

AUXICO RESOURCES CANADA INC.

NEWS RELEASE

AUXICO OPTIONS NIOBIUM-TANTALUM-SCANDIUM-TIN PROPERTY IN BRAZIL

Montreal, Quebec, February 7, 2019 – Auxico Resources Canada Inc. (CSE: AUAG) is pleased to announce that it has signed a memorandum of understanding (“MOU”) with a Brazilian company, Company and Partners Consultoria EM Comércio Exterior (“Consultoria”), to earn a 70% interest in a joint venture on its Palha Property.

Consultoria recently sent two samples to Auxico, which were analyzed at the Centre of Mineral Technology in Thetford Mines, Quebec. The results of the samples are presented in the table below:

Sample	Niobium (Nb₂O₅) %	Tin (SnO₂) %	Tantalum (Ta₂O₅) %	Scandium (Sc₂O₃) g/t
M-8731 BRAZIL_1	50.70%	3.18%	3.10%	700 g
M-8731 BRAZIL_2	1.29%	90.20%	1.17%	-

Given the grades of niobium and tin, specifically, in the samples provided above, Auxico decided to sign an MOU with Consultoria. Under the terms of the MOU, Auxico has 120 days to conduct due diligence, after which the parties agree to enter into a joint venture (“JV”) on the Palha Property. Auxico will have a 70% share of the net profits of the JV for committing 100% of the capital required to begin industrial production of all metals (e.g. base, precious, industrial) on the Palha Property. Consultoria will retain 30% of the net profits of the JV. Auxico will also have an option to purchase 50% of the profit interest of Consultoria (or 15% of its 30%) at a price to be agreed upon.

Auxico intends to send its geologists to Brazil in the coming weeks to conduct technical due diligence on the Palha Property.

PALHA PROPERTY

The Palha Property covers an area of 10,000 acres in the state of Pará in northern Brazil. All of the previous work, including 27 boreholes and 25 exploration pits, appears to have been conducted over extensive river systems, and samples were extracted from what is believed to be along the river banks. One assay is reported to have returned a grade of 42% tantalum.

Applications of Niobium and Tantalum: Niobium is used in high-grade structural steel, while niobium superalloys are used for jet engines and heat resistant equipment. Tantalum is used to manufacture batteries for electric cars, as well as almost every kind of electronic device, including cell phones and computers. Both metals are on the list of minerals deemed critical for the US national security and economy. Tantalum, always together with the chemically similar niobium, occurs in the mineral groups

tantalite, columbite and coltan (a mix of columbite and tantalite, though not recognized as a separate mineral species).

Applications of Scandium: One of scandium's most important uses is for preparing aluminum-scandium alloys, which are used in the aerospace industry during the manufacturing of aircraft. When added in a trace amount (about 0.1% to 0.5%) to aluminum, it increases the strength of aluminum manifold, without increasing its weight. Its use in the aerospace industry though, is restricted to specialized aircraft (like the Russian military aircraft MiG-21, MiG-29, etc.), owing to the high cost of this element. Another key use of this alloy is in the manufacturing of various sports equipment, like baseball bats, lacrosse sticks, and bikes. All these items have a common requirement: a high performance material, which is light in weight, rust resistant, and which has a high melting point. Aluminum-scandium alloys satisfy all of these requirements.

***Disclaimer:** The samples described above were selected under the supervision of the property owner. These samples were shipped to a laboratory in Quebec selected by Auxico. It is the opinion of the Qualified Person that an independent grid sampling program be established with proper control and chain of custody, and therefore 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.*

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.

ON BEHALF OF THE BOARD OF DIRECTORS

« signed »

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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 and Mexico.

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."

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.