55 metres, with fresh rock occurring at an average depth of around 68 metres (Figure 17).



A. Oxide replacement zone in epiclastic volcanic breccia

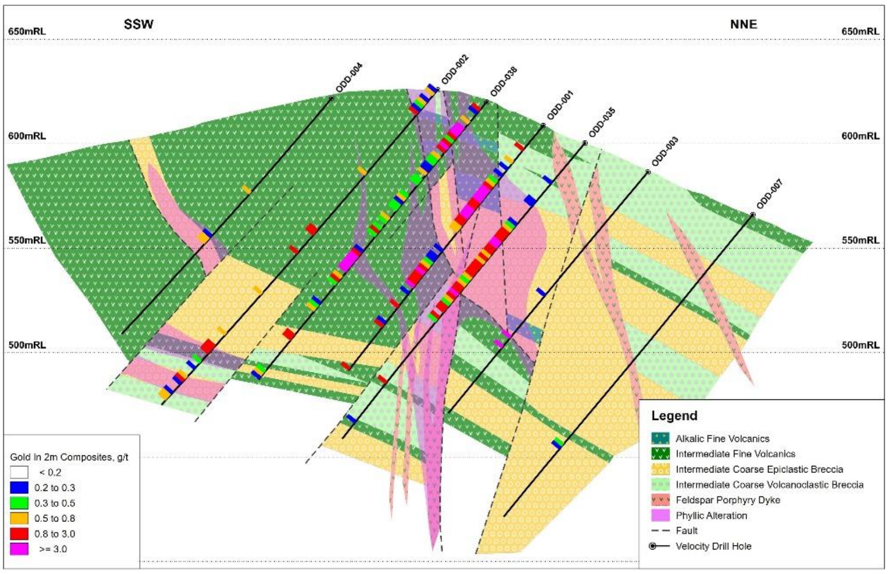
B. Sulphide replacement zone in epiclastic volcanic breccia

C. Stringer zone in competent andesite

D. Vein mineralization in sub-alkalic dyke

Photographs supplied by Velocity in February 2021

Figure 7: Example drill core photographs



Section line C shown in Figure 16. Looking northwest.
Figure supplied by Velocity in February 2021

Figure 8: Velocity hole traces and geology

8. Deposit Types

Obichnik gold mineralization identified to date occurs as veins and veinlet stringers and replacement within quartz-sericite-pyrite altered epiclastic breccias within an east-west trending zone of hydrothermal alteration. The mineralization is associated with pyrite, sphalerite, galena, chalcopyrite and rare bornite, tennantite-tetrahedrite and enargite, with gold variably distributed within these sulphides and quartz, sericite, kaolinite, illite/smectite and adularia (Petrova and Stanchev, 1994).

Durusu is a structurally controlled LSE/ISE sub-epithermal gold-silver deposit. It is hosted by intermediate epiclastic breccias and interbedded lava andesitic flows which are cross cut by narrow pre to syn-mineralization trachyandesitic to andesitic dykes.

Velocity's planning of Obichnik exploration and drilling programs reflect their interpreted genetic model for mineralization within the Property as outlined below and schematically presented in Figure 9.

- Obichnik mineralization lies within a large, structurally controlled hydrothermal alteration zone interpreted to be part an intrusion centred system.
- Durusu mineralization represents a transition from epithermal mineralization at Sivri Tepe and Premka to sub-epithermal mineralization at Adren and Mryanka.
- The mineral occurrences are considered to have been fed by an intrusion at depth. Upward migration of metal bearing hydrothermal fluids along steep structures and dyke contacts is interpreted to have deposited gold-base metal veins and hydrothermal breccia in more competent rock at depth, with replacement style, texture destructive gold mineralization formed where the fluids intersected shallower fragmental units.

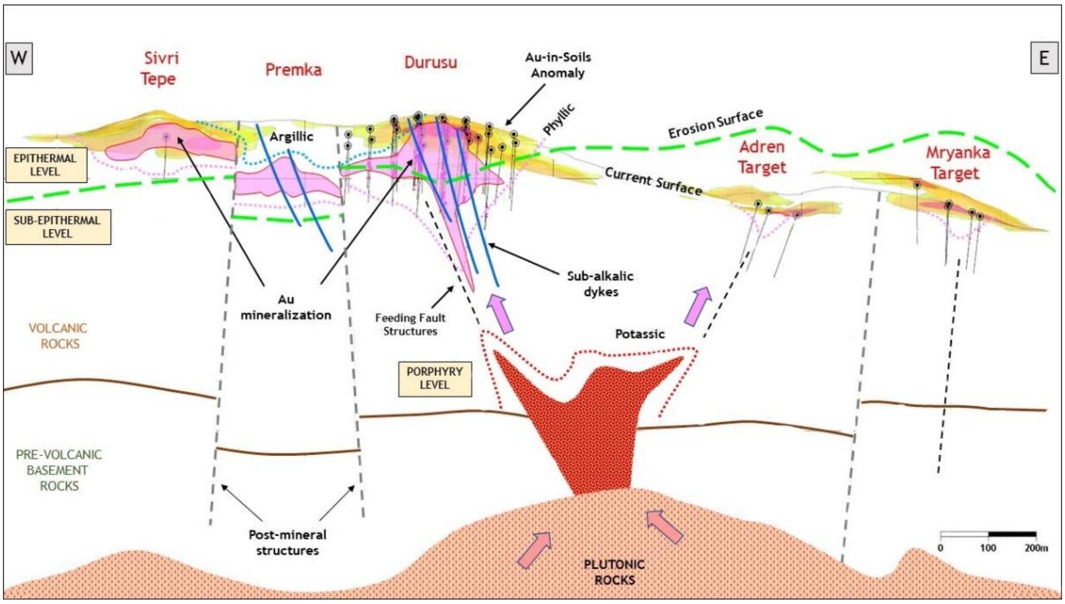


Figure Supplied by Velocity in February 2021

Figure 9: Obichnik mineralization genetic model.

9. Exploration

9.1. Introduction and summary

Modern exploration of the Project commenced in the 1970's by Geoengineering with Gorubso undertaking further work prior to Velocity commencing work in 2019. Information from Geoengineering's and Gorubso's exploration does not inform Mineral Resource estimates, or Velocity's current exploration activities and is not detailed in this report.

Velocity's exploration activities since 2019 include geological mapping, rock sampling, soil sampling and geophysical surveys. All field sampling activities were supervised by Velocity geologists with industry standard methods employed for sampling and geological logging.

Figure 10 shows the locations of Velocity's exploration sampling, and extents of the geophysical surveys relative to the IPA boundary and the surface expression of the Durusu mineralized domains interpreted for resource modelling.

Interpretation of results from Velocity's exploration activities supported Velocity's decisions to undertake additional work at the project, including diamond drilling and in conjunction with drilling information provide a basis for planning of future exploration and drilling.

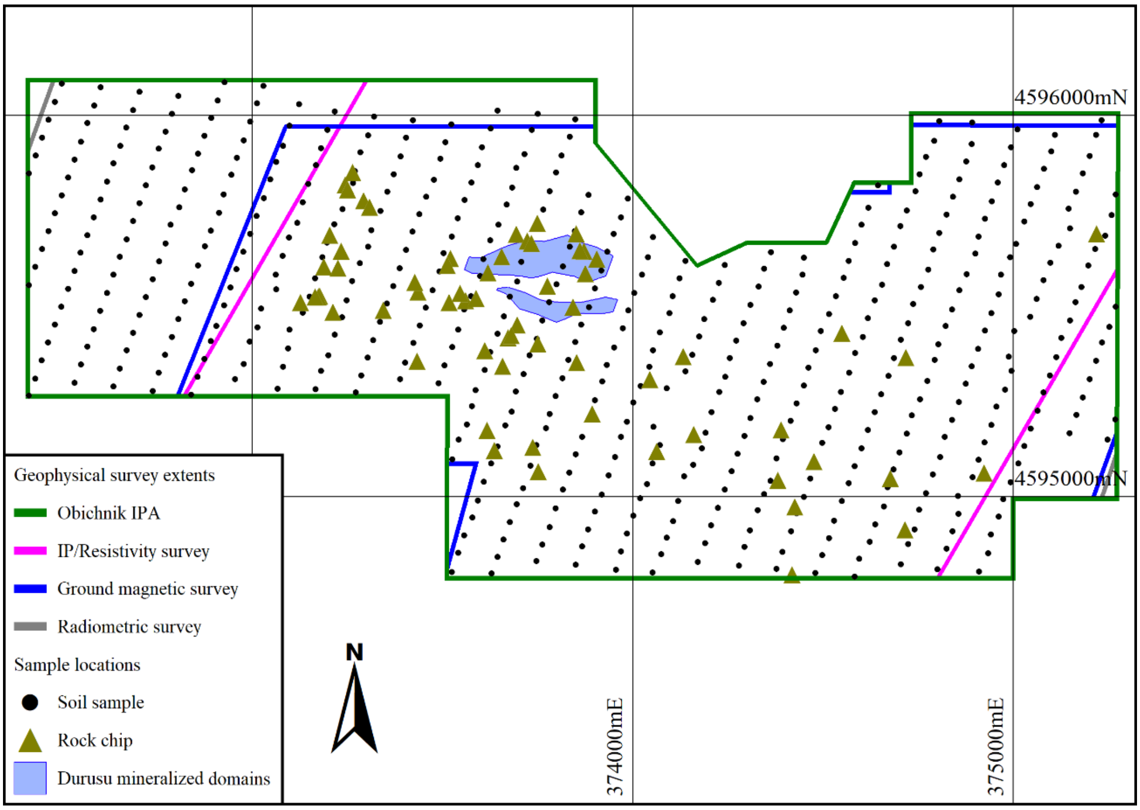


Figure prepared by MPR in February 2021

Figure 10: Extents of exploration sampling and geophysical surveys

9.2. Geological mapping and rock chip sampling

Geological mapping by Velocity geologists including traverses and observation points lead to production of an interpretative geological a map of most of the IPA including rock-types, structure and alteration (Figure 6).

During the mapping campaign 65 rock-chip samples were collected and analysed for gold by fire assay and a range of other attributes by aqua regia digest with Inductively Coupled Mass Spectrometry (ICPMS). Figure 6 shows the location of the rock chip samples coloured by gold assay grade. These samples returned gold assay grades ranging from below the analytical detection limit of 0.05 g/t up to 7.73 g/t and supported Velocity's decisions to undertake additional work at the project

9.3. Soil sampling

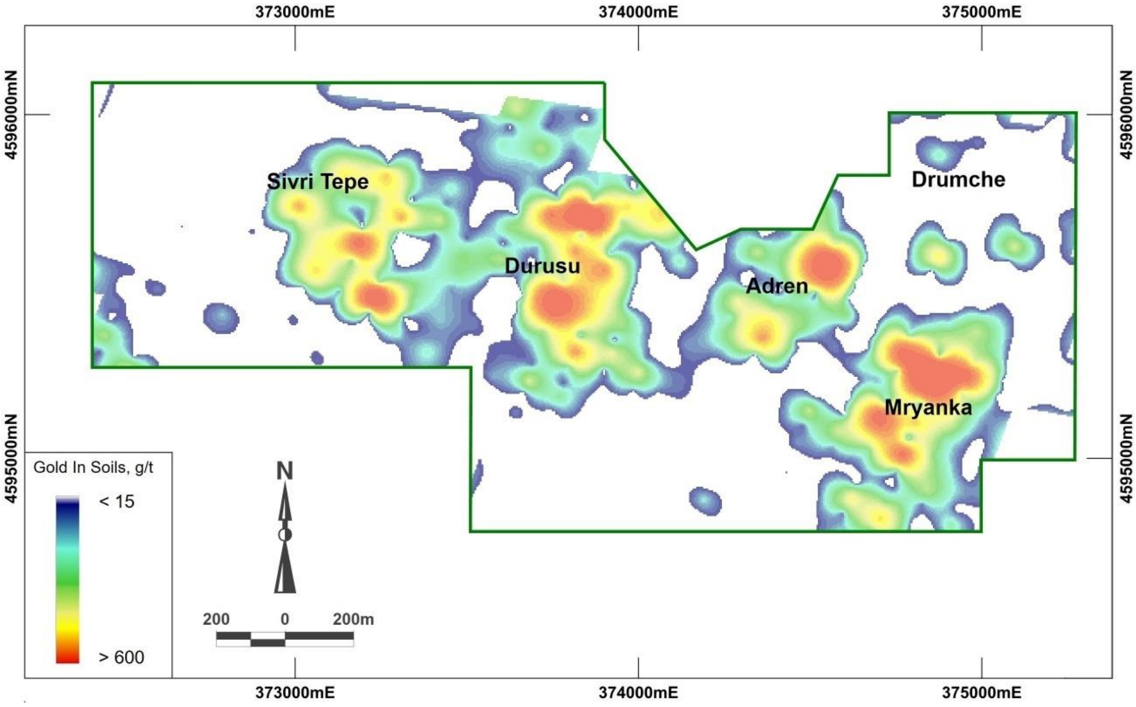
Between April and July 2019 Velocity collected 540 soil samples at 50 by 100 metre spacing over most of the IPA (Figure 10). Sampling procedures included the following:

- Sample sites were located within 10% of the nominal grid spacing from the proposed grid location, ensuring the site was uncontaminated and the soils in situ. Sample locations were recorded by hand-held GPS.
- Samples were collected from the "B" horizon (85%), mixed "B" and "C" horizons (11%), or rarely the "A" or "C" horizons, at an average depth of 30 cm.
- Samples were sieved at the site with 0.5 to 1.5 Kg of sub 1 mm material collected for assay.
- Monitoring of sample reliability included routine submission of duplicates and fine blanks.

