

Valeriano continues to prove world-class status

Summary

ATEX Resources is a TSXV-listed junior exploration company focused on its flagship Valeriano project in northern Chile, contiguous with the copper porphyry thoroughfares of Latin America and among an emerging crop of discoveries including El Encierro (Antofagasta), La Fortuna/El Morro (Teck/Newmont) and Vicuña (Lundin/BHP), which recently established itself as the world's largest undeveloped copper deposit.

Exploration work at Valeriano is in its fifth phase. Intercepts for the main porphyry target are concentrated over a 1.4km strike, with a vertical extent of more than 1km. Nuances in the local topography and discovery of a high-grade breccia system have allowed ATEX to consider alternative development options to conventional shaft sinking, including access directly from the valley floor (at 3,800m above sea level). The most recent resource update from late 2023 following Phase III work registered 1.41 billion tonnes at 0.67% CuEq, all in the inferred category. The next update is expected by the December quarter.

In the news: Vicuña resource indicates potential

The latest results from the Phase V program at Valeriano last month expanded the B2B zone of higher-grade brecciated material both along strike and, more importantly from a development perspective, up-dip. This followed headlining intercepts released in the first quarter including 152m grading 2.12% CuEq (February), and then 1.22km of mineralised core with an average grade of 0.91% CuEq (March). These are the best intercepts to date for the breccia and porphyry, respectively.

Meanwhile, Lundin Mining on behalf of its joint-venture partner BHP announced an initial resource for the Vicuña project, primarily in Argentina, and made up of the Filo del Sol and Josemaria deposits some 10km apart. The resource of more than 11Bt grading +0.5% CuEq for 38 million tonnes of copper metal, 80.9 million ounces of gold, and 1.4 billion ounces of silver has further lifted the profile of the district and highlighted the potential trajectory for Valeriano.

Our view

An existing resource of more than 1.4Bt grading 0.67% CuEq places Valeriano on the precipice of 'World Class' and, with significant increases in scale alongside higher grades delivered over the subsequent Phase IV and Phase V programs, we expect the project to step firmly into that World-Class bracket, in all likelihood as early as this year when resources are next updated. The Valeriano system is on trend with multiple world-class deposits that have underscored decades-long operations. The release of a 11Bt resource at +0.5% CuEq from Vicuña to the near north has been valued at some US\$12 billion in a speculated development scenario that provides a benchmark for how the market might view a resource of potentially 2Bt at +1% CuEq from Valeriano later this year.

Though technically deep, the evolving high-grade breccia system being pursued toward the valley floor has opened up alternative development options and the prospect of rapid capital returns. Strong leadership and tier-one jurisdiction contribute to a manageable risk profile.

Against a backdrop of a pending copper supply deficit, the Valeriano project stands out as one of the few credible copper opportunities for investment. This pedigree has been validated by investment from first Pierre Lassonde and, more recently, Agnico Eagle.

June 1, 2025

Share price: C\$2.21

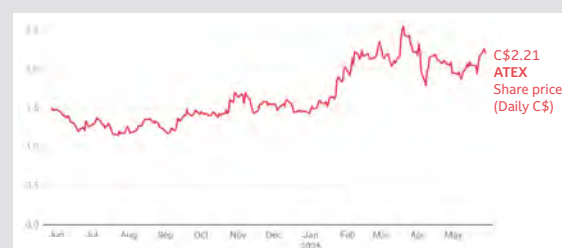
Mkt Cap: C\$619.1m

Primary exchange: TSXV

Secondary exchange: N/A

Ticker: ATX.V

52-week range (C\$): 1.13-2.63



Shares outstanding: 279m

Average daily volume: 426,867

Major shareholders:

Agnico Eagle 12.1%

Pierre Lassonde 11.0%

Franklin Resources 5.4%

Merk / ASA Gold and Precious Metals 3.1%

BMO Asset Management 2.3%

Business description:

ATEX Resources is a junior exploration company expanding and upgrading the existing 1.41Bt inferred resource at its flagship Valeriano copper project in Chile.

