

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: AUAG

Number of Outstanding Listed Securities: 72,771,702

Date: November 5, 2022

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **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.

*In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world. Management is closely monitoring the situation and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.*

*Auxico is a mineral exploration company with silver-gold properties in the state of Sinaloa, Mexico; the Company owns 100% of the Zamora silver-gold property in Mexico ("Zamora Property"). The Company is also actively engaged in exploration mining opportunities in Colombia, Brazil, the Democratic Republic of the Congo ("DRC"), and Bolivia.*

*Auxico also controls a total of 1,482 hectares in the province of Vichada, Colombia, where the Company made discoveries of high-grade concentrates with total rare earth oxide content exceeding 55%.*

*In May 2022, the National Mining Agency of Colombia ("ANM" or Agencia Nacional de Minería) granted to Auxico the mining permit for the Minastyc Property in Vichada, Colombia, 100% controlled by Auxico; more specifically, the ANM has authorized the Company's work plan ("PTO" or Programa de trabajo y obras). In addition to the approval of the PTO, the Company is required to have the authorization from the Colombian environmental agency ("Corporinoquia"). Once the authorization from Corporinoquia is obtained, the Company will be able to move equipment on site, including heavy machinery for bulk sampling and a processing facility, which will enable Auxico to move towards making a production decision for small-scale mining operations.*

*An exploration program was recently completed on the Minastyc Property. A systematic initiative of digging approximately 250 pits using shovels was conducted on a selected a grid system, and samples have been shipped to an accredited lab. The purpose of this exercise is to test the first several metres depth of the mineralized gravels, specifically for transition metals (gold, platinum, palladium, tantalum, niobium, hafnium, zirconium and scandium), actinoids (thorium and uranium), alkali metals (lithium, rubidium and cesium), post-transition metals (tin and aluminum) and rare earth elements (lanthanum, cerium, praseodymium and neodymium). All the above-mentioned metals have been discovered and previously sampled at Minastyc. Once the results are returned from the lab, a resource will be established, and the current NI 43-101 technical report will be updated. A mining plan can then be adopted.*

*The goal of the Company is to produce and export rare-earth elements, transition metals, post-transition metals and actinoid concentrates from the Minastyc Property.*

*Furthermore, the Company intends to build a processing plant in Brazil in order to create a non-radioactive rare earths concentrate, by extracting thorium and uranium using the ultrasound extraction process and precipitating the thorium as a separate concentrate that could be sold independently.*

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

*On October 26, 2022, Auxico by means of a press release announced the signature of a joint-venture agreement for a high-grade tin trading operations in Colombia with a 70% profit share on all sales of tin ore executed with Gracor S.A.S. ("Gracor"). This agreement represents a significant amount of tin and potentially a new source of sustainable revenue for the Company, with the objective of exporting a minimum of 100 tonnes per month of high-grade tin at average grades exceeding 65% tin content, which could potentially commence as of the end of December 2022. The 3-month bid price of tin per tonne is  $\pm$  US\$18,400 on the London Metal Exchange, effective October 26<sup>th</sup>, 2022.*

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.

Colombia

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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.

*There were none.*

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.

*There were none.*

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.

*There were none.*

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.

<b>Common shares issued</b>	<b>Date of issuance</b>	<b>Detail of issuance</b>	<b>Use of proceeds</b>
<i>514,794 common shares</i>	<i>October 17, 2022</i>	<i>Conversion of convertible debentures</i>	<i>N/A</i>
<i>150,000 common shares</i>	<i>October 24, 2022</i>	<i>Option exercise</i>	<i>Working capital</i>
<i>516,712 common shares</i>	<i>October 31, 2022</i>	<i>Conversion of convertible debentures</i>	<i>N/A</i>
<b>1,181,506 common shares</b>			

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.

*There were none.*

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

*The Issuer has properties and activities in Mexico, Colombia, Brazil, the Democratic Republic of the Congo and Bolivia. The Issuer monitors trends and developments in these jurisdictions 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 November 5, 2022.

Frederick Kozak  
Name of Director or Senior  
Officer



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Signature

President & CEO  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer	For Month End	Date of Report YY/MM/DD
Auxico Resources Canada Inc.	October, 2022	November 5, 2022
Issuer Address		
201 Notre Dame West, Suite 500		
City/Province/Postal Code Montreal, Quebec H2Y 1T4	Issuer Fax No.	Issuer Telephone No. (403) 606-3165
Contact Name Frederick Kozak	Contact Position President	Contact Telephone No. (403) 606-3165
Contact Email Address: <a href="mailto:fk@auxicoresources.com">fk@auxicoresources.com</a>	Web Site Address <a href="http://www.auxicoresources.com">www.auxicoresources.com</a>	