Assaying of these samples indicated several gold in soil anomalies outlined by sample gold grades of greater than 100 ppb (Figure 11), as follows:

- Durusu: The anomaly is elongate NNE-SSW, around 550 by 200 metres north, and includes elevated Ag,Pb,As,Bi, Tl and W grades
- Sivri Tepe: The anomaly covers an irregular area around 350 by 250 metres and includes elevated Ag, Pb,As Tl and Sb grades
- Mryanka and Adren: These anomalies each cover around 400 by 200 metres and include elevated Ag,Pb, Mo, Hg, As, Tl and Sb grades.

Velocity interprets these multi-element associations as indicative of a sub-epithermal mineralizing environment with the higher molybdenum grades at Adren and Mryanka relative to Durusu and Sivri Tepe suggesting closer proximity to the centre of an intrusion related system.



Supplied by Velocity in February 2021
Figure 11: Soil sampling anomalies

9.4. Geophysical surveys

Velocity's exploration activities included several geophysical surveys covering most of the Obichnik IPA (Figure 10), comprising ground magnetics, Induced Polarization/Resistivity and radiometric surveys. The following summaries are derived from Nikova, 2020 and notes supplied by Velocity.

Ground Magnetic Survey

The ground magnetic survey totalled 22.2 line-kilometres within the IPA, covering most of the IPA (Figure 10). Measurements were taken at 100 metre line spacing with an Overhauser GSM-19 magnetometer. Figure 12 shows gridded reduced to pole total magnetic intensity data from this survey relative to the extents of the IPA.

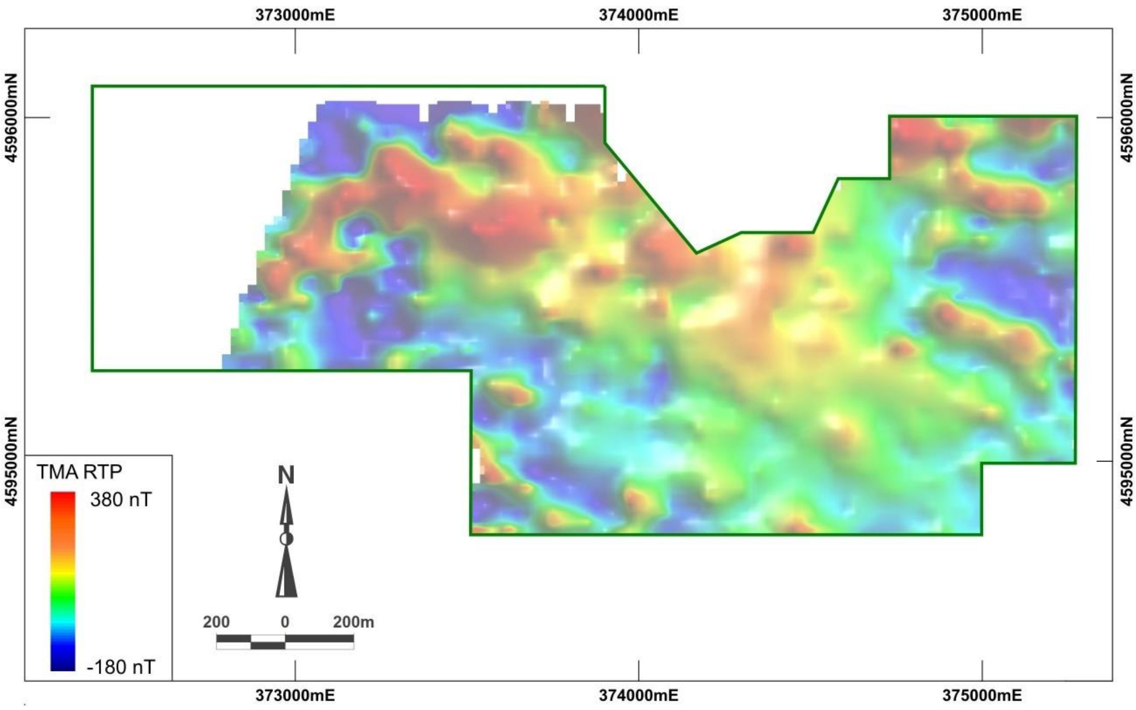


Figure supplied by Velocity in February 2021

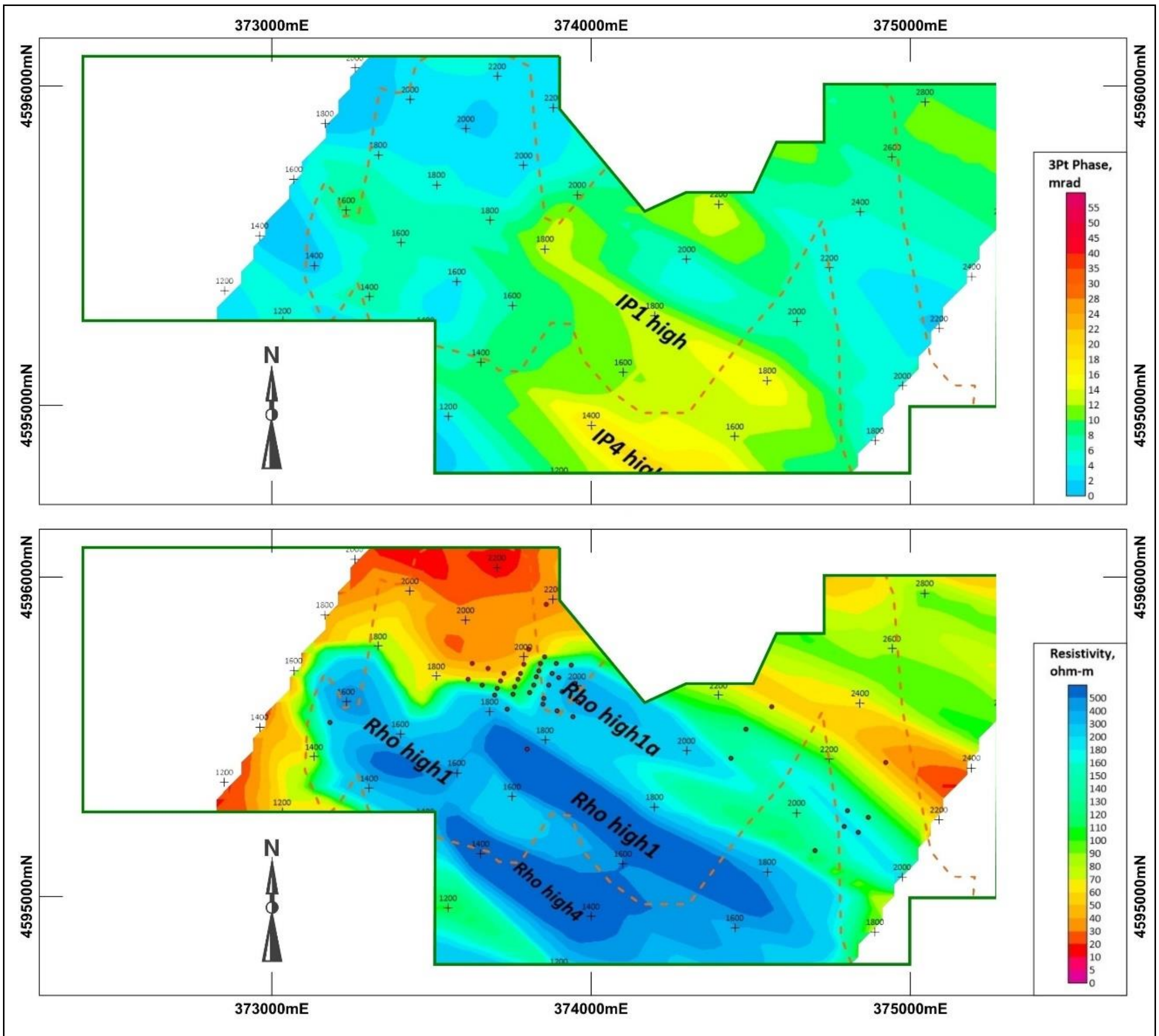
Figure 12: Ground magnetic survey

Induced Polarization Resistivity survey

The Induced Polarization Resistivity survey, which was undertaken to explore for potential deep porphyry gold/copper mineralization totalled eight survey lines totalling 6.2 line kilometres of deep (200m dipole) IP profiling within the IPA. Survey equipment included a 10kw high power Zonge GGT-10 transmitter and 8-channel Zonge GDP3224 receiver (Nikova, 2020a).

The upper plot in Figure 13 presents a gridded Induced Polarization chargeability depth slice map at 65 metres. The lower plot in this figure presents a gridded apparent resistivity depth slice at 65 metres with conductance highs highlighted.

Interpretation of results of the Induced Polarization/Resistivity survey were not indicative of significant deep porphyry associated mineralization.



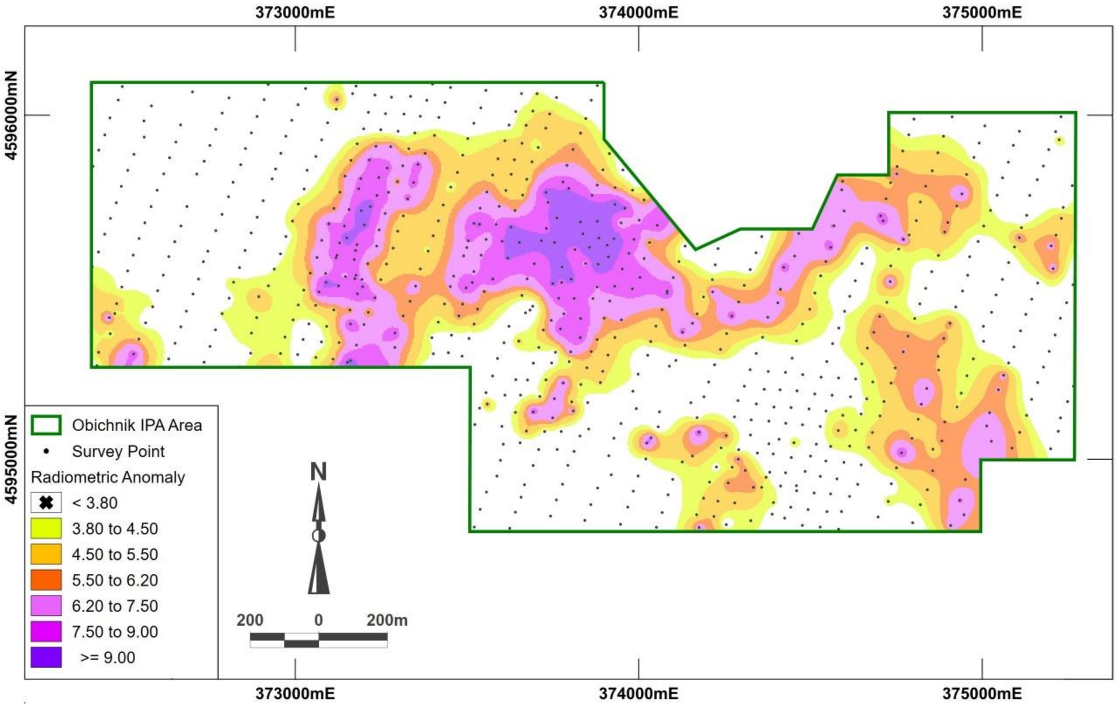
Black dots: drill hole collars. Brown dashed lines: radiometric K / Th - F factor anomaly

Figures supplied by Velocity in February 2021

Figure 13: Induced Polarization/Resistivity survey

Radiometric survey

The ground gamma ray spectrometry radiometric survey was undertaken using a hand held GT32 (RS230) spectrometer with measurements taken at 50 by 100 metre spacing over most of the IPA for 33.7 line kilometres. Interpretation of the results demonstrates strong correlation between gold mineralization and potassium radiometric anomalism (Figure 14).



