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Amerigo Announces Q1-2025 Results & Quarterly Dividend

Q1-2025 Net Income of \$3.3 million

Robust EBITDA¹ of \$15.2 million and Free Cash Flow to Equity¹ of \$4.8 million

15th Quarterly Dividend of Cdn\$.03 Declared

\$4.6 million Returned through Dividends and Share Buybacks in Q1-2025

VANCOUVER, BRITISH COLUMBIA – May 7, 2025/Amerigo Resources Ltd. (TSX: ARG; OTCQX: ARREF) (“Amerigo” or the “Company”) is pleased to announce a strong financial performance for the three months ended March 31, 2025 (“Q1-2025”). Dollar amounts in this news release are in U.S. dollars unless indicated otherwise.

Amerigo’s Q1-2025 financial results included net income of \$3.3 million, earnings per share (“EPS”) of \$0.02, EBITDA¹ of \$15.2 million, operating cash flow from operations before changes in non-cash working capital¹ of \$11.6 million and free cash flow to equity¹ of \$4.8 million. In Q1-2025, Amerigo returned \$3.5 million to shareholders through its quarterly dividend of Cdn\$0.03 per share and \$1.1 million from the purchase and cancellation of 0.8 million common shares through a Normal Course Issuer Bid (“NCIB”).

“We are pleased to report strong quarterly financial performance during our annual maintenance shutdown quarter. As reported in our April 9, 2025 news release, MVC completed the maintenance shutdown during Q1 of this year, compared to Q2 in 2024, which affects year-over-year quarterly analysis. The maintenance shutdown also impacts quarterly production and cash cost¹, which is reported on a unit of production basis”, said Aurora Davidson, Amerigo’s President and CEO.

“The maintenance shutdown is part of a normal operational year, and its impact compared to normalized quarters is factored into our annual guidance. This guidance remains on track. Cash generated from operations, which is the lifeblood of our business, was strong at \$11.6 million. Free cash flow to equity was \$4.8 million, and \$4.6 million was returned to shareholders in the quarter through our Capital Return Strategy”, she added.

“As anticipated, the markets’ response to shifting global trade patterns has translated into short-term copper price volatility. Despite this volatility, the year-to-date average London Metal Exchange copper price is higher than the healthy \$4.15 per pound average 2024 price. The rising LME copper price is a significant factor in our efforts to eliminate our remaining minimal debt by the end of this year. Operationally, we remain focused on safety, meeting our production guidance of 62.9 million pounds of copper and controlling costs. Our Capital Return Strategy is active and promptly returned to shareholders almost all the free cash flow generated by the Company’s operations during the quarter”, Ms. Davidson concluded.

On May 5, 2025, Amerigo’s Board of Directors declared its fifteenth consecutive quarterly dividend. The dividend will be in the amount of Cdn\$0.03 per share, payable on June 20, 2025, to shareholders of record as of May 30, 2025³. Amerigo designates the entire amount of this taxable dividend to be an “eligible dividend” for purposes of the *Income Tax Act* (Canada), as amended from time to time.

¹ This is a non-IFRS measure. See “Non-IFRS Measures” for further information.



Based on Amerigo's March 31, 2025 closing share price of Cdn\$1.91, the Cdn\$0.03 quarterly dividends, per share declared on May 5, 2025, represents an annual dividend yield of 6.3%.

This news release should be read with Amerigo's interim consolidated financial statements and Management's Discussion and Analysis ("MD&A") for Q1-2025, available on the Company's website at www.amerigoresources.com and on the SEDAR+ website at www.sedarplus.ca.

