

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Auxico Resources Canada Inc. (the "Issuer").

Trading Symbol: AUAG

Number of Outstanding Listed Securities: 35,810,000 common shares

Date: March 7, 2018

#### **Report on Business**

- 1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.**

The Issuer continued sampling, trenching and other geological work on its 100% owned Zamora Property in Sinaloa, Mexico.

- 2. Provide a general overview and discussion of the activities of management.**

The Issuer's geologist and Qualified Person, Joel Scodnick, P.Geo., has been on the Zamora Property (the "Property") in Mexico, leading a trenching and sampling campaign, specifically on the Aguamas section of the Property.

On February 6, 2018, the Issuer announced results from innovative metallurgical testing conducted on its gold/silver properties located in the state of Sinaloa, Mexico.

Series of tests that have been conducted on gravity concentrates from the Campanillas and Aguamas properties have resulted in the recoveries of over 98% of gold and 87% of silver within the same leach. These tests have been conducted over the last year using a mix of acids composed of sulfuric acid and thioria. The extraction (less than one hour) is accelerated by the use of ultrasound technology and the process uses no external heat or pressure.

<b>SAMPLE</b>	<b>Feed material % Au</b>	<b>Recovery % Au</b>	<b>Feed material % Ag</b>	<b>Recovery % Ag</b>
Aguamas	0.01	98.00	0.08	88.76
Campanillas	0.05	98.00	0.05	87.47

These results are highly encouraging, as the process will significantly reduce both capital and operating expenditures, while having a much smaller environmental footprint.

3. **Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.**

Please see item 2 above for information on the Zamora Property.

4. **Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.**

No products or services were discontinued.

5. **Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**

No new business relationships were entered into.

6. **Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.**

There were none.

7. **Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.**

There were none.

8. **Describe the acquisition of new customers or loss of customers.**

The Issuer is in the business of silver and gold exploration in Mexico. It is not a mineral producing company at this time and does not have any customers per se. This item is not applicable.

9. **Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.**

There were none.

- 10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.**

There were none.

- 11. Report on any labour disputes and resolutions of those disputes if applicable.**

There were none.

- 12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.**

There were none.

- 13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.**

There were none.

- 14. Provide details of any securities issued and options or warrants granted.**

There were none.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

*(1) State aggregate proceeds and intended allocation of proceeds.*

**15. Provide details of any loans to or by Related Persons.**

There were none.

**16. Provide details of any changes in directors, officers or committee members.**

On February 2, 2018, the Issuer announced that Robin Conners had resigned as a director of Auxico, effective immediately, for personal reasons. At the same time, the Issuer announced that Salvador Brouwer had joined the board of directors of Auxico.

**17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.**

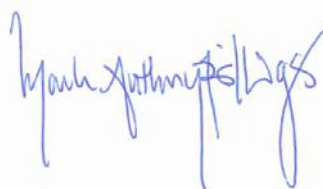
The Zamora Property of the Issuer is located in the state of Sinaloa, Mexico. The Issuer monitors trends and developments in this jurisdiction so as to determine what material effects, if any, such developments could have on the Issuer, its operations and its current and future profitability. At this time, the Issuer is unaware of any trends or changes, either actual or proposed, which could have a material impact on the Issuer.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated March 7, 2018.



Mark Billings  
President

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer			
Auxico Resources Canada Inc.		February 2018	18/03/07
Issuer Address			
230 Notre-Dame Street West			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
Montreal	( N/A )	(514) 296-1641	
Contact Name	Contact Position	Contact Telephone No.	
Mark Billings	President	(514) 296-1641	
Contact Email Address	Web Site Address		
<a href="mailto:mb@auxicoresources.com">mb@auxicoresources.com</a>	<a href="http://www.auxicoresources.com">www.auxicoresources.com</a>		