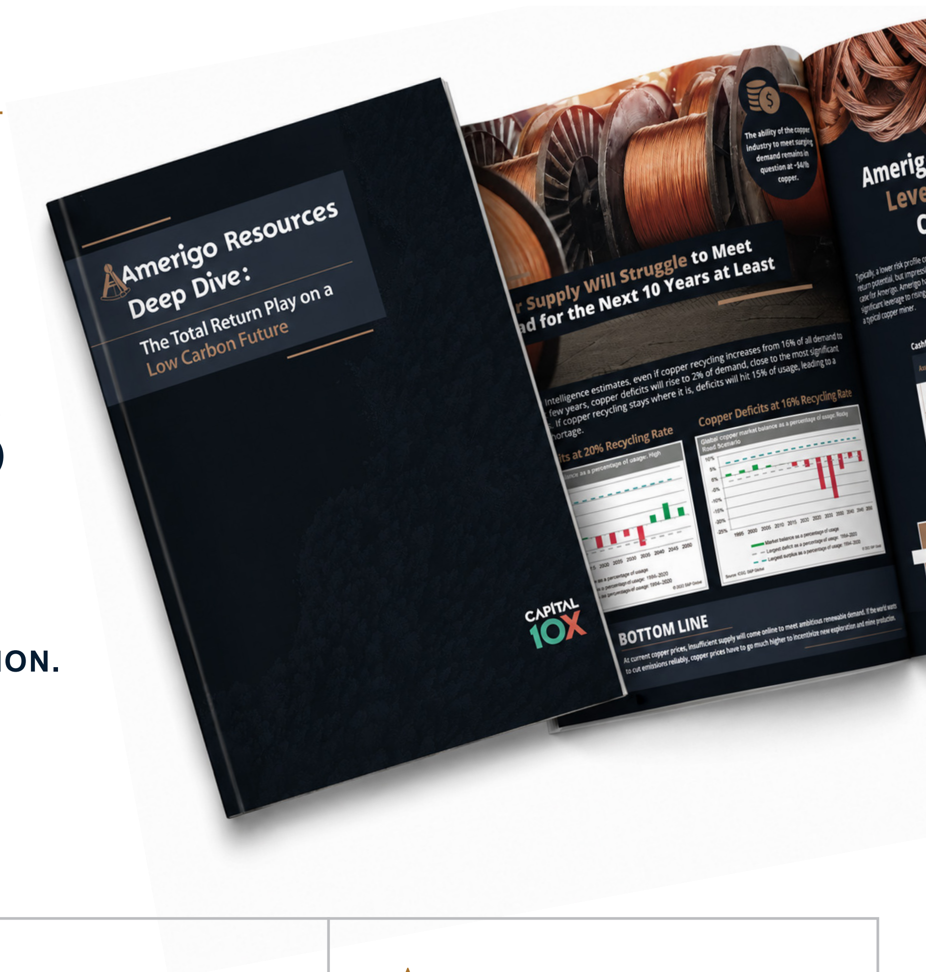
AMERIGO / PROJECT CASE STUDY

AMERIGO RESOURCES



TRANSFORMING COMPLEX FINANCIAL RESEARCH INTO CLEAR COMMUNICATION.

THE CHALLENGE

Grizzle Investment Management needed a professional publication for their client, Amerigo, that communicated complex financial and mining analysis with clarity, credibility, and impact.

MY ROLE

- Editorial Design
- Information Architecture
- Typography
- Data Visualization
- Image Selection
- Print Production

THE VALUE

I organized dense information into an engaging visual narrative that makes expertise approachable while maintaining clarity and credibility.