Supplied by Velocity in February 2021

Figure 14: Radiometric survey

10. Drilling

10.1. Introduction and summary

Few details of the drilling, sampling and assaying are available for Obichnik drilling completed by Geoengineering and Gorubso and little information is available to demonstrate the reliability of data from these holes. Information from this sampling does not inform Mineral Resource estimates or Velocity's exploration activities. This drilling is not relevant to Velocity's current evaluation of the Project and is not detailed in this report.

This report reflects drilling information available for Velocity's Obichnik drilling on the 10th of February 2021 comprising 74 diamond holes for 13,493.2 metres of drilling.

This Chapter subdivides Velocity's Obichnik drilling as follows:

- **Durusu area drilling**: Information from this drilling informs the Durusu Mineral Resource estimates as described in Chapter 14. These holes are generally inclined to the southwest at around 50° at around 25 to 50 metre spacing along generally 50 metre spaced traverses with rare closer spaced holes, and some broader spaced drilling at depth and peripheral to the main mineralized zones.
- **Exploratory drilling:** This drilling comprises generally broadly and irregularly spaced holes testing exploration targets identified by exploration sampling and geophysical surveys.

Table 2 summarizes Velocity's Obichnik drilling by area, and Figure 15 presents hole traces relative to the extents of the Obichnik IPA and the surface expression of the Durusu mineralized domains interpreted for resource modelling.

The regional exploratory drilling shown in Table 2 and Figure 15 represents a single hole testing an anomaly identified by the Induced Polarization/Resistivity survey

All drilling, on-site core handling and sampling was supervised by Velocity geologists using protocols established by Velocity which are consistent with the author's experience of good quality, industry standard techniques.

Information available to demonstrate the representivity of Velocity's diamond drilling includes core recovery measurements. These measurements are consistent with the author's experience of good quality, representative diamond drilling.

The author considers that quality control measures adopted for Velocity's Obichnik diamond drilling have established that the sampling is representative and free of any biases or other factors that may materially impact the reliability of the sampling. The author considers that information available for Velocity's Obichnik diamond drilling provide an adequate basis for the current Mineral Resource estimates and exploration activities.

Velocity's Durusu area drilling defines the mineralization in this area with sufficient confidence for estimation of Inferred Mineral Resources. Information from this drilling informs the Mineral Resource estimates described in Chapter 14 of this report, and provides a basis for planning future drilling in this area.

Table 2: Compiled drilling database

Area		**Number of holes**	**Metres of drilling**
Durusu area		37	6,820.2
Exploratory drilling	Premka	7	1,100.2
	Sivri Tepe	18	2,586.1
	Adren	5	966.6
	Mryanka	6	1,197.6
	Regional	1	822.5
	Subtotal	**37**	**6,673.0**
Total		**74**	**13,493.2**

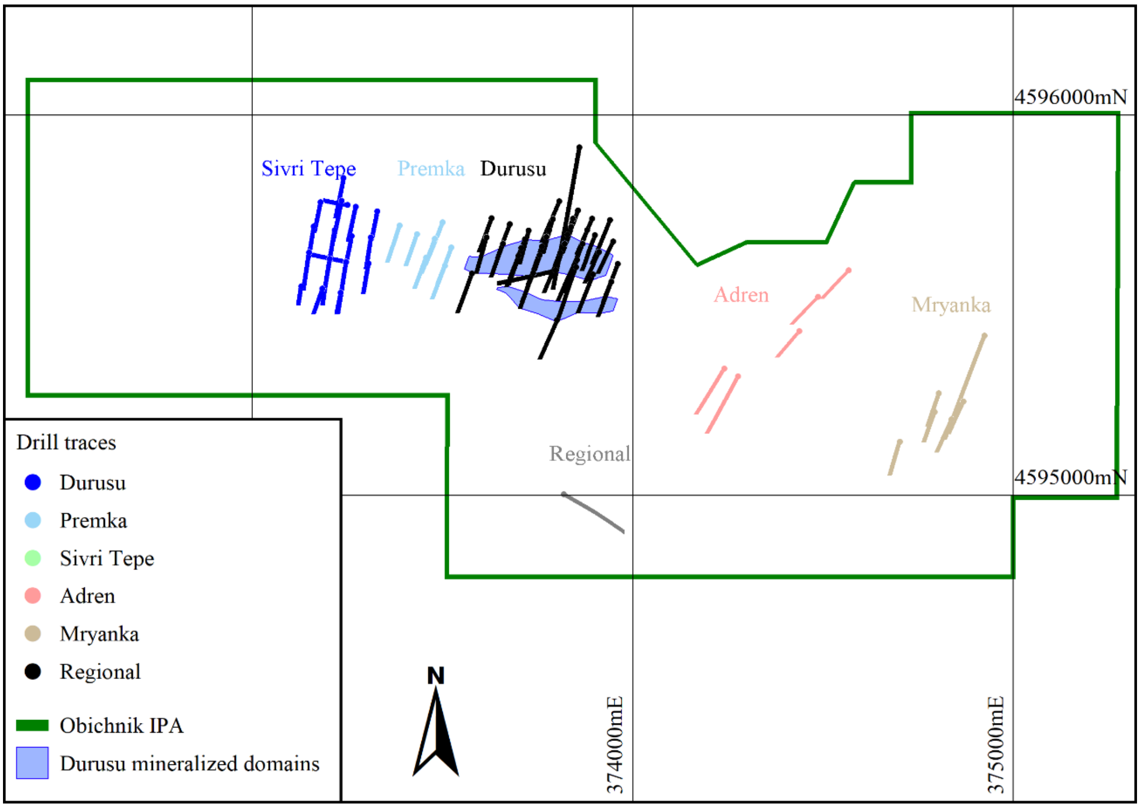


Figure prepared by MPR in February 2021

Figure 15: Drill hole traces relative to IPA boundary

10.2. Drilling and sampling procedures

10.2.1. Drilling procedures

Velocity's Obichnik drilling was undertaken by two man-portable and two self-propelled diamond coring rigs from GEOPS Balkan Drilling Services Ltd designated as Rig 1, Rig 2, Rig 3, and Rig 7 respectively. The Durusu area drilling was undertaken by Rig 1 (59%), Rig 2 (16%) and Rig 3 (25%).

All four drill rigs utilized wireline triple tube core barrels. Around one quarter of the combined drilling was orientated using a DeviCore BBT orientation tool.

Approximately even amounts of the combined was undertaken with NQ (47%) and HQ (49%) diameter bits (75.7 and 96 mm hole diameter respectively) and rarely (4%) PQ bits (122.6 mm hole diameter).

Core runs for the drilling completed by Rig 1 and Rig 2 were generally around 1.0 or 1.5 metres in length with rare shorter length runs. Core runs for Rig 3 and Rig 7 drilling were generally around 3.0 metres or less commonly 1.5 metres in length with rare shorter length runs.

10.2.2. Collar and down-hole surveying

Velocity geologists supervised positioning of drilling rigs at designed hole locations set out by using a Trimble R2 GNSS DGPS instrument, with rigs aligned to design orientations by compass and clinometer.

Upon completion of the drilling of each hole, a cement marker, inscribed with the drill hole name, was placed at the collar. With the exception of two Premka exploratory holes for which only planned coordinates are available all collar locations were accurately surveyed by DGPS to a minimum vertical resolution of +/- 0.40 metres.

All Velocity drill holes were down-hole surveyed using magnetic multishot tools including Devico DeviShot and Peewee and SPT Magcruiser instruments at down-hole intervals of generally around 30 metre intervals.

The author considers that hole paths of Velocity's drilling have been located with sufficient accuracy for the estimated Mineral Resources and exploration purposes.

10.2.3. Core handling and sampling

All drilling, on-site core handling and sampling was supervised by Velocity geologists using protocols established by Velocity which are consistent with the author's experience of good quality, industry standard techniques.

Routine core handling procedures comprised the following:

- Core was placed directly in wooden core boxes at the drill site and transported to Velocity's core Pcheloyad storage facility by Velocity personnel at the end of every day shift.
- All drill core was photographed and immediately geotechnically logged including core recovery.
- For oriented core, the orientation marking was checked and core line marked and fabrics measured prior to logging.

- Routine logging employed industry standard methods with rock type, alteration, veining, tectonic structures, bedding and sulphides recorded on standard log sheets. Logged data was later typed into pre-configured logging software which validates during data entry and subsequently imported into Velocity's master Geobank data base.
- Sample intervals were assigned and marked by Velocity geologists, with a nominal length of one metre honouring geological contacts with a minimum length of 0.6 metres, and maximum length of 2.2 metres.
- Core was generally halved for sampling with a diamond saw and half-core samples collected by Velocity geologists and sealed in heavy duty plastic bags.
- The samples were weighed, packed and sealed in plastic barrels for transport to the ALS laboratory in Romania by an individual directly employed by Velocity.

10.3. Core recovery

For all of Velocity's drilling recovered core lengths were measured for core runs which range from 0.1 to 3.2 metres in length. These measurements were composited to three metre intervals to provide a consistent basis for analysis.

Table 3 summarizes core recoveries for the three metre composites by oxidation zone. For preparation of this table, Durusu area composites were coded by the oxidation domains interpreted for resource modelling and composites for the exploratory drilling were coded by supplied weathering logging where available.

The combined dataset of core recoveries averages 99% with only approximately 3% of composites showing recoveries of less than 90%. These recoveries are consistent with the author's experience of good quality, representative diamond drilling.

Table 3: Core recovery measurements

Group	Oxidation Zone	Core recovery (3 metres)				
		Number	Minimum	Average	Maximum	Prop'n < 90%
Durusu Drilling	Oxide	859	67%	99%	110%	4%
	Transition	227	56%	99%	100%	3%
	Fresh	1,205	68%	100%	106%	2%
	Subtotal	**2,291**	**56%**	**99%**	**110%**	**3%**
Exploratory Drilling	Oxide/Trans.	493	56%	99%	133%	5%
	Fresh	1,075	82%	100%	103%	2%
	Undefined	675	53%	100%	122%	2%
	Subtotal	**2,243**	**53%**	**100%**	**133%**	**3%**
Combined		**4,534**	**53%**	**99%**	**133%**	**3%**

Summary of drilling results

10.3.1. Durusu area drilling

Velocity's Durusu area diamond drilling informs Mineral Resources estimated for this deposit which are described in Chapter 14 of this report.

Figure 8 shows an example cross section of Durusu drill hole traces overlain on interpreted geology. Figure 16 shows a plan view of drill hole traces coloured by two metre down-hole composited gold grades and Figure 17 presents example representative cross sections of the modelling domains relative to drill-hole traces coloured by composited gold grade. These sections show drill holes within 25 metres of the section line relative to modelling domains plotted at the section line.

10.3.2. Exploratory drilling

Velocity's exploratory diamond drilling comprises generally broadly and irregularly spaced holes testing several exploration targets identified by exploration sampling and geophysical surveys within the IPA. Interpretation of results from this drilling inform Velocity's on-going exploration planning for the project.

The exploratory drilling is outside the of the Durusu area and results from this drilling are not included in Mineral Resource estimation.

