Amerigo Resources Ltd.

Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(expressed in thousands of U.S. dollars)

Independent auditor's report

To the Shareholders of Amerigo Resources Ltd.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Amerigo Resources Ltd. and its subsidiaries (together, the Company) as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of income and comprehensive income for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of equity for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators on property, plant and equipment (PP&E) *Refer to note 2 – Summary of material accounting policies, note 4 – Critical accounting estimates and judgments and note 9 – Property, plant and equipment to the consolidated financial statements.* The net book value of PP&E amounted to $144 million as at December 31, 2024. Management evaluates each asset or cash generating unit at each reporting date to determine whether there are any indications of impairment. Management applies significant judgment in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in forecasted copper and molybdenum prices; (iii) changes in projected capital and operating costs; (iv) changes in the grade of resources recovered from tailings; and (v) changes in relevant foreign exchange rates, are evaluated by management in determining whether there are any indicators of impairment. If any such indicator exists, an estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at December 31, 2024.	Our approach to addressing the matter included the following procedures, among others: • Evaluated management's assessment of indicators of impairment, which included the following: – Assessed the completeness of internal and external factors that could be considered as indicators of impairment of the Company's PP&E, including consideration of evidence obtained in other areas of the audit. – Assessed whether significant declines in the market value of the Company's share price have occurred, which may indicate a decline in value of the Company's net assets. – Assessed the reasonableness of forecasted copper and molybdenum prices by considering whether they are consistent with external market data. – Assessed the reasonableness of changes in projected capital and operating costs and the grade of resources recovered from tailings by comparing them to historical data and also considered whether these factors were consistent with evidence obtained in other areas of the audit.

Key audit matter	How our audit addressed the key audit matter
We considered this a key audit matter due to (i) the significance of the PP&E balance; and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the internal and external factors evaluated by management in its assessment of impairment indicators, which required significant management judgment.	– Assessed the reasonableness of changes in exchange rates by considering external market data.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Melanie Matthews.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
February 25, 2025

Amerigo Resources Ltd.

Consolidated Statements of Financial Position

(expressed in thousands of U.S. dollars)

	Notes	December 31, 2024 $	December 31, 2023 $
Assets			
Current assets			
Cash and cash equivalents	6	35,864	16,248
Restricted cash	11	4,449	2,782
Trade and settlement receivables	7	9,958	8,161
Taxes receivable	7	223	405
Prepaid expenses		469	492
Inventories	8	6,923	7,187
Interest rate swap	11	230	900
		58,116	36,175
Non-current assets			
Property, plant and equipment	9	143,708	156,002
Intangible assets		2,904	3,128
Other non-current assets		743	754
Restricted cash	11	-	3,500
Total assets		205,471	199,559
Liabilities			
Current liabilities			
Trade and other payables	10	24,641	19,410
DET royalties	5	22,634	17,104
Current income tax liabilities	14	8,523	641
Current portion of borrowings	11	7,474	10,303
Current portion of related party derivative liability	12	1,058	1,022
Current portion of dismantling provision	10	299	-
		64,629	48,480
Non-current liabilities			
Deferred income tax liability	14	23,659	29,078
Related party derivative liability	12	6,677	5,957
Borrowings	11	3,228	10,410
Dismantling provision	10	1,667	-
Severance provisions	10	822	781
Total liabilities		100,682	94,706
Equity	13		
Share capital		74,630	73,699
Other reserves		10,674	11,296
Accumulated other comprehensive income		2,046	1,062
Retained earnings		17,439	18,796
Total equity		104,789	104,853
Total equity and liabilities		205,471	199,559
Commitments	22		
Subsequent events	23		

Approved by the Board of Directors

"Robert Gayton"
Director

"George Ireland"
Director

Amerigo Resources Ltd.

Consolidated Statements of Income and Comprehensive Income

(expressed in thousands of U.S. dollars, except shares and per share amounts)

	Notes	Years ended December 31, 2024	2023
		$	$
Revenue	16	192,773	157,460
Tolling and production costs	17 (a)	(147,364)	(143,305)
Gross profit		45,409	14,155
General and administration	17 (b)	(5,269)	(5,047)
Other (losses) gains	17 (c)	(4,213)	1,339
Derivative to related parties including changes in fair value		(1,815)	(818)
		(11,297)	(4,526)
Operating profit		34,112	9,629
Finance expense	17 (d)	(2,198)	(2,893)
		(2,198)	(2,893)
Income before income tax		31,914	6,736
Income tax expense	14	(12,674)	(3,354)
Net income		19,240	3,382
Other comprehensive income (loss)			
Items that may not be reclassified subsequently to net income:			
Actuarial (losses) gains on severance provision		(49)	35
Items that may be reclassified subsequently to net income:			
Cumulative translation adjustment		1,033	(1,268)
Other comprehensive income (loss)		984	(1,233)
Comprehensive income		20,224	2,149
Weighted average number of shares outstanding, basic		165,482,950	165,254,398
Weighted average number of shares outstanding, diluted		166,896,376	167,227,203
Earnings per share			
Basic		0.12	0.02
Diluted		0.12	0.02

The accompanying notes are an integral part of these consolidated financial statements.

Amerigo Resources Ltd.

Consolidated Statements of Cash Flows

(expressed in thousands of U.S. dollars)

	Years ended December 31, 2024	2023
	$	$
Cash flows from operating activities		
Net income	19,240	3,382
Adjustment for items not affecting cash:		
Depreciation and amortization	23,351	20,444
Unrealized foreign exchange loss (gain)	2,419	(1,593)
Power generators dismantling costs	1,966	-
Changes in fair value of derivative	1,815	818
Impairment charges	1,560	708
Share-based payments	952	1,146
Finance expense	653	1,144
Other	612	90
Deferred income tax recovery	(5,419)	(4,884)
Environmental compliance plan costs	-	1,066
	47,149	22,321
Changes in non-cash working capital		
Trade, other receivables and taxes receivable	(1,609)	5,888
Inventories	67	1,957
Trade and other payables	759	(9,230)
Current income tax liabilities	7,882	(952)
DET royalties	5,530	297
Net cash from operating activities	59,778	20,281
Cash flows used in investing activities		
Purchase of plant and equipment	(8,733)	(16,888)
Deposit on equipment	(608)	-
Net cash used in investing activities	(9,341)	(16,888)
Cash flows used in financing activities		
Dividends paid	(19,332)	(14,638)
Repayment of borrowings	(9,750)	(5,250)
Repurchase of shares	(1,835)	(2,609)
Debt facility transaction fees	(244)	(573)
Exercise of options	(73)	102
Restricted cash	1,833	(2,067)
Proceeds of borrowings net of transaction costs	-	1,984
Lease repayments	-	(1,862)
Net cash used in financing activities	(29,401)	(24,913)
Net increase (decrease) in cash and cash equivalents	21,036	(21,520)
Effect of exchange rate changes on cash	(1,420)	(53)
Cash and cash equivalents - Beginning of year	16,248	37,821
Cash and cash equivalents - End of year	35,864	16,248

Supplementary cash flow information (Note 21)

The accompanying notes are an integral part of these consolidated financial statements.

Amerigo Resources Ltd.

