



NEWS RELEASE

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

AURCANA ANNOUNCES PENDING CLOSING OF PREVIOUSLY ANNOUNCED NON-BROKERED PRIVATE PLACEMENT WITH LEAD ORDER FROM PALISADES GOLDCORP

OVERSUBSCRIBED PLACEMENT OF UP TO C\$34.5 MILLION

VANCOUVER, BC – **January 27, 2021** – AURCANA SILVER CORPORATION ("**Aurcana**" or the "**Company**") (TSXV: AUN) is pleased to announce the closing of the non-brokered private placement offering (the "**Private Placement**") announced on January 6, 2021, subject to receipt of approval from the TSX Venture Exchange. The Private Placement was significantly oversubscribed and Aurcana elected to increase the size of the Private Placement to up to 34,500,000 Units (C\$34,500,000) at a price of C\$1.00 per Unit (the "**Units**"). Palisades Goldcorp Ltd. participated with a lead order of C\$5.0 million, marking Palisades Goldcorp's 4th participation as an Aurcana lead order since February 2020. Closing is expected to take place on January 27th or shortly thereafter.

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\$1.25 for a period of 36 months from the date of issuance.

The net proceeds of the Private Placement will provide contingency funding for the restart of the Company's wholly owned Revenue Virginius (RV) Mine and will also support the examination of value creation opportunities on multiple fronts. Areas of focus will include the growth of the resource base at the RV Mine which may enable the Company to scale up future production volumes, as well as opportunities for strategic consolidation in the RV Mine district. Net proceeds will also be used for working capital and general and administrative expenses, including but not limited to potential opportunities to accelerate its wholly owned Shafter Project.

Finder's fees of 6% cash and 6% in finder's warrants will be issued as part of the Private Placement.

The Units 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) will be subject to a statutory hold period of four months and one day from the date of issuance of the Units.

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 CORPORATION

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

About Palisades Goldcorp

Palisades Goldcorp is Canada's resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management believes the sector is on the cusp of a major bull market move. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

ON BEHALF OF THE BOARD OF DIRECTORS OF AURCANA CORPORATION

“Kevin Drover”
President & CEO

For further information, visit the website at www.aurcana.com or contact:

Aurcana Corporation
850 – 789 West Pender Street
Vancouver, BC V6C 1H2
Phone: (604) 331-9333

Gary Lindsey, Corporate Communications
Phone: (720)-273-6224
Email: gary@strata-star.com

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.