Table 4 presents significant intercepts calculated for the exploratory drilling. These intercepts were calculated with a 0.2 g/t gold trigger value, minimum of 0.5 g/t average gold grade and maximum of 3 metres of internal sub-grade material. Mineralization intersected by exploratory holes is not yet well understood, and true thicknesses of the intercepts have not yet been confidently interpreted.

To provide balanced reporting Table 4 lists all exploratory holes including those for which assay results do not meet the significant intercepts criteria described above.

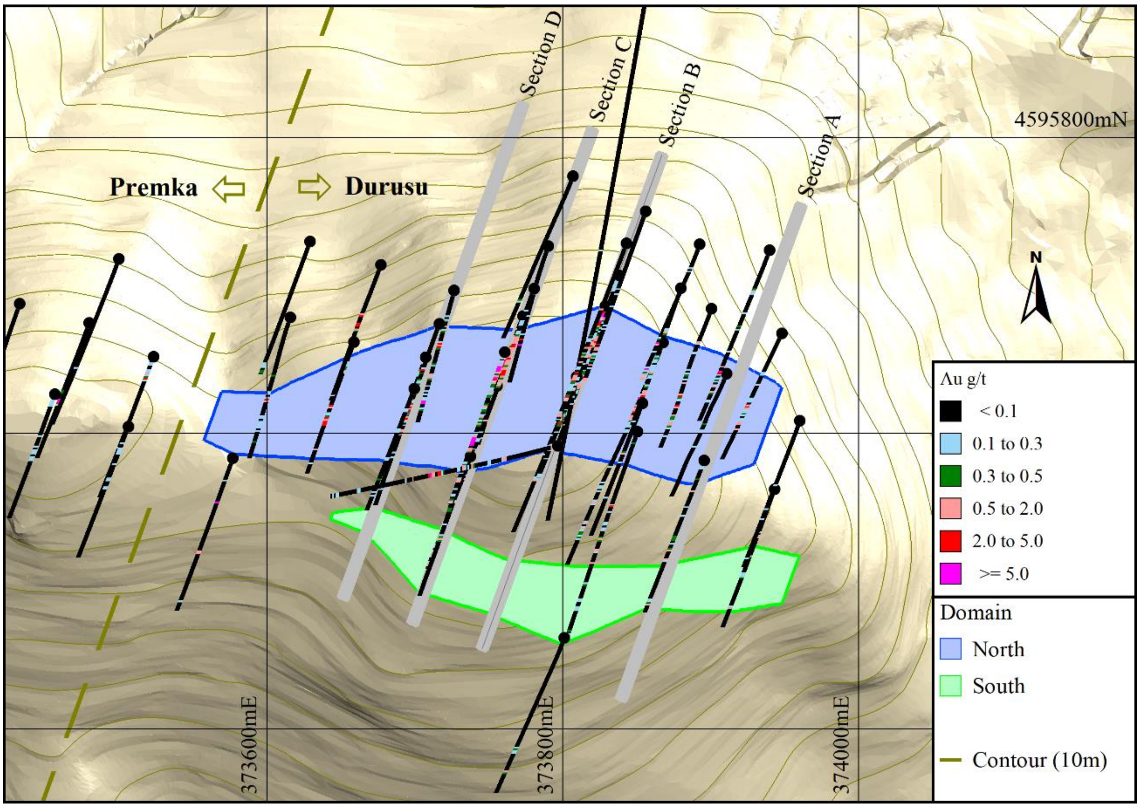
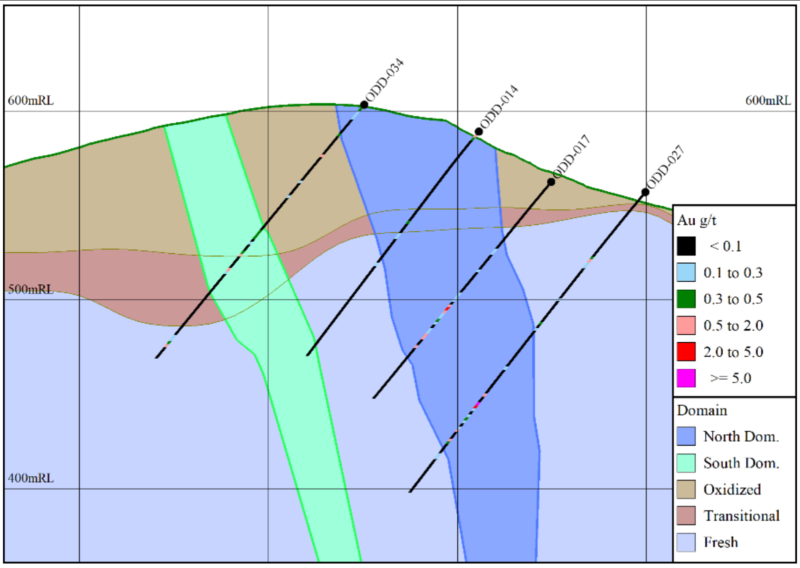


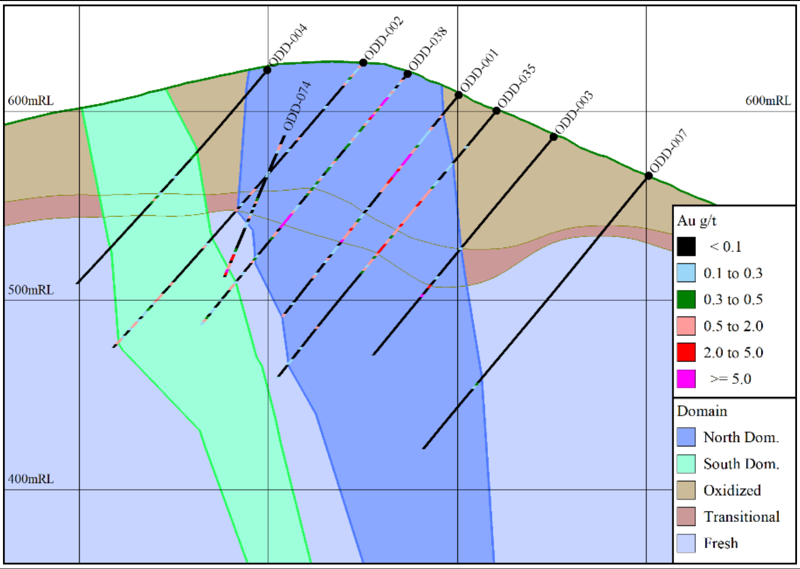
Figure prepared by MPR in February2021

Figure 16: Durusu drill hole traces and surface expression of mineralized domains

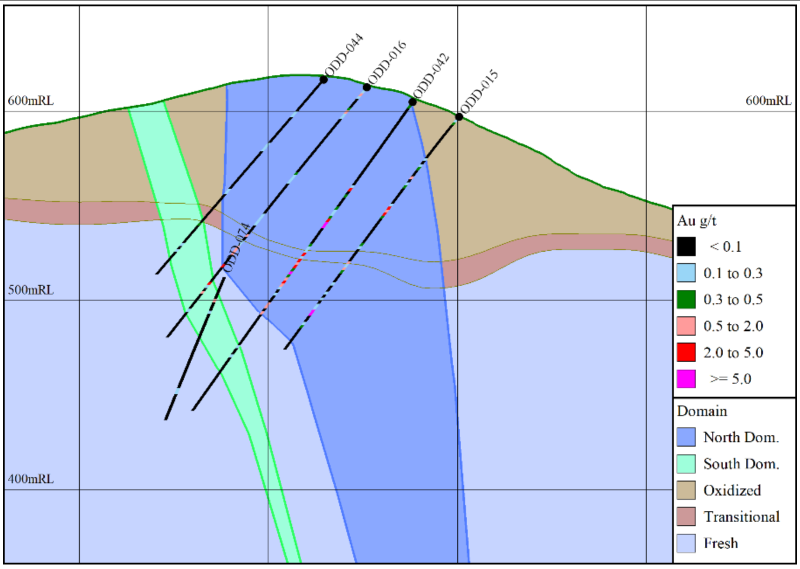
Section A



Section C



Section D



Section lines in Figure 16. Looking northwest. Figure prepared by MPR in February2021

Figure 17: Durusu example cross sections of drill traces and modelling domains

Table 4: Significant intercepts for exploratory drilling outside of the Durusu area

Hole	Collar Location			Depth	Orient	Intercept		
Adren area								
	mE	mN	mRL	(m)	Az/dip	Interval (m)	Length (m)	Au g/t
ODD-011	374,567	4,595,593	428	162.2	223/-50	No significant intercepts		
ODD-012	374,487	4,595,522	436	156.9	223/-50	No significant intercepts		
ODD-013	374,438	4,595,433	450	150.6	220/-50	No significant intercepts		
ODD-066	374,277	4,595,314	478	272.5	210/-50	No significant intercepts		
ODD-069	374,240	4,595,335	492	224.4	210/-50	No significant intercepts		
Myranka area								
Hole	**Collar Location**			**Depth**	**Orient**	**Intercept**		
	mE	mN	mRL	(m)	Az/dip	Interval (m)	Length (m)	Au g/t
ODD-018	374,868	4,595,247	425	147.0	205/-50	26.8-32.8	6.0	0.62
ODD-019	374,837	4,595,200	433	147.8	204/-50	13-18	5.0	0.67
						67-71	4.0	0.50
ODD-020	374,804	4,595,269	445	150.1	200/-50	49.6-52.6	3.0	0.68
ODD-021	374,793	4,595,220	451	146.8	200/-50	No significant intercepts		
ODD-023	374,701	4,595,142	488	150.0	200/-50	No significant intercepts		
ODD-037	374,923	4,595,420	408	455.9	200/-50	No significant intercepts		
Premka area								
Hole	**Collar Location**			**Depth**	**Orient**	**Intercept**		
	mE	mN	mRL	(m)	Az/dip	Interval (m)	Length (m)	Au g/t
ODD-061	373,523	4,595,652	600	160.1	200/-50	17.8-25.5	7.7	0.92
						Incl. 24.5-25.5	1.0	4.04
ODD-063	373,480	4,595,675	598	153.7	200/-50	86.2-92.2	6.0	15.8
						Incl. 86.2-88.2	2.0	38.0
ODD-067	373,433	4,595,688	593	141.6	200/-50	65.0-69.7	4.7	0.54
						75.5-88.5	13.0	0.77
ODD-068	373,500	4,595,718	578	191.7	200/-50	No significant intercepts		
ODD-070	373,457	4,595,627	614	142.0	200/-50	No significant intercepts		
ODD-072	373,506	4,595,605	612	150.0	200/-50	No significant intercepts		
ODD-073	373,387	4,595,710	580	161.1	200/-50	No significant intercepts		
Sivri Tepe								
Hole	**Collar Location**			**Depth**	**Orient**	**Intercept**		
	mE	mN	mRL	(m)	Az/dip	Interval (m)	Length (m)	Au g/t
ODD-045	373,184	4,595,544	584	111.0	200/-50	5.8-9.4	3.6	3.72
						22.0-24.9	2.9	0.51
ODD-046	373,204	4,595,623	605	206.3	190/-50	36.1-40.8	4.7	0.92
						44.1-53.1	9.0	2.87
ODD-047	373,234	4,595,776	631	173.1	190/-50	14.5-30.5	16.0	0.74
ODD-048	373,216	4,595,698	620	183.7	190/-50	20.1-23.6	3.5	0.60
						26.8-30.2	3.4	0.78
ODD-049	373,232	4,595,533	594	91.4	190/-50	No significant intercepts		
ODD-050	373,246	4,595,614	613	223.4	190/-50	39.0-43.0	4.0	0.55
ODD-051	373,240	4,595,835	629	171.5	190/-50	No significant intercepts		
ODD-052	373,149	4,595,639	597	159.6	190/-50	No significant intercepts		
ODD-053	373,271	4,595,759	614	151.0	190/-50	No significant intercepts		
ODD-054	373,129	4,595,551	572	79.4	190/-50	No significant intercepts		
ODD-055	373,261	4,595,683	613	134.7	190/-50	No significant intercepts		
ODD-056	373,179	4,595,772	624	131.0	190/-50	1.3-4.2	2.9	0.79
ODD-057	373,162	4,595,708	615	135.1	190/-50	No significant intercepts		
ODD-058	373,312	4,595,678	603	131.4	190/-50	No significant intercepts		
ODD-059	373,328	4,595,747	591	120.9	190/-50	63.5-65.5	2.0	1.16
ODD-060	373,305	4,595,610	617	130.0	190/-50	No significant intercepts		
ODD-062	373,250	4,595,764	622	102.1	280/-50	24.7-27.8	3.1	0.85
ODD-064	373,246	4,595,615	612	150.5	280/-50	No significant intercepts		
Regional								
Hole	**Collar Location**			**Depth**	**Orient**	**Intercept**		
	mE	mN	mRL	m	Az/dip	Interval (m)	Length (m)	Au g/t
ODD-065	373,818	4,595,004	519	822.5	120/-75	No significant intercepts		

11. Sample Preparation, Analyses and Security

11.1. Introduction and summary

Information from Geoengineering and Gorubso exploration sampling and drilling does not inform resource modelling or Velocity's current exploration activities. This sampling is not relevant to Velocity's current evaluation of the Property and is not detailed in this report.