> “Ian did an incredible job helping us bring the visuals to life on a large report about the copper industry. His visual style for print publications is impeccable and it showed with a great looking end product.
>
> **SCOTT WILLIS**
> Financial Analyst at Grizzle Investment Management

PROJECT SNAPSHOT

INDUSTRY
Mining / Investment Research

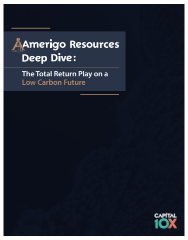
DELIVERABLES
Editorial Publication & Infographics

AUDIENCE
Investors and Financial Stakeholders

FORMAT
Print + Digital PDF

Full Report Overview

The full publication included 29 designed report pages.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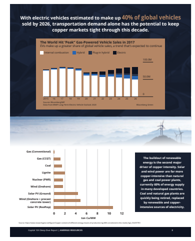
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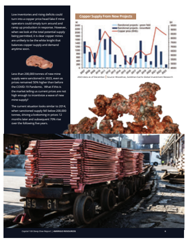
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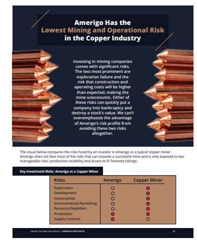
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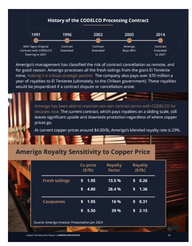
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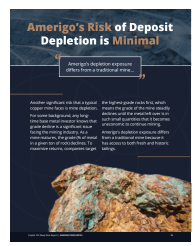
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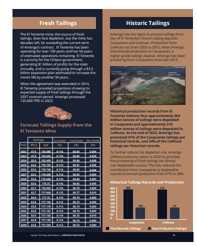
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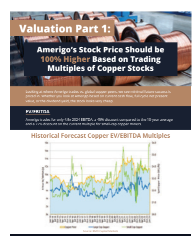
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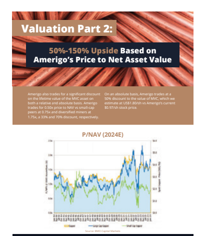
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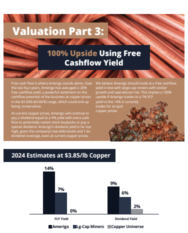
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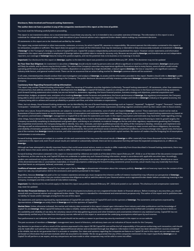

29

COMPLETE PUBLICATION

The report was designed to distill complex research into a clear, credible, and visually engaging narrative for Amerigo's investors and stakeholders.

Amerigo Resources Deep Dive:

The Total Return Play on a Low Carbon Future

The Copper Intensity of Global Growth is Accelerating

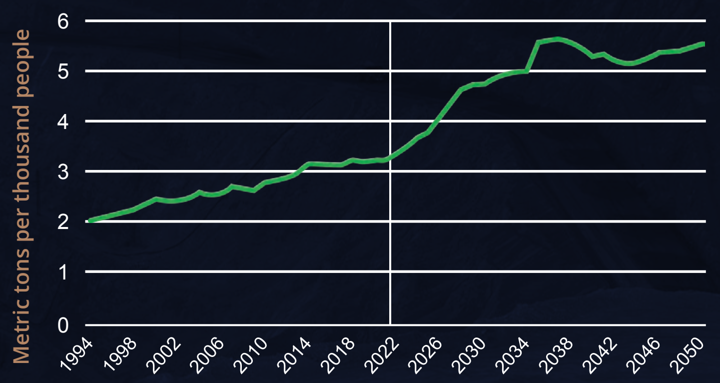
Copper intensity measures the amount of copper used per person per year. Historically, as countries develop and mature, the copper intensity per person increases. More copper pipes are in buildings, and copper wiring is in computer chips and the electrical grid, among other uses. Changes in per-capita copper consumption can have far-reaching implications for future copper demand.

> "Governments are pushing hard to electrify transportation"

The rise of China in the '90s and early 2000s increased copper intensity per capita by 50% in 20 years. However, an even more powerful force is set to push per-capita copper consumption 50% higher in only the next eight years. That force is the electrification of the global economy.

