

# Amerigo Resources Ltd. Announces 2024 Results & Quarterly Dividend

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**2024 Net Income of \$19.2 million**

**Annual EBITDA<sup>1</sup> of \$68.8 million and Free Cash Flow to Equity<sup>1</sup> of \$27.8 million**

**14<sup>th</sup> Quarterly Dividend of Cdn\$0.03 Declared**

**\$21.2 million Returned to Shareholders in 2024**

VANCOUVER, Feb. 26, 2025 - [Amerigo Resources Ltd.](#) (TSX: ARG; OTCQX: ARREF) ("Amerigo" or the "Company") is pleased to announce financial results for the year and three months ("Q4-2024") ended December 31, 2024. Dollar amounts in this news release are in U.S. dollars unless indicated otherwise.

Amerigo's annual financial results included annual net income of \$19.2 million, earnings per share ("EPS") of \$0.12, EBITDA<sup>1</sup> of \$68.8 million and free cash flow to equity<sup>1</sup> ("FCFE<sup>1</sup>") of \$27.8 million. In 2024, Amerigo returned \$21.2 million to shareholders, including Cdn\$.16 per share of quarterly and performance dividends. 2024 was the first year the Company employed all the elements of its Capital Return Strategy<sup>2</sup> ("CRS"): quarterly dividends, performance dividends, and share buybacks.

In Q4-2024, Amerigo's net income was \$2.4 million, with EPS of \$0.01, EBITDA<sup>1</sup> of \$19.5 million, and FCFE<sup>1</sup> of \$8.0 million.

"We are pleased to report once again strong annual results for Amerigo, exceeding production and cash cost <sup>1</sup> guidance. Our teams continue to deliver exceptional results in workplace safety, environmental compliance, plant availability and the rollout of optimization and risk mitigation Capex," said Aurora Davidson, Amerigo's President and CEO. "This operational excellence provides the basis for Amerigo's industry-leading CRS<sup>2</sup>."

"In July 2024, Amerigo paid its first performance dividend, illustrating our ability to quickly share the benefits of strong copper prices with shareholders. Currently, copper prices are starting to behave as in Q2-2024, before the declaration of that initial performance dividend. However, compared to July 2024, we are comfortably above our targeted minimum cash balances, and the overhang of the upcoming U.S. election is behind us. We are again in an excellent position to quickly take advantage of rising copper prices on behalf of shareholders."

"We have set ambitious operational and financial goals for 2025. We expect to extinguish our already low level of debt before year-end, which will allow us to return even greater levels of capital to shareholders. We continue to see strongly supported fundamentals in our sector, which should lead to higher copper prices and exceptional economics for Amerigo. With minimal remaining debt and a proven CRS<sup>2</sup> in place, Amerigo is extremely well positioned to continue to reward shareholders," Ms. Davidson added.

Amerigo's copper production from Minera Valle Central ("MVC") reached 64.6 million pounds ("M lbs") of copper (2023: 57.6 M lbs, impacted by flooding throughout Chile), 4% over the Company's annual production guidance of 62.4 M lbs. MVC also produced 1.3 M lbs of molybdenum in 2024 (2023: 1.2 M lbs), 8% over the Company's guidance of 1.2 M lbs.

On February 24, 2025, Amerigo's Board of Directors declared its fourteenth quarterly dividend. The dividend will be Cdn\$0.03 per share, payable on March 20, 2025, to shareholders of record as of March 6, 2025<sup>3</sup>. 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. Based on Amerigo's December 31, 2024, share closing price of Cdn\$1.56, the Cdn\$0.03 per share quarterly dividend represents an annual dividend yield of 7.7%<sup>4</sup>.

This news release should be read with Amerigo's audited consolidated financial statements and Management's Discussion and Analysis ("MD&A") for the years ended December 31, 2024, and 2023, available on the Company's website at [www.amerigoresources.com](http://www.amerigoresources.com) and on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

	2024	2023	Q4-2024	Q4-2023
MVC's copper price (\$/lb) <sup>5</sup>	4.15	3.86	4.06	3.82
Revenue (\$ millions)	192.8	157.5	50.8	42.4
Net income (\$ millions)	19.2	3.4	3.1	3.9
EPS (\$)	0.12	0.02	0.02	0.02
EPS (Cdn)	0.16	0.03	0.03	0.03
EBITDA <sup>1</sup> (\$ millions)	68.8	34.6	19.5	11.2
Operating cash flow before changes in non-cash working capital <sup>1</sup> (\$ millions)	47.1	22.3	13.8	8.8
FCFE <sup>1</sup> (\$ millions)	27.8	-	8.0	6.5
At December 31,	2024	2023		
Cash (\$ millions)	35.9	16.2		
Restricted cash (\$ millions)	4.4	6.3		
Borrowings (\$ millions)	10.7	20.7		
Shares outstanding at end of period (millions)	164.5	164.8		

