

AUXICO RESOURCES CANADA INC.

NEWS RELEASE

VILLA KELLY QUARTZ VEIN AVERAGES 3.45 OZ/T GOLD OVER A 25M STRIKE LENGTH MINA VILLA KELLY PROPERTY, SOUTH BOLIVAR, COLOMBIA

Montreal, Quebec, October 10, 2018 – Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce results from a recent sampling campaign carried out on Auxico's Mina Villa Kelly Property located in Colombia.

Two channel samples were taken on the 22m level 25m apart along the drift with the last sample in the drift No. **M-8428.10-2 cutting 60cm of 148 g/t Au (4.76 oz/t Au)**. Twenty-five metres before M-8428-10-2 which was at the end of the tunnel, sample **M-8428-9-2 also cut a 60cm wide quartz vein returning 66.6 g/t Au (2.14 oz/t Au); the vein averages 107.3 g/t Au (3.45 oz/t Au) along the 25m section** in the drift at the 22m level. A total of seven veins have been identified on the Villa Kelly Property so far.

Pursuant to an Amended Memorandum of Understanding (MOU) signed on July 9th, 2018 between Aucito SAS represented by Ricardo Joya Mejia and Auxico (referred to as the Parties), the Parties have agreed to extend the due diligence period to December 31, 2018, at which point a joint venture will be formalized by executing a joint venture (JV) agreement. An exploration plan and production plan will form part of the JV agreement in accordance with the MOU previously signed between the Parties.

The Company's Qualified Person, Mr. Joel Scodnick, had discussions with the local Colombian geologist Mr. Miguel Jaramillo who was hired by Auxico, the same person who conducted the sampling program at Mina Villa Kelly, and who indicated that along this 25m in the drift, the vein showed intense hydrothermal activity and was characterized by heavy sulphide concentrations of pyrite, chalcopyrite, galena, and sphalerite, and that the mineralization was noted to be homogenous throughout the observed vein. These results are very encouraging. Geological observations on the 22m level are showing that the alteration and structural controls are increasing with depth, as well as the grade. The Villa Kelly vein has been observed to open up to 1.2m in width. Besides running the material through the mill from the underground workings, Auxico intends to process the ore currently being mined by about 40 artisanal miners on the property. Visible gold has been observed on the property.

On the Mina Villa Kelly Property, according to the Optionor of the property and Miguel Jaramillo, there are a total of six small scale artisanal operations exploiting four veins, Villa Kelly, Falla el Cementerio, La Gallera, and Cerro Pelea. Assays have just been received from a brief site visit conducted by Auxico's independent geologist from July 2nd to July 5th, 2018. The program was conducted in order to examine previous work, showings, vein systems, artisanal mines, as well as underground workings.

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."

The recent site visit report on the Mina Villa Kelly Property can be found in the Company's website.

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.