CEO/MD: Ben Pullinger

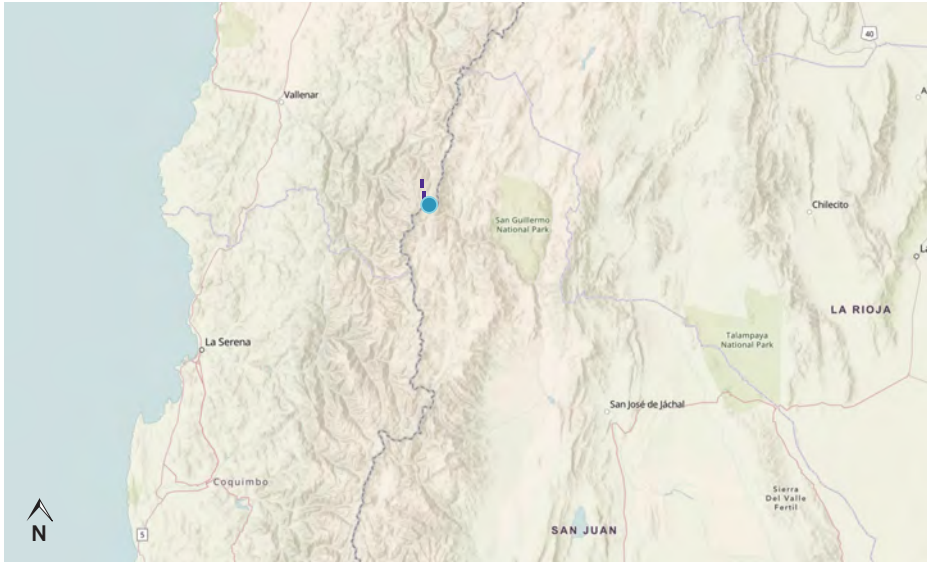
Contact: www.atexresources.com
1001-360 Bay St
Toronto, Ontario,
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Asset background and progress

Location

Valeriano is in the Atacama Region of northern Chile between the established porphyry concentrations of the Maricunga Belt (north) and the El Indio Belt (south).



(Map source: ngmdb.usgs.gov/topoview/)

Key				
	Mining Properties	Claims Linked to Properties	Country Border	Transport Network

Geology

Valeriano is a polymetallic (Cu-Au-Ag-Mo) porphyry system, typical of the primary copper-porphyry deposits concentrated in western Latin America, and occurring within a roughly north-south trending Miocene-to-early-Pliocene metallogenic belt. Valeriano was defined some 20Ma during a period of major tectonism along the western edge of the continent resulting in significant uplift of Permo-Triassic-aged rhyolitic-to-dacitic volcanic rocks emplaced above a Palaeozoic-aged granitic batholith. A suite of granodioritic to dacitic porphyries later intruded these Permo-Triassic rocks during a period of extensive plutonism and volcanism occurring through the late Oligocene-to-late-Miocene epochs. Finally, the upper portion of the package has been eroded resulting in the present-day landscape.

VALERIANO IS LOCATED BETWEEN THE MARICUNGA AND EL INDIO PORPHYRY BELTS IN A NEW DISTRICT BEING ACTIVELY EXPLORED BY THE MAJORS



