

AUXICO SIGNS EXCLUSIVE OPERATING AGREEMENT AND RECEIVES MINING TITLE CERTIFICATE FOR MINASTYC PROJECT IN COLOMBIA

MONTREAL, Oct. 4, 2023 /CNW/ - **Auxico Resources Canada Inc.** (CSE: AUAG) (OTCQB: AUXIF) ("Auxico" or the "Company") is pleased to announce that the Minastyc Project, a Company-controlled property, has received a Mining Registration Certificate from the National Mining Agency ("ANM" or Agencia Nacional de Minería) as it relates to the property mining title, which secures the Company's rights to the exploration and exploitation of the property until 2040.

The Company has furthermore executed an Exclusive Operating Agreement and Security Interest Contract for Future Production with the mining title holder, Mr. Climaco Unda; the execution of these agreements assures the Company's rights to commence production during the mining title transfer period, allowing Auxico to advance an exploitation plan which includes mining key areas of the Minastyc property related to high-grade samples of tin collected during previous work programs. The Security Interest Contract assigns to the Company the rights to perform mining activities and enter into production on the Minastyc property, as well as collateralizes the obligation of Mr. Climaco Unda's assignment of the mining title to Auxico.

The Minastyc Project mining title covers a total area of 188 hectares in Puerto Carreño, department of Vichada, Colombia, a prolific critical mineral property with sampled grades up to **62.13% tin**, among rare earth elements, tantalum, niobium, and others. The Company has started operational planning for small-scale mining production with the intention to achieve a volume of up to 300 tonnes per month, commencing with Phase 1 (area of 18.4 hectares) production of tin concentrates from targeted high-grade sections of the property delineated through previous sampling programs (*refer to Table 1*).

Pierre Gauthier, President and CEO of Auxico Resources Canada Inc. comments, "*We are very pleased to announce the successful conclusion of the mining title registration process and exclusive operating agreement for the Minastyc Project; having received the right to exploit the property for the next two decades greatly reduces project risk. Miguel Jaramillo in a June 2019 report suggests that economic mineralization can only be validated through bulk sampling, as samples collected in channel sampling are not of sufficient size to detect the presence of critical minerals that are typically associated with larger fractions. Previous work has determined that these larger particle-sized critical minerals can be concentrated by a simple screening process. Due to its critical mineral content, Minastyc is well suited for direct shipping of commercial concentrates. We believe that our investment in the future expansion of Minastyc's mining operations will benefit all stakeholders including our shareholder base, the nation of Colombia, the department of Vichada and the local community of Puerto Carreño.*"

Auxico previously announced the discovery of a high-grade tin-tantalum target area on the Minastyc property with titanium, niobium, scandium and hafnium credits that has been subject to pit sampling; *for reference, please refer to the news release published by the Company on June 24th, 2021*. Samples previously taken from the tin-tantalum target area were the result of pan concentration and screening, and were subsequently analyzed by Coalia Research Institute in Thetford Mines, Quebec. These samples indicated grades up to **62.13% tin, 25.08% tantalum, 15.50% titanium and 8.15% niobium**, along other critical minerals such as rare earth elements and scandium (*Sample Ref: #1-#3 in Table 1*). A third sampling campaign analyzed by Coalia Research Institute in 2021 likewise indicated concentrate grades up to **47.2% tin, 9.49% neodymium, 31.09%**

cerium, 42.85% titanium, 30.41% tantalum and 25.44% niobium. The goal of the Company is to produce and export rare-earth elements, transition metals and post-transition metals such as tin, in the form of concentrates, from its Minastyc property.

	#1	#2	#3	MV4	MV8*	MV11*
Formula	Concentrates					
SnO2	33.75 %	44.60 %	62.13 %	20.42 %	15.42 %	70.10 %
Ta2O5	25.08 %	18.71 %	12.58 %	5.45 %	0.11 %	7.71 %
TiO2	15.50 %	11.46 %	6.40 %	7.28 %	0.89 %	1.47 %
Nb2O5	7.45 %	8.15 %	5.35 %	1.45 %	0.13 %	4.63 %
SiO2	3.23 %	1.71 %	1.25 %	8.60 %	13.63 %	6.64 %
MnO	1.70 %	1.11 %	0.71 %	0.23 %	0.03 %	0.77 %
PbO	0.73 %	0.86 %	1.21 %	0.36 %	0.25 %	1.39 %
Sc2O3	0.59 %	0.38 %	0.29 %	0.11 %		0.12 %
ZrO2	0.47 %	0.50 %	0.39 %	0.11 %	0.07 %	0.14 %
HfO2	0.34 %	0.24 %	0.16 %	0.05 %		0.08 %
Yb2O3	0.12 %	0.21 %	0.21 %			0.07 %
P2O5	0.12 %	0.13 %	0.29 %	0.38 %	0.39 %	
Y2O3	0.04 %	0.06 %	0.10 %			
CeO2			0.54 %			
La2O3			0.15 %			
Gd2O3	0.05 %				0.05 %	

* Samples MV8 and MV11 were taken from Minastyc adjacent property

Table 1: Concentrates analyzed by XRF from sampling conducted on Minastyc property across 2 campaigns.

