



AUXICO RESOURCES CANADA INC.

NEWS RELEASE

AUXICO REPORTS ON RECENT DEVELOPMENTS AND START OF COLOMBIAN TIN TRADING OPERATIONS

Montreal, Quebec / February 21, 2023 – Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce the initiation of its tin trading operations with joint venture partner Gracor S.A.S. The Company has been advancing on various fronts and here provides an update on operations across its projects in Colombia, Brazil, and the Democratic Republic of the Congo (DRC).

- Auxico's Colombian tin trading operation is set to begin with the export of approximately 15 tonnes of tin at grades exceeding 65% Sn, scheduled for the first week of March and subject to finalizing export documentation. A second tin export is expected for mid-April, with the objective of increasing the frequency and quantity of exports throughout 2023.
- By the end of February, the Company should commence a sampling program for the maiden NI 43-101 report for the Massangana Tin Tailings Project in Brazil.
- Facility design and planning is well underway for a Pilot Processing Plant at Massangana to process an estimated 100 tonnes per day of raw tailings. Providing additional cashflow from Brazilian tin sales, the facility is expected to be operational in Q3 2023.
- A total of 949 tonnes of monazite has now been shipped from the DRC since the start of the export operations in April 2022.

Tin Export, Colombia

The first trade of 15 tonnes of tin will be executed in cooperation with the local partner Gracor S.A.S., as per the signed joint venture agreement which will provide Auxico with 70% profit share. The Company's objective is to have consistent monthly exports of high-grade tin, with sales made under Auxico's offtake agreement with Cuex Metal AG. Auxico will continue to develop and nurture community relations in the area to assist the indigenous peoples to expand their supply business; the Company has received supply commitments for approximately 17 tonnes of tin ore for April of this year from the indigenous artisanal miners in Vichada.

Minastyc Property, Colombia

The Company remains in the queue for the issuance of an environmental permit from Corporinoquia, the Colombian environmental agency for the Company-controlled Minastyc property. This is a concession that



represents a vast deposit of alluvial minerals, with a mass of on-surface material that includes high-grade tin, material containing > 56% total rare earth oxide content (TREO), and other critical minerals including tantalum and niobium. In parallel, Auxico's in-country geological team continues with planned sampling programs on Minastyc, as well as the areas adjacent to the concession, with encouraging initial results on samples taken up to 50 kilometres from the property that indicate that the property is situated in a prolific region for tin and other critical minerals.

Following the environmental permit approval, the Company will be allowed to start with small-scale mineral extraction operations. Anticipated production is approximately 300 tonnes per month of alluvial material.

Massangana Tin Tailings, Brazil:

A preliminary sampling program conducted in 2022 indicated several areas of attractive tailings trends with one specific 3-kilometre-long trend located in the southern part of the tailings area; tailings have been observed to a maximum depth/thickness of approximately 15 metres, while they typically range 2-10 metres.

The Company is about to commence a geological sampling program to collect samples for a maiden NI 43-101 compliant resource report. The program will be conducted by a team of Brazilian and Canadian geologists, and should begin at the end of February. The NI 43-101 report completion could be expected as early as Q3 2023.

The Company intends to install a 100 tonnes per day (tailings) Pilot Processing Plant, to be located in the southern part of the tailings area. A preliminary processing design for the Pilot Processing Plant is completed and it will test the separation process expected to be used by the larger 2,500 tonnes per day plant expected to be operational in 2024. Phase 1 of the Pilot Processing Plant is expected to be operational in Q3 2023.

Based on current understanding of the mineral content of the tailings, Phase 1 of the Pilot Plant is expected to produce approximately 25 tonnes per month of tin for export sales. The expected export grade target is 70% tin with other unseparated heavy minerals including ilmenite, columbite, monazite and zircon to be stockpiled for future processing. A second processing phase can potentially be added to the Pilot Processing Plant to further process the columbite for sale once the initial operations have been optimized.

Rare Earth Concentrates Export, The Democratic Republic of the Congo:

Since the start of export operations in April 2022, the Company has sold **a total of 949 tonnes** of monazite, as per the signed sales agency agreement with Central America Nickel Inc., exporting material with up to a total of **~15% of Neodymium and Praseodymium**, and **~60% total rare earth oxide content (TREO)**. The rare earth concentrates contained in the non-radioactive monazite sands are purchased from various cooperatives in the province of North Kivu, in the Democratic Republic of the Congo.

Frederick Kozak, CEO and President of Auxico Resources commented: "The launch of the tin trading operation is a significant development for the Company as it represents a second source of revenue to complement the current monazite sales from the DRC. This is a first step in Auxico becoming a diversified critical mineral



provider and significantly reduces jurisdiction risk. We also anticipate that our ongoing program at the Brazil Massangana Project will deliver encouraging results which will allow the Company to advance into the next phase of the project and launch the production phase with a Pilot Processing Plant commencing operations in Q3 2023.”

Disclaimer – The results are based on concentrate samples, using a selective picking method, therefore the sampling method do not comply with NI 43-101.

Qualified Person

Mr. Ricardo Sierra, B.Sc. of Science a member of the Australian Institute of Mining and Metallurgy (MAusIMM 3078246), is a qualified person (QP) as defined by National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this news release and in relation to the Minastyc Project in Vichada Colombia. Mr. Ricardo Sierra is an independent technical consultant to Auxico Resources Canada Inc.

About Auxico Resources Canada Inc.

Auxico Resources Canada Inc. (“Auxico”) is a Canadian company that was founded in 2014 and based in Montreal, Quebec, trading on the Canadian Stock Exchange (CSE) under symbol AUAG. Auxico is engaged in the acquisition, exploration and development of mineral properties in Colombia, Brazil, Mexico and the Democratic Republic of the Congo.

Additional information on Auxico can be found on the Company’s website (www.auxicoresources.com) or on SEDAR (www.sedar.com) under “Auxico Resources Canada Inc.”

ON BEHALF OF THE BOARD OF DIRECTORS

« signed »

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