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Aurania Resources Ltd. - TSXV:ARU

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New Epithermal System at Lost Cities – Cutucu Project

Impact: Positive

Recent exploration at the company's Lost Cities – Cutucu Project has revealed an entirely new epithermal system, now called the "Charip" target, which is completely separate from its cluster of targets at Latorre and its Awacha porphyry target.

- **New target bears early signs of an epithermal system**
- **Continued exploration at Crunchy Hill remains positive, refined targets for scout drilling**
- **Aurania continues to add exploration upside and discovery potential**

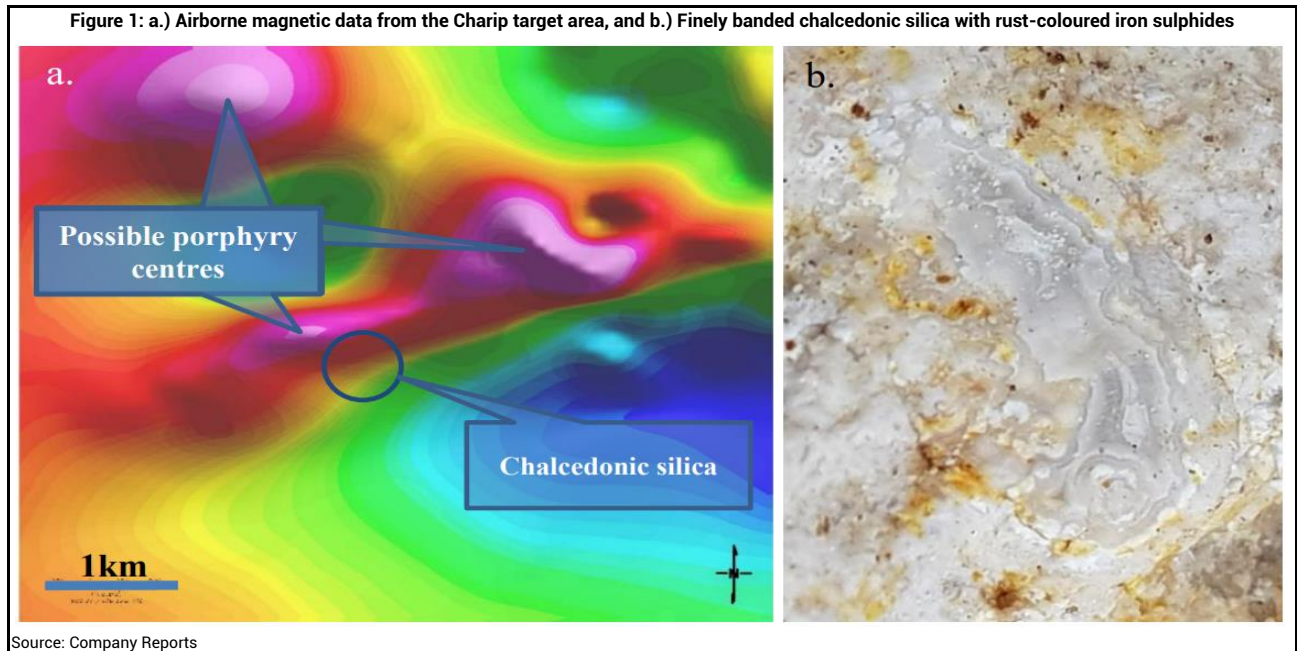
As the company refines targets and approaches the commencement of scout drilling, we see increased potential for a discovery at one of the targets within its strategic land position in Ecuador. We believe ongoing newsflow will be positive near-term catalysts for Aurania, as the company explores its epithermal and porphyry targets. Aurania will be [hosting a call](#) on Monday, April 30, 2018 at 2:00pm Eastern Time to discuss the company's exploration program and results to date.

Aurania Resources Ltd. (TSXV:ARU) has found silica blocks indicative of a new epithermal system at its Lost Cities – Cutucu Project in southeastern Ecuador in addition to providing an update on the refining of drill targets at Crunchy Hill.

