



AURANIA RESOURCES PROVIDES QUARTERLY UPDATE ON THE LOST CITIES- CUTUCU PROJECT IN ECUADOR

Toronto, Ontario, September 5, 2018 – Aurania Resources Ltd. (TSXV: ARU; OTCQB: AUIAF; Frankfurt: 20Q) (“Aurania” or the “Company”) provides an update on its activities for the three-month period ended June 30, 2018 (“Q2”). Details of the Company's results are contained in the Financial Statements and Management's Discussion and Analysis dated August 29, 2018 which are available on SEDAR at www.sedar.com and the Company's website www.aurania.com.

Q2 Highlights:

- Completed a non-brokered private placement for gross proceeds of \$4,000,000 (\$3,738,558 net);
- Received proceeds of \$460,000 from the exercise of stock options and a further \$1,591,608 from the exercise of warrants;
- Completed a USD2,000,000 convertible debenture financing, convertible into common shares at \$3.00 per share; this allowed the Company to renew the full package of exploration concessions that constitute the Lost Cities – Cutucu Project (“Project”) in Ecuador;
- The maturity date of the initial minerals concession loan was extended to May 29, 2019;
- Ended the quarter with available cash of \$4,254,422;
- Reduced debt by \$280,000 through the exercise of 700,000 stock options by the debt holder;
- Received Shareholders' approval for all items proposed at the Company's Annual and Special Meeting (“ASM”) held on June 13, 2018;
- Expanded the Board at the ASM with the addition of Mr. Alfred Lenarciak as an independent director;
- Commenced trading on the Frankfurt Exchange, symbol “20Q” and on the OTCQB Venture Market in the United States, symbol “AUIAF”;
- Discovered an additional epithermal target, “Yawi”, bringing to seven, the total number of gold-silver targets so far defined by the stream sediment sampling program;
- Continued detailed follow-up work on the Crunchy Hill area – readying the target for drilling in the fourth quarter;
- Continued the stream sediment sampling program - 20% of the Project area, has now been covered in this regional exploration; and
- Accelerated the pace of stream sediment sampling by increasing the number of crews from four to seven.

Exploration Activities:

- The stream sediment sampling program has so far identified seven epithermal targets for possible gold and silver mineralization, and 13 porphyry copper targets, in 20% of the Project area;

- Ridge and spur sampling was completed in the Latorre A target area and results are due shortly. The typical progression of our exploration approach is that: 1) stream sediment sampling is used to identify large areas in which sources of metal were shed into streams; 2) ridge and spur sampling, the sampling of soils along topographic ridges, provides a relatively quick and inexpensive way of identifying the specific areas of each drainage basin that shed metals into the streams; 3) sampling of soils in a regular grid cut in the jungle provides specific detail on the position and shape of each target; and 4) detailed geological work aims to refine the details of the target in preparation for scout drilling;
- Soil sampling was extended 800 metres to the west at the Crunchy Hill target in the Latorre District to define a possible extension to the area of interest. Results of the extension of the soil sampling are due shortly. To date, the Crunchy Hill target is defined by the coincident enrichment of pathfinder elements (naturally-occurring arsenic, antimony, mercury, molybdenum, thallium, lead and silver) with vuggy silica over a 400 metre by 200 metre area;
- A new target called “Yawi” (the seventh epithermal target) was identified within the broader Latorre District and is now undergoing ridge and spur soil sampling;
- Interpretation of data from the geophysical survey that was undertaken over the whole Project area between August and October 2017 continues with information from the field being used to refine targets; and
- The Corporate Social Responsibility (“CSR”) team continues to achieve a high degree of success in engaging with local communities regarding the proposed exploration program and its potential impacts on the communities. The CSR team is responsible for arranging access to field areas with the local communities and landowners prior to the arrival of the exploration teams.

Corporate Activities:

- On June 29, 2018 the Company closed the first tranche of a non-brokered private placement for gross proceeds of \$4,000,000 through the issue of 2,000,000 units with each unit consisting of one common share in the Corporation and a half warrant valid for 18 months from the date of closing, with a strike price of \$3.00. A commission of 6% cash and 6% broker warrants was paid to brokers on subscriptions that they facilitated;
- An ASM was held on June 13, 2018. All resolutions put to motion were passed. Mr. Alfred Lenarciak was appointed to the Board of Directors at the ASM;
- Nine videos were produced as a means of more effectively communicating Aurania’s progress in exploration of the Project; and
- Listings were completed on the Frankfurt and OTCQB Stock Exchanges as a means of facilitating the trading of Aurania’s shares in Europe and the US respectively.

Plans for the Next Three Months

The following is planned for the next three months:

- Stream sediment sampling will continue with a larger team augmented by in-house trained technicians who live in the Project area;
- Detailed geological work will continue on the Crunchy Hill target in preparation for scout drilling;
- Permitting in anticipation of a drilling program in Q4; scout drilling at Crunchy Hill is planned for Q4 2018 and is likely to include approximately five bore holes of approximately 300 metres each for a total of approximately 1,500 metres. The plan is to use man-portable diamond drill rigs that provide core for detailed study and sampling. The objective of the scout drilling is to confirm the presence of an epithermal gold-silver target at depth beneath the areas of enrichment of pathfinder elements delineated in the soil sampling program;
- A series of videos is planned to explain the exploration concept that is to be drill-tested at Crunchy Hill;
- Detailed geological work is underway on the Yawi and Latorre A target areas. It is likely that one of these targets will be advanced for scout drilling after Crunchy Hill in early 2019; and

- Field data from the regional exploration program will continue to be fed back into interpretation of the geophysical data so that exploration targets can be refined and ranked for further exploration.

About Aurania

Aurania is a junior exploration mining company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals and copper. Its flagship asset, The Lost Cities – Cutucu Project, is located in the Jurassic Metallogenic Belt in the eastern foothills of the Andes mountain range of southeastern Ecuador.

Information on Aurania and technical reports are available at www.aurania.com and www.sedar.com, as well as on Facebook at <https://www.facebook.com/auranialtd/>, Twitter at <https://twitter.com/auranialtd>, and LinkedIn at <https://www.linkedin.com/company/aurania-resources-ltd->.

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