Consolidated Statements of Equity

(expressed in thousands of U.S. dollars)

	Share capital					
	Number of shares	Amount	Other reserves	Accumulated other comprehensive income	Retained earnings	Total equity
		$	$	$	$	$
Balance - January 1, 2023	166,032,658	73,437	11,233	2,295	31,738	118,703
Share-based payments	-	-	1,146	-	-	1,146
Exercise of share purchase options	1,093,563	1,185	(1,083)	-	-	102
Shares repurchased in normal course issuer bid	(2,281,187)	(923)	-	-	(1,686)	(2,609)
Cumulative translation adjustment	-	-	-	(1,268)	-	(1,268)
Actuarial gains on severance provision	-	-	-	35	-	35
Net income	-	-	-	-	3,382	3,382
Dividends declared	-	-	-	-	(14,638)	(14,638)
Balance - December 31, 2023	164,845,034	73,699	11,296	1,062	18,796	104,853
Balance - January 1, 2024	164,845,034	73,699	11,296	1,062	18,796	104,853
Share-based payments	-	-	952	-	-	952
Exercise of share purchase options	1,124,564	1,501	(1,574)	-	-	(73)
Shares repurchased in normal course issuer bid	(1,436,754)	(570)	-	-	(1,265)	(1,835)
Cumulative translation adjustment	-	-	-	1,033	-	1,033
Actuarial losses on severance provision	-	-	-	(49)	-	(49)
Net income	-	-	-	-	19,240	19,240
Dividends declared	-	-	-	-	(19,332)	(19,332)
Balance - December 31, 2024	164,532,844	74,630	10,674	2,046	17,439	104,789

The accompanying notes are an integral part of these consolidated financial statements.

(tabular information expressed in thousands of U.S. dollars)

1) General Information

Amerigo Resources Ltd. ("Amerigo") is a company domiciled in Canada, and its shares are listed for trading on the Toronto Stock Exchange ("TSX") and traded in the United States on the OTCQX. Amerigo's principal office is located at 1021 West Hastings Street, 9th Floor, Vancouver, British Columbia. These consolidated financial statements ("financial statements") include the accounts of Amerigo and its subsidiaries (collectively the "Company").

Amerigo owns a 100% interest in Minera Valle Central S.A. ("MVC"), a producer of copper concentrates. MVC, located in Chile, has a long-term contract with the El Teniente Division ("DET") of Corporación Nacional del Cobre de Chile ("Codelco") to process fresh and historic tailings from the El Teniente mine (Note 5).

These financial statements were authorized for issue by the board of directors on February 24, 2025, and have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

2) Summary Of Material Accounting Policies

The material accounting policies applied in preparing these financial statements are set out below and have been consistently applied to all the periods presented, unless otherwise stated.

Basis of Preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards on a historical cost basis, except for certain financial instruments which have been measured at fair value. The financial statements are presented in U.S. dollars except when otherwise indicated.

Consolidation

The financial statements of the Company consolidate the accounts of Amerigo and the entities controlled by Amerigo (Note 18). The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. Subsidiaries are consolidated in the financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated. Amerigo's principal operating subsidiary is MVC (100% owned, Chile).

Segment Reporting

The Company operates in one segment, the production of copper concentrates under a tolling agreement with DET (Note 5), with the production of molybdenum concentrates as a by-product.

(tabular information expressed in thousands of U.S. dollars)

Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The functional currency of the parent entity is the Canadian dollar ("Cdn $"), the functional currency of MVC and other subsidiaries (Note 18) is the U.S. dollar ("$") except for Colihues Energia S.A., which has a functional currency of the Chilean peso.

Amerigo's financial statements are presented in U.S. dollars. These financial statements have been translated to the U.S. dollar in accordance with International Accounting Standard 21, "The Effects of Changes in Foreign Exchange Rates", which requires that when translating financial statements of companies that have functional currencies other than the presentation currency, assets and liabilities be translated using the exchange rate at the period end; income, expenses and cash flow items be translated using the exchange rates at the dates of the transactions and resulting gains and losses on translation are recognised in other comprehensive income (loss). Rates that approximate the exchange rates at the dates of the transaction, such as the average rate for the period, are used to translate income and expense items when appropriate.

Transactions and Balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities stated at fair value are translated using the historical rate on the date the fair value was determined. All gains and losses on translation of foreign currency transactions within entities are included in profit or loss.

Property, Plant and Equipment

Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment losses. Where an item of plant and equipment comprises significant components with different useful lives, the components are accounted for as separate items of plant and equipment. Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Directly attributable expenses incurred for major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use.

The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of normal overheads. The costs of day-to-day servicing are recognized in profit or loss as incurred. Financing costs directly associated with the construction or acquisition of qualifying assets are capitalized at interest rates relating to loans specifically raised for that purpose, or at the weighted average borrowing rate where the general pool of group borrowings is utilized. Capitalization of borrowing costs ceases when substantially the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(tabular information expressed in thousands of U.S. dollars)

MVC depreciates its property, plant and equipment using the straight-line method as follows:

- Plant and infrastructure: Shorter of the asset's useful life or the term of the current contracts with DET (Note 5).

- Machinery, equipment and other assets (except vehicles and mobile equipment): Shorter of the asset's useful life or the term of the current contracts with DET (Note 5).

- Vehicles and mobile equipment: 7 years.

The depreciation method, useful life and residual values are assessed annually.

Asset Impairment

The Company’s tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If an indication of impairment exists, the asset’s recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit (“CGU”) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period.

Value in use is determined as the present value of the future cash flows expected to be derived from an asset or CGU. The estimated future cash flows are discounted to their present value using an after-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Fair value less cost to sell is the amount obtainable from the sale of an asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. For mining assets, fair value less cost to sell is often estimated using a discounted cash flow approach when an active market or binding sale agreement is not readily available. Estimated future cash flows are calculated using estimated future prices, mine plan estimates, and operating and capital costs. All assumptions used are those that an independent market participant would consider appropriate.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Intangible Assets

Intangible assets reflect the value assigned to the DET contracts. This contractual right is amortized on a straight-line basis over the contract term and tested for impairment when circumstances indicate that the carrying value may be impaired.

(tabular information expressed in thousands of U.S. dollars)

Financial Assets and Other Financial Liabilities

Classification

a) Financial Assets at Amortized Cost

Financial assets are classified and measured at amortized cost if they are held for the collection of contractual cash flows where those cash flows solely represent payments of principal and interest. The Company's intent is to hold these financial assets in order to collect contractual cash flows and the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. This includes cash and cash equivalents and other receivables. Such assets are initially recognized at the transaction value and subsequently carried at amortized cost less impairment losses. The impairment loss relating to receivables, if any, is based on a review of all outstanding amounts at period end. Trade receivables are recorded net of lifetime expected credit losses. Interest income is recognized by applying the effective interest rate, except for short-term receivables, when the recognition of interest would be immaterial.

b) Financial Assets at Fair Value Through Profit and Loss ("FVTPL")

Copper tolling and molybdenum concentrate sales contract receivables are classified as FVTPL. The amounts receivable vary based on the underlying commodity prices. Accordingly, they are recorded at each reporting period based on quoted commodity prices up to the date of final pricing. Changes in fair value are recorded through profit and loss and shown as a separate component of revenue.

c) Financial Liabilities at Amortized Cost

Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL, such as instruments held for trading or derivatives, or where the Company has opted to measure such liabilities at FVTPL. The Company's related party derivative liability is at FVTPL.