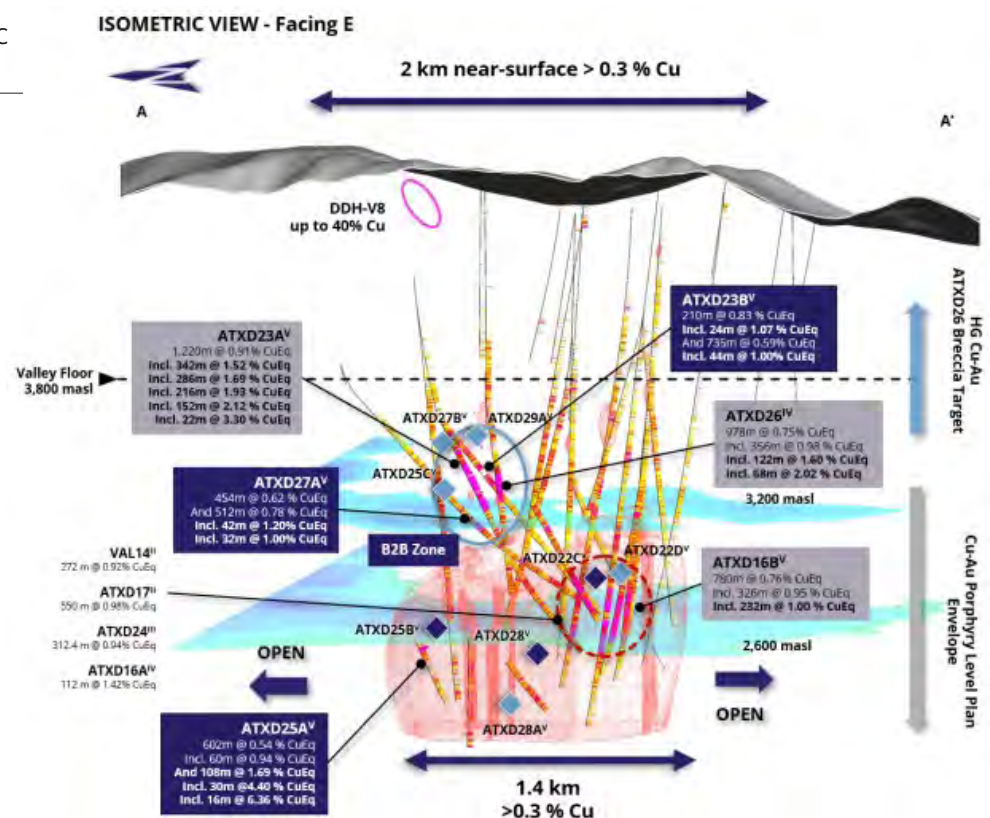
History

Exploration work on the project area began in the early 1980s and ramped up in the mid-1990s when Phelps Dodge and later Barrick Gold explored for near-surface gold mineralisation that has subsequently been proven as an epithermal deposit. Hochschild began testing the porphyry system in 2010 and continued to actively pursue large-scale mineralisation through to the end of 2013. ATEX bought the project from Hochschild in late 2019.

Recent exploration

A Phase I RC drill program in 2021 testing the shallow, oxide-gold epithermal was followed by a 2022 Phase II program to pursue the previously identified porphyry potential. A headlining intercept of 1,160m grading 0.78% CuEq from 802m increased the mineralised extent by 200m to the southwest, which was also pushed out 200m to the northeast (through less spectacular intercepts). Phase III started in 2022 and continued into 2023, expanding the mineralised footprint, identifying another (third) mineralised trend and allowing the resource estimate to be published in the December quarter. Management also introduced directional drilling during that program, which has delivered material efficiencies to exploration efforts. Phase IV exploration in 2024 expanded the mineralised zone by a further 20% and defined an overprinting high-grade breccia system, which ATEX continued to pursue into Phase V exploration. Phase V is ongoing and has included a best result from the brecciated system of 152m at 2.12% CuEq, and from the porphyry system of 1.22km grading 0.91% CuEq.

VALERIANO: ISOMETRIC VIEW FACING EAST



Reserves & Resources

TABLE 1: MINERAL RESOURCE STATEMENT FOR VALERIANO;
PREPARED BY SRK CONSULTING; SEPTEMBER 2023

Classification	Cut-off grade	Quantity Tonnes 000,000	Grade						Contained Metal					
			Cu (%)	Au (g/t)	Ag (g/t)	Mo (%)	CuEq (g/t)	AuEq (g/t)	Cu (Mt)	Au (Koz)	Ag (Koz)	Mo (Kt)	CuEq (Mt)	AuEq (Koz)
Inferred Resources														
Au-Epithermal oxide (open pit)	0.28 g/t Au	32.1	N/A	0.54	2.43	N/A	N/A	0.56	N/A	557	2511	N/A	N/A	578
Cu-Au Porphyry (underground)	0.40% Cu	1,413	0.50	0.20	0.96	63.80	0.67	N/A	7.1	9,014	43,602	90.1	9.4	N/A
Total		1,445.1	0.49	0.21	0.99	62.40	0.67	0.01	7.1	9,571	46,114	90.1	9.4	578

Risks and mitigation

There are a few near-term risks for ATEX and the Valeriano project. Looking further ahead, Valeriano, like all natural resources development projects globally, must mitigate heightened permitting requirements. Development of a porphyry asset such as Valeriano will carry a large capex bill and the ability to finance the project poses a future challenge.

The ATEX leadership team has specific strength in sustainable project development, particularly in Latin America, and is progressively preparing for eventual permitting. Staged metallurgical work has also removed surprises that may have caused delays, or proved fatal, at the study stage.

