Auxico Resources Canada Inc. Confirms 1.6 Km Strike Length on Company-Controlled Rare Earth Property

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MONTREAL, Aug. 25, 2021 - Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce new test results that confirm the presence of high-grade rare earth metals at a distance of 1.6 kilometres from the initial discovery point on the Company-controlled property in the department of Vichada in Colombia. For reference, please see the new results under Sample #1 in the table below with a total rare earth oxide content of 55.03%. Results from the initial discovery point were the subject of a previous news release published by the Company on May 28, 2021, and they are presented in the table below under Sample #18 with a total rare earth oxide content of 56.81%.

Rare Earth Element	Symbol	Sample #18	Sample #1	Sample #2
		Grade (%)	Grade (%)	Grade (%)
Cerium	CeO2	31.09	33.53	38.70
Neodymium	Nd2O3	9.49	7.64	7.73
Lanthanum	La2O3	9.40	6.87	7.36
Praseodymium	Pr6O11	2.44	2.02	4.53
Samarium	Sm2O3	1.81	1.78	2.27
Gadolinium	Gd2O3	0.75	0.97	1.38
Dysprosium	Dy2O3	0.72	0.68	0.71
Yttrium	Y2O3	0.50	0.14	0.05
Ytterbium	Yb2O3	0.40	1.05	0.35
Erbium	Er2O3	0.21	0.35	0.13
Total Rare Earth Oxide Content		56.81	55.03	63.21

Auxico signed a memorandum of understanding 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. Auxico's partner has an exclusive purchase agreement for industrial sands with the indigenous community Guacamayas-Maipore. The Company is pleased to report the discovery of high-grade rare earth metals at a distance of 9 kilometres from the Company-controlled property, within the 20,000-hectares permit area held by the indigenous community Guacamayas-Maipore. For reference, please see Sample #2 in the table above, with a total rare earth oxide content of 63.21%.

In the past week, the Company's Qualified Person ("QP"), Joel Scodnick, P.Geo., has taken 22 samples from 15 prospect pits, of which almost all of them contain red sands and gravels, as well as varying degrees of altered pegmatitic material. This area within the limits of the property measures 1.6 km long by 750 m wide and is open in all directions, thus measuring a minimum of 1.2 million square metres in area, Most of the pits bottomed out in water with the red sands and gravels still visible. Sample number 1 in this news release was selected from Area 50. The author re-sampled the two pits in Area 50 yesterday. The two channel samples taken were both in red sands and gravels and measured 1.35 metre thick and 3.6 metre thick, and both of these zones continue at depth.

Auxico owns a license to a processing technology based on ultrasound, which has achieved 80%+ recoveries of both selected rare earth elements and the thorium content during a 2-hour long leaching time, as presented in the chart below.

Element	Symbol	Grade (%)	Recovery (%)
Cerium	CeO2	31.09	82.92
Neodymium	Nd2O3	9.49	83.27
Lanthanum	La2O3	9.40	82.97
Praseodymium	Pr6O11	2.44	82.98
Samarium	Sm2O3	1.81	83.26
Gadolinium	Gd2O3	0.75	83.09
Dysprosium	Dy2O3	0.72	80.79
Yttrium	Y2O3	0.50	71.57
Ytterbium	Yb2O3	0.40	66.64
Erbium	Er2O3	0.21	73.16
Thorium	ThO2	8.60	85.27

These results were the subject of a previous news release published by the Company on July 30, 2021. By using the ultrasound-assisted process, the level of radioactivity of 994 nanoSieverts per hour (nSv/h) recorded before the 2-hour leach was reduced to a dose rate of 3 nSv/h.

Sample #1 and sample #2 were analyzed by the laboratory Alpha 1 in Bogota, Colombia. All samples are panned concentrates of gravels, where sand has been washed away with water. The results presented in this news release are the grades of these panned concentrates and not of the total samples.

Uses of Cerium and Neodymium

Cerium is the most abundant of the rare earth elements and is used as a pigment and in incandescent mantles for gas lighting. The most important use for neodymium is in an alloy of iron and boron to make very strong permanent magnets. These neodymium magnets are used specifically in hard disc drives, mobile phones and video and audio systems.

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."

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. The QP advises the reader to pay particular attention to the disclaimer shown below.

Disclaimer: The samples described above were not selected under the supervision of the Qualified Person, and therefore do not comply with National Instrument 43-101. These samples were shipped to a laboratory at Thetford Mines, Quebec, selected by Auxico. The QP is currently on site and is supervising a sampling program on most of the prospect pits that were recently established and where some results were disseminated in the Company's news releases. It is the opinion of the Qualified Person that the values presented above are not in compliance with NI 43-101. Because the chain of custody cannot be independently established from the above sample, the Company cautions the reader as to the reliability of the samples and the results thereof. The Company and the QP do not take any responsibility for the values presented in this press release and are being referred to for general information purposes only, and to demonstrate the potential that this property holds, which can only be established following due diligence by Auxico's QP.

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.

SOURCE Auxico Resources Canada Inc.

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