Formula	Market Price per tonne (\$US)
SnO2	\$26,000
Ta2O5	\$250,000
TiO2	\$3,540
Nb2O5	\$48,800
Sc2O3	\$892,210
ZrO2	\$2,305
HfO2	\$5,381,200
Yb2O3	\$13,940
P2O5	\$345
Y2O3	\$32,770
CeO2	\$3,416
La2O3	\$600
Gd2O3	\$42,870

Table 2: Market prices from third party sources (including but not limited to London and Shanghai Metal Exchanges), market prices may vary.

Registration Details

The Minastyc Project is a Company-controlled property, registered under the title holder Mr. Climaco Unda, with total assignment of rights, licenses and all related registrations to the concession legally assigned to Auxico, as filed under the ANM. As a result of the executed operator and security agreements, the current mining title holder, Mr. Climaco Unda, holds the obligation to transfer the mining title to the exclusive operator of the concession, Auxico, and in the meantime, the Company retains the rights to carry out any mining activities at its discretion, including but not limited to the installation of the necessary infrastructure and mineral production.

The Mining Registration Certificate (#CRM-202308221848-479897), as it relates to the mining title (No. LFH-14431X), holds a validity period until August 21, 2040, and provides Auxico with the rights to exploit the property and start mineral production. This approval follows the grant of a 2-year environmental license for small-scale open-pit mining received in June 2023, the authorization of the Company's work plan ("PTO") by the ANM, as announced in May 2022, and the approval of EIA for the Temporary Environmental License in April 2023 from the Regional Autonomous Corporation of the Orinoquia.

This is a significant development for Auxico given the recent legislative moves towards more responsible and sustainable mining practices in Colombia proposed by the ANM, which include ceasing the issuance of licenses for open-pit mining as announced during August and September 2023, requiring mining firms to get environmental licenses for exploration in order to protect the environment, increased state control, and the prevention of conflict between communities and extractive companies. The issuance of the required licenses and permits to date, and in a timely manner, is a testament to the Company's efforts to maintain responsible operations within the State of Vichada. The approval of the Global Environmental Licence for the Minastyc Project is a subsequent step for the Company; this license will allow for a greater mineral production capacity from the property. The Company has furthermore applied for an export license.

Qualified Person

Mr. Ricardo Sierra, B.Sc., a member of the Australian Institute of Mining and Metallurgy (MAusIMM 3078246), is a Qualified Person (QP) as defined by National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this news release. Mr. Ricardo Sierra is an independent technical consultant to Auxico Resources Canada Inc.

About Auxico Resources Canada Inc.

Auxico Resources Canada Inc. ("Auxico") is a Canadian company that was founded in 2014 and based in Montreal, trading on the Canadian Stock Exchange (CSE) under symbol AUAG and on the OTCQB Market under symbol AUXIF. Auxico is engaged in the acquisition, exploration and development of mineral properties in Colombia, Brazil, Mexico, Bolivia 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.sedarplus.ca) under "Auxico Resources Canada Inc."

ON BEHALF OF THE BOARD OF DIRECTORS

« signed. »

« signed. »

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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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The CSE has neither approved nor disapproved the contents of this press release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this press release.

This press release contains statements that constitute "forward-statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements.

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that

they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the planned studies, drill program and the development of the Minastyc, Massangana or El Bento/Monte Verde Projects, its sampling program, indications and other mining projects and prospects thereof, related to the Company's operations in Brazil, Colombia, Bolivia and/or the Democratic Republic of Congo. Such statements and information reflect the current view of the Company. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various risk factors. These factors include, among others, uncertainties arising from the COVID-19 pandemic, and general economic conditions or conditions in the financial markets. The reader is referred to the Company's public filings for a more complete discussion of such risk factors, and their potential effects, which may be accessed through the Company's profile on SEDAR+ (www.sedarplus.ca). Except as required by securities law, the Company does not intend, and does not assume any obligation, to update or revise any forward-looking information, whether as a result of new information, events or otherwise.

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CNW 09:00e 04-OCT-23