Outlook

Near-term activities will centre on the finalisation of Phase V drilling, delivering those results to the market, and then preparing for the resource update. Based on results across the past two phases of exploration, the market should expect that resource statement to threaten 2Bt in CuEq resources at improved grades, and we would not be surprised if that threshold was comfortably breached should exploration success be maintained.

Exploration will continue into 2026 and almost certainly throughout 2027 to better understand the strategically important high-grade zones, define the outer limits of the mineralised area, and build confidence in overall numbers.

Other assets: N/A

Economic studies: N/A

Production performance: N/A

Management & Board

Management

Ben Pullinger

President, chief executive and director

A geologist with some 20 year's industry experience focused on exploration and business development. He previously held senior positions with Golden Star, Excellon Resources, Roxgold and Orford Mining. Ben was initially senior vice president exploration and business development before his promotion to CEO.

Elijah Tyshynski

Chief financial officer and corporate secretary

The former CFO and corporate secretary with O3, responsible for steering the company through its recent acquisition by Agnico Eagle. He has held multiple senior positions with Osisko Mining focused on strategic development and capital markets, as well as with the broader Osisko group. Elijah has an institutional financing background through experience with Ontario Teachers Pension Plan, Standard Bank, Morgan Stanley and RBC.

Aman Atwal

Vice president, business development and investor relations

Aman is an experienced IR executive who has worked with multiple public companies. He was most recently corporate development director for Lundin Mining, where he oversaw the Caserones, Josemaria and Chapada acquisitions, and was also a senior member of the Barrick Gold IR team. Aman started as an equities analyst with Barclays.

Dr Felipe M Pinheiro

General manager and director of sustainability

Filipe has some 20 years of sustainability focused experience, most recently at executive level within a mid-stream Chilean petroleum company for which he drove the ESG agenda. He has a PhD Economics and has intimate knowledge of both governmental and non-governmental sectors through direct employment experience.

Dr Christine Rainaud

Director of exploration

An exploration geologist with 25 years' experience internationally, most recently as BHP Chile exploration manager. Christine has a PhD Geology and has worked with major and mid-tier miners including Gold Fields and First Quantum Minerals, as well as in the consulting space (SRK).

Board

Craig Nelsen

Chair

A geologist and executive with more than 40 years' experience through companies such as Gold Fields, where he was an executive vice president (exploration), and Metallica Resources, where he was also chairman.

Alejandra Wood

Director

A Chilean executive with 20 years' experience focused on mineral exploration, including as executive director of the Centre for Copper and Mining Studies. She is a currently serving director of Codelco and was external affairs manager for BHP's base metals division.

Jamile Cruz

Director

An engineering, strategy and capital projects executive, currently working with Rio Tinto Aluminium as director of JV and country manager, Brazil. Jamile has held senior positions within Women in Mining across the Americas and founded I&D 101, an inclusion and diversity firm.

Chris Beer

Director

A finance and exploration executive with more than 30 years' experience, most prominently and recently as managing director and senior portfolio manager of North America and global natural resources for RBC Global Asset Management.