This Chapter reflects information available for Velocity's Obichnik exploration and drill sampling available on the 10th of February 2021.

All sample preparation and gold assaying of primary samples from Velocity's exploration and drilling was undertaken by ALS. ALS is independent of Velocity and provided analytical services on a standard commercial basis. The laboratory is certified to ISO 17025. Analyses undertaken by company personnel include only density measurements of diamond drill core.

Collection and on-site handling of samples from Velocity's exploration sampling and drilling was supervised by Velocity geologists and employed protocols established by Velocity which are consistent with the author's experience of good quality, industry standard techniques.

Velocity's exploration sampling included collection of rock chips and soil sampling. These samples were submitted to ALS in Romania for preparation and analysis, including assay of gold grades by aqua regia digest. Monitoring of the reliability and accuracy of exploration sampling included submission of fine and coarse blanks with soil and rock chip samples respectively and duplicates for soil samples.

Diamond core from Velocity's drill holes was halved with a diamond saw and sampled over generally one metre down-hole intervals. The samples were submitted to ALS in Romania for sample preparation analysis including gold assaying by thirty-gram fire assay. The reliability of sampling and assaying for these data has been established by duplicates, coarse blanks and certified reference standards.

Velocity's routine Quality Assurance- Quality Control (QAQC) monitoring of the reliability and accuracy of sampling and assaying are consistent with the author's experience of good quality, industry standard techniques which are appropriate for each sampling group.

The author considers that quality control measures adopted for sampling and assaying of Velocity's exploration and drilling have established that the field sub-sampling, and assaying is representative and free of any biases or other factors that may materially impact the reliability of the sampling and analytical results. The author considers that the sample preparation, security and analytical procedures adopted for Velocity's Obichnik exploration and drilling provide an adequate basis for the Mineral Resource estimates and exploration activities.

11.2. Sampling procedures and sample security

Collection and on-site handling of samples from Velocity's exploration sampling and drilling were supervised by Velocity geologists and employed protocols established by Velocity which are consistent with the author's experience of good quality, industry standard techniques.

Exploration sampling procedures comprised the following:

- Soil samples were collected from an average depth of 30 cm and generally sieved at the site giving 0.5 to 1.5 Kg of sub 1 mm material.
- Rock chip sampling includes grab samples and continuous chip samples collected during geological mapping.
- Monitoring of the reliability and accuracy of exploration sampling included submission of coarse blanks with soil and rock chips and duplicates for soil samples.

Diamond drill core sampling procedures comprised the following:

- Core was placed in directly in wooden core boxes at the drill site and transported to Velocity's Pcheloyad core yard in by Velocity personnel at the end of every day shift.
- Sample intervals were assigned and marked by Velocity geologists, with a nominal length of one metre honouring geological contacts with a minimum length of 0.6 metres and a maximum length of 1.8 metres.
- Core was generally halved for sampling with a diamond saw and half-core samples collected by Velocity geologists and sealed in clear, labelled plastic bags along with a pre-printed sample tag with sample number and barcode.

Routine storage and dispatch procedures for all sampling types comprised the following:

- The samples inclusive of duplicates, blanks and standards were weighed, and packed in polywoven bags which were sealed in plastic drums for delivery to ALS in Romania by a Velocity employee. The drums were sealed with a metal clip ring and plastic seal tag to detect tampering.
- Sample submission forms were included with each assay batch and an electronic copy emailed to ALS. Upon receipt by ALS, the sealed drums were checked for tampering and samples reconciled with submission forms.

The photographs in Figure 18 shows the general lay-out of storage for drill core and returned coarse rejects and sample pulps at Velocity's storage facility in Pcheloyad.

Prior to delivery to ALS, all sample collection and transportation were undertaken or supervised by Velocity personnel. No other personnel were permitted unsupervised access to samples before delivery to ALS. A chain of custody was maintained at all times, with records taken during sampling, sample dispatch, laboratory arrival and return of the coarse rejects and pulps to Velocity's Pcheloyad storage facility.

Core and pulp storage area

Coarse reject storage in sealed plastic drums

Photographs supplied by Velocity in February 2021

Figure 18: Pecheloyad core storage facility

11.3. Sample preparation and analysis

Samples from Velocity's exploration and drilling were submitted to ALS Romania for sample preparation and analysis.

Upon receipt by ALS, each batch of samples was checked for consistency with the sample submission form and entered into the ALS Laboratory Information Management System (LIMS).

For rock chip and drill core samples, sample preparation comprised oven drying and jaw crushing of entire samples to 70% passing 2 millimetres. A one-kilogram sub-sample of the crushed material collected by rotary splitting was pulverized to 85% passing 75 microns in a ring and puck pulverizer. Thirty-gram sub-samples of pulverized sample collected by riffle splitting were analysed for gold by fire assay with lead collection, solvent extraction and AAS finish. For samples with initial assays reporting over 10 g/t a second 30-gram sub-sample was analysed by fire assay with gravimetric finish.

Soil samples were dried at less than 60^{o}C and sieved to minus 80 microns with analysis for gold by aqua regia digest.

For selected exploration and drill core samples multielement analysis for a suite of attributes including silver, lead and zinc was undertaken by ALS Ireland by aqua regia digest and ICPMS. These analyses do not inform Mineral Resource estimates or significantly inform Velocity's exploration activities and are not detailed in this report.

11.4. Monitoring of sampling and assay reliability

11.4.1. Exploration samples

Velocity included samples of un-mineralized marble collected from well outside the mineralized area in batches of rock chip exploration samples submitted for analysis. These coarse blanks, which were blind to ALS test for contamination during sample preparation, and provide a check of sample misallocation by field staff, the laboratory and during database compilation.

Velocity included samples of un-mineralized bentonite in batches of soil samples submitted for analysis. These coarse blanks, which were blind to ALS provide a check of sample misallocation by field staff, the laboratory and during database compilation.

Table 5 summarizes blank results for batches of exploration samples. For preparation of this table samples assaying at below the detection limits of 0.005 g/t and 0.001 g/t for rock chip and soil sample batches receptively were assigned values of half the detection limit. Table 5 demonstrates that blank assays show very low gold grades with no indication of significant contamination or sample misallocation.

Duplicate soil samples were collected at an average frequency of around one duplicate per 40 primary samples. Figure 19 demonstrates that although there is some scatter for individual pairs, the soil duplicate assays generally correlate reasonably well with original results demonstrating the adequacy of field sub-sampling procedures for this sampling.

Table 5: Blanks submitted with exploration samples

Assay Period	Number of Blanks	Assay (Au g/t) Minimum	Average	Maximum	Proportion <Detection
Rock chips	4	0.0025	0.0045	0.007	50%
Soils samples	16	0.0005	0.0005	0.001	94%

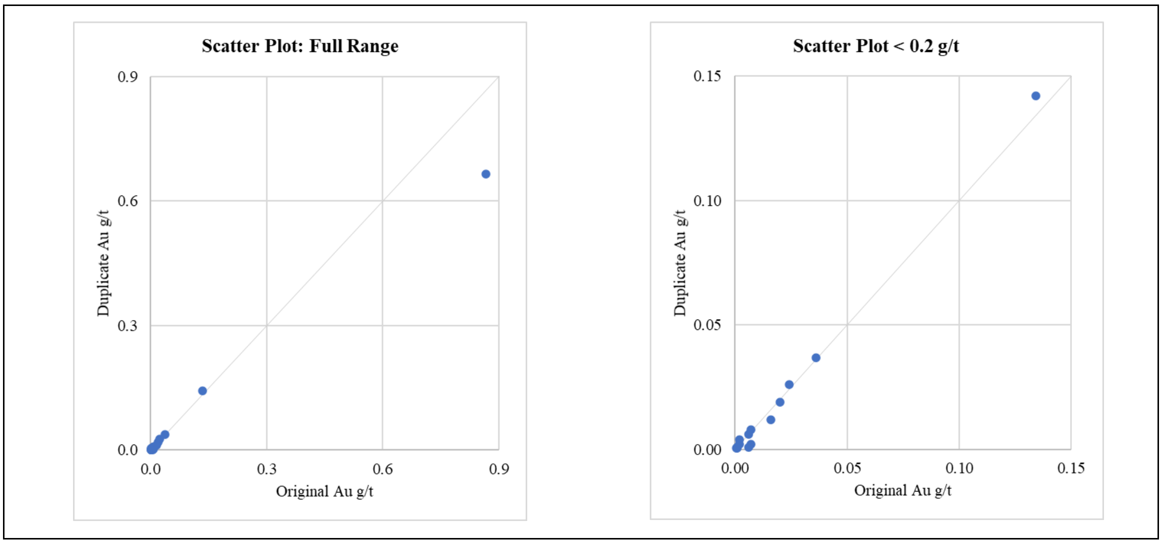


Figure 19: Soil sample field duplicates

11.4.2. Diamond drill core samples

Velocity's routine QAQC monitoring of the reliability and accuracy of sampling and assaying are consistent with the author's experience of good quality, industry standard techniques. These protocols include routine submission of field duplicates, coarse blanks and certified reference standards.

As outlined below the QAQC information available for Velocity's drilling support the general reliability of sampling and assaying for Velocity's drilling.

No sample pulps from Velocity's drilling have been submitted for inter-laboratory analysis. The author recommends that Velocity submits around 5% of samples from the Durusu drilling to a second laboratory and concurs with Velocity geologists that these results should usefully supplement the available QAQC information.

Field duplicates

Duplicate core samples were collected at an average frequency of around one duplicate per 29 primary samples. For the duplicated core intervals, both the original and duplicate sample represent quarter core samples and were collected by quartering the core with a diamond saw.

The duplicate core samples were collected at pre-defined intervals, and many have low gold-assay grades, including 56% of duplicated intervals, for which gold grades of below the detection limit of 0.005 were reported. These low grades impact the summary statistics and scatter plots presented in Table 6 and Figure 20 respectively.

The scatter shown for individual pairs in Table 6 and Figure 20 is consistent with, and reflects the highly variable Obichnik mineralization. The correlation shown by duplicate gold assays is consistent with the author's experience of comparable mineralization styles and reasonably supports the adequacy of field sub-sampling procedures.

As evaluation of the project continues, the author suggests that future studies include detailed investigation of the distribution of gold mineralization including microscopic studies to investigate the distribution of gold at short scales.

