



AURANIA RESETS CORPORATE STRATEGY AND ANNOUNCES \$1.5M PRIVATE PLACEMENT WITH INSIDER PARTICIPATION

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Toronto, Ontario, February 28, 2022 – Aurania Resources Ltd. (TSXV: ARU) (OTCQB: AUIAF) (Frankfurt: 20Q) (“Aurania” or the “Company” - <https://www.commodity-tv.com/ondemand/companies/profil/aurania-resources-ltd/>) announces that, following an internal review of its projects, target types and potential funding strategies, the Board has approved a corporate strategy that focuses its financial and human resources on the exploration of Aurania’s core mineral concessions in Ecuador, specifically, epithermal gold and porphyry copper at the Company’s Lost Cities – Cutucú Project in Ecuador, while exploring joint ventures and partnerships in respect of advancing certain of the Company’s non-core mineral concessions, as discussed further below. The Company’s revised strategy represents a shift from the one previously disclosed, which included a planned reduction in the number of the Company’s mineral concessions in Ecuador. The Company will instead, subject to completion of its proposed private placement financing, maintain all of the concessions it currently holds in Ecuador.

As part of this strategy, the Company is seeking to raise up to C\$1.5 million pursuant to a non-brokered private placement of up to 2,142,857 units of the Company (each, a “Unit”) at a price of C\$0.70 per Unit (the “Offering”), subject to receipt of all applicable regulatory approvals. Chairman, President and Chief Executive Officer, Dr. Keith Barron has committed C\$400,000 to this Offering.

Initial stage exploration completed to date at Aurania’s Lost Cities – Cutucu Project in southeastern Ecuador has identified a large number of targets, which are categorized according to target type into three distinct target areas:

- epithermal gold target area;
- porphyry copper target area; and
- sediment-hosted copper-silver/silver-zinc target area

Each target area is defined by separately identifiable mineral concessions. The next stage of exploration of each of these areas will require increasingly more field exploration and, in particular, increased drilling. The Company does not currently have the resources to do all of this work simultaneously but has decided that exploration on its core concessions combined with exploration through joint ventures on the non-core mineral concessions is preferable to relinquishing or disposing of them, in order to maximize the potential value of the full land package in Ecuador and to advance the target types on multiple fronts.

Dr. Keith Barron commented, “In typical large-scale reconnaissance exploration such that Aurania has done over the last four years, it would be routine for the Company to have identified a number of prospects or areas of high interest in only a small fraction of the property that would be conserved, and then the balance

of the land would be released back to the state. Back in 1988, I was engaged by a senior explorer in Queensland, Australia to help in reconnaissance over a very large tenement. Our boss was quoted in the press at the time that we were engaged in “Negative Prospecting”, and that at the early stage it was important for us to disprove and discard concessions without potential rather than intensively focussing all resources on discoveries.

In the case of the Cordillera de Cutucú in Ecuador, Aurania’s exploration results have been extraordinary, to such an extent that the Company does not have the confidence at this time to discard any concessions of the 42 held. All contain minerals of some description, and we don’t want to leave value on the table for the next player. It is also important to consider the land package for the potential of any mining project developments in the future. At this time, we believe that our copper porphyry and epithermal gold targets offer the best risk:reward ratio for our shareholders. The epithermal gold targets contain sinters as does Fruta del Norte, and we believe they offer excellent exploration potential. Following review of target data compiled to date, the Company plans on conducting further exploration to refine these targets.”

The proposed Offering is expected to be a non-brokered private placement of up to 2,142,857 Units at a price of C\$0.70 per Unit for gross proceeds of up to C\$1.5 million, subject to receipt of all applicable regulatory approvals. Each Unit will consist of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder thereof to purchase one Common Share at an exercise price of C\$1.25 for a period of 24 months after closing of the Offering.

Closing

Closing of the Offering is anticipated to be completed on or about March 15, 2022, or such other date or dates that the Company may determine, subject to the receipt of all necessary regulatory approvals including (but not limited to) the receipt of approval from the TSX Venture Exchange (the “**TSXV**”) of the listing of the Common Shares (including the Common Shares issuable upon the exercise of the Warrants).

Use of Proceeds

The Company intends to use the net proceeds from the Offering to do the following:

- maintain its annual mineral concessions in Ecuador as described above, including concessions not covered by the use of proceeds for the October 2021 financing;
- conduct further exploration and target refinement at the Awacha porphyry target and the Kuri-Yawi and Kuripan epithermal gold targets, all of which have moved up the target rank, and;
- for general working capital purposes.

Notwithstanding the foregoing, there may be occasions where, for sound business reasons, management of the Company may vary the use of proceeds from those uses previously described, depending on future operations or unforeseen events or opportunities.

Hold Period

The securities issued pursuant to the Offering shall be subject to a four-month plus one day hold period commencing on the day of the closing of the Offering under applicable Canadian securities laws. The Offering is subject to the approval of the TSXV.

Finders

Subject to the approval of the TSXV, the Company may pay finders’ fees to certain eligible finders of up to 6% in cash of the gross proceeds raised in the Offering from subscribers introduced to the Company by such finders.

Insider Participation

Dr. Keith Barron, Chairman, President and Chief Executive Officer of the Company, has committed C\$400,000 under the Offering for 571,428 Units. The participation of the aforementioned insider of the Company in the Offering constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on the exemptions from the “minority approval” and “formal valuation” requirements of MI 61-101, in respect of such insider participation because the “fair market value” of the Offering, insofar as it involves the participating insider, does not exceed 25% of the Company’s “market capitalization” (as each such term is defined in MI 61-101).

The securities described in this news release have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) and may not be offered or sold in the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements.

This news release does not constitute an offer to sell or the solicitation of an offer to buy securities, nor will there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

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. 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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Cautionary Statement on Forward-Looking Information

This news release may contain forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Aurania. Forward-looking statements include estimates and statements that describe Aurania’s future plans, objectives or goals, including words

to the effect that Aurania or its management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Aurania, Aurania provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, statements regarding the anticipated Offering, including the maximum size thereof, the expected timing to complete the Offering, the anticipated use of the net proceeds from the Offering, the receipt of all necessary approvals, including the approval of the TSXV of the listing of the Common Shares (and the timing thereof), Aurania’s objectives, goals or future plans, statements, exploration results, potential mineralization, the corporation’s portfolio, treasury, management team and enhanced capital markets profile, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, the potential impact of COVID-19, risks relating to equity market and stock price volatility, the risk that proceeds from the Offering may be used for purposes other than as currently contemplated, risks that the Company may not realize the benefits from the uses contemplated for proceeds raised in the Offering, delays in obtaining or failures to obtain required governmental, regulatory, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and the other risks involved in the mineral exploration and development industry, including those risks set out in Aurania’s public documents filed on SEDAR. Although Aurania believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Aurania disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.