



AURCANA SILVER PROVIDES CORPORATE UPDATE

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VANCOUVER, BC – **May, 31, 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, 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 May 31, 2022 in order to allow Aurcana time to achieve certain conditions precedent. Today, Mercuria and Aurcana have agreed to an extension of the Waiver and Standstill from May 31, 2022 until June 3, 2022.

Aurcana continues to evaluate all available alternatives with respect to refinancing the Company and satisfying the conditions precedents contained in the foregoing restructuring agreements with Mercuria and is continuing to actively pursue multiple financial and strategic alternatives that are in the best interests of the Company and its stakeholders. However, the Company has not made any decisions related to any of the foregoing matters at this time, and there can be no assurance that this evaluation of strategic alternatives will result in any transaction (with Mercuria or otherwise).

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-Virginus is silver. Both are fully permitted for production.

ON BEHALF OF THE BOARD OF DIRECTORS OF AURCANA SILVER CORPORATION

"Kevin Drover"
President & CEO

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

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

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 operational adjustments at the RV Mine, the proposed restructuring arrangements with Mercuria contained in the restructuring agreements (including, without limitation, the Waiver and Standstill, and in respect of the satisfaction of the conditions precedent to effectiveness of all such restructuring arrangements), future financing arrangements, as well as the impact of the aforementioned operational adjustments and the restructuring agreements with Mercuria on the production and operations of the Company at the RV Mine and the impact on the financial condition of the Company as a whole (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.

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.