

**Report Pursuant to National Instrument 62-103
and Section 5.2 of Multilateral Instrument 62-104**

1. Security and Reporting Issuer

This report is made pursuant to the provisions of the securities legislation referred to above in connection with certain dispositions of securities of Auxico Resources Canada Inc. (the “Company” or “AUAG”), 201 Rue Notre-Dame West, Suite 500, Montreal, Quebec, H2Y 1T4. The transactions were conducted through the facilities of the Canadian Securities Exchange.

2. Identity of Disposer

Sheldon Inwentash
126 Old Forest Hill Road
Toronto, ON M5P 2R9

The transaction described in item 1 above took place through a series of transactions ending on July 6, 2022, and involved Sheldon Inwentash (“Inwentash”) and the following joint actor of Inwentash:

- ThreeD Capital Inc. (“Joint Actor”), 130 Spadina Avenue, Suite 401, Toronto, ON, M5V 2L4

3. Interest in Securities of the Reporting Issuer

Through a series of transactions (“Dispositions”) ending on July 6, 2022, Inwentash disposed of ownership and control of an aggregate 522,000 common shares (the “Subject Shares”) of AUAG. The Subject Shares represented approximately 0.7% of all issued and outstanding common shares of the Company on July 6, 2022. As a result of the Dispositions, the percentage ownership held by Inwentash and the Joint Actor decreased by 2.7% from the last early warning report filed in which Inwentash, along with the Joint Actor, reported an 13.2% ownership on a partially diluted basis assuming the exercise of convertible debentures, warrants, and options held.

Immediately before the Dispositions described above, Inwentash and the Joint Actor held an aggregate of 2,844,801 common shares, 261,301 warrants, 500,000 options, and convertible debentures entitling the Inwentash and the Joint Actor to acquire 5,000,000 common shares of AUAG, representing approximately 4.3% of the issued and outstanding common shares of the Company (or approximately 12.1% on a partially diluted basis, assuming exercise of the convertible debentures, warrants, and options held). Of this total, Inwentash held an aggregate of 2,220,801 common shares, 261,301 warrants, 500,000 options, and convertible debentures allowing Inwentash to acquire an additional 3,000,000 common shares of the Company, representing approximately 3.4% of the issued and outstanding common shares of AUAG (or approximately 8.6% on a partially diluted basis, assuming exercise of the convertible debentures, warrants, and options held). The Joint Actor held an aggregate of 624,000 common shares and convertible debentures allowing

the Joint Actor to acquire an additional 2,000,000 common shares of the Company, representing approximately 0.9% of the issued and outstanding common shares of AUAG (or approximately 3.9% on a partially diluted basis, assuming exercise of the convertible debentures held).

Immediately following the Dispositions described above, Inwentash and the Joint Actors held an aggregate of 2,322,801 common shares, 261,301 warrants, 500,000 options, and convertible debentures entitling Inwentash and the Joint Actor to acquire an additional 5,000,000 common shares of the Company, representing approximately 3.3% of the issued and outstanding common shares of AUAG (or approximately 10.5% on a partially diluted basis, assuming exercise of the convertible debentures, warrants, and options held). Of this total, Inwentash held an aggregate of 1,698,801 common shares, 261,301 warrants, 500,000 options, and convertible debentures entitling Inwentash to acquire an additional 3,000,000, representing approximately 2.4% of the issued and outstanding common shares of the Company (or approximately 7.3% on a partially diluted basis, assuming exercise of the convertible debentures, warrants, and options held). The Joint Actor held an aggregate of 624,000 common shares and convertible debentures entitling the Joint Actor to acquire an additional 2,000,000 common shares of the Company, representing approximately 0.9% of the issued and outstanding common shares of AUAG (or approximately 3.6% on a partially diluted basis, assuming exercise of the convertible debentures held).

4. Consideration Received.

The Subject Shares were disposed of for total consideration of \$419,100 or approximately \$0.80 per Subject Share.

5. Purpose of the Transaction

The holdings of securities of the Company by Inwentash and the Joint Actor are managed for investment purposes. Inwentash or the Joint Actor could increase or decrease its investments in the Company at any time, or continue to maintain its current position, depending on market conditions or any other relevant factor.

6. Agreements, Arrangements, Commitments or Understandings with respect to Securities of the Company

Not Applicable

7. Change in Material Fact.

Not Applicable.

8. Exemption.

Not Applicable.

9. Certification

The undersigned certifies that the information herein is true and complete in every respect.

DATED this 15th day of July, 2022

“Sheldon Inwentash”

Sheldon Inwentash