Financial liabilities at amortized cost include trade and other payables, DET royalties and borrowings. Trade payables and other payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method. DET royalties are recognized at the amount required under the agreements with DET. Borrowings are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

d) Derivatives

The Company uses derivatives in the form of interest rate swaps to manage risks related to variable rate debt. Gains and losses on re-measurement are included in finance income (expense).

The Company has a derivative liability in respect of a related party (Note 12(a)), which is classified as current or non-current based on the contractual terms specific to the instrument. Gains and losses on re-measurement are included in other expenses.

(tabular information expressed in thousands of U.S. dollars)

Recognition and Measurement

De-recognition of Financial Assets and Liabilities

A financial asset is derecognized when the contractual right to the asset's cash flows expires or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

Share-Based Payments

Amerigo grants stock options to buy its common shares to directors, officers, employees, and MVC employees. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted. The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model, and is recognized over the period that the holders earn the options.

The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest.

Inventories

Inventories are comprised of work-in-progress related to the tolling of copper concentrates and production of molybdenum concentrates are valued at the lower of cost and net realizable value. Consumables are valued at the lower of average cost and net realizable value, with replacement cost used as the best available measure of net realizable value. Tolling and production costs are determined primarily on a weighted-average cost basis and include direct tolling and production costs, direct labour costs and an allocation of variable and fixed tolling and production overhead, including depreciation. Net realizable value is the estimated selling price net of any estimated selling costs in the ordinary course of business.

When inventories have been written down to net realizable value, the Company makes a new assessment of net realizable value in each subsequent period. If the circumstances that caused the write-down no longer exist, the remaining amount of the write-down is reversed.

Cash and Cash Equivalents

Cash and cash equivalents are unrestricted as to use and consist of cash on hand, demand deposits and short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition and which can be readily liquidated to known amounts of cash.

Redeemable interest-bearing investments with maturities of up to one year are considered cash equivalents if they can readily be liquidated at any point in time to known amounts of cash, the initial period subject to an interest penalty on redemption is less than 90 days, and they are redeemable thereafter until maturity for invested value plus accrued interest.

(tabular information expressed in thousands of U.S. dollars)

Restricted cash includes a debt service reserve account related to the Company's borrowings funded monthly with 1/6 of the next debt payment (principal and interest) such that semi-annual debt payments are fully funded a month prior to the payment date, and a second reserve account of $3.5 million that was held in case of early termination by DET of the MVC contract, and was released subsequent to year end in January 2025 as scheduled in the loan agreement.

Current and Deferred Income Tax

Income tax expense consists of current and deferred tax. Current and deferred taxes are recognized in the statement of income and comprehensive income except to the extent they relate to items recognized directly in equity or in OCI, in which case the related taxes are recognized in equity or OCI.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to unused tax loss carry- forwards, unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable future taxable profits will be available against which the asset can be utilized. The amount of a deferred tax asset is reduced to the extent that Amerigo does not consider it probable the deferred tax asset will be recovered.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable profit
- goodwill
- investments in subsidiaries, associates and jointly controlled entities where the timing of the reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities related to income taxes levied by the same taxation authority, and Amerigo intends to settle its current tax assets and liabilities on a net basis.

Provisions

Provisions are recorded when a present legal or constructive obligation exists due to past events, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

On December 31, 2024, MVC has an obligation with some of its managers for severance payments based on their employee contracts upon the manager leaving the employ of MVC under any circumstance. The estimate of severance provisions is calculated through an actuarial model that considers variables such as retirement age, salary

(tabular information expressed in thousands of U.S. dollars)

adjustments and discount rates. This obligation has been recorded as a liability at present value in Amerigo's statement of financial position. The value of the severance provision is evaluated on an annual basis or as additional information becomes available on the expected amounts and timing of cash flows required to discharge the liability. The increase or decrease over time in the present value of the liability is recorded each period in cost of sales, except for actuarial gains (losses), which are recorded as other comprehensive income (loss).

On December 31, 2024, upon the decision to not extend a permit, MVC recognized a provision related to the obligation to dismantle and dispose of two power generators and the surrounding infrastructure that will take place over the next three years. This obligation has been recorded as a liability at present value in Amerigo's statement of financial position. The value of the dismantling provision is evaluated on an annual basis or as additional information becomes available on the expected amounts and timing of cash flows required. The increase or decrease over time in the present value of the liability is recorded each period in profit or loss.

Earnings per Share

Basic earnings per share is computed by dividing the net income attributable to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings per share is computed like basic earnings per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of all dilutive in-the-money stock options. The number of additional shares is calculated by assuming that these outstanding stock options were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Revenue Recognition

MVC processes tailings in order to produce copper concentrates on behalf of DET, in accordance with MVC's tolling agreement with DET. Title to the copper concentrates produced by MVC is retained by DET, and MVC earns tolling revenue, calculated as the gross value of copper tolled on behalf of DET at applicable market prices, net of notional items (DET copper royalties, smelting and refining charges and transportation costs) (Note 5 and Note 16). Revenue is billed weekly based on the tolling activity of the preceding week, which is measured by the production of copper concentrates. Additional billings are done on a monthly basis based on the tolling activity for the full month, less weekly billings, and to bill for pricing term differences, as disclosed in the following paragraph.

MVC's compensation is determined in accordance with annual industry benchmarks for pricing terms and smelting and refining charges. In 2024, it was based on the average London Metal Exchange ("LME") copper price for the third month following delivery of copper concentrates produced under the tolling agreement ("M+3"). Accordingly, final pricing for copper produced by MVC in 2024 is being determined based on the average LME copper price of the third month following delivery of copper, which for December 2024 deliveries will be the average LME copper price for March 2025. The amounts receivable related to tolling revenue are measured at fair value with changes in fair value of the receivables, recorded in revenue.

Molybdenum produced by the processing of tailings by MVC is sold under a written sales agreement with Chile's Molibdenos y Metales S.A. ("Molymet") under which revenue is billed monthly based on the amount of concentrates delivered during the preceding month. Molymet can elect different pricing terms on a monthly basis. In 2024, pricing terms varied from M to M+4 regarding the average Platts molybdenum dealer oxide price of the month of sale. The amounts receivable related to tolling revenue are measured at fair value with changes in fair value of the receivables, recorded in revenue.

(tabular information expressed in thousands of U.S. dollars)

3) Adoption of New and Revised Standards and Interpretations

a) Pronouncements Implemented

In October 2022, the IASB issued amendments to IAS 1 titled Non-current Liabilities with Covenants. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of Debt as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. Effective January 1, 2024, the Company adopted these amendments with no material impact in the current year.

b) Pronouncements Issued But Not Yet Effective

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on our financial statements.

On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). These amendments are effective for reporting periods beginning on or after January 1, 2026. We are currently assessing the impact of these amendments on our consolidated financial statements.

As of December 31, 2024, no other IFRS or IFRIC interpretations with future effective dates are expected to have a material impact on the Company.

4) Critical Accounting Estimates and Judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(tabular information expressed in thousands of U.S. dollars)

In preparing these consolidated financial statements, Amerigo makes judgments in applying the Company's accounting policies and makes estimates and assumptions concerning future events, which may vary from actual results.

