Auxico Announces Acquisition of 7 Million Shares by Joint Venture Partner Central America Nickel

written by Raj Shah | July 18, 2023

July 18, 2023 (Source) – **Auxico Resources Canada Inc.** (CSE: AUAG) (OTCQB: AUXIF) (the "Company" or "Auxico") is pleased to announce that Central America Nickel Inc. ("CAN") has made a meaningful acquisition of 7 million common shares and 3 million warrants in the capital of Auxico; the warrants have a strike price of CAD $0.15 for a period of 3 years. CAN is a Canadian-based mining and technology firm with common directors and management as Auxico, and has acquired these shares as a long-term investor due to the strategic importance and substantial quantity of rare earth and other critical minerals contained in both of Auxico's highly-prospective Colombian and Brazilian projects. Inclusive of this transaction, CAN now holds 7,550,000 shares and 4,275,000 warrants in Auxico.

Pierre Gauthier, President and CEO of Auxico, retains a meaningful stake with over 5 million shares of the Company, validating that management is very much aligned with shareholders. As part of this holding, Pierre Gauthier had previously acquired 2 million common shares of Auxico at a price of CAD $0.50 per share as of December 28, 2022, from CAN, which was disclosed and filed accordingly on SEDI (www.sedi.ca).

Early Warning

This press release is issued pursuant to National Instrument 62-104 – T*ake-Over Bids and Issuer Bids* and National Instrument

62-103 – T*he Early Warning System and Related Take-Over Bid and Insider Reporting Issues*. As a result of this meaningful acquisition, CAN will hold 8.17% of the issued and outstanding common shares of Auxico. If all the warrants of CAN are exercised, CAN will own 12.23% of the issued and outstanding common shares of Auxico, on a partially diluted basis. The Acquisition was made for investment purposes.

In accordance with applicable securities laws, CAN may, from time to time and at any time, acquire additional shares and/or other equity, debt or other securities or instruments (collectively, "**Securities**") of Auxico in the open market or otherwise, and reserves the right to dispose of any or all of their Securities in the open market or otherwise at any time and from time to time, and to engage in similar transactions with respect to the Securities, the whole depending on market conditions, the business and prospects of Auxico and other relevant factors.

A report respecting this acquisition will be electronically filed with the Securities Commission in each jurisdiction where Auxico is reporting and will be available for viewing on SEDAR at www.sedar.com.

Other Announcements

The Company has filed, in joint venture with Central America Nickel Inc., an application to the Government of Canada's Innovation, Science and Economic Development's Strategic Innovation Fund (SIF), a proposal for the funding of two critical mineral and rare earth element processing and refining facilities intended for construction in the region of Sorel, Quebec. SIF's objective, as part of the announced Canadian Critical Minerals Strategy backed by nearly $4 billion in Budget 2022, is to spur innovation for a

better Canada by providing funding for large projects and national innovation ecosystems, with an *aim to accelerate investments in critical mineral projects*. Canadian Innovation, Science and Industry Minister **François–Philippe** Champagne's office recently stated that the qualifying projects must focus on critical minerals processing, manufacturing and recycling, with a focus on mining projects that show exceptional innovation benefits and strong vertical integration to grow domestic value chains, and contribute to a more sustainable and competitive economy.

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 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. »	« 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.

Cautionary Note Regarding Forward-Looking Statements

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 or Massangana Project, its sampling program, indications and other mining projects and prospects thereof,

related to the Company's operations in Brazil, Colombia 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 at www.sedar.com. 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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