Rick McCreary

Director

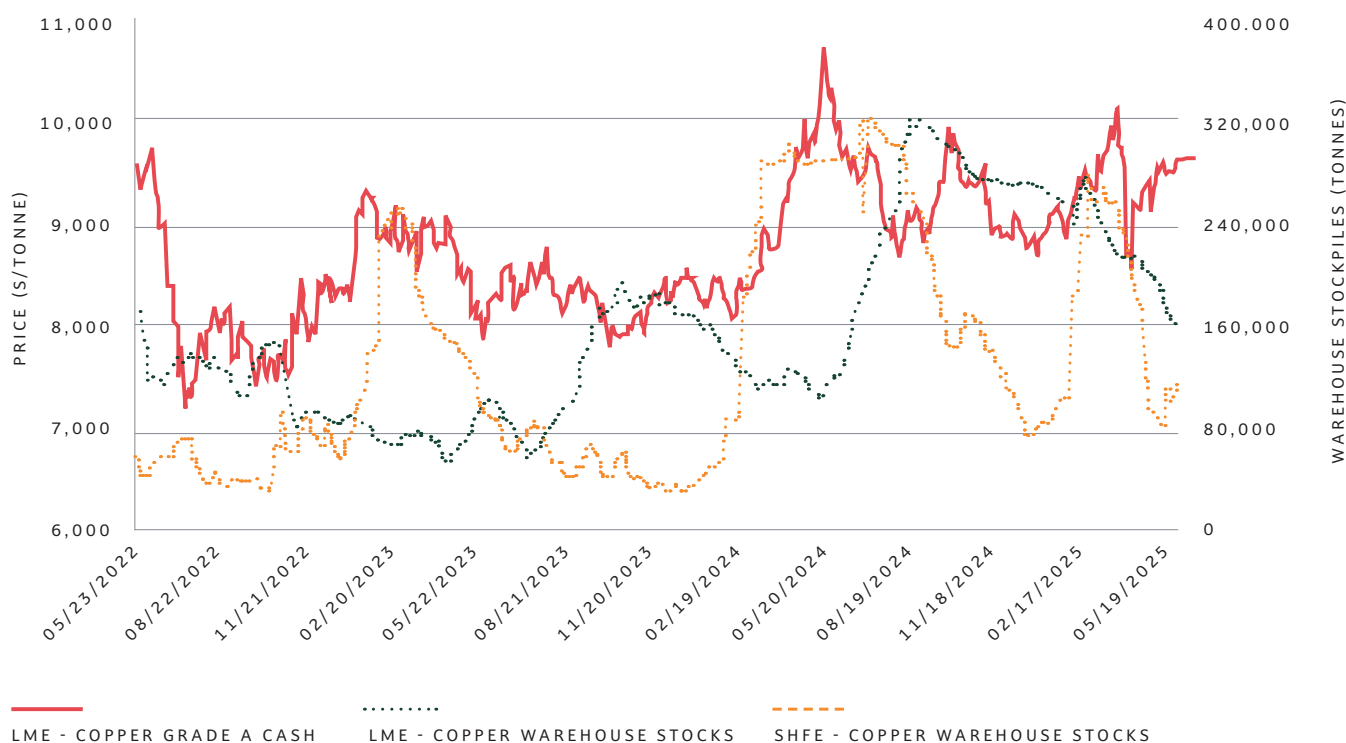
A corporate and investment-banking executive with more than 40 years' experience, most recently stepping down from the deputy chair role with TD Securities on retirement last year. He was previously a senior vice president for Barrick Gold in charge of corporate development.

Commodity outlook: Copper

US President Donald Trump's changeable view on international economic policy has injected a level of added volatility to global markets, which were already suffering slow growth and geopolitical tensions. The copper market is no exception. Copper averaged US\$9,446/t on the London Metal Exchange (3 month) for the March quarter, a 10.63% increase on the corresponding period in 2024 and a 1.91% increase QoQ. Leading into last month's tariff turmoil, copper briefly cleared US\$10,000/t as the market stocked up in anticipation of moderate tariff intervention, before collapsing to US\$8,585/t on April 9. The subsequent row-back on US policy helped prices recover to US\$9,500/t by late May.

The physical markets remain tight and consensus pricing for year-end sits at US\$9,437/t (US\$4.28/lb), or 7.27% above where the price finished 2024. Stockpiles will fluctuate with planned production shifts but are expected to average lower until they slip into deficit in 2033.

FIG 1: COPPER PRICE CHART



(Source: S&P Capital IQ & LSEG)

Jurisdiction

Chile remains one of the world's mining safe havens, scoring strongly – though not in the top bracket – of most relevant risk metrics. A referendum on constitutional reform that would have radically changed the business environment returned the status quo in 2023, however, it highlighted persisting political and social divisions. Elections are due at the end of this year and the incumbent left-leaning government led by Gabriel Boric (cannot run again) has been accelerating its socialist agenda. It is behind in the polls against the right-leaning opposition led by Mayor Evelyn Matthei, which would likely focus on security, economic growth, and reducing social spending if elected.

Though radical reforms to the mining sector were at least temporarily shelved with the referendum, the government has nonetheless moved to nationalise the lithium sector, which had been defined as a strategic priority.

The government's 'fiscal pact' combines various reforms including a likely reduction in corporation tax from 27% to 25%, though the removal of other incentives was expected to net out the benefits in the aggregate. A mining royalty bill was enacted last year, capped at 46.5% for companies producing more than 80,000tpa of copper.

Chile remains the global powerhouse in copper production, which contributes some US\$53 billion in revenues for the country (2022). Production has however been in decline since 2018. A strong mining culture built over decades has established relevant infrastructure and available skills. Continental water use remains a key risk for miners, alongside social unrest.