	Q1-2025	Q1-2024
MVC's copper price (\$/lb) ⁴	4.42	3.95
Revenue (\$ millions)	44.2	44.9
Net income (\$ millions)	3.3	4.3
EPS (\$)	0.02	0.03
EPS (Cdn)	0.03	0.03
EBITDA ¹ (\$ millions)	15.2	13.6
Operating cash flow before changes in non-cash working capital ¹ (\$ millions)	11.6	10.2
FCFE ¹ (\$ millions)	4.8	7.3
	March 31, 2025	Dec. 31, 2024
Cash (\$ millions)	27.7	35.9
Restricted cash (\$ millions)	3.1	4.4
Borrowings (\$ millions)	11.1	10.7
Shares outstanding at end of period (millions)	164.4	164.5

Highlights and Significant Items

- In Q1-2025, Amerigo's posted net income of \$3.3 million (Q1-2024: \$4.3 million), driven by copper production from MVC of 13.2 million pounds of copper ("M lbs") (Q1-2024: 16.0 M lbs) at an average MVC copper price of \$4.42 per pound ("\$/lb") compared to \$3.95/lb in Q1-2024. The 17.5% decrease in copper production between both quarters was predominantly caused by the timing of MVC's annual maintenance shutdown, which occurred in Q1-2025 and Q2-2024. The yearly maintenance shutdown was factored into the Company's annual production guidance of 62.9 M lbs, which remains in place.
- EPS in Q1-2025 was \$0.02 (Cdn\$0.03), compared to \$0.03 (Cdn\$0.03) in Q1-2024.
- Despite lower production in the quarter, the Company generated a stronger operating cash flow before changes in non-cash working capital¹ of \$11.6 million in Q1-2025, compared to \$10.2 million in Q1-2024. The Company's quarterly net operating cash flow was \$1.9 million (Q1-2024: \$4.5 million) after changes in working capital in the period, most notably reductions of \$4.4 million in trade and other payables and \$5.4 million in DET royalties.
- Free cash flow to equity¹ was \$4.8 million in Q1-2025 (Q1-2024: \$7.3 million), after capital expenditures ("Capex") payments of \$6.8 million in Q1-2025.

¹ This is a non-IFRS measure. See "Non-IFRS Measures" for further information.



- In Q1-2025, Amerigo returned \$4.6 million to shareholders (Q1-2024: \$3.7 million). This included \$3.5 million returned to shareholders through Amerigo's regular quarterly dividend of Cdn\$0.03 per share (Q1-2024: \$3.7 million or Cdn\$0.03 per share) and \$1.1 million from the purchase and cancellation of 0.8 million common shares through a NCIB (Q1-2024: \$nil).
- Q1-2025 cash cost¹ was \$2.22/lb (Q1-2024: \$1.96/lb), impacted by the lower production between both quarters described above.
- On March 31, 2025, the Company held cash and cash equivalents of \$27.7 million (December 31, 2024: \$35.9 million), restricted cash of \$3.1 million (December 31, 2024: \$4.4 million), and its working capital deficiency was \$4.6 million, down from a working capital deficiency of \$6.5 million on December 31, 2024.
- The Company's financial performance is sensitive to changes in copper prices. MVC's Q1-2025 provisional copper price was \$4.42/lb. The final prices for January, February, and March 2025 sales will be the average London Metal Exchange ("LME") prices for April (\$4.17/lb), May, and June 2025, respectively. A 10% increase or decrease from the \$4.42/lb provisional price used on March 31, 2025, would result in a \$5.7 million change in revenue in Q2-2025 regarding Q1-2025 production⁴.

Investor Conference Call on May 8, 2025

Amerigo's quarterly investor conference call will be held on Thursday, May 8, 2025, at 11:00 a.m. Pacific Daylight Time/2:00 p.m. Eastern Daylight Time.

Participants can join by visiting <https://emportal.ink/4fsXvjM> and entering their name and phone number. The conference system will then call the participants and place them instantly into the call. Alternatively, participants can dial directly to be entered into the call by an Operator. Dial 1-888-510-2154 (Toll-Free North America) and state they wish to participate in the Amerigo Resources Q1-2025 Earnings Call.

Interactive Analyst Center

Amerigo's public financial and operational information is available for Excel download through Virtua's Interactive Analyst Center ("IAC"). You can access the IAC by visiting www.amerigoresources.com under Investors > Interactive Analyst Center.