Governments are pushing hard to electrify transportation and energy generation in a race to decrease global greenhouse gas emissions. The rapid buildout of windmills, solar panels, and electric vehicles will drive demand growth for copper, which the world will struggle to meet. The next decade is shaping up to be a perfect time for copper investors.

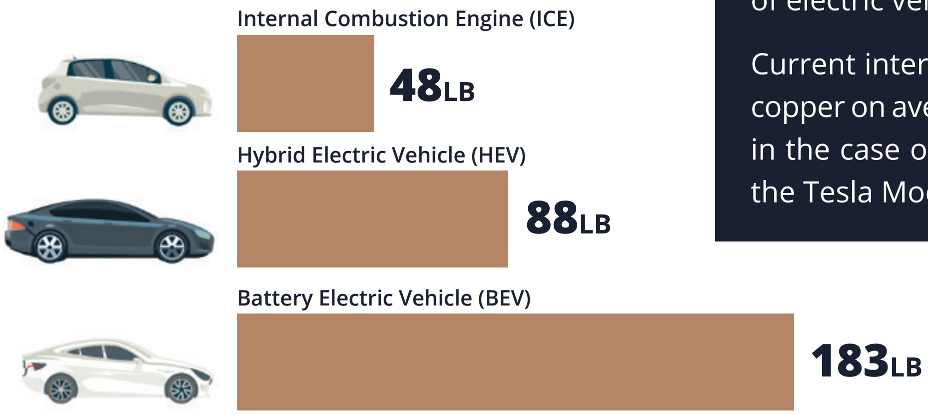
Global refined copper consumption per capita



Source: International Copper Study Group (ICSG), S&P Global ©2022 S&P Global

Copper Content by Vehicle Type

Cu Copper Development Association Inc. Copper Alliance



Source: Reuters

The rise of electric vehicles in particular, is already driving exponentially more demand for copper. Copper is the second most conductive metal behind silver, yet far cheaper than the white metal, making it a key component of electric vehicles.

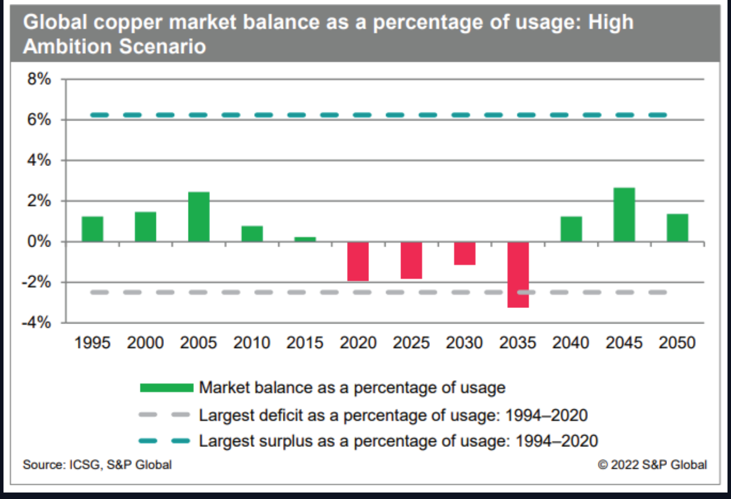
Current internal combustion cars use only 48 pounds of copper on average, while electric vehicles use 110 pounds in the case of a Tesla Model 3 and up to 180 pounds in the Tesla Model S.

The ability of the copper industry to meet surging demand remains in question at ~$4/lb copper.