Table 6: Diamond drilling field duplicate results

	Full Range		**0.2 to 20 g/t**	
	Original (Au g/t)	**Duplicate (Au g/t)**	**Original (Au g/t)**	**Duplicate (Au g/t)**
Number	406		227	
Mean	**0.57**	**0.44**	**0.39**	**0.36**
Mean dif.		**-13%**		**-3%**
Coef. Var.	10.6	10.8	3.86	4.31
Minimum	0.0025	0.0025	0.005	0.005
1st Quartile	0.0025	0.0025	0.010	0.012
Median	0.008	0.009	0.028	0.027
3rd Quartile	0.041	0.034	0.104	0.122
Maximum	117.5	93.3	12.60	17.35
Correl. Coef.	0.97		0.59	

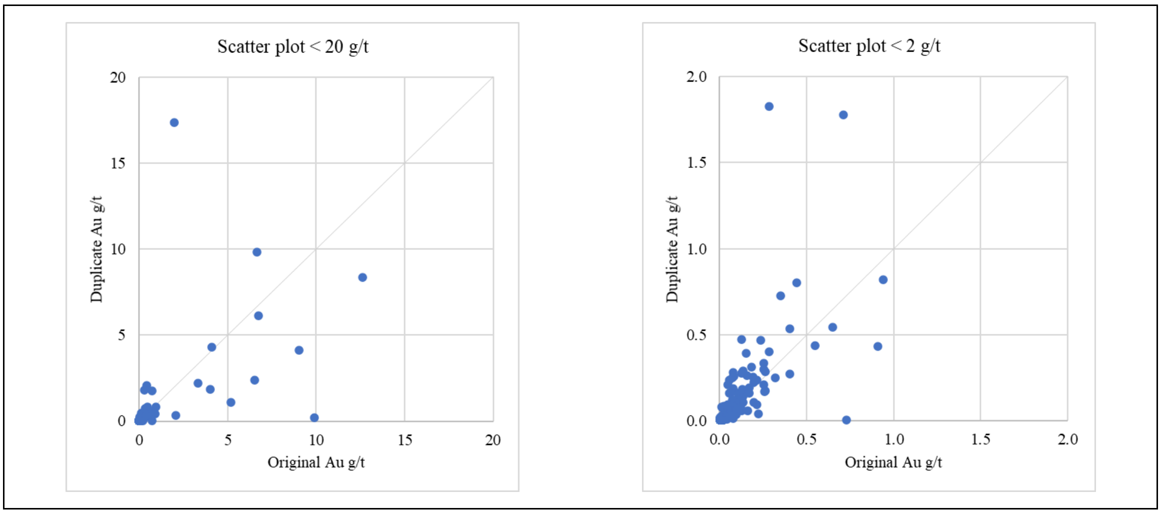


Figure 20: Diamond drilling field duplicate results

Coarse blanks

Velocity routinely included samples of un-mineralized marble collected from well outside the mineralized area in batches of drill samples submitted for analysis. These coarse blanks, which were blind to the assay laboratory were submitted at an average frequency of around one blank per 25 primary samples. They test for contamination during sample preparation, and provide a check of sample misallocation by field staff, the laboratory and during database compilation.

Table 7 summarizes coarse blank results by three month assay period. For preparation of this table samples assaying at below the detection limit of 0.005 g/t were assigned values of half the detection limit. Table 7 demonstrates that coarse blank assays show very low gold grades relative to typical Durusu mineralization with no indication of significant contamination or sample misallocation.

Table 7: Coarse blanks submitted with drill core

Assay Period		**Number of Blanks**	**Assay (Au g/t)**			**Proportion <Detection**
			Minimum	**Average**	**Maximum**	
2019	July - Sept.	88	0.003	0.003	0.011	84%
	Oct. - Nov.	78	0.003	0.003	0.008	87%
2020	Jan. - March	8	0.003	0.004	0.008	63%
	April - June	117	0.003	0.003	0.009	89%
	July - Sept.	71	0.003	0.003	0.009	80%
	Oct. - Nov.	83	0.003	0.004	0.010	54%
2021	Jan. - March	22	0.003	0.004	0.010	64%
Total		**467**	**0.003**	**0.003**	**0.011**	**79%**

Reference standards

Samples of certified reference standards prepared by Geostats Pty Ltd, Perth, Western Australia were routinely inserted in assay batches at an average rate of around 1 standard per 27 primary samples. Expected gold grades for the standards range from 0.20 to 3.21 g/t.

The following summary of standards assays excludes seven results for standard G310-2. Prior to receipt of these assays the standards vendor notified Velocity that the packaging for this standard was incorrectly labelled. Use of this standard was discontinued.

As shown by Table 8 and Figure 21, although there is some variability for individual samples, average assay results for standards generally reasonably reflect expected values, with no evidence of material biases.

Only one of the standards employed by Velocity, which represents 7% of the combined dataset has an expected gold grade of greater than 1.1 g/t and the accuracy of assaying for comparatively higher grade samples has not been established with the same degree of rigour as for lower grade samples. As evaluation of the project continues, the author recommends that monitoring of assay reliability for future drill programs includes a greater proportion of higher gold grade standards.

Table 8: Reference standards assays

Standard	Expected Au g/t	Assays Number	Assays (Au g/t)			Average vs Expected
			Minimum	Average	Maximum	
G911-5	0.20	67	0.19	0.20	0.24	1%
G303-8	0.26	50	0.23	0.25	0.27	-5%
G314-10	0.38	27	0.35	0.37	0.40	-2%
G398-2	0.50	100	0.46	0.49	0.53	-2%
G312-1	0.88	66	0.74	0.88	1.06	0%
G315-2	0.98	22	0.79	0.97	1.02	-1%
G300-7	1.00	39	0.94	1.00	1.07	0%
G318-1	1.05	29	0.97	1.04	1.09	-1%
G914-6	3.21	32	3.09	3.26	3.45	2%
Combined	**0.78**	**432**	**0.19**	**0.78**	**3.45**	**0%**

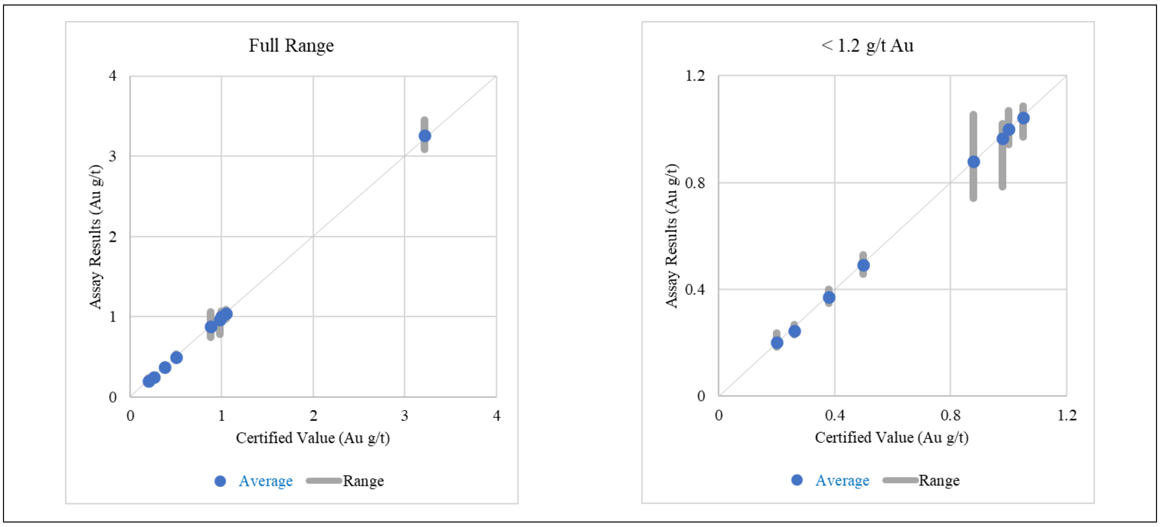


Figure 21: Reference standards assays versus expected values

11.5. Bulk density measurements

Bulk density measurements available for Obichnik include 30 immersion measurements performed by Velocity personnel on core samples of generally 20 cm length from 15 Velocity drill holes at Durusu. Density measurement protocols included oven-drying for around 24 hours at 75°C, and wax coating to prevent water ingress.

The density measurements were coded by the oxidation and mineralization domain wire-frames used for resource estimation for review. With the exception of a single oxidized sample from the background domain, all density measurements lie within the main northern mineralized domain. For the summary in Table 9 the measurements are subdivided only by oxidation domain. This approach reflects the small numbers of samples and early stage of project evaluation.

Table 9 demonstrates that most of the density samples are from oxidized material, with relatively few measurements available for transitional and fresh material.

The considerable variability in density measurements shown by Table 9 and the histograms in Figure 22 is consistent with the variability in mineralization and the small volumes of the measured samples.

The author considers that the available density measurements define average densities with sufficient confidence for the current Inferred Mineral Resource Estimates. Additional density measurements would be required for estimation of higher confidence resources.

Table 9: Density measurements

	Oxidation Zone	Number of Measurements	Density (t/m^3)		
			Minimum	Average	Maximum
Full dataset	Oxide	17	2.03	2.32	2.70
	Transition	5	2.43	2.48	2.58
	Fresh	8	2.35	2.51	2.67
Excluding Outliers	Oxide	16	2.03	2.30	2.52
	Transition	5	2.43	2.48	2.58
	Fresh	7	2.40	2.53	2.67

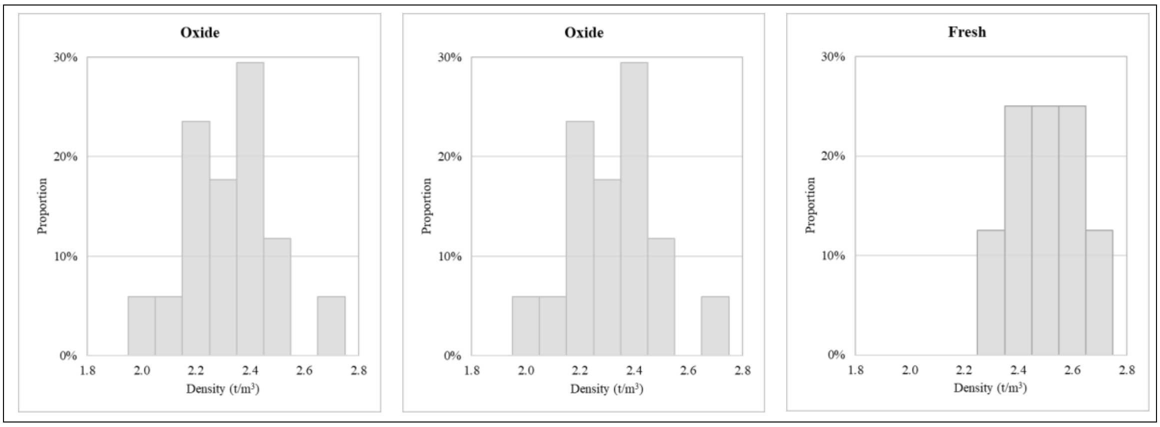


Figure 22: Histograms of density measurements

12. Data Verification

Verification checks undertaken by the author to confirm the validity of the databases compiled for the current study comprised checking for internal consistency between, and within database tables and comparison of assay entries with laboratory source files.

These checks were undertaken using the working database compiled by the author and check both the validity of Velocity's master database and potential data-transfer errors in compilation of the working database.

The consistency checks showed no significant inconsistencies.

For all assayed sample intervals from Velocity's exploration sampling and drilling, the author compared database assay entries with laboratory source files. These checks showed no inconsistencies

The author considers that the Obichnik exploration and drilling data has been sufficiently verified to form the basis of the current Mineral Resource estimates and exploration activities, and that the database is adequate for the Mineral Resource estimates and exploration activities.

Table 10: Comparison of database entries with laboratory source files

Sample type	**Number of assays**		
	In database	**Checked**	**Errors Noted**
Exploration soil sample	540	540	0
Exploration rock chip samples	65	65	0
Diamond drill core	11,812	11,812	0
Total	**12,417**	**12,417**	**0**

13. Mineral Processing and Metallurgical Testing

Metallurgical test results available for the Obichnik comprises preliminary metallurgical tests performed by Geoengineering and reported by Dragiev, and Dragieva 2010. Details of this test-work, which gave gold recoveries of 80.6% to 97.6% from floatation tests and 81.3% from cyanide leach tests respectively are unknown.

14. Mineral Resource Estimates

14.1. Introduction

The author estimated recoverable resources for Durusu by MIK with block support correction. This method has been demonstrated to provide reliable estimates of resources recoverable by open pit mining for a wide range of mineralization styles, including deposits with highly variable gold grades, such as Durusu.

The resource modelling is based information available for Velocity's diamond drilling in the Durusu on the 10th of February 2021 which includes 37 diamond holes for 6,820.2 metres of drilling Information from Geoengineering and Gorubso's exploration and drilling was not used for resource modelling.

The estimates are reported below a topographic wire-frame produced by Velocity from DGPS surveys and extend to a maximum vertical depth of 180 metres.

Micromine software was used for data compilation, domain wire-framing and coding of composite values and GS3M was used for resource estimation. The resulting estimates were imported into Micromine for resource reporting.

The Mineral Resource estimates have been classified and reported in accordance with NI 43-101 and the classifications adopted by CIM Council in May 2014 (CIM, 2014). The estimates are classified as Inferred, primarily reflecting the drill hole spacing.

