

Auxico Signs an MOU for the Exploitation and Trading of Tantalum Ore in Colombia

MONTREAL, Nov. 24, 2020 /CNW/ - **Auxico Resources Canada Inc.** (CSE: AUAG) is pleased to announce that it has entered into a memorandum of understanding ("MOU") with the Colombian company Minampro Asociados S.A.S. ("Minampro"), to earn a 70% interest in a joint venture for the exploitation and trading of industrial sands (tantalum ore) originating from properties in the department of Vichada, Colombia.

Minampro has the necessary licenses for the buying, selling and exporting of industrial sands containing various metals, including tantalum and niobium. Furthermore, Minampro has an exclusive purchase agreement for industrial sands (tantalum ore) with the indigenous community Guacamayas-Maipore, located in the department of Vichada. The key properties are located within 100 kilometres from an airport and are accessible by roads.

In 2019, Auxico conducted an exploration and sampling program on properties located in this area. Mr. Miguel Jaramillo, an independent geologist, supervised the work and submitted a report about the results obtained in the sampling program to Auxico. The program confirmed the presence of tantalum and niobium, as well as various rare earths including: ytterbium, hafnium, neodymium, scandium, dysprosium, praseodymium and gadolinium. An accredited Canadian lab conducted all analyses on the samples from these properties.

Under the terms of the MOU, Auxico has 60 days to conduct due diligence, after which the parties agree to enter into a joint venture ("JV") for the properties in the department of Vichada. Auxico will have a 70% share of the net profits of the JV for committing 100% of the capital required for the exploitation of industrial sands (tantalum ore). Minampro will retain 30% of the net profits of the JV. Auxico will also have an option to purchase 15% of the profit interest of Minampro at a price to be agreed upon.

Samples from the properties are currently being sent out to various tantalum buyers, and the Company expects commercial sale to start within the next 60 days.

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, 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 »


Pierre Gauthier
CEO, Auxico Resources Canada Inc.
pg@auxicoresources.com
Cell: +1 514 299 0881

« signed »

Mark Billings
President, Auxico Resources Canada Inc.
mb@auxicoresources.com
Cell: +1 514 296 1641

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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For further information: Pierre Gauthier, CEO, Auxico Resources Canada Inc.,
pg@auxicoresources.com, Cell: +1 514 299 0881; Mark Billings, President, Auxico Resources
Canada Inc., mb@auxicoresources.com, Cell: +1 514 296 1641

CO: Auxico Resources Canada Inc.

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