



AUXICO RESOURCES CANADA INC.

NEWS RELEASE

AUXICO EARNS COMMISSION FROM THE FIRST TRADE OF RARE EARTH CONCENTRATES FROM THE DRC

Montreal, Quebec / April 19, 2022 – Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce the successful execution of the Company’s first trade of 96 tonnes of rare earth concentrates from the Democratic Republic of Congo (“DRC”) as per the signed sales agency agreement with Central America Nickel (“CAN”), which has been finalized this week. As the exclusive sales agent, Auxico will retain a commission equal to 15% of the sales price. Please see below the highlights of the first trade:

- The material was sold at a final price of **US\$ 4,784 per metric tonne** for a value of **US\$ 458,899.52**. A total of US\$ 367,119.62 representing 80% of the sales price has been paid, while the balance of 20% and final pricing will be settled once the material arrives at the final destination;
- The offtake agreement assumes a minimum of **18,000 tonnes** of rare earth concentrates to be sold during the next five years, i.e. 300 tonnes per month, with the objective of increasing the quantities to 1,000 tonnes of concentrates per month, for a total of up to **60,000 tonnes** of concentrates during the next five years. At current market prices, this represents a value of **~US\$ 278 million**.
- The rare earth concentrates, contained in the non-radioactive monazite sands, are purchased from various cooperatives in the province of North Kivu, DRC.

For more details on the transaction, please reference the table below.

Provisional Invoice No 1							
Provisional Invoice date:		2022-04-07				Quantity (kg)	95,908.80
Provisional quantity		95,908.80	Kg			Provisional purchase @20% of value	
Pricing Element	Oxide	% in Concentrate	TREO	RE/TREO	Ask price	USD\$ /1000 Kg of Concentrate	20%
Praseodymium	Pr	2.618%	99%	99.5%	146.09	3,824.44	764.89
Neodymium	Nd	11.596%	99%	99.5%	147.66	17,122.47	3,424.49
Terbium	Tb	0.083%	99%	99.99%	2,073.55	1,720.01	344.00
Dysprosium	Dy	0.140%	99%	99.5%	408.43	572.72	114.54
Gadolinium	Gd	0.889%	99%	99.5%	76.97	684.11	136.82
						Preliminary price per Metric Ton (USD)	4,784.75
						Preliminary total (USD)	458,899.52
						Provisional Purchase Invoice Amount (USD)	367,119.62
						80% of total	<u>367,119.62</u>



Pierre Gauthier, Chairman and CEO of Auxico commented: “We are very pleased to see the first trade of rare earth concentrates from the DRC being finalized. This is an important step towards positioning Auxico as a major player in the global rare earths market, as we have been strategically working on developing diversified sources of critical minerals. Now that the procedures for export have been established and CAN has been successful in selling the first lot, we expect the sale of rare earth concentrates from DRC to ramp-up to 1,000 tonnes per month”.

Auxico controls a total of 1,482 hectares in the province of Vichada, Colombia, where the Company made discoveries of high-grade concentrates with total rare earth oxide content exceeding 55%. In addition, Auxico is in the process of finalizing a joint venture agreement for a tin tailings project in the province of Rondonia, Brazil, estimated to contain 30,000,000 tonnes of tailings averaging 2.83% total rare earth oxide (TREO) content i.e. 840,000 tonnes of rare earth content in the tailings.

This news release was reviewed and approved by Joel Scodnick, P.Geo., an independent consultant to Auxico, in his capacity as a Qualified Person (QP), as defined by National Instrument 43-101.

***Disclaimer:** The estimated tonnages and TREO grades for the tin tailings project in Brazil that is presented in this press release is not NI 43-101 compliant.*

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, 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.sedar.com) under “Auxico Resources Canada Inc.”

ON BEHALF OF THE BOARD OF DIRECTORS

« 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.