

AUXICO RESOURCES CANADA INC.

NEWS RELEASE

AUXICO ANNOUNCES MEMORANDUM OF UNDERSTANDING WITH AUCITO S.A.S. ON VILLA KELLY PROPERTY IN COLOMBIA

Montreal, Quebec, June 7th, 2018 – Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce that the Company has signed a Memorandum of Understanding with Aucito S.A.S., a Colombian company, concerning the Villa Kelly Property (the “Property”) in the Department of Bolivar, Colombia.

The Villa Kelly Property covers an area of 92.2 hectares. According to the report written by M.Sc. Eng. Rene Florencio Lugo Primelles of ITKnowLogics S.A.S (Link to the report: <https://bit.ly/2JvakyL>), a total of 12 veins have been prospected on the Property, and limited sampling of these veins has resulted in values up to 200 g/t Au. The Kelly vein has a shaft down to 14 metres and had been exploited from 2011 until 2014. There are 40 artisanal miners currently on the Property.

Auxico is in the process of conducting due diligence on the Property, which will include a site visit, sampling and grade verification of the veins, with a view to creating a joint venture for the full exploitation of three veins on the Property. The Property is accessible from the road and has infrastructure, such as a ball mill and Falcon concentrator, that should be upgraded in order to achieve economic profitability.

Once the due diligence has been completed, a joint venture will be formalized, with the understanding that Auxico will invest 100% of the capital required to implement industrial production of the precious metals or base metals. If the due diligence process is successful, both parties will negotiate the terms of the joint venture, including specifically the sharing of profits.

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 Colombia and Mexico.

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.