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Research Flash

Amerigo Resources – Announces Third Performance Dividend of 2026

Rating	Target Price
BUY	**C$10.00**
Unchanged	*Unchanged*

September 14, 2026

Disseminated on Behalf of Amerigo Resources

All figures in USD unless otherwise stated

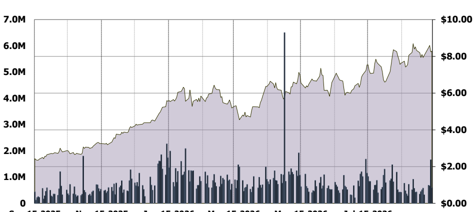
Amerigo Resources Ltd.	ARG:TSX
Rating	BUY
Target Price	C$10.00
Total Return	23%
Dividend Yield (Base)	1.9%

Market Data	
Share Price	C$8.28
Average Daily TSX Volume (K)	627.1
FD ITM Shares (M)	167.1
Market Cap ($M)	$994.2
Cash & Marketable Securities ($M)	$50.3
Debt ($M)	$0.0
Enterprise Value ($M)	$943.9

FYE Dec 31	2025A	2026E	2027E
Copper Produced (Mlbs)	62.2	63.8	65.1
Revenue ($M)	$227.3	$278.3	$217.3
Gross Margin (%)	30%	40%	23%
EBITDA ($M)	$89.8	$134.1	$73.9
OCF (Before WC, $M)	$60.5	$93.7	$57.6
FCFF ($M)	$48.7	$74.6	$45.6
EPS (Basic)	$0.21	$0.41	$0.18
Cash Cost ($/lb)	$1.93	$1.90	$2.02
AISC ($/lb)	$3.72	$4.27	$3.91

Valuation	2025A	2026E	2027E
EV/CF	15.6x	10.1x	16.4x
EV/EBITDA	10.5x	7.0x	12.8x
P/E	28.3x	14.6x	33.4x
FCF Yield (%)	5%	8%	5%

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



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.

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What you need to know:

- ARG announced a C$0.21/share performance dividend bringing the total 2026 performance dividends to C$0.55/share.
- The 2026 dividends represent an ~8.6% yield when including ARG’s quarterly dividends.
- Since 2021 ARG has returned $161.3M to shareholders through dividends and buybacks ($190.5M when today’s performance dividend and the quarterly dividend announced on July 27th, 2026 are paid).
- We recently published an interview with CEO Aurora Davidson, watch it here.

This morning, Amerigo Resources (ARG:TSX, ARREF:OTC) announced that its board has declared a performance dividend of C$0.21/share. This alone equates to a 2.5% yield and represents ARG’s third and largest performance dividend of the year, returning C$0.55/share to shareholders in total. **We are maintaining our BUY rating and our target price of C$10.00/share on Amerigo Resources.**

The dividend is payable on October 14th to shareholders of record on September 21st. This is tied to the elevated copper price which should lead to strong cashflow generation for the Company. Our expectations for Q3 can be found below. As a reminder, the performance dividend is a flexible component of the CRS where ARG returns excess cash to shareholders while maintaining its elite balance sheet. ARG declared a C$0.18/share performance dividend in July and a C$0.16/share performance dividend in April, making the total dividend yield 8.6% (including the quarterly dividends).

Q3 Preview

Amerigo will be reporting Q3 operational results in early October and financial results in late October. Our expectations are the following (unchanged):

- Copper produced of 16.2Mlbs (+11% YoY), comprised of 9.1Mlbs from fresh tailings and 7.1Mlbs from historical tailings. Molybdenum produced of 0.4Mlbs.
- Revenue of $66.3M (+26% YoY) assuming a copper price of $6.05/lb (spot is currently much higher) and 33% royalties.
- Gross margin of 37%, translating to EBITDA of $30.7M (46% margin) and OCF (before WC) of $22.9M.
- Capex of $4.7M and FCFF of $18.2M.
- ARG bought back 177.6K shares through its NCIB in July at an average price of $6.22/share, equating to 0.1% of its shares outstanding. No share repurchased have been disclosed for August.