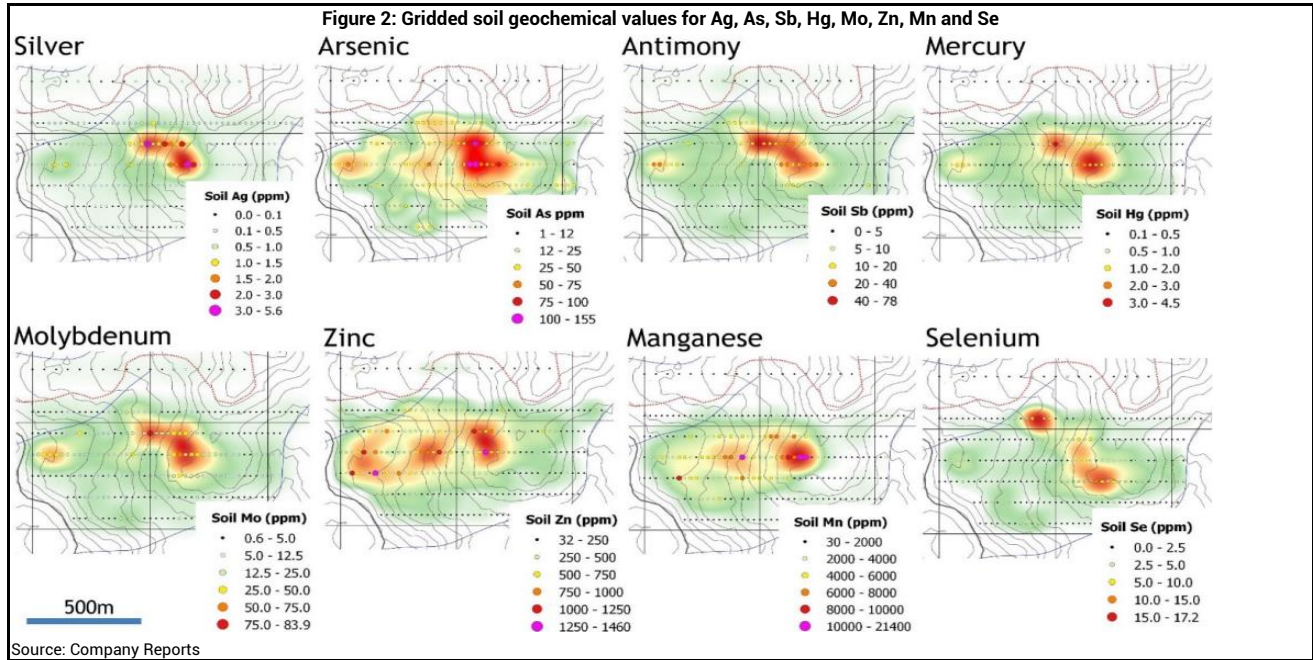
New target bears early signs of an epithermal system. Aurania's reconnaissance exploration crews have found chalcedonic silica blocks in an entirely new part of the Project, which may coincide with three potential porphyry centers that were identified through heliborne geophysical surveying. Chalcedonic silica blocks are commonly associated with the upper parts of epithermal systems, which themselves are also commonly located laterally or above porphyry centres (Figure 1). Therefore, through airborne geophysics and on-the-ground prospecting, the Charip target already bears all the early signs of a potential epithermal system. The Fruta Del Norte Deposit in Ecuador (14Moz Au), currently being developed by Lundin Gold, is a good example of a high-grade epithermal gold deposit located in between two porphyry bodies. Results from stream sediment sampling in the Charip target area are currently pending, which may further yield pathfinder elements pointing to potential subsurface epithermal mineralization.

Priced as of prior trading day's market close, EDT (unless otherwise noted).
All values in USD unless otherwise noted.

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Continued exploration at Crunchy Hill remains positive, refined targets for scout drilling. Following the identification of the [vuggy silica in outcrop](#) at Crunchy Hill, soil sampling results have identified metal enrichment enabling the refining of the target to 400m x 100-200m, an important step in establishing drill targets for scout drilling later this year. An intermediate epithermal sulphidation system, expected to be present at Crunchy Hill, is often associated with abundant sulphides which can be detected through induced polarization geophysical (IP) surveying. In order to further refine and optimize initial drill hole locations, management is considering focused IP surveying to refine the 3-D shape of the target. Later this year, initial drilling at Crunchy Hill is expected to consist of five 300m boreholes with locations to be specified using a combination of soil geochemistry, IP results and distribution of chalcedonic silica in the area.



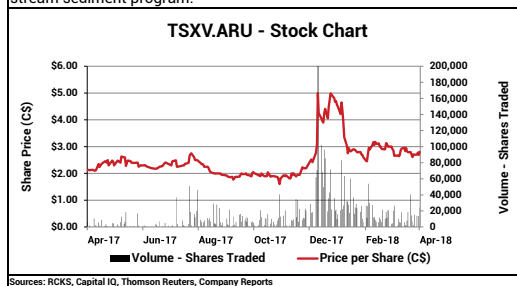
Aurania continues to add exploration upside and discovery potential. The addition of a new prospective target to the company’s extensive land package further highlights the prospectivity of the Lost Cities – Cutucu Project. Although the market is pricing in the company’s strategic land position in Ecuador, it does not take into account the company’s increasing potential for a porphyry or epithermal discovery. We believe ongoing newsflow will be positive catalysts for Aurania, as the company explores its epithermal and porphyry targets.

Company Information: Aurania Resources Ltd. (TSXV:ARU)

Aurania Resources Ltd. acquired Ecuasolidus S.A. from Dr. Keith Barron, the owner of the ~2,080 sq. km Lost Cities – Cutucu project in southeastern Ecuador. Historic Spanish literature suggests the Cordillera de Cutucu as the likely location of Sevilla del Oro and Logro ño de los Caballeros, two famous gold mining areas in the 16th and 17th centuries that have since been lost. The company has now embarked marrying its historical work with modern exploration. It has recently completed geophysics over its entire land package, and has an extensive, ongoing stream sediment program.

Key Projects				
Project	Stage	Current Resources	Notes	
Lost Cities (Ecuador)	Exploration	NA	Results pending for geophysics program and stream sediment sampling program	
Financials		Peer Comparison		
Price (C\$/sh):	\$2.81	Company	Mkt Cap (C\$)	EV/oz (C\$)
Basic S/O (M):	29.6	TSXV:ARU	\$77	NA
Fully Diluted S/O (M):	32.6	TSX:BSX	\$142	\$7
Market Cap (C\$ M):	\$83.0	TSXV:PRG	\$5	NA
Cash (C\$ M):	\$1.9	TSX:CNL	\$689	\$68
Debt (C\$ M):	\$1.0	TSXV:GRR	\$41	\$40
EV (C\$ M):	\$82.1	TSXV:UGD	\$8	\$4
		TSXV:GQC	\$61	\$14
		Peer Average		\$27

TSXV:ARU - Stock Chart



Source: RCKS, Capital IQ, Thomson Reuters, Company Reports

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Aurania Resources Ltd	TSXV:ARU	2,3,4

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