About Amerigo and Minera Valle Central ("MVC")

Amerigo Resources Ltd. is an innovative copper producer with a long-term relationship with Corporación Nacional del Cobre de Chile ("Codelco"), the world's largest copper producer.

Amerigo produces copper concentrate, and molybdenum concentrate as a by-product at the MVC operation in Chile by processing fresh and historic tailings from Codelco's El Teniente mine, the world's largest underground copper mine. Tel: (604) 681-2802; Web: www.amerigoresources.com; ARG:TSX; OTCQX: ARREF.

¹ This is a non-IFRS measure. See "Non-IFRS Measures" for further information.



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Summary Consolidated Statements of Financial Position		
	March 31, 2025 \$ thousands	December 31, 2024 \$ thousands
Cash and cash equivalents	27,658	35,864
Restricted cash	3,136	4,449
Property plant and equipment	142,971	143,708
Other assets	22,456	21,450
Total assets	196,221	205,471
Total liabilities	92,533	100,682
Shareholders' equity	103,688	104,789
Total liabilities and shareholders' equity	196,221	205,471
Summary Consolidated Statements of Income and Comprehensive Income		
	Three months ended March 31, 2025 \$ thousands	2024 \$ thousands
Revenue	44,182	44,921
Tolling and production costs	(34,492)	(37,116)
Other expenses	(1,375)	(1,329)
Finance expense	(422)	(503)
Income tax expense	(4,597)	(1,701)
Net income	3,296	4,272
Other comprehensive (loss) income	(19)	9
Comprehensive income	3,277	4,281
Earnings per share - basic & diluted	0.02	0.03
Summary Consolidated Statements of Cash Flows		
	Three months ended March 31, 2025 \$ thousands	2024 \$ thousands
Cash flow from operating activities	11,638	10,189
Changes in non-cash working capital	(9,784)	(5,654)
Net cash used in operating activities	1,854	4,535
Net cash used in investing activities	(6,824)	(1,129)
Net cash used in financing activities	(3,286)	(5,263)
Net decrease in cash and cash equivalents	(8,256)	(1,857)
Effect of foreign exchange rates on cash	50	(590)
Cash and cash equivalents, beginning of period	35,864	16,248
Cash and cash equivalents, end of period	27,658	13,801



1 Non-IFRS Measures

This news release includes five non-IFRS measures: (i) EBITDA, (ii) operating cash flow before changes in non-cash working capital, (iii) free cash flow to equity ("FCFE"), (iv) free cash flow ("FCF") and (v) cash cost.

These non-IFRS performance measures are included in this news release because they provide key performance measures used by management to monitor operating performance, assess corporate performance, and plan and assess the overall effectiveness and efficiency of Amerigo's operations. These performance measures are not standardized financial measures under International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), and, therefore, amounts presented may not be comparable to similar financial measures disclosed by other companies. These performance measures should not be considered in isolation as a substitute for performance measures in accordance with IFRS Accounting Standards.

- (i) EBITDA refers to earnings before interest, taxes, depreciation, and administration and is calculated by adding depreciation expense to the Company's gross profit.

(Expressed in thousands)	Q1-2025 \$	Q1-2024 \$
Gross profit	9,690	7,805
Add:		
Depreciation and amortization	5,476	5,773
EBITDA	15,166	13,578

- (ii) Operating cash flow before changes in non-cash working capital is calculated by adding back the decrease or subtracting the increase in changes in non-cash working capital to or from cash provided by operating activities.

(Expressed in thousands)	Q1-2025 \$	Q1-2024 \$
Net cash provided by operating activities	1,854	4,535
Add:		
Changes in non-cash working capital	9,784	5,654
Operating cash flow before non-cash working capital	11,638	10,189

- (iii) Free cash flow to equity ("FCFE") refers to operating cash flow before changes in non-cash working capital, less capital expenditures, plus new debt issued, less debt and lease repayments. FCFE represents the amount of cash generated by the Company in a reporting period that can be used to pay for potential distributions to the Company's shareholders and any additional taxes triggered by the repatriation of funds from Chile to Canada to fund these distributions.