14.2. Mineralization interpretation and domaining

Resource modelling incorporated two steeply northwest dipping mineralized domains interpreted from two metre down-hole composited gold grades and capturing intervals of greater than 0.1 g/t. The main, northern domain extends over approximately 380 metres of strike with an average width at surface of around 80 metres. The subsidiary southern domain averages around 40 metres wide over 320 metres of strike.

Domain boundaries were digitized on cross-sections aligned with drilling traverses with snapping to drill hole traces where appropriate, and wire-framed into a three-dimensional solids.

Surfaces representing the base of oxidation and the top of fresh rock interpreted from drill hole logging were used for coding of composites by oxidation zone and assignment of densities to the resource model. The mineralization is interpreted to be completely oxidized to average depth of around 55 metres, with fresh rock occurring at an average depth of around 68 metres.

Figure 16 shows the surface expression of the mineralized domains relative to drill hole traces coloured by two metre down-hole composited gold grades. Drilling shown in this figure includes holes in the Premka area which are not included in the estimation dataset. Figure 17 presents example cross sections of the modelling domains relative to drill-hole traces coloured by composited gold grade.

14.3. Composite estimation dataset

Velocity's Durusu drilling includes a hole targeting potential depth extensions to the mineralization. This hole (ODD-33) was collared around 200 metres to north of the main grouping of Durusu drilling and outside the resource modelling area. It returned no significant intercepts and was excluded from the modelling dataset.

The composite estimation dataset comprises two metre down-hole composited gold assay grades from 36 diamond holes. Composites from peripheral drilling well outside the interpreted mineralized domains were excluded from the dataset giving 2,853 composites with gold grades ranging from 0.002 to 48.48 g/t and averaging 0.34 g/t.

Table 11 presents univariate statistics of composite gold grades for the estimation dataset subdivided by mineralized domain and oxidation zone for the mineralized domains. Notable features of these statistics include the following:

- Gold grades show strong positive skewness with a coefficient of variation (CV) of around 3.9 and 2.1 for the north and south mineralized domains respectively demonstrating the highly variable nature of gold grades at Durusu and indicating that MIK is an appropriate estimation technique.
- For the main, northern domain average composite grades are notably higher for the oxidized and transitional zones than for the fresh zone

Table 11: Composite estimation dataset statistics for mineralized domains

Au g/t	**North Domain**				**South domain**			
	Oxide	**Trans.**	**Fresh**	**Total**	**Oxide**	**Trans.**	**Fresh**	**Total**
Number	754	140	588	1,482	48	51	186	285
Mean	**0.62**	**0.81**	**0.41**	**0.56**	**0.18**	**0.18**	**0.17**	**0.17**
Variance	6.69	5.96	1.55	4.60	0.13	0.12	0.14	0.14
CV	**4.16**	**3.02**	**3.00**	**3.85**	**1.97**	**1.92**	**2.25**	**2.14**
Minimum	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003
1st quartile	0.02	0.03	0.01	0.01	0.01	0.01	0.01	0.01
Median	0.07	0.14	0.05	0.07	0.03	0.02	0.04	0.03
3rd quartile	0.27	0.54	0.24	0.28	0.14	0.17	0.13	0.14
Maximum	48.48	21.15	14.35	48.48	1.95	1.78	3.52	3.52

14.4. Estimation parameters

Block model dimensions

The block model frame work used for the MIK modelling covers the full extents of the composite dataset. The model is aligned with the 020 trending Velocity drilling traverses and includes panels with dimensions of 50 metres by 20 metres by 4 metres vertical. The plan-view panel dimensions reflect typical drill hole spacing.

Indicator thresholds and bin mean grades

All class grades were determined from bin mean grades with the exception of the upper bins, which were reviewed on a case by case basis and an appropriate grade selected to reduce the impact of small numbers of outlier composites. In the author's experience this approach is appropriate for MIK modelling of highly variable mineralization such as Durusu.

For the northern mineralized domain composites from the oxidized and transition zones were grouped for determination of indicator class thresholds and class grades reflecting the variability in average gold grades with oxidation zone for this domain. For the southern domain all oxidation zones were combined reflecting the limited variability in average gold grades and smaller number of composites available for this zone.

Table 12 presents indicator thresholds and bin mean grades for the mineralized domains including the value and source of the upper bin grades used for estimation. The entire composite dataset was used for the MIK modelling without exclusion of any high grade composites.

Table 12: Mineralized domain indicator thresholds and class grades

Percentile		Domain 2 (Au g/t) Oxide and Transitional		Domain 2 (Au g/t) Fresh		Domain 3 (Au g/t) Combined	
		Threshold	Mean	Threshold	Mean	Threshold	Mean
10%		0.005	0.004	0.003	0.003	0.003	0.003
20%		0.012	0.009	0.006	0.005	0.005	0.004
30%		0.025	0.018	0.012	0.009	0.010	0.007
40%		0.044	0.034	0.026	0.018	0.015	0.013
50%		0.078	0.062	0.050	0.038	0.028	0.022
60%		0.123	0.098	0.101	0.073	0.062	0.047
70%		0.232	0.175	0.181	0.133	0.107	0.085
75%		0.330	0.277	0.239	0.207	0.158	0.125
80%		0.451	0.389	0.364	0.302	0.209	0.181
85%		0.682	0.561	0.552	0.457	0.336	0.271
90%		1.215	0.919	0.953	0.726	0.475	0.415
95%		2.872	1.901	2.055	1.410	0.804	0.645
97%		4.260	3.609	2.591	2.397	1.237	1.049
99%		11.718	7.402	5.364	4.204	1.526	1.380
100%		48.475	20.479	14.345	9.865	3.522	2.416
Upper bin	Source	Bin median		Bin mean excluding 3 outliers > 11 g/t		Bin mean	
	Grade	16.548 g/t		6.865 g/t		2.416 g/t	

Variogram models

Indicator variograms were modelled for each indicator threshold from the mineralized domain composites (Table 13). For determination of variance adjustment factors a variogram was modelled for composite gold grades. The spatial continuity represented by the modelled variograms is consistent with geological interpretation and trends shown by composite gold grades.

Table 13: Variogram models

%ile	Nugget	First Structure (Exponential)		Second Structure (Spherical)		Third Structure (Spherical) (Spherical)	
		Sill	Range (x,y,z)	Sill	Range (x,y,z)	Sill	Range (x,y,z)
10%	0.19	0.32	26,44,2.5	0.21	47,50,5	0.28	54,50,66
20%	0.16	0.34	26,34,4.5	0.21	47,47,6	0.29	64,58,58
30%	0.18	0.30	26,25,2.5	0.21	47,40,9	0.31	70,58,58
40%	0.19	0.29	15,20,3.5	0.21	27,32,9	0.31	50,58,42
50%	0.20	0.30	15,20,3.5	0.21	25,30,6.5	0.29	50,58,34
60%	0.21	0.30	15,20,3.5	0.21	24,30,7	0.28	48,58,54
70%	0.22	0.31	15,20,3	0.21	23,44,6	0.26	48,58,54
75%	0.24	0.32	14,20,3	0.21	23,52,6.5	0.23	44,56,92
80%	0.25	0.32	14,39,3	0.21	25,50,6.5	0.22	46,58,56
85%	0.26	0.32	15,44,3.5	0.21	26,50,5.5	0.21	48,58,48
90%	0.27	0.33	15,43,3.5	0.21	25,46,6	0.19	47,56,44
95%	0.29	0.36	13,37,3	0.21	24,40,5	0.14	48,52,35
97%	0.31	0.36	13,37,3	0.21	26,43,4.5	0.12	47,52,32
99%	0.33	0.37	13,29,5	0.21	25,32,6	0.09	34,34,8.5
Au g/t	0.21	0.39	25,31,3.5	0.21	30,32,5.5	0.19	48,45,15

Search criteria

Table 14 presents the three progressively more relaxed search criteria used for MIK estimation. The search ellipsoids were inclined at 80º towards 020 parallel with dominant, mineralized domain orientation and interpreted gold grade trends.

Table 14: Search criteria

Search	Radii (m) (x,y,z)	Minimum Data	Minimum Octants	Maximum Data
1	60,40,10	16	4	48
2	90,60,15	16	4	48
3	90,60,15	8	2	48

Variance adjustment

The MIK estimates include a variance adjustment to give estimates of recoverable resources above gold cut off grades for selective mining (SMU) dimensions of 5 by 2 by 2 metres (along strike, across strike, vertical). The variance adjustments were applied using the direct lognormal method and the adjustment factors listed in Table 15.

Table 15: Variance adjustment factors

Block/ Panel	Information Effect	Total Adjustment
0.459	0.758	0.348

14.5. Bulk density assignment

Estimated resources include densities of 2.30, 2.50 and 2.55 t/bcm for oxide, transitional and fresh material respectively on the basis of the averages available density measurements (Table 9) with exclusion of outlier and appropriate rounding.

14.6. Model reviews

Model reviews included comparison of estimated block grades with informing composites. These checks comprised inspection of sectional plots of the model and drill data and review of swath plots and showed no significant issues.

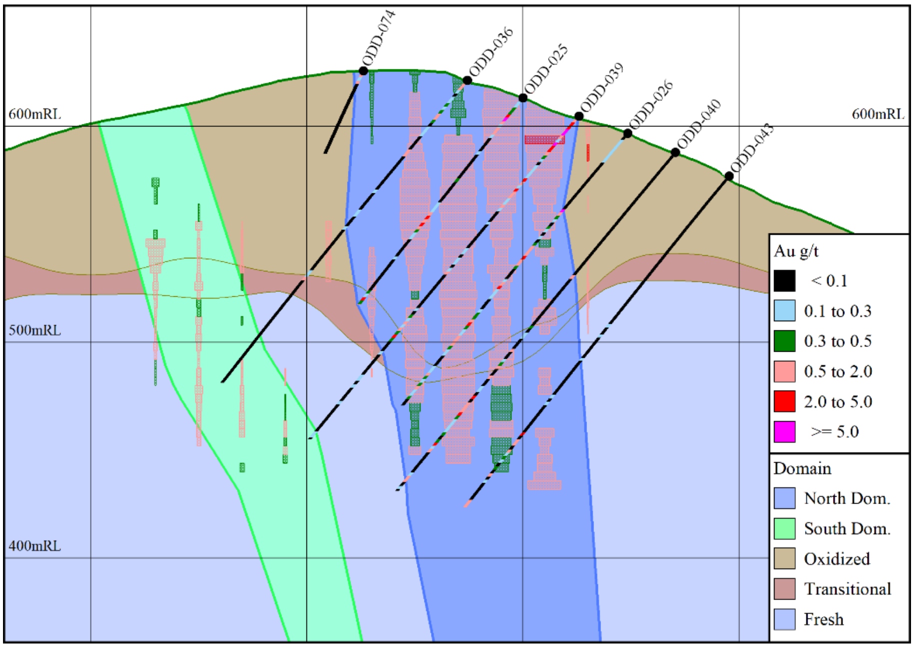
Figure 23 shows a representative cross-section of the Durusu resource model showing model estimates from depths of less than 180 metres included in Mineral Resource estimates. This plot shows model panels scaled by the estimated proportion above 0.3 g/t cut off and coloured by the estimated gold grade above this cut off relative to the modelling domains and drill holes traces coloured by two metre composited gold grades.

It should be noted that when viewing the vertical section through the resource model there are situations where the model blocks appear to be un-correlated to the mineralized intercepts in the neighbouring drill holes. This is occurring because of the way the resource models have been presented. The model blocks plotted are only those that contain an estimated resource above 0.3 g/t gold cut off and the proportion above cut off has been used to scale the dimensions of the model block for presentation purposes. The scaling occurs about the model block centroid co-ordinate and therefore introduces the apparent miss-match between data and the model blocks.

The swath plots in Figure 24 compare average estimated panel grades and average composite grades by model axes for the northern mineralized domain which hosts the majority of estimated resources. For calculation of average composite grades for these plots composite grades were cut to a value consistent with the upper bin threshold used for MIK modelling reducing the impact of a small number of outlier composite gold grades of up to 48.48 g/t.

