

# AUXICO RESOURCES CANADA INC.

## NEWS RELEASE

### AUXICO ANNOUNCES ENCOURAGING METALLURGICAL RESULTS FOR THE CAMPANILLAS MINE

**Montreal, Quebec, October 31, 2017 – Auxico Resources Canada Inc. (CSE: AUAG)** is pleased to announce encouraging metallurgical results from a 2.095 kg sample (2,095 g) taken from the volcanic breccia hostrock material in the footwall of the Campanillas Mine, which is located in the north-east corner of the Zamora Property. The sample contains **1.98 kg/t of silver** (1,980 g/t) and **2.01 g/t of gold**. This sample was treated by the Centre for Mineral Technology and Plastics in Thetford Mines in order to optimize the metallurgical extraction of both gold and silver. The recovery of **gold was 71.60% and 92.9% for silver**, as a result of processing this material by gravity and flotation methods. Please refer to the table below:

#### Metallurgical results – Campanillas

Process	Gold	Silver
Gravity feed	2.01 g/t	1,980 g/t
Gravity concentrate	8.12 g/t	5,000 g/t
Flotation concentrate	11.9 g/t	6,854 g/t
Recovery by gravity	13.8%	8.6%
Recovery by flotation	67.8%	89.1%
<b>Total Recovery</b>	<b>71.60%</b>	<b>92.9%</b>

The gravity concentrate represents 3.41% of the overall weight of the sample while the flotation concentrate represented 12.2% of the overall weight. Therefore, **92.9% of the silver and 71.6% of the gold** were recovered from less than 13% of the overall weight of the feed material. The concentrates represent a concentration ratio of 8:1 with concentrates having a value of over **USD 4,000 per tonne**.

The sample was selected by the QP in the Campanillas Mine at the far end of the main drift represented by an intensely silicified volcanic breccia containing native silver and silver sulphides. The silver appears to have replaced the highly altered fragments within the host rock. The sample was taken from the footwall of a 3m wide highly mineralized quartz vein in the stoped area of the mine. The high-grade potential of Campanillas was first identified by a grab sample taken from a small stockpile outside the main portal, which returned an assay of **14.56 kg/t (14,560 g) silver and 15.53 g/t gold**. The Company is currently putting a plan together for dewatering Campanillas in order to reach the second and possibly third level, which is accessed by a ramp and decline shaft. Once a better understanding of the mine can be developed, a drill plan will be proposed. There are almost 500m of historical workings on surface and along strike of the Campanillas Vein, represented by ventilation raises, trenches, and prospect pits, which indicate the minimum strike length of the structure.

Additional information on Auxico can be found on the Company's website ([www.auxicoresources.com](http://www.auxicoresources.com)) or on SEDAR ([www.sedar.com](http://www.sedar.com)) under "Auxico Resources Canada Inc."

Technical information on the Zamora Property can be found in the Company's Technical Report, dated August 16, 2017 (amended) and written by Joel Scodnick, P.Geo., an independent consultant to the Company.

### **Qualified Person**

This news release was reviewed and approved by Joel Scodnick, P.Geo., an independent consultant to Auxico, in his capacity as a Qualified Person, as defined by National Instrument 43-101.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

« signed »

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### **About Auxico Resources Canada Inc.**

Auxico Resources Canada Inc. ("Auxico") is a Canadian company that was founded in 2014 and based in Montreal. Auxico is engaged in the acquisition, exploration and development of mineral properties in Mexico. The Company has a 100% interest in the Zamora Silver-Gold Property in Sinaloa, Mexico. Auxico will continue to identify and potentially acquire additional property interests and conduct exploration and evaluation of these properties to assess their potential.

*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.*