



AURCANA SILVER PROVIDES CORPORATE UPDATE

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VANCOUVER, BC – **June 30, 2022** – AURCANA SILVER CORPORATION ("Aurcana" or the "Company") (TSXV: AUN) provides the following update:

As first announced in the press release dated March 21, 2022, and further to the Company's press releases dated April 11, 2022 and May 19, 2022, May 31, 2022, June 3, 2022, June 20, 2022 and June 24, 2022 certain indirect, wholly owned subsidiaries of Mercuria Energy Group ("Mercuria") entered into certain standstill and restructuring agreements with Aurcana with effect as of March 8, 2022, which agreements included the grant to Aurcana of a waiver of all current events of default and a standstill agreement (a "**Waiver and Standstill**") under the Company's five-year, \$28 million term loan (and an associated hedging package) until July 1, 2022 in order to allow Aurcana time to achieve certain conditions precedent. Mercuria has given the Company notice that it will not provide any further extensions under the Waiver and Standstill and that it will be filing a Motion For Appointment of a Receiver in the District Court for Ouray County, Colorado, in which Mercuria will be asking the Court to appoint a receiver for the Revenue-Virginus Mine (the "**RV Mine**") owned and maintained by Ouray Silver Mine Inc., a subsidiary of the Company (the "**Receivership Motion**"). The RV Mine is subject to a mortgage and security agreement in favor of Mercuria to secure amounts due Mercuria with respect to the term loan noted above. It is expected that the Receivership Motion will be filed on or before July 1, 2022 and that the receiver will be appointed by the Court at some point soon thereafter. As of the date of this press release no receiver has been appointed for the RV Mine. As previously noted, the Company and Mercuria engaged in an extensive process to restructure the debt, including by way of financial and strategic alternative transactions, but was unable to do so.

ON BEHALF OF THE BOARD OF DIRECTORS OF AURCANA SILVER CORPORATION

"Kevin Drover"
President & CEO

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FORWARD LOOKING STATEMENTS AND 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 enforcement action undertaken by Mercuria (and including statements with respect to the timing of all such matters). 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.

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