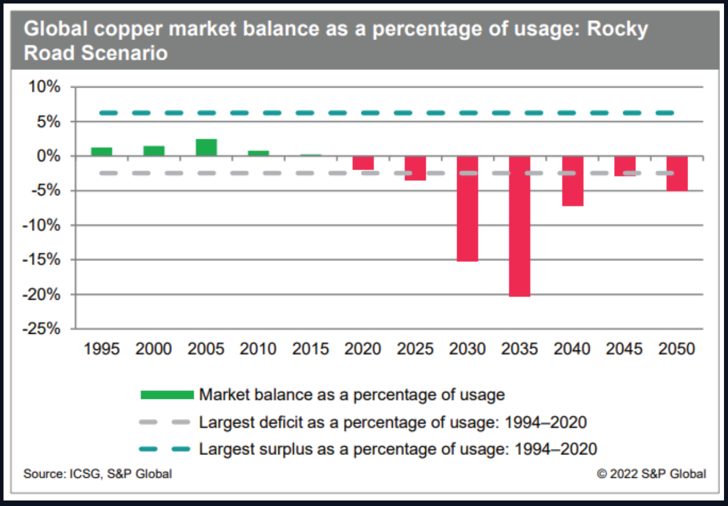
Copper Supply Will Struggle to Meet Demand for the Next 10 Years at Least

According to S&P Intelligence estimates, even if copper recycling increases from 16% of all demand to 20% over the next few years, copper deficits will rise to 2% of demand, close to the most significant deficits in 25 years. If copper recycling stays where it is, deficits will hit 15% of usage, leading to a historic copper shortage.

Copper Deficits at 20% Recycling Rate



Copper Deficits at 16% Recycling Rate



BOTTOM LINE

At current copper prices, insufficient supply will come online to meet ambitious renewable demand. If the world wants to cut emissions reliably, copper prices have to go much higher to incentivize new exploration and mine production.

Who is Amerigo: Asset Overview

> *Amerigo's return on capital and shareholder return history is one few copper companies can match.*

Amerigo is not a typical copper miner. With only a glance, Amerigo may look like a run-of-the-mill small-cap copper mining company. However, those who take the time to dig deeper will see that Amerigo owns a one-of-a-kind asset that offers upside to copper prices while mitigating almost every critical risk a traditional copper company faces.

Amerigo's return on capital and shareholder return history is one few copper companies can match.

Amerigo can do this because it doesn't mine copper; it recovers the remaining copper from tailings, the final material left over once the traditional extraction process is complete. These tailings come from the gigantic El Teniente copper mine in Chile. Amerigo's operation in Chile, Minera Valle Central or "MVC", has been doing this for over thirty years. Amerigo's business model makes this possible and economical while lowering the environmental waste generated by the copper mining process.

Amerigo's Production Process Explained

Amerigo Has Significant Leverage to Higher Copper Prices

Typically, a lower risk profile comes with lower return potential, but impressively, this is not the case for Amerigo. Amerigo has demonstrated significant leverage to rising copper prices, just like a typical copper miner.

Based on Amerigo's cash flow history and the company's 2024 guidance, Amerigo's EBITDA, a proxy for cash flow, increases by 6% for every 2.5% increase in copper prices. The cashflow sensitivity table below shows the power of operational leverage in Amerigo's business.

Cashflow Sensitivity to Copper Prices

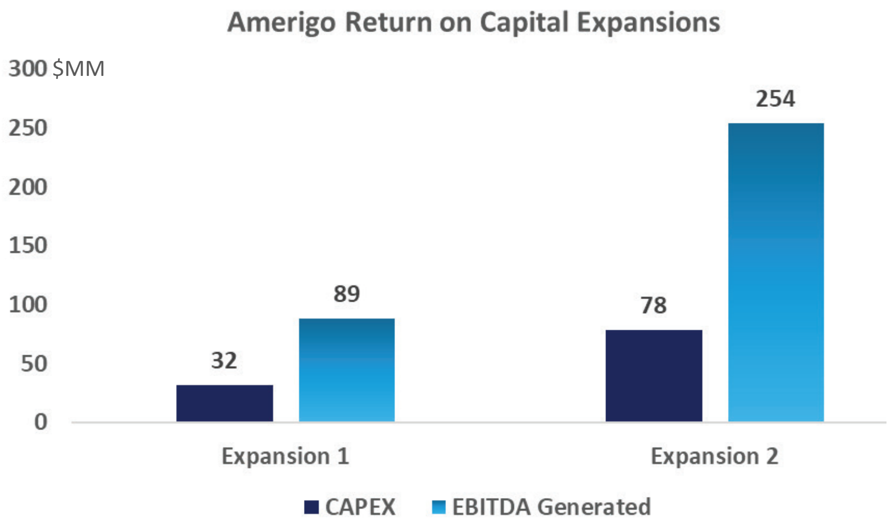
Assumptions for 2024 Production Guidance (62.4 M lbs copper production)[1]

