

Velocity Enters into Option Agreement with Dundee Precious Metals

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10,000m Exploration Drilling Initiated

Vancouver, June 12, 2023 - [Velocity Minerals Ltd.](#) (TSXV: VLC) (OTCQB: VLCJF) ("Velocity" or the "Company") announces that it has entered into a binding letter agreement (the "Letter Agreement") with [Dundee Precious Metals Inc.](#) ("DPM"), whereby Velocity has granted to DPM an exclusive option to acquire a 75% interest (the "Option") in and to the Iglika copper-gold prospecting license (the "Property"), located in Bulgaria (the "Property").

Commercial Terms

To exercise the Option in full, DPM must: (i) make a US\$250,000 initial cash payment to Velocity; (ii) fund a total of 40,000 meters of drilling on the Property; (iii) fund and deliver a mineral resource estimate on a deposit located within the Property prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"); (iv) fund and deliver a prefeasibility study on a deposit located within the Property prepared in accordance with NI 43-101; and (v) make a further US\$1,500,000 cash payment to Velocity (collectively, the "Earn-In Requirements"), all over a period of five (5) years (Table 1).

The US\$250,000 cash payment due to Velocity within five (5) business days of the execution of the Letter Agreement by DPM and the 10,000 meters of drilling to be funded and completed prior to the first anniversary of the Effective Date, are binding commitments of DPM. DPM will be under no obligation to fulfill any of the remaining Earn-In Requirements and may accelerate the satisfaction of the Earn-In Requirements without penalty, at its election.

If DPM completes the Earn-In Requirements during the Option term, it shall acquire an indirect 75% legal interest in the Property, subject to an existing 2% net smelter returns royalty, and DPM and Velocity shall be deemed to have formed a joint venture ("JV") for the continued exploration and development of the Property. If a participant's participating interest in the JV falls below 10%, that participant shall be required to transfer its participating interest to the other participant in exchange for the grant of an ongoing royalty to be paid at 2% of net smelter returns (the "NSR Royalty"), half of which (being 1%) can be bought-out prior to a production decision for US\$5,000,000.

Pursuant to the terms of the Letter Agreement, Velocity and DPM will negotiate in good faith toward the execution and delivery of a definitive property option agreement (the "Definitive Agreement"). The Definitive Agreement will incorporate the terms and conditions of the Letter Agreement and such other terms and conditions as may be agreed to by the parties.

Table 1. Earn In Requirements.

Date	Cash Payments (US\$)	Drilling (meters)	Miner Re
Within five (5) business days of the execution of the Letter Agreement ("Effective Date")	\$250,000	--	
Before the first anniversary of the Effective Date	--	10,000	
Before the second anniversary of the Effective Date	--	15,000	
Before the third anniversary of the Effective Date	--	15,000	
Before the fourth anniversary of the Effective Date	--	--	miner
Before the fifth anniversary of the Effective Date	\$1,500,000	--	pr
Total:	\$1,750,000	40,000	

Drilling

DPM's drill program at the Property has started. The planned drill program will consist of 24 drill holes for 10,000m, to test copper-gold porphyry, skarn and epithermal targets defined by geochemical and geophysical anomalies. DPM is also planning to complete detailed mapping, soil sampling and geophysical surveys to further refine drill targets.

Qualified Person

The technical content of this release has been approved for disclosure by Daniel Marinov, RPGeo, a Qualified Person as defined by NI 43-101 and the Company's Vice President Operations. Mr. Marinov is not independent of the Company as he is a director, officer, shareholder, and holds incentive stock options.

About Velocity Minerals Ltd.

Velocity is a precious metals and copper explorer focused in Eastern Europe. In Bulgaria, Velocity has a 70% interest in the Tintyava property, which includes the prefeasibility-stage Rozino deposit. Velocity also has a 70% interest in the Momchil property (which includes the Obichnik project), a 70% interest in the Nadezhda property (which includes the Makedontsi project), and a 70% interest in the Dangovo property (which is contiguous with the Makedontsi project). The Company holds a 100% interest in the Iglitsa copper-gold exploration property and recently entered into an option agreement with DPM who have an option to earn a 75% interest in the property. The Company has also entered into an agreement to acquire a 75% interest in the Zlatusha copper-gold exploration property.

On Behalf of the Board of Directors

"Keith Henderson"
President & CEO

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the exercise of the Option by DPM, the entering into of the Definitive Agreement, the formation of the JV, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as "pro forma", "plans", "expects", "may", "will", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that market fundamentals will result in sustained precious metals demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Property in a timely manner, the availability of financing on suitable terms for the development, construction and continued operation of the Property, and the Company's ability to comply with environmental, health and safety laws.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may

cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, among others, operating and technical difficulties in connection with mineral exploration and development and mine development activities at the Property, estimation or realization of mineral reserves and mineral resources, requirements for additional capital, future prices of precious metals and copper, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, possible variations in ore grade or recovery rates, possible failures of plants, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays or the inability of the Company to obtain any necessary permits, consents or authorizations required, including TSX Venture Exchange acceptance, financing or other planned activities, changes in laws, regulations and policies affecting mining operations, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risk Factors" in the Company's latest Management Discussion and Analysis and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR website at www.sedar.com.

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

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