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## **NEWS RELEASE**

**October 16, 2018**

Trading Symbols:

TSX-V: AMZ; OTCQX: AXDDF

[www.azucarminerals.com](http://www.azucarminerals.com)

## **AZUCAR REPORTS NEWCREST INTENTION TO EXERCISE TOP-UP RIGHTS UNDER INVESTOR RIGHTS AGREEMENT**

VANCOUVER, B.C. Azucar Minerals Ltd. ("Azucar" or the "Company") (TSX-V: AMZ; OTCQX: AXDDF) announces that Newcrest Canada Holdings Inc. ("Newcrest") has confirmed its intention to exercise its top-up rights pursuant to the Investor Rights Agreement (the "Agreement") with Azucar. The Agreement was executed on May 18, 2018, when Newcrest completed its acquisition of 19.9% of Azucar common shares for \$19,074,425, and provides, among other things, a standstill and lock-up on customary terms and conditions, participation and top-up rights in favour of Newcrest to maintain its pro-rata interest in Azucar, and the right of Newcrest to designate one nominee to the Board of Directors of Azucar.

Under the top-up rights, Newcrest is, subject to regulatory approval, currently entitled to subscribe for an additional 222,834 common shares of Azucar at a price of \$0.5581 per share, for a total of \$124,364 (the "Subscription"). Newcrest intends to exercise its current top-up rights in full, thus maintaining its ownership in the Company of 19.9 per cent. All shares issued pursuant to the Subscription will be subject to a hold period of four months and one day from the date of issuance.

As Newcrest currently holds (prior to the exercise of its top-up rights) 19.7% of the voting rights attached to all of Azucar's outstanding voting securities, the Subscription is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Subscription is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the common shares issued to, nor the consideration paid by, Newcrest exceeds 25% of the Company's market capitalization.

### **About Azucar**

Azucar is an exploration company with a mandate to thoroughly explore the El Cobre project in Veracruz, Mexico, a ~7,300 Ha property which covers multiple gold-rich porphyry targets, as demonstrated by recent drilling. Azucar is permitted and funded for active drill campaigns in 2018 and 2019. Azucar holds a 100% interest in the El Cobre project, subject to net smelter returns ("NSR") royalty interests, assuming production from the property exceeds 10,001 tonnes per day of ore, totaling 2.25% which can be reduced to 2.0% through the payment of US\$3.0 million.

On behalf of the Board of Directors,

“Morgan Poliquin”

Morgan J. Poliquin, Ph.D., P.Eng.

President, CEO and Director

Azucar Minerals Ltd.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

*This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within it, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements, other than as required pursuant to applicable securities laws.*

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