Estimates and assumptions that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

a) Useful Lives of Long-Lived Assets

MVC estimates the economic life of most property, plant and equipment based on their useful life, not to exceed the current term of MVC's contractual relationship with DET (December 31, 2037). This estimate of useful life used by management in arriving at the recoverable amount is subject to risk and uncertainty, and as such, there is the possibility that changes in circumstances may alter these projections and impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced, with the impact recorded in profit or loss.

b) Related Party Derivative Liability

The Company has an obligation to make payments to a related party based on a fixed payment for each pound of copper equivalent produced from DET tailings by MVC (Note 12(a)). This constitutes a derivative financial instrument measured at fair value. As required under IFRS, Amerigo reassesses its estimate of fair value of the derivative on each reporting date (Note 12(a)).

c) Trade Receivables

The fair values of the Company's copper and molybdenum trade receivables are estimated based by reference to forward market prices. For copper, the Company uses the average LME spot and 3-month copper prices and assesses the trade receivables monthly. For molybdenum, the Company uses the average Platt's molybdenum dealer oxide molybdenum price and revalues the receivables monthly.

Management makes judgments in the process of applying the Company's accounting policies. Those with the most significant effect on the amounts recognized in the Company's consolidated financial statements are as follows:

a) Impairment of Property, Plant and Equipment

Management evaluates each asset or cash-generating unit at each reporting date to determine any impairment indications. Management applies significant judgment in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in forecasted copper and molybdenum prices; (iii) changes in projected capital and operating costs; (iv) changes in the grade of resources recovered from tailings, and (v) changes in relevant foreign exchange rates, are evaluated by management in determining whether there are any indicators of impairment. If any such indicator exists, an estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. As of December 31, 2024, management identified no impairment indicators; consequently, impairment testing was not required.

(tabular information expressed in thousands of U.S. dollars)

5) Agreements with Codelco's El Teniente Division

MVC has a contract with DET ("the DET Agreement") to process the fresh tailings from El Teniente and the tailings from the Cauquenes and Colihues historic tailings deposits. The DET Agreement has a term to the earlier of 2033 or deposit depletion for Cauquenes, the earlier of 2037 or deposit depletion for Colihues and 2037 for fresh tailings.

The DET Agreement establishes a series of royalties payable by MVC to DET, calculated using the average LME copper price for the month of concentrate production.
The DET Agreement currently operates as a tolling contract under which title to the copper concentrates produced by MVC remains with DET. MVC earns tolling revenue, calculated as the gross value of copper tolled on behalf of DET at applicable market prices net of notional items. Notional items include treatment and refining charges, DET copper royalties and transportation costs.

Notional royalties for copper concentrates produced from fresh tailings are determined through a sliding scale formula tied to copper prices ranging from $1.95/lb (13.5%) to $4.80/lb (28.4%).

Notional royalties for copper concentrates produced from Cauquenes are determined through a sliding scale for copper prices ranging from $1.95/lb (16%) to $5.50/lb (39%).

Notional royalties for copper concentrates produced from Colihues are determined through a sliding scale for copper prices ranging from $0.80/lb (3%) to $4.27/lb (30%).

MVC pays a sliding scale global molybdenum royalty for molybdenum prices between $6.00/lb (3%) and $40.00/lb (19.7%).

The DET Agreement anticipates that in the event monthly average prices fall below or rise above certain ranges and projections which indicate the permanence of such prices over time, the parties will meet to review cost and notional royalty/royalty structures to maintain the DET Agreement's viability and the equilibrium of the benefits between the parties.

The DET Agreement contained three early exit options exercisable by DET during 2021, (not exercised), 2024 (not exercised) and every three years after that only in the event of changes unforeseen at the time the Agreement was entered into. Amerigo has judged the probabilities of DET exercising early exit options as remote.

On December 31, 2024, the payable and/or accrual for DET notional copper royalties and DET molybdenum royalties, was $22.6 million (2023: $17.1 million).

6) Cash and Cash Equivalents

	December 31, 2024 $	December 31, 2023 $
Cash at bank and on hand	35,852	16,235
Short-term bank deposits	12	13
	35,864	16,248

Short-term bank deposits are redeemable on demand.

(tabular information expressed in thousands of U.S. dollars)

7) RECEIVABLES

	December 31, 2024 $	December 31, 2023 $
Current		
Trade and settlement receivables	9,958	8,161
Non-current		
Other non-current receivables	34	45

The aging analysis of current receivables is as follows:

	December 31, 2024 $	December 31, 2023 $
Up to 3 months	9,376	7,918
3 to 6 months	384	172
Greater than 6 months	198	71
	9,958	8,161

Trade and other receivables included $4.5 million of receivables for the sale of copper concentrates under a tolling agreement with DET that were provisionally priced at December 31, 2024 (2023: $4.9 million) and $4.8 million of receivables for the sale of molybdenum concentrates (2023: $2.9 million, provisionally priced).

8) INVENTORIES

	December 31, 2024 $	December 31, 2023 $
Plant supplies and consumables	4,610	3,285
Work-in-progress	1,181	2,775
Molybdenum concentrates	1,132	1,127
	6,923	7,187

On December 31, 2024 and 2023, work-in-progress on the production of copper concentrates under a tolling agreement and molybdenum concentrates were valued at cost.

In 2024, the Company recorded a charge of $nil in tolling and production costs due to net realizable value ("NRV") adjustments in the months in which NRV was lower than cost (2023: $0.3 million) as well as an impairment charge of $0.2 million in obsolete plant supplies and consumables (2023: $0.3 million).

(tabular information expressed in thousands of U.S. dollars)

9) PROPERTY, PLANT AND EQUIPMENT

	Plant and infrastructure $	Machinery and equipment and other assets $	Total $
Year ended December 31, 2023			
Opening net book amount	144,400	14,191	158,591
Exchange differences	-	2	2
Additions	11,634	5,996	17,630
Depreciation charge	(16,907)	(3,314)	(20,221)
Closing net book amount	139,127	16,875	156,002
Year ended December 31, 2024			
Opening net book amount	139,127	16,875	156,002
Exchange differences	-	(5)	(5)
Additions	12,203	-	12,203
Impairment of obsolete equipment	(1,363)	-	(1,363)
Depreciation charge	(19,761)	(3,368)	(23,129)
Closing net book amount	130,206	13,502	143,708
At December 31, 2024			
Cost	302,753	94,160	396,913
Accumulated depreciation	(172,547)	(80,658)	(253,205)
Net book amount	130,206	13,502	143,708

10) TRADE AND OTHER PAYABLES

	December 31, 2024 $	December 31, 2023 $
Current		
Trade and other payables	24,641	19,410
Current portion of dismantling provision	299	-
	24,940	19,410
Non-current		
Severance provisions	822	781
Dismantling provision	1,667	-
	2,489	781

The dismantling provision is related to the obligation to dismantle and dispose of two power generators and the surrounding infrastructure. This obligation was calculated through an estimate of the related costs and has been recorded

(tabular information expressed in thousands of U.S. dollars)

as a liability at present value of expected cash flows in Amerigo's statement of financial position. The undiscounted amount of cash flows required to settle the obligation was estimated at $2.1 million, and using a discount rate of 5.03% it was recorded as $2.0 million on Amerigo's statement of financial position.