#### Highlights and Significant Items

- Amerigo achieved a solid financial performance in 2024, posting a net income of \$19.2 million (2023: \$3.4 million), driven by increased copper production from MVC of 64.6 M lbs (2023: 57.6 M lbs) and an average MVC copper price in 2024 of \$4.15 per pound ("lb") (2023: \$3.86/lb).
- Basic EPS in 2024 were \$0.12 (Cdn\$0.16), compared to \$0.02 (Cdn\$0.03) in 2023.
- The Company generated operating cash flow before changes in non-cash working capital<sup>1</sup> of \$47.1 million (2023: \$22.3 million). Annual net operating cash flow was \$59.8 million (2023: \$20.3 million). Free cash flow to equity<sup>1</sup> was \$27.8 million (2023: \$nil).
- Cash cost<sup>1</sup> in 2024 was \$1.89/lb (2023: \$2.17/lb). The \$0.28/lb reduction in cash cost was caused predominantly by a 12.2% increase in copper production during 2024. This resulted in decreased unit costs overall, most notably in power costs (\$0.08/lb), direct labour (\$0.03/lb), grinding media (\$0.03/lb), administration (\$0.03/lb), and other direct costs (\$0.04/lb).
- On December 31, 2024, the Company held cash and cash equivalents of \$35.9 million (December 31, 2023: \$16.2 million), restricted cash of \$4.4 million (December 31, 2023: \$6.3 million) and had a working capital deficiency of \$6.5 million (December 31, 2023: \$12.3 million).
- In 2024, Amerigo returned \$21.2 million to shareholders (2023: \$17.2 million), including \$14.5 million (2023: \$14.6 million) through the payment of Amerigo's quarterly dividends of Cdn\$0.03 per share, \$4.8 million through the payment of a Cdn\$0.04 per share performance dividend (2023: \$nil) and \$1.8 million by purchasing 1.4 million common shares for cancellation through a Normal Course Issuer Bid (2023: \$2.6 million and 2.3 million common shares).
- The Company's financial performance is sensitive to changes in copper prices. MVC's Q4-2024 provisional copper price was \$4.08/lb. The final prices for October, November and December 2024 sales will be the average London Metal Exchange ("LME") prices for January (\$4.07/lb), February and March 2025, respectively. A 10% increase or decrease from the \$4.08/lb provisional price used on December 31, 2024, would result in a \$7.4 million change in revenue in Q1-2025 regarding Q4-2024 production.

#### Investor Conference Call on February 27, 2025

Amerigo's quarterly investor conference call will be held on Thursday, February 27, 2025, at 11:00 a.m. Pacific Standard Time/2:00 p.m. Eastern Standard Time.

Participants can join by visiting <https://emportal.ink/3NOSCpK> 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 Q4-2024 Earnings Call.

#### Interactive Analyst Center

Amerigo has made published financial and operational information available for Excel download through Virtua's Interactive Analyst Center ("IAC"). You can access the IAC by visiting [www.amerigoresources.com](http://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](http://www.amerigoresources.com); ARG:TSX; OTCQX: ARREF.

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#### Summary Consolidated Statements of Financial Position

	December 31, December 31,	
	2024	2023
	\$ thousands	\$ thousands
Cash and cash equivalents	35,864	16,248
Restricted cash	4,449	6,282
Property plant and equipment	143,708	156,002
Other assets	21,450	21,027
Total assets	205,471	199,559
Total liabilities	100,682	94,706
Shareholders' equity	104,789	104,853
Total liabilities and shareholders' equity	205,471	199,559

#### Summary Consolidated Statements of Income and Comprehensive Income

	Years Ended December 31,	
	2024	2023
	\$ thousands	\$ thousands
Revenue	192,773	157,460
Tolling and production costs	(147,364)	(143,305)
Other expenses	(11,297)	(4,526)
Finance expense	(2,198)	(2,893)
Income tax expense	(12,674)	(3,354)
Net income	19,240	3,382

Other comprehensive income (loss)	984	(1,233)
Comprehensive income	20,224	2,149
Earnings per share - basic & diluted	0.12	0.02

