

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Issuer

VELOCITY MINERALS LTD. (the "Issuer")
Suite 2300, 1177 West Hastings Street
Vancouver, B.C.
V6E 2K3

Item 2. Date of Material Change

September 25, 2017

Item 3. News Release

The dates of the press release issued pursuant to section 7.1 of National Instrument 51-102 with respect to the material change disclosed in this report is September 25, 2017. The press release was issued in Vancouver, British Columbia through the facilities of the TSX Venture Exchange via Marketwired.

Item 4. Summary of Material Change

The Issuer reports that they have closed a non-brokered private placement of \$1.29 million.

Item 5. Full Description of Material Change

The Issuer reports that it has closed the non-brokered private placement announced on September 7, 2017 (the "Financing"). As a result of the Financing, the Issuer issued a total of 3,803,176 units (the "Units"), priced at \$0.34 per Unit to raise gross proceeds of \$1,293,079.84. Each Unit consisted of one common share of the Issuer and one-half of one warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Issuer for \$0.50 for a period of 12 months from the closing of the Financing. The Issuer also paid finder's fees on a portion of the Financing to Blackswan B.V (\$23,800 and 70,000 finder's warrants), Haywood Securities Inc. (\$7,140 and 21,000 finder's warrants), Leede Jones Gable Inc. (\$39,508 and 116,200 finder's warrants) and Intrinsyc Capital Corporation (\$1,428 and 4,200 finder's warrants). The finder's fees consisted of a cash commission equal to 7% of the gross proceeds raised by each finder and finder's warrants equal to 7% of the corresponding number of Units issued. Each finder's warrant entitles the holder thereof to purchase one common share of Velocity for \$0.34 for a period of 12 months from the closing of the Financing. The common shares and warrants comprising the Units and the finder's warrants are subject to a hold period of four-months and one day in Canada.

The Issuer intends to use the proceeds of the Financing to fund the addition of a second drill rig at the Issuer's Rozino gold project and for general working capital purposes.

The Issuer also announces that it has granted stock options to certain officers, employees and consultants of the Issuer and its affiliates to purchase up to 700,000 common shares of the Issuer in accordance with the terms of the Issuer's stock option plan. The options, which are fully vested as at the date of grant, are exercisable on or before September 26, 2022 at a price of \$0.35 per share.

This material change report does not constitute an offer of sale of any of the above-mentioned securities in the United States. The foregoing securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "1933 Act") or any applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) or persons in the United States absent registration or an applicable exemption from such registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the foregoing securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS: This material change report includes certain "forward-looking statements" within the meaning of applicable Canadian and U.S. securities legislation, including the United States *Private Securities Litigation Reform Act of 1995*. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the use of proceeds from the Financing and funds on hand, the Issuer's future exploration and testing carried out on the Rozino project and the future business and operations of Velocity are forward-looking statements. Often, but not always, forward-looking statements can be identified by words such as "pro forma", "plans", "expects", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, operating and technical difficulties in connection with mineral exploration and development and mine development activities for the Rozino project, including the geological mapping, prospecting and sampling programs for the projects, the fact that the Issuer's interests in the Rozino project (and its other Bulgarian exploration properties) are options only and there is no guarantee that the Issuer's interests in same, if earned, will be certain, actual results of exploration activities, estimation or realization of mineral reserves and mineral resources, the timing and amount of estimated future production, costs of production, capital expenditures, the costs and timing of the development of new deposits, the availability of a sufficient supply of water and other materials, requirements for additional capital to fund the Issuer's business plans, future prices of precious metals, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, possible variations in ore grade or recovery rates, possible failures of plants, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental and regulatory approvals (including of the TSX Venture Exchange), permits or financing or in the completion of development or construction activities,

changes in laws, regulations and policies affecting mining operations, hedging practices, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risk Factors" in the Issuer's annual management's discussion and analysis and other filings of the Issuer with the Canadian Securities Authorities, copies of which can be found under the Issuer's profile on the SEDAR website at www.sedar.com.

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

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential.

Item 8. Senior Officer

The following senior officer of the Issuer is knowledgeable about the material change disclosed in this report.

Keith J. Henderson, President CEO
Business Telephone No.: (604) 484-1233

Item 9. Date of Report

October 2, 2017