11) BORROWINGS

	December 31, 2024 $	December 31, 2023 $
Term loan	9,687	18,687
Line of credit	1,015	2,026
	10,702	20,713
Comprising:		
Short-term debt and current portion of long-term debt	7,474	10,303
Long-term debt	3,228	10,410
	10,702	20,713

On June 30, 2021, MVC entered into a finance agreement (the "Finance Agreement") with a syndicate of two banks domiciled in Chile for a term loan (the "Term Loan") of $35.0 million and a working capital line of credit (the "Line of Credit") of up to $15.0 million.

The Term Loan has a 5-year term to June 30, 2026, with ten semi-annual installments of $3.5 million each, commencing on December 31, 2021, and accrued interest. MVC may make early repayments without penalty in accordance with the provisions of the Finance Agreement. Interest on the Term Loan included 25% of the facility that was subject to a variable rate based on the US Libor six-month rate plus a margin of 3.90% until June 30, 2023, when the US Libor was discontinued. The variable interest rate from that date forward is based on the Secured Overnight Financing Rate ("SOFR") plus a margin of 4.33%. The remaining 75% of the interest on the Term Loan is synthetically fixed through interest rate swaps ("IRS"), accounted for at fair value through profit or loss, at a rate of 5.48% per annum. As of December 31, 2024, the SOFR rate was 4.28%. The IRS has a term to June 30, 2026. On December 31, 2024, the balance of the Term Loan, net of transaction costs, was $9.7 million, and the IRS was in an asset position of $0.2 million.

The Line of Credit can be drawn in multiple disbursements and is available until December 31, 2025. The repayment terms will vary depending on the date of disbursement, with a maximum repayment term of up to two years counted from the disbursement date to the term date of June 30, 2026. The interest rate will be based on the SOFR rate plus a margin to be defined on each disbursement date. As of December 31, 2024, MVC had drawn $2.0 million from the Line of Credit and repaid $1.0 million. The amount drawn bears an interest rate of 9.2% (SOFR of 5.45% plus a margin of 3.75%) and will be repaid in four payments of $0.5 million each plus interest due on April 10, 2024 (paid), October 10, 2024 (paid), April 10, 2025, and October 10, 2025. $0.3 million related to the April 2025 payment was held as restricted cash on Amerigo's statement of financial position.

MVC is required to have a debt service reserve account funded monthly with 1/6 of the next debt payment (principal and interest) so that semi-annual debt payments are fully funded a month before the payment date and a second reserve

(tabular information expressed in thousands of U.S. dollars)

account of $3.5 million which was released in January 2025. On December 31, 2024, MVC held the required reserve funds of $0.7 million and $3.5 million, respectively, shown as restricted cash on Amerigo's statement of financial position.

MVC is required to meet two bank covenants semi-annually on June 30 and December 31: debt/EBITDA ratio (requirement =< 3) and net worth (requirement => $100.0 million), which were met on December 31, 2024.

MVC has provided security on the Finance Agreement in the form of a charge on all MVC's assets.

A continuity schedule of borrowings is as follows:

	December 31, 2024 $	December 31, 2023 $
Beginning balance	20,713	23,650
Proceeds of borrowings net of transaction fees	-	1,984
Debt facility transaction fees	(244)	(573)
Accretion of transaction fees	514	353
Accrued interest	1,667	2,194
Principal payments	(9,750)	(5,250)
Interest payments	(2,198)	(1,645)
Ending balance	10,702	20,713

12) RELATED PARTY TRANSACTIONS

a) Derivative Liability

Amerigo holds its interest in MVC through Amerigo International Holdings Corp. ("Amerigo International"), wholly-owned by Amerigo except for certain outstanding Class A shares which are owned indirectly by Amerigo's founders (including Amerigo's current Executive Chairman). The Class A shares were issued in 2003 as part of a tax-efficient structure for payments granted as consideration to the founders transferring to Amerigo their option to purchase MVC.

The Class A shareholders are not entitled to any participation in the profits of Amerigo International, except for monthly payments, calculated as follows:

- $0.01 for each pound of copper equivalent produced from DET tailings by MVC or any successor entity to MVC if the price of copper is under $0.80/lb, or

- $0.015 for each pound of copper equivalent produced from DET tailings by MVC or any successor entity to MVC if the price of copper is $0.80/lb or more.

Under IFRS Accounting Standards, the payments constitute a financial liability that must be measured at fair value at each reporting date. Changes in fair value are recorded in profit for the period.

(tabular information expressed in thousands of U.S. dollars)

In 2024, the derivative liability increased by $0.8 million (2023: decreased by $0.2 million), with $1.0 million paid or accrued to the Class A shareholders (2023: $1.0 million) and a change in derivative fair value charge of $1.8 million (2023: $0.8 million).

On December 31, 2024, the derivative liability totalled $7.7 million (2023: $7.0 million), with a current portion of $1.1 million (2023: $1.0 million) and a long-term portion of $6.7 million (2023: $6.0 million).

Actual monthly payments outstanding on December 31, 2024 were $0.1 million (2023: $0.1 million).

b) Purchases of Goods and Services

Amerigo incurred the following fees in connection with companies owned by executive officers and directors and regarding salaries paid to officers. Transactions have been measured at market rates determined on a cost recovery basis.

Entity	Nature of Transactions
Zeitler Holdings Corp.	Management
Delphis Financial Strategies Inc.	Management
Amezquita Management Inc.	Management

	2024	**2023**
	$	**$**
Salaries and management fees	1,787	1,374

c) Key Management Compensation

The remuneration of directors and other members of key management during 2024 and 2023 was as follows:

	2024	**2023**
	$	**$**
Salaries and management fees	1,787	1,374
Directors' fees	334	326
Share-based payments	633	741
	2,754	2,441

(tabular information expressed in thousands of U.S. dollars)

13) Equity

a) Share Capital

Authorized share capital consists of an unlimited number of common shares without par value.

In 2024, Amerigo issued 824,564 shares in connection with cashless share option exercises and 300,000 shares in connection with cash share option exercises by officers, directors, and MVC employees. A value of $1.6 million was transferred from other reserves to share capital.

In 2023, Amerigo issued 726,896 shares in connection with cashless share option exercises and 366,667 cash share option exercises by officers, directors, and MVC employees. A value of $1.1 million was transferred from other reserves to share capital.

The Company renewed the Normal Course Issuer Bid to purchase from Amerigo shareholders who chose to participate in up to 12,000,000 common shares over twelve months beginning on December 2, 2024.

b) Share Options

A total of 3,175,000 options were granted in 2024 (2023: 2,695,000) with a weighted average fair value estimated at Cdn$0.38 (2023: Cdn$0.56) per option at the grant date based on the Black-Scholes option-pricing model using the following assumptions:

	2024	**2023**
	$	$
Weighted average share price	Cdn$1.31	Cdn$1.60
Weighted average exercise price	Cdn$1.31	Cdn$1.60
Dividend yield	9.26%	7.50%
Risk free interest rate	3.64%	3.63%
Pre-vest forfeiture rate	1.56%	1.93%
Expected life (years)	4.35	4.32
Expected volatility[1]	64.32%	68.59%

Note 1: The volatility used is the Company’s own share volatility for a period equal to the expected life of the options.

The vesting provisions of the options are the following: 1/3 one year from the grant date, 1/3 two years from the grant date, and 1/3 three years from the grant date. Total share-based payment expense recorded during the year ended December 31, 2024, was $1.0 million (2023: $1.1 million).