## Summary Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2024	2023
	\$ thousands	\$ thousands
Cash flow from operating activities	47,149	22,321
Changes in non-cash working capital	12,629	(2,040)
Net cash generated from operating activities	59,778	20,281
Net cash used in investing activities	(9,341)	(16,888)
Net cash used in financing activities	(29,401)	(24,913)
Net increase (decrease) in cash and cash equivalents	21,036	(21,520)
Effect of foreign exchange rates 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

<sup>1</sup> 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)	2024	2023	Q4-2024	Q4-2023
	\$	\$	\$	\$
Gross profit	45,409	14,155	13,736	6,006
Add:				
Depreciation and amortization	23,351	20,444	5,773	5,238
EBITDA	68,760	34,599	19,509	11,244

(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)	2024	2023	Q4-2024	Q4-2023
	\$	\$	\$	\$
Net cash provided by operating activities	59,778	20,281	20,973	9,032
(Deduct) add:				
Changes in non-cash working capital	(12,629)	2,040	(7,223)	(217)
Operating cash flow before non-cash working capital	47,149	22,321	13,750	8,815

(iii) Free cash flow to equity ("FCFE") refers to operating cash flow before changes in non-cash working

capital, less capital expenditures, less repayment of borrowings net of new debt issued, and less lease repayments. FCFE represents the amount of cash generated by the Company in a reporting period that can be used to pay for the following:

- a) potential distributions to the Company's shareholders and
- b) any additional taxes triggered by the repatriation of funds from Chile to Canada to fund these distributions.

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

(Expressed in thousands)	2024	2023	Q4-2024	Q4-2023
	\$	\$	\$	\$
Operating cash flow before changes in non-cash working capital	47,149	22,321	13,750	8,815
(Deduct) add:				
Cash used to purchase plant and equipment	(8,733)	(16,888)	(1,796)	(2,511)
Repayment of borrowings, net of new debt issued	(9,994)	(3,839)	(4,000)	234
Lease repayments	-	(1,862)	-	-
Free cash flow to equity	28,422	(268)	7,954	6,538
Add (deduct):				
Repayment of borrowings, net of new debt issued	9,994	3,839	4,000	(234)
Lease repayments	-	1,862	-	-
Free cash flow	38,416	5,433	11,954	6,304

(v) 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)	2024	2023
	\$	\$
Tolling and production costs	147,364	143,305
Add (deduct):		
Smelting and refining	25,199	23,263
Transportation costs	1,645	1,591
Inventory adjustments	(1,589)	1,118
By-product credits	(22,856)	(19,352)
DET royalties - molybdenum	(4,466)	(4,694)
Depreciation and amortization	(23,351)	(20,444)
Cash cost	121,946	124,787
Pounds of copper tolled (fresh and old tailings)	64.56	57.64
Cash cost (\$/lb)	1.89	2.17

<sup>2</sup> Capital returned to shareholders

The table below summarizes the capital returned to shareholders since Amerigo's CRS 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
25.5	52.6	78.1

### <sup>3</sup> Dividend dates

A dividend of Cdn\$0.03 per share will be paid on March 20, 2025, to shareholders of record as of March 6, 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 March 6, 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.

### <sup>4</sup> Dividend yield

The annual dividend yield of 7.7% is based on four quarterly dividends of Cdn\$0.03 per share, divided over Amerigo's December 31, 2024 closing share price of Cdn\$1.56. In 2024, after factoring in Amerigo's payment of a Performance Dividend of Cdn\$0.04, the 2024 yield was 10.3%.

### <sup>5</sup> 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.

Q3-2024 copper deliveries were marked to market on September 30, 2024, at \$4.24/lb and were settled in Q4-2024 as follows:

- July 2024 sales settled at the October 2024 LME average price of \$4.33/lb
- August 2024 sales settled at the November 2024 LME average price of \$4.12/lb
- September 2024 sales settled at the December 2024 LME average price of \$4.05/lb

Q4-2024 copper deliveries were marked to market on December 31, 2024, at \$4.08/lb and will be settled at the LME average prices for January (\$4.07/lb), February and March 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, operating costs and Capex expenditure for 2025;
- 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 and our expectation to be able to return greater levels of capital to shareholders;
- 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 CRS; 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;
- rainfall in the vicinity of MVC continuing to trend towards normal levels;
- average recoveries for fresh and historic tailings 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 we do business with.

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 these assumptions were reasonable when made, they are inherently subject to significant uncertainties and contingencies that are difficult or impossible to predict and beyond the Company's control. Therefore, the Company cannot assure 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. Except as required by law, we undertake no obligation to revise any forward-looking statements or the preceding list of factors, whether due publicly or otherwise, to new information or future events.

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