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Joining us a day is Mark Billings the chairman of Auxico Resources Canada that trades in our OTCQB venture market under the ticker AUXLF. Based in Montreal Auxico Resources is a Canadian company founded in 2014 that is engaged in the development of minimal properties in Columbia, Brazil, Mexico, and the Democratic Republic of the Congo. Mark, thanks so much for joining us today.

Mark Billings
Thank you very much for having me, Cecilia. It's a pleasure to be here.

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Absolutely. So, start to tell us about yourself and your background in the international mining industry.

Mark Billings
My background is mostly financial. I have a MBA and a CFA. And how I got into the mining business is I worked with a very large financial institution here in Montreal at deered in securities. And I had the fortune of joining them at the time when gold was first going from a couple hundred dollars per ounce up to well past a thousand. So, my group for which I was responsible, we weren't focused on any specific industry but just given the mineral boom and the fact that Canada has an abundance of mineral opportunities, I financed a number of companies and I left investment banking a few years after that and founded a company in the resource space that was eventually acquired and I joined Auxico as a founder and so I've been associated in one way or another with the resource industry for the last fifteen to twenty years.

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Talk about your projects and the various locations of your assets and each of their unique jurisdictional advantages.

Mark Billings
In the introduction, as you mentioned, we have some interesting assets in Columbia and Brazil so if we take a step back and go pre-pandemic, our company was looking to acquire assets in the ionium space and both tantalum and ionium were used in basically every electronic device. So, if you have a computer, an iPhone, a TV, anything like that, you need these minerals. So, we were looking for um these commodities in Brazil and in Colombia and there's an abundance of those specific minerals there. We had samples sent back to us from Columbia. And these were concentrates: they were concentrates but still again, we sent them to our lab here just south of Montreal and they came back and told us that there was a plethora of

other such elements, rare earth elements. There was tin, there was gold, there was iron and, yeah, to be honest I had forgotten a lot about rare earth elements since high school chemistry class, so, I needed to reeducate myself on this, but we quickly came to the conclusion that we had a very significant deposit of rare earth elements in Colombia and so a property that we have control of is in the eastern part of the country in the department of Bishada, bordering the Venezuelan border. So, we've done a number of sample campaigns. We've done some metallurgical work and, in the concentrates, we're getting very significant traces of rare earth elements. Just to digress for a second, what are rare earth elements and what are they used for? So, these are the things at the bottom of the periodic table with long and sometimes unpronounceable names that are used in very key industries. If you look at neodymium, praseodymium, terbium, dysprosium, they're used in a wider range of industries: electronics, satellites, defense telecommunications, 5g networks, and the one thing that interests us a lot is that they're used in electric vehicles. So, you need neodymium, praseodymium, terbium, and dysprosium for the magnets that go into the electric vehicle motors that powers the electric vehicle. So, if you don't have these basic building blocks, you can't really build a large number of electric vehicles. So, we have in Columbia significant quantities of these and the concentrates we're getting up to about sixty, six zero, percent total rare worth content and we just recently announced that we had our second permit, our environmental permit, from from Columbia. So now we're in the position to start producing and exporting small amounts: up to two hundred Metric tons a month of these or other commodities. There are rare earth elements also in Brazil. We have an arrangement with a local corporation, Somal, and they all have control over a large old tin tailings project. Ah, so in this part of they're in the northwestern part of Brazil and Rondônia, and this is a historic tin producing area. So, a lot of the tin tailings with the waist were put and amassed on this property that Somal controls over the last sixty to seventy years. And interestingly wherever you have tin you often have rare earth elements. So, we've done a lot of testing there's ah, a full basically a feasibility study that was done by Dira the German mining ministry and the Brazilian geological survey that quantifies the amount of tailings and looks at the amount of tin and rare earth elements in in those tailings. Um, so at Massingham you have about 1% 10 ah 30000000 tons of tailings and about 3% total rare earth content. So that's up to about nine hundred thousand metric tons of total rare earths, and again we're getting the same ones the neodymium the prostomium, terbium, and dysprosium so both jurisdictions are very interesting. And what's driving our desire to produce these elements is that there's definitely going to be a shortage of these commodities over the next several years. If anyone looks at the number of electric vehicles that Tesla, Volkswagen, General Motors Ford want to produce, it's your proverbial hockey stick. But that hockey stick can only go if you have access to these rare earth elements and other elements such as nickel. Um, now this industry, the rare earth industry, is essentially dominated almost 100% in some cases by China and back in the seventies, eighties, the western economies decided to let China produce these rare