(tabular information expressed in thousands of U.S. dollars)

Outstanding share options:

	December 31, 2024		December 31, 2023	
	Share options	Weighted average exercise price Cdn$	Share options	Weighted average exercise price Cdn$
At start of the year	10,750,003	1.26	10,795,012	1.11
Granted	3,175,000	1.31	2,695,000	1.60
Exercised	(1,124,564)	1.06	(1,093,563)	0.98
Repurchased pursuant to cashless exercise	(2,932,104)	1.06	(1,646,446)	0.98
Cancelled/forfeited	(660,000)	1.36	-	-
At end of the year	9,208,335	1.36	10,750,003	1.26
Vested and exercisable	3,711,658	1.24	5,444,986	1.03

The weighted average trading price of the Company's stock on the dates options were exercised in 2024 was Cdn$1.48 per share (2023: Cdn$1.58 per share).

Information relating to share options outstanding on December 31, 2024 is as follows:

Outstanding share options	Vested share options	Price range Cdn$	Weighted average exercise price of outstanding options Cdn$	Weighted average exercise price of vested options Cdn$	Weighted average remaining life of outstanding options (years)
200,000	200,000	0.40	$0.40	$0.40	$0.17
1,490,000	1,490,000	0.91	0.91	0.91	1.14
3,265,000	320,000	1.29-1.30	1.30	1.29	3.88
4,203,335	1,701,658	1.60-1.62	1.61	1.61	2.70
50,000	-	1.77	1.77	-	4.36
9,208,335	3,711,658		1.36	1.24	2.82

(tabular information expressed in thousands of U.S. dollars)

c) Earnings per Share

i) Basic

Basic earnings per share are calculated by dividing the income attributable to the Company's equity owners by the weighted average number of shares in issue during the period.

	2024 **$**	**2023** **$**
Net income for the year	19,240	3,382
Weighted average number of shares	165,482,950	165,254,398
Basic earnings per share	0.12	0.02

ii) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive shares. Potentially dilutive shares relate to the exercise of outstanding share purchase options.

	2024 **$**	**2023** **$**
Net income for the year	19,240	3,382
Weighted average number of shares	165,482,950	165,254,398
Effect of dilutive securities:		
Share options	1,413,426	1,972,805
Weighted average diluted shares outstanding	166,896,376	167,227,203
Diluted earnings per share	0.12	0.02

d) Dividends

Amerigo views common share dividends as an important part of a shareholder's return on investment. In 2024, Amerigo paid shareholders $19.3 million in dividends (2023: $14.6 million).

(tabular information expressed in thousands of U.S. dollars)

14) Income Taxes

a) The income tax expense charged to income during the year is as follows:

	2024 $	2023 $
Current		
Canadian income tax	-	(2)
Foreign income, resource, and withholding tax	(18,093)	(8,236)
Total current tax expense	(18,093)	(8,238)
Deferred		
Foreign income, resource, and withholding tax	5,419	4,884
Total deferred tax expense	5,419	4,884
Income tax expense	(12,674)	(3,354)

b) The tax expense differs from the theoretical amount that would arise using the weighted average tax rate applicable to losses or profits of the consolidated entities as follows:

	2024 $	2023 $
Income before tax	31,914	6,736
Statutory tax rate	27.00%	27.00%
Expected income tax expense	(8,617)	(1,819)
Tax effect of:		
Non-taxable accounting revaluation adjustment	(198)	44
Prior year adjustments	-	(98)
Difference in tax rates in foreign jurisdictions	-	1,470
Non-deductible expenses	(563)	(2,242)
Change in benefits not recognized	167	319
Withholding tax and other foreign taxes	(3,189)	(1,245)
Other	(274)	217
	(12,674)	(3,354)

(tabular information expressed in thousands of U.S. dollars)

c) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The offset amounts are as follows:

	December 31, 2024 $	December 31, 2023 $
Deferred tax assets		
- Deferred tax assets to be settled after more than 12 months	1,392	1,244
	1,392	1,244
Deferred tax liabilities		
- Deferred tax liabilities to be settled after more than 12 months	(25,051)	(30,322)
Deferred tax liabilities/asset- net	(23,659)	(29,078)

d) The movement in the net deferred income tax position is as follows:

	2024 $	2023 $
At start of the year	(29,078)	(33,962)
Charged to income	5,419	4,884
At end of the year	(23,659)	(29,078)

(tabular information expressed in thousands of U.S. dollars)

e) The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	**Property, plant and equipment**	**Intangible assets**	**Other**	**Total**
	$	**$**	**$**	**$**
At January 1, 2023	(29,461)	(905)	(4,081)	(34,447)
Credited to income	1,925	60	2,140	4,125
At December 31, 2023	(27,536)	(845)	(1,941)	(30,322)
Credited to income	5,523	60	(312)	5,271
At December 31, 2024	(22,013)	(785)	(2,253)	(25,051)

Deferred tax assets	**Other deferred tax assets**
	$
At January 1, 2023	485
Charged to income	759
At December 31, 2023	1,244
Charged to income	148
At December 31, 2024	1,392

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable.

(tabular information expressed in thousands of U.S. dollars)

f) Unrecognized deductible temporary differences

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax assets are recognized consist of the following amounts:

	2024 $	2023 $
Non-capital losses	9,676	11,713
Capital losses	6,625	6,259
Other temporary deductible differences	1,457	1,423
	17,758	19,395

g) Loss carry-forwards

On December 31, 2024, Amerigo had $8.2 million (2023: $10.0 million) of Canadian federal net operating loss carry-forwards. These loss carry-forwards expire at various dates between 2027 and 2040. Net operating loss carry-forwards have not been recognized, as it is not probable that taxable profit will be available against which they can be utilized in the legal entity in which they arose.

On December 31, 2024, Amerigo had $1.60 million (2023: $1.76 million) of Chilean federal net operating loss carry-forwards. These loss carry-forwards can be carried forward indefinitely. Net operating loss carry-forwards have not been recognized, as it is not probable that taxable profit will be available against which they can be utilized in the legal entity in which they arose.

On December 31, 2024, Amerigo had $6.6 million (2023: 6.3 million) of Canadian federal net capital losses. These losses could be carried back 3 years and forward indefinitely against future taxable capital gains. Net capital loss carry-forwards have not been recognized, as it is not probable that taxable capital gains will be available against which they can be utilized in the legal entity in which they arose.

h) Foreign subsidiaries

Amerigo has foreign subsidiaries that have undistributed earnings. On December 31, 2024, the Company recognized a deferred income tax liability and associated deferred income tax expense charged to income of $1.0 million (2023: $1.2 million) regarding the estimated taxes associated with repatriation of earnings in the foreseeable future. Taxable temporary differences in relation to undistributed earnings for which deferred tax liabilities have not been recognized are $81.6 million on December 31, 2024 (2023: $84.9 million).

(tabular information expressed in thousands of U.S. dollars)

15) Segment Information

Operating segments are determined based on the management reports Amerigo's Board of Directors reviews to make strategic decisions.

The Company has one operating segment: the production of copper concentrates under a tolling agreement with DET, with the production of molybdenum concentrates as a by-product (Note 5).

