



## **NEWS RELEASE**

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### **AURCANA ANNOUNCES C\$15.223 IN NON-BROKERED PRIVATE PLACEMENTS WITH A COMBINATION C\$9.723 MILLION IN UNITS AND C\$5.5 MILLION IN SECURED CONVERTIBLE DEBENTURES**

VANCOUVER, BC – **October 20, 2021** – AURCANA SILVER CORPORATION ("**Aurcana**" or the "**Company**") (TSXV: AUN) is pleased to announce that it has signed subscriptions for a non-brokered private placement offering (the "**Unit Private Placement**") consisting of 13,891,072 Units (C\$9,723,750.40 at a price of C\$0.70 per Unit (the "**Units**").

Each Unit will consist of one common share of the Company and one full common share purchase warrant ("**Warrant**"), with each Warrant entitling the holder thereof to purchase one common share at a price of C\$0.90 for a period of 36 months following the closing of the Private Placement, subject to adjustment upon certain customary events.

The Company is also pleased to announce that its wholly-owned subsidiary, Rio Grande Mining Co. ("**Rio Grande**") has signed a subscription for a non-brokered private placement offering (the "**Debenture Private Placement**") of a secured convertible debenture (the "**Debenture**") in the sum of \$5.5 Million.

The Debenture will have a maturity date of four years from closing and shall bear interest at a rate of 5.75% per annum, payable semi-annually. The principal sum of the Debenture, or any portion thereof, may be converted by the holder into shares of the Company at a conversion price of C\$0.74. Each C\$1,000 face value of Debenture shall come with 1,351.35 share purchase warrants ("**Debenture Warrants**"), with each full Debenture Warrant entitling the holder to acquire one additional common share in the capital of the Company at a price of C\$0.95 per share for a period of four years from closing.

Subject to specific carve outs, the Debenture shall have first ranking security over the assets of Rio Grande including a pledge over the shares of Shafter Properties Inc., a wholly-owned subsidiary of the Company ("**Shafter**").

The Company will be closing each of the Unit Private Placement and Debenture Private Placement subject to the approval of the TSX Venture Exchange.

The net proceeds of both Private Placements will provide additional contingency funding for the restart of the Company's wholly-owned Revenue Virginius (RV) Mine as well as funding for growth of the resource base at the RV Mine which may enable the Company to grow future production volumes. Net proceeds will also be used for working capital and general and administrative expenses including potential opportunities to advance its wholly owned Shafter Project in light of the current silver price.



Finder's fees to third parties may be paid in certain circumstances as part of the Unit Private Placement and the Debenture Private Placement, as permitted by the policies of the TSX Venture Exchange and in accordance with applicable securities laws. The Debentures, Units, Conversion Shares, Warrants, Warrant Shares and any securities issued in connection with any finder's fees, will be subject to a hold period of four months and one day after the date of issuance thereof.

The Units and Debentures will be issued on a private placement basis pursuant to applicable exemptions from prospectus requirements under applicable securities laws. The common shares and Warrants (and any common shares issued pursuant to the Warrants, as applicable) forming the Units and the common shares and Debenture Warrants issued upon conversion of the Debentures and any securities issued in connection therewith will be subject to a statutory hold period of four months and one day from the date of issuance of the Units and Debentures.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws and may not be offered or sold in the United States unless registered under the 1933 Act and any applicable securities laws of any state of the United States or an applicable exemption from the registration requirements is available.

## **ABOUT AURCANA SILVER CORPORATION**

Aurcana Silver Corporation owns the Revenue-Virginus Mine, in Colorado, and the Shafter-Presidio Silver Project in Texas, US. The primary resource at Shafter and Revenue-Viriginus is silver. Both are fully permitted for production.

ON BEHALF OF THE BOARD OF DIRECTORS OF AURCANA SILVER CORPORATION

*"Kevin Drover"*  
President & CEO

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## CAUTIONARY NOTES

*This press release contains forward looking statements within the meaning of applicable securities laws. The use of any of the words “anticipate”, “plan”, “continue”, “expect”, “estimate”, “objective”, “may”, “will”, “project”, “should”, “predict”, “potential” and similar expressions are intended to identify forward looking statements. In particular, this press release contains forward looking statements concerning, without limitation, statements relating to the Private Placement (including with respect to the timing of closing of the Private Placement). Although the Company believes that the expectations and assumptions on which the forward looking statements are based are reasonable, undue reliance should not be placed on the forward looking statements because the Company cannot give any assurance that they will prove correct. Since forward looking statements address future events and conditions, they involve inherent assumptions, risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of assumptions, factors and risks. These assumptions and risks include, but are not limited to, assumptions and risks associated with the receipt of regulatory or shareholder approvals, and risks related to the state of financial markets or future metals prices.*

*Management has provided the above summary of risks and assumptions related to forward looking statements in this press release in order to provide readers with a more comprehensive perspective on the Company’s future operations. The Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. These forward looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, the Company disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.*

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***