Free cash flow ("FCF") refers to FCFE plus repayments of borrowings and lease repayments.

(Expressed in thousands)	Q1-2025 \$	Q1-2024 \$
Operating cash flow before changes in non-cash working capital	11,638	10,189
Deduct:		
Cash used to purchase plant and equipment	(6,824)	(1,129)
Repayment of borrowings, net of new debt issued	-	(1,750)
Free cash flow to equity	4,814	7,310
Add:		
Repayment of borrowings, net of new debt issued	-	1,750
Free cash flow	4,814	9,060



- (iv) Cash cost is a performance measure commonly used in the mining industry that is not defined under IFRS. Cash cost is the aggregate of smelting and refining charges, tolling/production costs net of inventory adjustments and administration costs, net of by-product credits. Cash cost per pound produced is based on pounds of copper produced and is calculated by dividing cash cost by the number of pounds of copper produced.

(Expressed in thousands)	Q1-2025	Q1-2024
	\$	\$
Tolling and production costs	34,492	37,116
Add (deduct):		
Smelting and refining charges	2,917	6,237
Transportation costs	322	403
Inventory adjustments	1,418	(169)
By-product credits	(3,567)	(5,454)
Depreciation and amortization	(5,476)	(5,773)
DET royalties - molybdenum	(782)	(1,032)
Cash cost	29,324	31,328
Copper tolled (M lbs)	13.23	16.00
Cash cost (\$/lb)	2.22	1.96

2 Capital returned to shareholders

The table below summarizes the capital returned to shareholders since Amerigo's Capital Return Strategy was implemented in October 2021.

(Expressed in millions)			
	Shares repurchased	Dividends Paid	Total
	\$	\$	\$
2021	8.8	2.8	11.6
2022	12.3	15.8	28.1
2023	2.6	14.6	17.2
2024	1.8	19.4	21.2
2025	1.4	3.5	4.9
	26.9	56.1	83.0

3 Dividend dates

A dividend of Cdn\$0.03 per share will be paid on June 20, 2025, to shareholders of record as of May 30, 2025. Under the "T+1 settlement cycle", the Company's shares will commence trading on an ex-dividend basis at the opening of trading on May 30, 2025. Shareholders purchasing Amerigo shares on the ex-dividend date or after will not receive this dividend, as it will be paid to selling shareholders. Shareholders purchasing Amerigo shares before the ex-dividend date will receive the dividend.



4 MVC's copper price

MVC's copper price is the average notional copper price for the period before smelting and refining, DET notional copper royalties, transportation costs and excluding settlement adjustments to prior period sales.

MVC's pricing terms are based on the average LME copper price of the third month following the delivery of copper concentrates produced under the DET tolling agreement ("M+3"). This means that when final copper prices are not yet known, they are provisionally marked to market at the end of each month based on the progression of the LME-published average monthly M and M+3 prices. Provisional prices are adjusted monthly using this consistent methodology until they are settled.

Q4-2024 copper deliveries were marked to market on December 31, 2024, at \$4.08/lb and were settled in Q1-2025 as follows:

- October 2024 sales settled at the January 2025 LME average price of \$4.07/lb
- November 2024 sales settled at the February 2025 LME average price of \$4.23/lb
- December 2024 sales settled at the March 2025 LME average price of \$4.41/lb

Q1-2025 copper deliveries were marked to market on March 31, 2025, at \$4.42/lb and will be settled at the LME average prices for April (\$4.17/lb), May and June 2025.