The geographic distribution of non-current assets is as follows:

	Property, plant and equipment		**Other**	
	December 31, 2024	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
Chile	143,645	155,929	3,647	3,882
Canada	63	73	-	-
	143,708	156,002	3,647	3,882

16) Revenue

a) Revenue composition:

	2024 **$**	**2023** **$**
Gross value of copper tolled on behalf of DET	268,966	220,686
Notional items deducted:		
DET royalties - copper	(75,373)	(58,843)
Smelting and refining	(25,199)	(23,263)
Transportation	(1,645)	(1,591)
Revenue from copper tolling contracts with customers net of notional items	166,749	136,989
Adjustments to fair value of settlement receivables	3,168	1,119
Copper tolling revenue	169,917	138,108
Revenue from molybdenum contracts with customers	22,106	22,104
Adjustments to fair value of settlement receivables	750	(2,752)
Molybdenum revenue	22,856	19,352
	192,773	157,460

(tabular information expressed in thousands of U.S. dollars)

b) Total revenue by product type and business unit:

The Company has a single business unit, consistent with its single operating segment (Note 15).

The following table presents the Company's revenue composition disaggregated by product type.

	2024 $	2023 $
Copper	169,917	138,108
Molybdenum	22,856	19,352
	192,773	157,460

c) Total revenue by region:

All of the Company's revenue originates in Chile.

In 2024, the Company's revenue from one customer represented 88% of reported revenue (2023: 88%).

17) EXPENSES BY NATURE

a) Tolling and production costs consist of the following:

	2024 $	2023 $
Tolling and production costs	(114,268)	(112,043)
Depreciation and amortization	(23,351)	(20,444)
Administration	(5,279)	(6,124)
DET royalties - molybdenum	(4,466)	(4,694)
	(147,364)	(143,305)

b) General and administration expenses consist of the following:

	2024 $	2023 $
Salaries, management and professional fees	(2,783)	(2,363)
Office and general expenses	(1,534)	(1,538)
Share-based payment compensation	(952)	(1,146)
	(5,269)	(5,047)

(tabular information expressed in thousands of U.S. dollars)

c) Other (losses) gains consist of the following:

	2024 **$**	**2023** **$**
Dismantling provision	(1,966)	-
Writedown of obsolete equipment and supplies	(1,560)	(328)
Foreign exchange (losses) gains	(613)	2,894
Other losses	(74)	(161)
Environmental compliance plan costs	-	(1,066)
	(4,213)	1,339

d) Finance expense consists of the following:

	2024 **$**	**2023** **$**
Finance, commitment and interest charges	(2,348)	(2,805)
Fair value adjustments to interest rate swaps	150	(88)
	(2,198)	(2,893)

18) DISCLOSURE OF INTEREST IN OTHER ENTITIES

Amerigo has seven subsidiaries, all of which are wholly-owned with the exception of Amerigo International. Amerigo International is wholly-owned by Amerigo except for certain outstanding Class A shares, as disclosed in Note 12(a).

	Jurisdiction of incorporation
Amerigo International Holdings Corp.	Canada
Amerigo Resources Ltd. I Chile Limitada	Chile
Amerigo Resources Ltd. II Chile SPA	Chile
Minera Valle Central S.A.	Chile
Colihues Energia S.A.	Chile
Servicios y Procesos Industriales S&PI SPA	Chile

(tabular information expressed in thousands of U.S. dollars)

19) FAIR VALUE MEASUREMENT

Certain of Amerigo's financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The fair value hierarchy has three levels that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and valuation techniques used to value Amerigo's financial assets and liabilities are the following:

- Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities that Amerigo can access at the measurement date.

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly. Copper and molybdenum trade and settlement receivables are FVTPL with changes in fair value of the receivables which are measured at FVTPL as underlying commodity market prices vary. The fair values of these receivables are adjusted each reporting period by reference to forward market prices and changes in fair value are recorded as a separate component of revenue. Amerigo has also included the IRS in Level 2 of the fair value hierarchy because these instruments are determined based on the observed values for underlying interest rates.

- Level 3 – Significant unobservable inputs that are not based on observable market data. Amerigo includes the related party derivative liability in Level 3 of the fair value hierarchy because it is not tradeable or associated with observable price transparency. Management assesses the fair value of this derivative on a quarterly basis based on management's best estimates, which are unobservable inputs. Fair value is calculated by applying the discounted cash flow approach on a valuation model that considers the present value of the net cash flows expected to be paid to a related party (Note 12(a)).

	Level 1 $	Level 2 $	Level 3 $	Total $
December 31, 2024				
Trade receivables	-	9,352	-	9,352
Interest rate swap	-	230	-	230
Related party derivative liability	-	-	(7,735)	(7,735)
	-	9,582	(7,735)	1,847

	Level 1 $	Level 2 $	Level 3 $	Total $
December 31, 2023				
Trade receivables	-	4,947	-	4,947
Interest rate swap	-	900	-	900
Related party derivative liability	-	-	(6,979)	(6,979)
	-	5,847	(6,979)	(1,132)

(tabular information expressed in thousands of U.S. dollars)

The carrying values of cash and cash equivalents, trade and other payables and DET royalties approximate their fair value due to their short-term maturity.

The following table reconciles the starting to the ending balances for Level 3 fair value measurements:

	Related party derivative liability $
Balance at January 1, 2024	6,979
Paid	(1,059)
Change in fair value	1,815
Balance at December 31, 2024	7,735

	Related party derivative liability $
Balance at January 1, 2023	7,152
Paid	(991)
Change in fair value	818
Balance at December 31, 2023	6,979

The valuation technique used in the determination of fair values within Level 2 of the hierarchy, and the key observable inputs used in the valuation model are the following:

Trade receivables

Valuation approach: The fair values of the Company's copper and molybdenum trade receivables are adjusted each reporting period by reference to forward market prices and changes in fair value are recorded as a component of revenue.

Key observable inputs: For copper: average LME spot and 3-month copper prices assessed monthly. For molybdenum: average Platt's molybdenum dealer oxide molybdenum price assessed monthly.

Inter-relationship between key observable inputs and fair value measurement: The estimated fair value increases as copper and molybdenum prices increase.

Interest rate swap

Valuation approach: The valuation model considers the present value of the net cash flows expected to be paid in respect of the IRS (Note 11).

Key observable inputs:
The valuation model considers a forward interest rate curve.

(tabular information expressed in thousands of U.S. dollars)

Inter-relationship between key observable inputs and fair value measurement: The contract's fair value fluctuates with changes in market interest rates.

The valuation technique used in the determination of fair values within Level 3 of the hierarchy, and the key unobservable inputs used in the valuation model are the following:

Related party derivative liability

Valuation approach: The fair value is calculated by applying the discounted cash flow approach. The valuation model considers the present value of the net cash flows expected to be paid to a related party (Note 12(a)).

Key unobservable inputs: For the related party derivative liability: estimated copper equivalent tolling/production to 2037, assumed copper and molybdenum prices and discount rate.

Inter-relationship between key unobservable inputs and fair value measurement: For the related party derivative liability: the estimated fair value increases the lower the discount rate, the higher the estimated tolling/production and the higher the copper equivalent for molybdenum production calculated from the relationship of molybdenum to copper prices.

Valuation processes: Amerigo's finance department is responsible for valuation of fair value measurements included in the financial statements, including Level 3 fair values. The valuation processes and results for non-recurring measurements are reviewed and approved by the CFO in the quarter in which the measurement occurs. All Level 3 valuation results are discussed with the Audit Committee as part of its quarterly review of Amerigo's financial statements.