Our Take

Capital Return Strategy Continues to Flex its Muscles

ARG prides itself on its aggressive Capital Return Strategy (CRS) whereby capital is returned to shareholders via quarterly dividends, performance dividends, and share buybacks. As mentioned above, including today’s dividend and the quarterly dividend announced in July, ARG has returned $190.5M to shareholders since 2021. Today’s announcement further exemplifies this commitment and highlights the substantial cashflow generation in periods of elevated copper prices. If prices sustain, or continue to rise, we expect performance dividends to be a regular occurrence.

We reiterate that the performance dividends are a key differentiator relative to peers. As a result, ARG has been rewarded with its stock greatly outperforming broader markets, being up 84% YTD vs. the COPX up just 22%.

Why We Like ARG

- ARG is focused on returning capital to shareholders via its 1.9% dividend yield and share buybacks (the total yield including YTD performance dividends is 8.6%). ARG has returned C$1.18/share to shareholders via dividends and buybacks since 2021 (including today's announcement). With minimal capex requirements, ARG is set up to continue rewarding shareholders by issuing dividends (plus performance dividends) and buying back stock.
- ARG's cashflow is highly leveraged to the copper price, which we are bullish on over the coming years. As per its 2026 guidance, each $0.20/lb increase in the copper price would increase EBITDA by $4.2M.
- Amerigo has a strong shareholder base with institutions owning 41%, management and the board owning 13%, and retail/HNW/family office investors owning the remaining 46%.

Catalysts

- Performance Dividends & Share Buybacks – Ongoing
- Increased Copper & Molybdenum Prices – Ongoing

Tear Sheet

Market Data	
Ticker	ARG:TSX
Stock Price	C$8.28
Rating	BUY
Target Price	C$10.00
Total Return	23%
Market Cap ($M)	$994.1
Cash ($M)	$50.3
Debt ($M)	$0.0
EV ($M)	$943.8

Capital Structure	
Basic Shares Outstanding (M)	161.4
Warrants (M)	0.0
Options (M)	9.0
FD Shares (M)	170.5
FD ITM Shares (M)	167.1

Commodity Price Assumptions	
Copper ($/lb)	5.96
Molybdenum ($/lb)	21.00

Financial Estimates	2024A	Q1/25A	Q2/25A	Q3/25A	Q4/25A	2025A	Q1/26A	Q2/26A	Q3/26E	Q4/26E	2026E	2027E
Copper Produced (Mlbs)	**64.6**	**13.2**	**15.5**	**14.6**	**18.9**	**62.2**	**14.3**	**16.9**	**16.2**	**16.4**	**63.8**	**65.1**
Moly Produced (Mlbs)	1.3	0.2	0.4	0.4	0.5	1.5	0.3	0.4	0.4	0.4	1.5	1.5
Gross Copper Tolled ($M)	269.0	55.0	66.9	67.2	96.0	285.1	83.7	102.8	97.9	99.1	383.6	312.5
Total Revenue ($M)	**192.8**	**44.2**	**50.8**	**52.5**	**79.8**	**227.3**	**66.2**	**77.4**	**66.3**	**68.5**	**278.3**	**217.3**
Gross Profit ($M)	45.4	9.7	12.1	13.0	32.4	67.2	26.9	32.2	24.8	26.3	110.2	49.9
Gross Margin	*24%*	*22%*	*24%*	*25%*	*41%*	*30%*	*41%*	*42%*	*37%*	*38%*	*40%*	*23%*
EBITDA ($M)	68.8	15.2	17.8	18.7	38.1	89.8	32.8	38.4	30.7	32.2	134.1	73.9
OCF (Before WC, $M)	**47.1**	**11.6**	**11.9**	**12.4**	**24.6**	**60.5**	**20.2**	**26.7**	**22.9**	**24.0**	**93.7**	**57.6**
% of revenue	*24%*	*26%*	*23%*	*24%*	*31%*	*27%*	*30%*	*34%*	*35%*	*35%*	*34%*	*26%*
Capex ($M)	8.3	6.8	1.4	1.3	2.3	11.8	5.7	4.7	4.7	4.0	19.1	12.0
FCFF ($M)	**38.8**	**4.8**	**10.5**	**11.1**	**22.2**	**48.7**	**14.5**	**21.9**	**18.2**	**20.0**	**74.6**	**45.6**

Figure 1: Tear Sheet

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NOT RATED (N/R): Atrium does not provide research coverage on the respective company.

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