The plots in Figure 24 show that although, as expected, average block grades are smoothed compared to average composite grades they generally closely follow the trends shown by composite mean grades with the exception of areas of variably spaced or limited sampling. Minor local deviations between the model and composite trends demonstrated by the plots reflect the following.

- The data used in the estimation of the MIK panel grades are coming from a greater volume than the vertical slices being compared which are consistent with model panel dimensions.
- Areas of variable spacing, with drilling preferentially clustered in higher, or lower grade mineralization causes apparent inconsistencies between average composite and model grades as presented in the swath plots.
- Local average composite grades are impacted by small numbers of anomalous outlier composite grades. This includes the anomalous high grade composite grade peaks at around 500 metres in the along strike axis and at 542 mRL which reflect an intercept of 6 metres at 12.5 g/t in drill hole ODD-038. As shown in the lower set of plots, excluding this hole gives a closer match between average composite grades and model estimates.



Section line B (shown in Figure 16) Looking west

Figure prepared by MPR in February 2021

Figure 23: Example cross section of model estimates at 0.3 g/t cut off

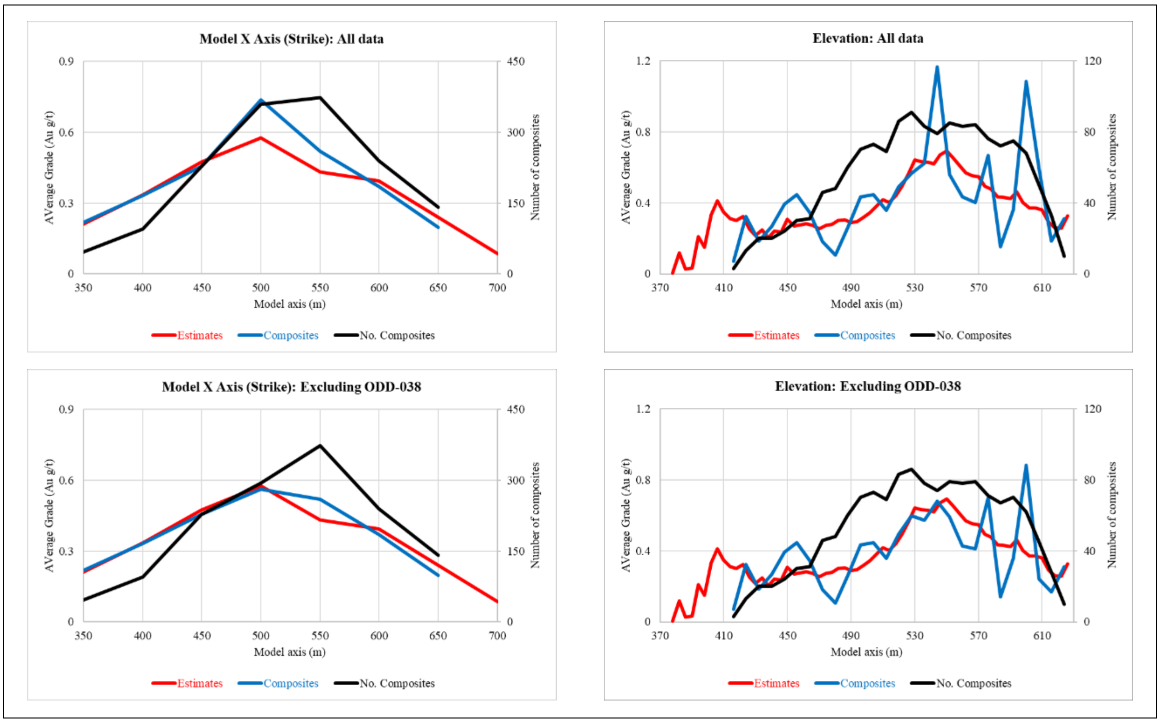


Figure 24: North domain panel grades versus composite grades

14.7. Mineral Resource estimates

Table 16 shows the Inferred Mineral Resource Estimates for Durusu for a range of cut off grades. The figures in this table are rounded to reflect the precision of the estimates and include rounding errors. The estimates at 0.3 g/t cut off represent the base case estimates.

Mineral Resources are truncated at a maximum vertical depth 180 metres around 20 metres above the base of mineralized drilling, with around 80% of estimates from depths of less than 120 metres and less than 5% from below 160 metres.

Assessment of the economic potential of the Durusu mineralization is at an early stage of evaluation. Mineral Resources that are not Mineral Reserves do not have demonstrated economic validity. The extents to which mining, metallurgical, marketing, infrastructure, permitting, marketing and other financial factors may affect the Mineral Resource estimates are not well defined.

Table 16: Durusu Inferred Mineral Resource estimates

Effective date of estimates: 11th February 2021			
Cut off (Au g/t)	**Tonnes (Mt)**	**Grade (Au g/t)**	**Metal (Au koz)**
0.2	5.9	0.9	171
0.3	**4.4**	**1.1**	**156**
0.4	3.5	1.3	146
0.5	**2.8**	**1.5**	**135**
0.6	2.3	1.6	118
0.7	**2.0**	**1.8**	**116**
0.8	1.7	2.0	109

15. Mineral Reserve Estimates

This section is not applicable to the report.

16. Mining Methods

This section is not applicable to the report.

17. Recovery Methods

This section is not applicable to the report.

18. Project Infrastructure

This section is not applicable to the report.

19. Market Studies and Contracts

This section is not applicable to the report.

20. Environmental Studies, Permitting and Social or Community Impact

This section is not applicable to the report.

21. Capital and Operating Costs

This section is not applicable to the report.

22. Economic Analysis

This section is not applicable to the report.

23. Adjacent Properties

This section is not applicable to the report.

24. Other Relevant Data and Information

This section is not applicable to the report.

25. Interpretation and Conclusions

Geological mapping has outlined an approximately 2.5 by 1.0 kilometre zone of hydrothermal alteration, which encompasses the areas designated as Sivri Tepe, Premka Durusu, Adren and Mryanka. Durusu, which has been the focus of Velocity's work to date is a structurally controlled, hybrid low/intermediate sulphidation sub-epithermal gold-silver deposit. It is hosted by intermediate epiclastic breccias and interbedded lava andesitic flows which are cross cut by narrow pre to syn-mineralization trachyandesitic to andesitic dykes.

Velocity's exploration activities have included geological mapping, rock sampling, soil sampling and geophysical surveys. Results of these activities supported Velocity's decisions to undertake additional work at the project, including diamond drilling and in conjunction with drilling information provide a basis for planning of future exploration and drilling.

The author considers that quality control measures adopted for sampling and assaying of Velocity's exploration sampling and drilling have established that the field sub-sampling, and assaying is representative and free of any biases or other factors that may materially impact the reliability of the sampling and analytical results. The author considers that the sample preparation, security and analytical procedures adopted for Velocity's Obichnik exploration and drilling provide an adequate basis for the Mineral Resource estimates and exploration activities.

Although limited, the available metallurgical test-work indicates that the Durusu mineralization is amenable to treatment by industry standard methods, yielding comparatively high gold recoveries.

Durusu area drill holes, which are generally spaced at around 25 to 50 metres along 50 metre spaced traverses define the Durusu mineralization with sufficient confidence for estimation of Inferred Mineral Resources.

Recoverable resources were estimated for Durusu using Multiple Indicator Kriging ("MIK") with block support adjustment. The resource estimates include a variance adjustment to give estimates of recoverable resources above gold cut off grades for selective mining unit dimensions of 5 by 2 by 2 metres.

Resource modelling incorporated two steeply northwest dipping mineralized domains interpreted from two metre down-hole composited gold grades and capturing intervals of greater than 0.1 g/t. Mineralization is interpreted to be completely oxidized to average depth of around 55 metres, with fresh rock occurring at an average depth of around 68 metres.

Table 17 presents Mineral Resources estimated for Durusu at the base-case cut off grade. The figures in this table are rounded to reflect the precision of the estimates and include rounding errors. Mineral Resources are truncated at a maximum vertical depth 180 metres around 20 metres above the base of mineralized drilling, with around 80% of estimates from depths of less than 120 metres and less than 5% from below 160 metres.

Table 17: Durusu Inferred Mineral Resource estimates at base case cut off

Effective date of estimates: 11th February 2021			
Cut off (Au g/t)	**Tonnes (Mt)**	**Grade (Au g/t)**	**Metal (Au koz)**
0.3	4.4	1.1	156

26. Recommendations

The author's recommendations for future work at the Obichnik focus on the Durusu area and include additional drilling, analysis and investigations aimed at improving understanding of mineralization in the area and increasing confidence in estimated Mineral Resources.

Recommended drilling includes infill diamond holes within the currently interpreted mineralized domains and step-out drilling within coincident radiometric and gold in soil geochemical anomalies to the south and east of currently interpreted Durusu mineralization.

Additional recommendations include:

- Additional density measurements of diamond drill core to improve confidence in densities assigned to resource models.
- Inter-laboratory check assays of representative pulp samples from Velocity's 2019 and 2020 drilling programs and the proposed drilling.
- Samples of reference standards included in batches of drill samples should include a greater proportion of higher gold-grade standards than utilized for drilling to date.
- Further DGPS topographic surveying of the Durusu area and surrounding areas.
- Metallurgical test-work including gold deportment, flotation and cyanide leach testwork, and investigation of the short-scale distribution of gold mineralization.
- Initial data collection in support of engineering studies.
- Completion of the Obichnik Project OVOS and commencement of data collection and design of an Environmental & Social Impact Assessment (ESIA).

Estimated costs for this work (Table 18) were derived in consultation with Mr. Stuart Mills, Velocity Vice President Exploration, in February 2021, with unit costs reflecting Velocity's operational experience.

Table 18: Estimated costs for recommended work program

Item	**Cost (Canadian x 1000)**
Capital	$10
Personnel	$150
Drilling	$900
Geochemical analysis (including inter-laboratory checks)	$50
Geophysics/remote sensing	$50
Geology and resource estimation	$20
Initial data collection in support of engineering studies	$50
Metallurgical test-work	$50
ESIA design and data collection	$50
Vehicles and generators	$20
Field and office costs	$20
Tenement holding costs	$10
Total	**$1,380**

27. References

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Date and Signature Page

The undersigned prepared this technical report titled: "NI 43-101 Technical Report, Exploration and Mineral Resource Estimation for the Obichnik Property, Republic of Bulgaria", dated the 20th day of March, 2021, with an effective date of the 11th of February 2021. The format and content of the Technical Report have been prepared in accordance with Form 43-101F1 and National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators.

Exploration and Mineral Resource Estimation for the Obichnik Property, Republic of Bulgaria

Dated this 20th day of March, 2021

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Jonathon Abbott, BASc, MAIG

MPR GEOLOGICAL CONSULTANTS PTY LTD
19/123A Colin Street
West Perth, Western Australia
Australia

CERTIFICATE of QUALIFIED PERSON

As the author of the report titled "NI 43-101 Technical Report, Exploration and Mineral Resource Estimation for the Obichnik Property, Republic of Bulgaria" prepared for Velocity Minerals Ltd. (the "Issuer") dated the 20th of March 2021 with an effective date of the 11th of February 2021 (the "Technical Report"), I, Jonathon Abbott, BASc, MAIG, do hereby certify that:

1. I am a Consulting Geologist with MPR Geological Consultants Pty Ltd, 19/123A Colin Street, West Perth, Western Australia, Australia.

2. I graduated with a Bachelor of Applied Science in Applied Geology from the University of South Australia in 1990.

3. I am a member of the Australian Institute of Geoscientists. I have worked as a geologist for a total of 30 years since my graduation from university. My experience includes mine geology and resource estimation for a range of commodities and mineralization styles. I have been involved in preparation and reporting of resource estimates in accordance with JORC guidelines for 25 years, and National Instrument 43-101 ("NI 43-101") guidelines for approximately 17 years.

4. I have read the definition of "qualified person" set out NI 43-101 and certify that by reason of my education, affiliation with a recognized professional association and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I have been involved with the Durusu Project since February 2018 and visited the project site on the 27th of February 2018.

6. I am responsible for all sections of the Technical Report.

7. I am independent of the Issuer (within the meaning of Section 1.5 of NI 43-101).

8. I have not had prior involvement with the Durusu Project.

9. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

As of the date of this Certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 20th day of March, 2021.

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Jonathon Abbott, BASc, MAIG