Cautionary Statement Regarding Forward-Looking Information

This news release contains certain "forward-looking information" as such term is defined under applicable securities laws (collectively called "forward-looking statements"). This information relates to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements concerning:

- forecasted production and operating costs;
- our strategies and objectives;
- our estimates of the availability and quantity of tailings and the quality of our mine plan estimates;
- prices and price volatility for copper, molybdenum and other commodities and materials we use in our operations;
- the demand for and supply of copper, molybdenum and other commodities and materials that we produce, sell and use;
- sensitivity of our financial results and share price to changes in commodity prices;
- our financial resources and financial condition;
- interest and other expenses;
- domestic and foreign laws affecting our operations;
- our tax position and the tax rates applicable to us;
- our ability to comply with our loan covenants;
- the production capacity of our operations, our planned production levels and future production;
- potential impact of production and transportation disruptions;
- hazards inherent in the mining industry causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties and suspension of operations
- estimates of asset retirement obligations and other costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- repudiation, nullification, modification or renegotiation of contracts;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be involved;
- the outcome of negotiations concerning metal sales, treatment charges and royalties;
- disruptions to the Company's information technology systems, including those related to cybersecurity;
- our dividend policy, including the security of the quarterly dividends and our Capital Return Strategy; and
- general business and economic conditions, including, but not limited to, our assessment of strong market fundamentals supporting copper prices.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such statements. Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans;



risks generally encountered in the operation, permitting and development of mineral projects such as unusual or unexpected geological formations, negotiations with government and other third parties, unanticipated metallurgical difficulties, delays associated with permits, approvals and permit appeals, ground control problems, adverse weather conditions (including, but not limited, to heavy rains), process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; risks related to the potential impact of global or national health concerns; government or regulatory actions or inactions; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with availability of and our ability to obtain both tailings from Codelco's Division El Teniente ("DET") current production and historic tailings from tailings deposit; the availability of and ability of the Company to obtain adequate funding on reasonable terms for expansions and acquisitions; mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; risks associated with supply chain disruptions; title risks; social and political risks associated with operations in foreign countries; risks of changes in laws affecting our operations or their interpretation, including foreign exchange controls; and risks associated with tax reassessments and legal proceedings. Many of these risks and uncertainties apply to the Company and its operations, as well as DET and its operations. DET's ongoing mining operations provide a significant portion of the materials the Company processes and its resulting metals production. Therefore, these risks and uncertainties may also affect the Company's operations and have a material effect.

Actual results and developments will likely differ materially from those expressed or implied by the forward-looking statements in this news release. Such statements are based on several assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest and currency exchange rates;
- changes in commodity and power prices;
- acts of foreign governments and the outcome of legal proceedings;
- the supply and demand for deliveries of and the level and volatility of prices of copper, molybdenum and other commodities and products used in our operations;
- the ongoing supply of material for processing from DET's current mining operations;
- the grade and projected recoveries of tailings processed by MVC;
- the ability of the Company to profitably extract and process material from the historic tailings deposit;
- the timing of the receipt of and retention of permits and other regulatory and governmental approvals;
- our costs of production and our production and productivity levels, as well as those of our competitors;
- changes in credit market conditions and conditions in financial markets generally;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- the satisfactory negotiation of collective agreements with unionized employees;
- the impact of changes in foreign exchange rates and capital repatriation on our costs and results;
- engineering and construction timetables and capital costs for our expansion projects;
- costs of closure of various operations;
- market competition;
- tax benefits and tax rates;
- the outcome of our copper concentrate sales and treatment and refining charge negotiations;
- the resolution of environmental and other proceedings or disputes;
- the future supply of reasonably priced power;
- average recoveries for fresh and historic tailings;
- our ability to obtain, comply with and renew permits and licenses in a timely manner; and
- Our ongoing relations with our employees and entities with which we do business.

Future production levels and cost estimates assume no adverse mining or other events significantly affecting budgeted production levels.

Climate change is a global issue that could pose challenges that could affect the Company's future operations. This could include more frequent and intense droughts followed by intense rainfall. In the last several years, Central Chile has had drought conditions and also rain episodes of significant magnitude. The Company's operations are sensitive to water availability and the reserves required to process projected historic tailings tonnage.

Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company's control, the Company cannot assure that it will achieve or accomplish the expectations, beliefs or projections



described in the forward-looking statements.

The preceding list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our results to differ materially from those estimated, projected, and expressed in or implied by our forward-looking statements. You should also consider the matters discussed under Risk Factors in the Company's Annual Information Form. The forward-looking statements contained herein speak only as of the date of this news release.