



NEWS RELEASE

AURCANA SILVER PROJECT UPDATE, FILING OF 1ST QUARTER FINANCIALS AND AWARD OF OPTIONS

VANCOUVER, BC – **May 27, 2021** – AURCANA SILVER CORPORATION ("**Aurcana**" or the "**Company**") (TSXV: AUN, OTCQX: AUNFF) is pleased to announce another strong month of pre-production activities at the Company's wholly owned Revenue-Virginus Mine in Ouray, Colorado. The Company remains on track with the guidance provided in its May 4, 2021 press release for production to ramp up during July 2021 and its target of reaching full production levels in September 2021. During the month of May, key underground activities included continued steady advance rates in the vertical development of the Alimak raises. The #1 Alimak Raise development is nearly complete and ready for installation of the timber and hoist. The #3 Alimak Raise has reached the 1800 level. Crosscut development to intersect the main Virginus vein on the 1800 level is on schedule and process plant upgrades remain on track. Operations are fully staffed.

The Company also announces its filing on SEDAR of its Unaudited Financial Statement and Management Discussion and Analysis for the 1st quarter 2021.

Lastly, the Company's Board of Directors has approved the issuance of incentive stock options to purchase an aggregate of 6,120,000 common shares to management, employees, directors, and consultants to the Company. The options have a term of five years, with an exercise price per share of C\$1.10, which represents approximately a 25% premium over the 30 day VWAP of Aurcana's common shares on the TSX Venture Exchange. The options will vest over a period of three years. In line with the Company's objective to incentivize its operating team and to create a culture where workers adopt an owner mindset, the options were awarded to all levels of employees at the Company's wholly owned Ouray Silver Mines, Inc. (100% holder of the Revenue-Virginus Mine).

Qualified Person Statement

The scientific and technical content of this news release was reviewed and approved by Michael Gross, P. Geo, a "qualified person" within the meaning of NI 43-101

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.



ON BEHALF OF THE BOARD OF DIRECTORS OF AURCANA 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.

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