earth elements and they did. They have done so and they've basically dominated that market and in any business my business or your business It's never a good idea to have one single source, but that's the case right now and everyone in the western world is reliant upon China and you know if China decides one day to increase the price by 10% or ten times, or decides to supply constrain as they did to Japan and around 2010/2011 you could have serious disruptions in this market. So, there's ah, a couple of companies mountain pass, MP, that have a project in in California. But even they have to send their ore concentrates to China to be processed. So over the last couple of years, we've amassed some interesting real estate and agreements with Somala the Brazilian cooperative and we've also developed a technology using ultrasound. So, if you have a kidney stone which I hope you don't but if ever you have a kidney stone you go to the doctor and they will pulverize the stone with ultrasound frequencies to break it up into smaller particles and using the same logic, we take ore concentrates with rare earth elements in it and we break it up into its constituent parts so we can free up the rare earth elements. This is a very efficient, ecologically environmentally sound process that we've tested over the last five years, so we have we've locked up this property in Colombia and we have this arrangement with the cooperative in Brazil. And we also have a processing technology that will enable us to produce these concentrates of rare earth elements in a more environmentally friendly way. We announced recently that in the concentrates in in Columbia on the monastic project that we control that again we were getting significant concentrations of neodymium, praseodymium, terbium, and dysprosium, and if you don't have the terbium dysprosium, they're heavy rare earth elements, essentially what will happen is that your electric vehicle will heat up and you'll probably only use it once you'll drive from your house to the grocery store and that's it. So, you'd need these elements to keep the magnets and the motors cool and there's going to be a significant increase in demand for these elements and right now there's simply ah, not enough supply to go around so we hope to be, Auxico, we hope to be a significant player in this strategic and critical minerals market and, you know, we're as a company we hope to make a contribution to the electrification of vehicles and that obviously has an environmental impact in reducing Fossil Fuel emissions and this is sort of our contribution to making the world a better place and at the same time we hope to provide an interesting return for our shareholders. Being in Colombia and Brazil these are two jurisdictions that the United States and the western economies have targeted as areas that are very friendly to the western world and that, for example, the us has deemed them domestic jurisdictions and has prioritized them given the mineral wealth. And so being in those two jurisdictions is definitely a plus to us and some point what we hope to do is to have ah you know a rare earth refining facility here in Canada whereby we take the concentrates here and produce pure rare earth elements that go into. Electric vehicles and other industries. So, it's an exciting time. I think we're in a very dynamic space that requires additional companies' involvements, such as ours, in order to reduce the

sole dependence on China and to help feed critical minerals, the raw inputs that go into the electrification of vehicles, and other strategic industries.

OTC Markets
Well, that's this very exciting Mark. Thanks so much for the update and your time today.

Mark Billings
Well thank you very much. You know we're in a very interesting time and I think the electric vehicle industry is going to have a profound impact on all of our lives and it'll definitely help the environment and given our desire to supply the electric vehicle industry with the critical minerals, and using our own technology which yourself is green. I think it is good and we hope to move forward as quickly as we can on that. And I thank you and the OTCQB venture market for your support. And the main reason why we were interested in working with you is that we want to have a bit more liquidity in the United States and having access to sort of the world's largest economy and the stock market is there can only help us and so we continue to get our message out and I thank you and your colleagues for your support.

OTC Markets
Absolutely, thanks so much for sharing your story and we look forward to future updates. Auxico Resources Canada trades under the symbol AUXIF on our OTCQB venture market.