Auxico Announces Conversion of Debentures by Central America Nickel

written by Raj Shah | October 25, 2023

October 25, 2023 (Source) – **Auxico Resources Canada Inc.** (CSE: AUAG) (OTCQB: AUXIF) ("Auxico" or the "Company") is pleased to announce that one of its convertible debenture holders, Central America Nickel Inc. ("CAN"), has converted its debentures for a total consideration of $1,175,000, based on a previously announced acquisition of shares and debentures; for reference, please see the news release the Company issued on July 20, 2023. The debentures have been converted in accordance with their terms, into units, each comprised of one common share priced at $0.20 and one warrant, for a total issuance of 5,875,000 common shares and 5,875,000 warrants in the capital of Auxico; the warrants have a strike price of $0.25 for a period of 3 years from the date of issuance, until October 20, 2026. Following the conversions by the debenture holders by October 23, 2023 as the maturity date, Auxico now has 100,165,191 common shares outstanding.

Pierre Gauthier, Chief Executive Officer of Auxico commented, *"Central America Nickel's debenture conversion reflects a shared commitment to advance Auxico's operations, which serves the parallel purpose of meeting the increasing global demand for critical minerals across diversified projects and regions. Auxico's projects are a natural extension to CAN's current portfolio of mineral assets and its proprietary technologies for the processing and extraction of critical minerals, which follows on a track record of creating successful collaborations to unlock value for shareholders across both*

firms. The strategic alignment of visions and operations of Auxico and CAN are further solidified by the predominant shareholding position that CAN has taken, which synchronizes the projects execution and future of both companies."

CAN is a privately-held corporation based in Montreal, focused on the sourcing and processing of critical minerals and energy metals using patented and patent-pending technologies, in partnership with strategic partners. CAN has chosen to convert the debentures as a long-term investor, and in alignment with common interests of the two companies due to the strategic importance of rare earth and other critical minerals supply sources within Auxico's portfolio of mineral assets in Colombia, Bolivia, and Brazil.

As a result of the debenture conversion, CAN now holds a total of 17,050,000 common shares, or 17.02% of the issued and outstanding common shares of Auxico. In addition, with this conversion, CAN now holds 13,275,000 warrants, and pending complete exercise of warrants, on a partially diluted basis CAN would hold a total of 30,325,000 common shares in the capital of Auxico. Based on the current share capital outstanding as of today's date, 30,325,000 common shares in the capital of Auxico would represent approximately 26.73% of Auxico's shareholding on a partially diluted basis.

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.

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, 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.

SOURCE Auxico Resources Canada Inc.

