



AURANIA

RESOURCES LTD.

AURANIA PROVIDES QUARTERLY UPDATE

Toronto, Ontario, June 1, 2020 – Aurania Resources Ltd. (TSXV: ARU) (OTCQB: AUIAF) (Frankfurt: 20Q) (“Aurania” or the “Company” - <https://www.commodity-tv.com/play/aurania-resources-update-on-corona-impact-food-support-of-local-shuar-people/>) is pleased to provide an update of activities, many of which are key points from the Company’s results for the three months ended March 31, 2020, contained in the Financial Statements and Management’s Discussion and Analysis dated May 26, 2020 that are available on SEDAR at www.sedar.com and the Company’s website <http://aurania.com/investors/financial-reports/>.

Highlights

COVID-19:

- All field work was suspended during the quarter as a precaution to mitigate the spread of the COVID-19 virus. All field teams were withdrawn from the operational area by March 21, 2020;
- Our first exploration teams are now back in Macas, the town in which Aurania’s field office is located, in quarantine in preparation to recommence exploration by June 10. The quarantine period and associated testing for COVID-19 infection is in accordance with the Company’s COVID-19 protocol that was implemented following approval of the biosafety protocol for the reopening of mining activities that was approved by Ecuador’s National Committee of Emergency;
- The Company translated factual information regarding the COVID-19 virus prepared by Ecuador’s Ministry of Health into the Shuar language of the local people, and helped disseminate that information to communities in its area of influence of the Lost Cities – Cutucu Project (“Project”); and
- The Company, in co-operation with the Step Forward Foundation, with assistance with logistics and transport from the Ministry of Social Inclusion and the Ecuadorian military, made two deliveries of dried food such as rice, lentils and beans to communities within the area of interest of the Project. The first delivery totaled 8 tonnes of food to 970 families in 44 communities and the second was 10 tonnes to 1,290 families in 49 communities. **Video:** <https://www.commodity-tv.com/play/aurania-resources-supporting-indigenous-shuar-with-food-lidar-results-show-possible-veins/>

Exploration:

- LiDAR data from seven priority target areas flown in Q1 is being integrated with geophysical data from the 2017 survey, as well as with stream sediment and soil sampling results to refine target areas;
- LiDAR data has shown a feature that appears to be an old, engineered road along a ridgeline in the central part of the Project area. The structure is completely jungle-covered, and there is a footpath along the structure that is used by the Shuar people. We believe that the engineered road is part of

an infrastructure network that linked the Spanish Colonial gold mining centres of Logrono and Sevilla. LiDAR interpretation is on-going;

- The first phase of scout drilling on the Yawi epithermal gold-silver target (3,010m drilled in 7 holes) was completed. All of the boreholes confirmed the presence of a maar-diatreme system and alteration and pathfinder element distribution provided a clear vector direction towards the core of the mineralized system. Detailed field work in the direction of the vector identified a diatreme breccia that contains fragments of mineralized porphyry and fragments of silica typical of an epithermal gold-silver system. Now that the geological framework of the target area has been established, the next step is to undertake a geophysical program aimed at identifying sulphides related to epithermal and porphyry systems. Two types of geophysics are being evaluated, to be implemented as soon as possible: ground-based CSAMT that detects resistive zones such as quartz related to epithermals, and heliborne ZTEM or Mobile MT. The heliborne geophysics options are designed to detect conductive and/or chargeable areas such as sulphide-bearing zones, as well as resistive areas – such as epithermal veins; and
- A tenth bore hole was drilled at Crunchy Hill just prior to the drill crews and exploration teams withdrawing due to the COVID-related lockdown. Hole CH-010 was drilled to a depth of 401m, bringing the total scout drilling at Crunch Hill to 3,605m. The bore hole intersected the maar-diatreme target and alteration and pathfinder element distribution between holes CH-009 and 010 showed a vector towards the north. The next step is to undertake a similar geophysics program to that planned for Yawi prior to any further drilling.

Environmental:

- Revegetation of the drill platforms at Yawi was completed and has been approved by the Ministry of the Environment; and
- The Company received ISO14001 accreditation for the environmental aspects of its exploration program. This is an unusual accreditation for an exploration company and is a sign of recognition, by an unrelated third party, for the care with which the Company is striving to minimize its environmental footprint and to engender improved environmental practices in the communities with which it works. ISO14001 provides a framework for ongoing improvement.

Concessions:

- The Company paid a total of US\$2,077,640 (CAD 2,785,907) to the Ecuador government for the 2020 renewal fees for Aurania's 42 mineral concessions that constitute the Project.

Financial, Corporate and Regulatory:

- The Company completed a non-brokered private placement for gross proceeds of \$6,470,131, with the issuance of 2,087,139 common shares;
- Dr. Barron agreed to extend the maturity date of a 2017 Promissory Note of \$620,699 from May 29, 2020 to May 29, 2021;
- Mr. Alfred Lenarciak, an Independent director since June 2018, was appointed as Lead Director;
- Ms. Carolyn Muir was appointed VP – Investor Relations; and
- The Company filed a National Instrument 43-101 report entitled “A Technical Review of the Lost Cities – Cutucu Exploration Project, Morona-Santiago Province, Ecuador”.

Qualified Person

The technical information contained in this news release has been verified and approved by Jean-Paul Pallier, MSc. Mr. Pallier is a designated EurGeol by the European Federation of Geologists and is a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

About Aurania

Aurania is a mineral exploration company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals and copper in South America. Its flagship asset, The Lost Cities – Cutucu Project, is located in the Jurassic Metallogenic Belt in the eastern foothills of the Andes mountain range of southeastern Ecuador.

Information on Aurania and technical reports are available at www.aurania.com and www.sedar.com, as well as on Facebook at <https://www.facebook.com/auranialtd/>, Twitter at <https://twitter.com/auranialtd>, and LinkedIn at <https://www.linkedin.com/company/aurania-resources-ltd->.

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