



AUXICO RESOURCES CANADA INC.

NEWS RELEASE

AUXICO ANNOUNCES LIGHT AND HEAVY RARE EARTHS SEPARATION RESULTS

Montreal, Quebec / April 20, 2023 – Auxico Resources Canada Inc. (CSE: AUAG, OTCQB: AUXIF) (the “Company” or “Auxico”) is pleased to announce the results of metallurgical testing conducted on rare earth concentrates from its Minastyc property in Colombia; please refer to Table 1 below.

Table 1

Formula	Nd ₂ O ₃	Pr ₆ O ₁₁	Dy ₂ O ₃	Y ₂ O ₃	La ₂ O ₃	CeO ₂	Sm ₂ O ₃	Gd ₂ O ₃	Er ₂ O ₃
Assay (%)	8.73	2.02	0.77	0.92	6.56	26.58	1.86	0.79	0.38

The above feed material of concentrate samples from the Minastyc Property was processed into light and heavy rare earth concentrates, as per Table 2. The metallurgical testing was conducted by Coalia Lab in Thetford Mines, Québec, using various acid leach processes enhanced by ultrasound and calcination at various stages of the process. The results of the testing demonstrate the ability to produce commercial concentrates of light and heavy rare earths.

Table 2

	Nd	Pr	Dy	Tb	Y	La	Ce	Sm	Gd	Er
Light REE	46.9%	14.0%	1.0%	0.49%	1.1%	23.1%	1.3%	8.7%	2.8%	0.2%
Heavy REE	14.9%	0.0%	16.1%	3.42%	12.4%	0.0%	8.5%	9.8%	10.3%	7.5%

Of the light rare earths, the result of neodymium at 46.9% depicts a concentration of 5 times compared to the initial ore, and praseodymium 7 times; the value of neodymium oxide at current market price is approximately USD \$48,000 per tonne ([The Institute for Rare Earths and Metals AG](#), as of April 19, 2023). For the heavy rare earths, dysprosium has been concentrated 20 times compared to the initial feed; the market price of dysprosium oxide is approximately USD \$280,000 per tonne, while the market price of terbium oxide is at USD \$588,000 per tonne ([The Institute for Rare Earths and Metals AG](#), as of April 19, 2023). The light and heavy rare earth concentrates in Table 2 will be the object of further metallurgical testing in order to produce elemental rare earths using ligand chemistry. Initial results indicate the recovery of 99% of neodymium, praseodymium, samarium and gadolinium.



According to Jack Lifton, an advisor to the Company, “the content of neodymium and praseodymium achieved by these processes in the light rare earth concentrates, and the content of terbium and dysprosium in the heavy earth concentrates, are commercial products ideally suited for the magnets in electric vehicle batteries.”

The shift towards clean energy systems and a green economy is set to drive a substantial increase in demand to mineral markets. The energy sector, specifically batteries, magnets and advanced technologies, is emerging as a major driving force to the energy transition, with critical minerals at the foundation. One of the goals outlined by the Colombian Government is to prioritize the energy transition, and with global supply constraints on these minerals, Auxico’s prospective production at its Minastyc property looks to play a predominant role in bridging this supply gap.

The work outlined above has been conducted by Central America Nickel Inc. (CAN), with patents to be filed near-term on this new testing process. According to a licensing agreement signed between Auxico and CAN, Auxico has the right to use proprietary processes and technologies developed by CAN on properties owned or controlled by Auxico.

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, trading on the Canadian Stock Exchange (CSE) under symbol AUAG and on the OTCQB Market under symbol AUXIF. 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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The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.

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The CSE has neither approved nor disapproved the contents of this press release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this press release.

This press release contains statements that constitute “forward-statements.” Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements.

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words “estimate”, “project”, “belief”, “anticipate”, “intend”, “expect”, “plan”, “predict”, “may” or “should” and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the planned studies, drill program and the development of the Minastyc or Massangana Project, its sampling program, indications and other mining projects and prospects thereof, related to the Company’s operations in Brazil, Colombia and/or the Democratic Republic of Congo. Such statements and information reflect the current view of the Company. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.



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The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various risk factors. These factors include, among others, uncertainties arising from the COVID-19 pandemic, and general economic conditions or conditions in the financial markets. The reader is referred to the Company's public filings for a more complete discussion of such risk factors, and their potential effects, which may be accessed through the Company's profile on SEDAR at www.sedar.com. Except as required by securities law, the Company does not intend, and does not assume any obligation, to update or revise any forward-looking information, whether as a result of new information, events or otherwise.