TABLE 2: PRODUCTION PROFILE

Production (2023)		
	Volume	% Global contribution
Copper (Kt)	5,250	23.3
Lithium (Kt)	224	21.3
Gold (Moz)	1.32	1.2
Silver (Moz)	55.6	6.9
Molybdenum (Kt)	47	19.5

(Source: S&P Global)

TABLE 3: EXPLORATION PROFILE

	Exploration budget (US\$m)	As a global share (%)			
	794	6.36			
By commodity			By company type		
	Value (US\$m)	% National budget		Value (US\$m)	% National budget
Copper	637.4	80.28	Government	1.2	0.15
Gold	110.1	13.87	Junior	122.8	15.47
Lithium	26.3	3.31	Mid-tier	25.6	3.22
Silver	17.1	2.15	Major	622.5	78.40
Lanthanides	1.7	0.21	Other	21.9	2.76
Molybdenum	0.9	0.11			
Zinc-Lead	0.2	0.03			
Cobalt	0.1	0.01			
Other	0.2	0.03			

(Source: S&P Global)

TABLE 4: RISK PROFILE

Risk Metric	MineHutte Regulatory Risk Rating (2025)	Transparency International Corruption Perception Index (2024)	Fraser Institute Policy Perception Index (2023)	World Bank Ease of Doing Business Ranking (2024)	MJI Investment Risk Index	Fund for Peace Fragile States Index (2023)	S&P Country Risk Score (2024)
Rating	Low risk	63	55.66	72.6	64	42.4	1.8 (Elevated)
Ranking	-	32/180	38/62	58/190	30/117	33/179	73/206

(Source: S&P Global, Fraser Institute, World Bank, Transparency International, MineHutte)

Milestones/Catalysts

TABLE 5

Milestones/ Catalysts	
H1 2025	Phase V drilling results
Q3 2025	Phase VI drilling to start
H2 2025	Resource update

Financial highlights

TABLE 6: FINANCIAL HIGHLIGHTS: MOST RECENT FOUR QUARTERS

	2024 Jun Qtr	2024 Sep Qtrw	2024 Dec Qtr	2025 Mar Qtr
Reported currency	C\$	C\$	C\$	C\$
Balance Sheet (C\$000)				
Cash & Short-term Investments	11,460	7,819	4,997	55,986
Net Property, Plant & Equipment	1,724	1,850	1,802	2,361
Total Assets	15,505	12,002	9,862	61,392
Net Debt	4,780	9,725	13,445	(55,986)
Total Debt	16,239	17,544	18,442	0
Total Common Equity	(4,147)	(7,898)	(11,498)	54,390
Total Equity	(4,147)	(7,898)	(11,498)	54,390
Current Ratio (x)	3.54	3.61	0.30	8.21
Quick Ratio (x)	3.46	3.50	0.26	8.12
Total Debt/Equity (%)	NM	NM	NM	NA
Total Debt / Total Capital (%)	134.30	181.88	265.58	NA
Total Debt / EBITDA (x)	NM	NM	NM	NA
Income Statement (C\$000)				
Earnings from Cont. Ops.	(9,867)	(7,487)	(4,560)	(24,851)
Net Income	(9,867)	(7,487)	(4,560)	(24,851)
EBITDA	(9,060)	(6,349)	(3,525)	(22,596)
EBIT	(9,096)	(6,385)	(3,561)	(22,661)
EBITDA / Interest Expense (x)	NM	NM	NM	NM
EBIT / Interest Expense (x)	NM	NM	NM	NM
Cash Flow (C\$000)				
Cash from Ops.	(8,474)	(6,756)	(3,265)	(4,157)
Cash from Investing	114	(3)	0	(610)
Cash from Financing	12,006	3,119	443	55,756
Net Change in Cash	3,646	(3,640)	(2,822)	50,989
Capital Expenditure	(8)	(3)	0	(610)
Change in Net Working Capital	(447)	1,069	167	(4,103)
Unlevered Free Cash Flow	(4,504)	(4,111)	(1,210)	(7,249)
Levered Free Cash Flow	(4,504)	(4,112)	(1,256)	(7,249)
Cash from Ops. to Curr. Liab. (x)	NM	NM	NM	NM

(Source: Company filings, S&P Global)