

Corporate Update

Vancouver, British Columbia, 17 March, 2025 – Velox Energy Materials Inc. (TSXV: VLX) ("**Velox**" or the "**Company**") provides a corporate update on its proposed ASX listing, the QIC Critical Minerals and Battery Technology Fund's (QCBTF) cornerstone investment, as well as board and management changes.

The Company previously disclosed its intention to dual list on the Australian Stock Exchange ("**ASX**"). The company submitted an In Principle Application to the ASX for a dual listing in June 2024, however, in September 2024, the application was not approved on the basis that the ASX formed the view that the Kotai Hydrogen project and the Company's proposed activities and obligations in respect of that project were too early stage for that project to form part of the Company's listing assets.

The Company is extremely disappointed with this decision as it has delayed the potential dual listing until such time as the Company divests the Kotai Hydrogen asset. Despite this setback, the Company remains committed to working through the divestment of the Kotai Hydrogen project and is focused on finding positive outcomes. Since the notification from the ASX, the Company has worked through a variety of alternatives to divest the Kotai Hydrogen project, all with the aim of maximizing shareholder value.

Throughout the ASX listing process and the potential divestment of the Kotai Hydrogen project, the Company has actively engaged with QCBTF. Management has maintained a strong and collaborative relationship, evidenced by QCBTF's agreement to extend the long stop date to 31 March 2025.

However, due to various uncertainties, primarily related to the divestment timeline of the Kotai Hydrogen project and its impact on the dual listing process, the company has agreed with QCBTF to not extend the long stop date beyond 31 March 2025 and to terminate documentation relating to the QCBTF's investment. Despite this, QCBTF remains positive about the future of Velox and the development of the North Queensland Vanadium project. The Company will work to maintain the strong relationship it has developed with the QCBTF throughout this process.

Management and Board Changes

Considering the evolving strategic objectives and capital considerations the Company will undertake management and board changes to reduce the overheads and preserve cash.

Simon Coyle has stepped down from his position as CEO and President effective 31 March 2025, and will resign as a director of the Company effective as of the 31 March 2025.

Mark Connelly will also be resigning from the board, effective of 17 March 2025.

The company thanks both Simon and Mark for their leadership and contributions to the company and wish them both well in their future endeavours.

Nicole Morcombe, currently a Director of the company, will assume the role of Interim CEO and President. She will not receive or accrue salary or fees for the position until the company's strategic and capital objectives are met. Michael Griffiths will continue as a Director. No fees will be accrued or paid to Directors for the coming period until such time the Company has sufficient cash balance.

Vincent Algar will be appointed to the Velox Board, effective 31 March 2025. The Company welcomes Vincent to the Company's Board as an independent director. Mr Algar is a highly experienced mining and resources geologist with a career spanning over 34 years in the industry. He has a proven track record of adding significant value to shareholders, most notably during his nine-year tenure as Managing Director of Australian Vanadium Ltd (ASX: AVL). Vincent is currently CEO of Tennant Minerals (ASX:TMS), a copper-gold exploration and development company operating in the Northern Territory of Australia.

Mr Algar's skill set combines strong technical expertise with a deep understanding of corporate strategy. His experience leading projects from initiation through to development, combined with his strategic insights and extensive marketing and promotion experience, are a valuable addition to the Board of Velox.

Following the above changes, the Company's Board will consist of three directors: Nicole Morcombe, Michael Griffiths, and Vincent Algar.

The Company will seek to appoint a second suitably qualified independent director as soon as possible to fulfill its corporate governance requirement under TSXV Policy 3.1.

The Velox board continues to prioritise its resources to the North Queensland Vanadium project and will continue to seek commercial partners for the Kotai Hydrogen project so that it can pursue its ASX dual listing.

Moreover, the Company continues to actively identify and review potential strategic opportunities that are value accretive and complement existing assets. This effort aims to build a portfolio of highly prospective projects, in line with the Company's strategic objectives.

The Company will continue to provide updates as developments progress and sincerely appreciate the ongoing support from all shareholders to date.

Shares for Debt Transaction

The Company also intends to issue 919,483 common shares of the Company (the "**Settlement Shares**") at a deemed price of \$0.06 per share in full and final settlement of outstanding debts totaling C\$55,169 (the "**Debt**") owing to Mark Connelly for director's fees (the "**Debt Settlement**"). The Company is proposing to issue the Settlement Shares in order to preserve cash to fund future operations.

The issuance of Settlement Shares to Mark Connelly, a director of the Company, (the "**Related Party**"), will be considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"). The issuance of Settlement Shares, as it relates to the Related Party, is exempt from the minority approval and formal valuation requirements of MI 61-101 pursuant to [subsections 5.5(a) and 5.7(1)(a) of MI 61-101].

The Debt Settlement is subject to all necessary regulatory approvals, including acceptance from the TSXV. All securities issued in connection with the Debt Settlement will be subject to a four-month hold period from the closing date under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

Approved by the Board of Velox Energy Materials Inc.

Nicole Morcombe

President & CEO (Interim)

nmorcombe@veloxmaterials.com.au

Investor Relations Contact

Amalie Schreurs

Investor Relations – Australia

M: +61 431 636 033

Email: amalie@whitenoisecomms.com

About Velox Energy Materials

Velox Energy Materials is a publicly traded energy materials company developing and progressing high-value assets in resource and research-friendly jurisdictions. The Company's priority focus is the advanced NQV Project in Queensland, Australia. The NQV Project hosts the Cambridge Deposit with a CIM compliant Indicated Mineral Resource of 61.33 Mt @ 0.34% V₂O₅ and 234.6 ppm MoO₃ along with an Inferred Mineral Resource of 144.87 Mt @ 0.33% V₂O₅ (*cut-off grade of 0.25% V₂O₅*) and 241.9 ppm MoO₃ (Dufresne et al., 2022). The Company is targeting shallow, high-grade mineralization that can be developed using low-cost mining and processing options.

Forward Looking Information

Neither 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 within the meaning of applicable securities laws. These statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, this news release contains forward-looking statements and information regarding discussions of future plans, estimates and forecasts and statements as to management's expectations and intentions with respect to, among other things: the Company's potential dual listing on the ASX; the Company's potential divestment of the Kotai Hydrogen project; the Company's plans to explore alternatives to divest the Kotai Hydrogen project; the Company's ongoing relationship with QCMBTF; potential management and board changes, including the timing, salary and fees relating thereto; the Company's plans to build a portfolio of highly prospective projects; future plans and business objectives of the Company; and the Debt Settlement. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company. As a result, there can be no assurance that the proposed Transaction or related matters will be completed as proposed or at all. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and

information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: that the Company will be unable to complete the ASX listing; that the Company will be unable to divest the Kotai Hydrogen project; that the Company will be unable to continue its relationship with QCMBTF as anticipated; that the Company will be unable to make the management and board changes as anticipated; that the Company will be unable to build a portfolio of highly prospective projects as anticipated; that the Company will be unable to complete future plans and business objectives as anticipated; that the Company will be unable to complete the Debt Settlement as anticipated; that the Company's operations could be adversely affected by possible future government legislation policies and controls or by changes in applicable laws and regulations.

Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.