Key unobservable inputs for valuation of the related party derivative liability correspond to:

- Estimated copper equivalent tolling/production as provided by MVC's mining plan. Based on the estimates as of December 31, 2024, a 1% increase (decrease) in estimated copper equivalent tolling/production would have resulted in a change of approximately $0.1 million in the related party derivative liability.

- Assumed copper and molybdenum prices for calculating copper equivalent from molybdenum production, as provided by consensus long-term copper and molybdenum price market data. The copper prices used in the December 31, 2024 calculation were 2025: $4.36/lb; 2026: $4.56/lb; 2027: $4.65/lb; 2028: $4.81 and 2029 to 2037: $4.20/lb. Molybdenum prices used were 2025: $20.61/lb; 2026: $19.45/lb; 2027: $19.24/lb; 2028: $18.60/lb and 2029 to 2037: $17.29/lb.

- Discount rate calculated using a discount rate adjustment technique with a yield curve with rates starting at 9.79% in 2024 with gradual decreases down to 9.72% in 2037. A 1% change in the rates used in the estimate would have resulted in a change of approximately $0.4 million in the related party derivative liability.

In the case of the IRS, key inputs for valuation correspond to a forward interest rate curve, term of the IRS, loan amortization schedule and MVC's credit spread.

(tabular information expressed in thousands of U.S. dollars)

20) FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial Risk Management

The Company's activities expose it to a variety of financial risks, which include liquidity risk, foreign exchange risk, interest rate risk, commodity price risk and credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company operates in a cyclical industry where cash flow levels are closely correlated to the market prices for copper.

The Company expects that it will continue to be able to meet obligations for the next 12 months from operating cash flow. The Company manages liquidity risk through close controls on cash requirements and regular updates to short-term cash flow projections. The Company operates in a cyclical industry where cash flow levels are closely correlated to the market prices for copper. In 2024, the Company generated $47.1 million of operating cash flow before changes in non-cash working capital (2023: $22.3 million), and $59.8 million in operating cash flow including changes in non-cash working capital (2023: $20.3 million) and was able to meet its obligations as they became due.

The Company's liabilities fall due as indicated in the following tables:

At December 31, 2024	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	24,641	24,641	-	-	-
DET royalties	22,634	22,634	-	-	-
Borrowings	10,702	7,474	3,228	-	-
Related party derivative liability	7,735	1,058	876	2,283	3,518
Dismantling provision	1,966	299	684	983	-
Severance provisions	822	-	-	-	822
	68,500	56,106	4,788	3,266	4,340

At December 31, 2023	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	19,410	19,410	-	-	-
DET royalties	17,104	17,104	-	-	-
Borrowings	20,713	9,872	7,562	3,279	-
Related party derivative liability	6,979	1,022	815	1,917	3,225
Severance provisions	781	-	-	-	781
	64,987	47,408	8,377	5,196	4,006

Foreign Exchange Risk

The Company faces foreign exchange risk exposures arising from transactions denominated in foreign currencies. The Company's main foreign exchange risks arise with respect to the Canadian dollar and the Chilean Peso. Amerigo has elected not to actively manage this exposure at this time. Notwithstanding, Amerigo continuously monitors this exposure to determine if any mitigation strategies become necessary. Based on the balances as at December 31, 2024,

(tabular information expressed in thousands of U.S. dollars)

a 1% increase (decrease) in the Chilean Peso/U.S. dollar or the Canadian dollar/U.S. dollar exchange rates on the Company's foreign currency denominated net assets on that day would have resulted in an increase or decrease of approximately $0.5 million and $nil on income and comprehensive income, respectively.

Interest Rate Risk

On December 31, 2024, the Company's interest rate risk mainly arises from the interest rate impact on borrowings and is mitigated by an IRS (Note 11).

As of December 31, 2024, with other variables unchanged, a 1% change in prime rates on borrowings not protected by the IRS would have had no impact on income and no effect on OCI. A 1% change in the IRS would have no impact on income and no effect on OCI and would impact the fair value of the IRS by $0.1 million.

Commodity Price Risk

MVC faces commodity price risk arising from changes to the market prices for copper and molybdenum from the time of performance of tolling services or delivery of concentrates to the time of final price settlement. This risk is affected by the quotational periods in place. In 2024, the quotational periods were "M+3" for copper tolling services and a range from "M" to "M+4" for molybdenum sales.

The following represents the effect of commodity prices on the fair value of the financial instruments on pre-tax net income from a 10% increase to the December 2024 average commodity prices:

	Price		Increase on pre-tax net earnings	
	2024	**2023**	**2024**	**2023**
	$/lb	**$/lb**	**$**	**$**
Copper	4.08	3.83	7,443	6,164
Molybenum	21.37	18.53	714	401

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and settlement receivables. The Company has an investment policy which requires that cash and cash equivalents can only be deposited in investments with certain minimum credit ratings. Cash and cash equivalents are maintained with financial institutions in Canada and Chile and are redeemable on demand. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk. In order to mitigate its exposure to credit risk the Company closely monitors the financial institutions where cash balances are deposited. In 2024, MVC processed copper concentrates under a tolling agreement with DET and does not consider it has any significant credit risk exposure on its accounts receivable.

(tabular information expressed in thousands of U.S. dollars)

Capital Risk Management

Amerigo considers that its capital consists of the items included in shareholders' equity, borrowings when applicable, net of cash and cash equivalents, and investments. Amerigo manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of Amerigo's assets.

Amerigo's capital management objectives are intended to safeguard the Company's ability to support its normal operating requirements on an ongoing basis.

To effectively manage its capital requirements, Amerigo has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating objectives. Amerigo's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide an adequate return on investment to its shareholders and to maintain a flexible capital structure which optimizes the cost of capital at acceptable risk.

21) SUPPLEMENTARY CASH FLOW INFORMATION

	2024 $	2023 $
(a) Interest and taxes paid		
Income taxes paid	10,180	7,018
Interest paid	1,442	1,378
(b) Other		
Increase in accounts payable related to the acquisition of plant and equipment	3,470	1,286
Cash paid during the year in connection with the derivative to related parties	1,058	991

22) COMMITMENTS

a) On December 31, 2024 MVC had a long-term agreement for the supply of 100% of MVC's power requirements to December 31, 2037. The agreement established minimum stand-by charges based on peak hour power supply calculations, estimated to range from $1.0 million to $1.3 million monthly.

b) The DET Agreement has a Closure Plan clause requiring MVC and DET to jointly assess the revision of the closure plan for Cauquenes and compare it to the current DET plan. In the case of any variation in the interests of DET due to MVC's activities in the Cauquenes deposit, the parties will jointly evaluate the form of implementation and financing of or compensation for such variation. The DET Agreement also provides that MVC will transfer its property, plant, and equipment to DET on December 31, 2037 at no cost and free and clear of all encumbrances, unless DET decides not to take ownership of the property, plant, and equipment and provides MVC with 3-year notice to this effect.

(tabular information expressed in thousands of U.S. dollars)

23) SUBSEQUENT EVENTS

a) In January 2025, 200,000 options of the Company were exercised on a cashless basis.

b) In January 2025, $3.5 million of restricted cash held as part of the Term Loan was released as scheduled in the loan agreement (Note 11).

c) On February 24, 2025, Amerigo's Board of Directors declared a quarterly dividend of Cdn$0.03 per share, payable on March 20, 2025 to shareholders of record as of March 6, 2025.