Copper price ($/lb)	3.60	3.90	4.10	4.30	4.50	4.80
EBITDA[2] ($M)	34.6	43.8	49.6	55.1	60.8	68.8
FCFE[2] ($M)	3.3	10.0	14.2	18.2	22.3	28.2

[1] Excludes the effect of settlement adjustments from Q4-2023 in Q1-2024, assumes molybdenum price of $21/lb and CLP : US conversion rate of 935 : 1.
[2] EBITDA and FCFE are non-IFRS measures. Refer to Amerigo's latest MD&A for Amerigo's disclosure and reconciliation of non-IFRS measures.
FCFE refers to FCFE guided to be generated in 2024. On January 1, 2024, cash balances were $16.2M.

Amerigo offers investors the best of both worlds: lower operational risk and similar free cashflow leverage to rising copper prices. No other public copper mining stock can match Amerigo's combination of risk and reward.

A History of Strong Capital Allocation and Cashflow Returns to Shareholders

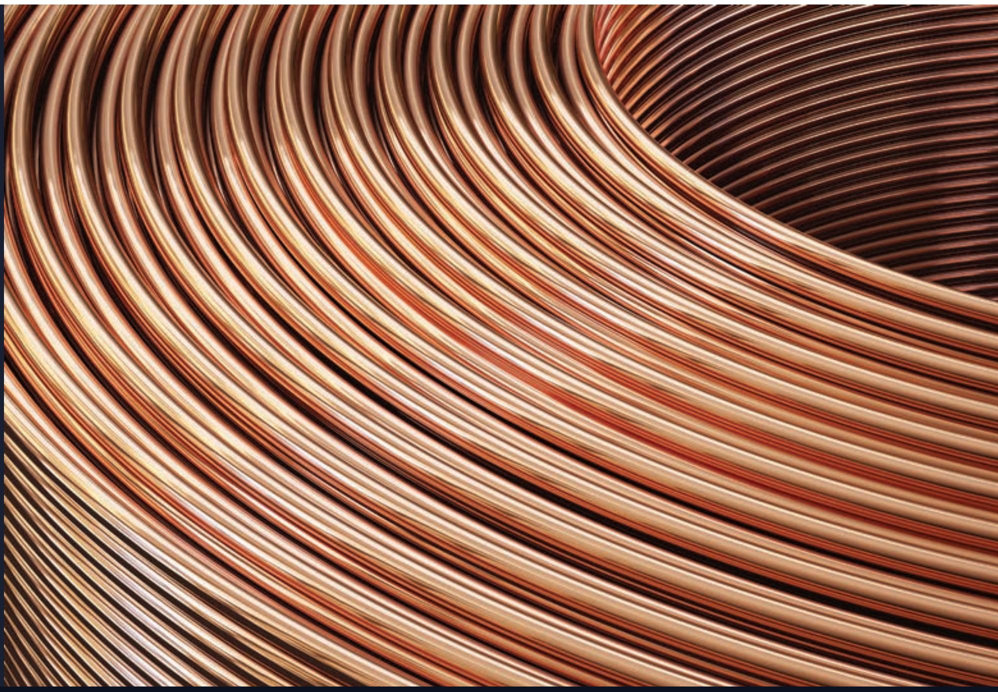


Amerigo has a 20-year history of making sound capital allocation decisions. A look at production expansion spending vs the subsequent cashflow generation makes this clear.

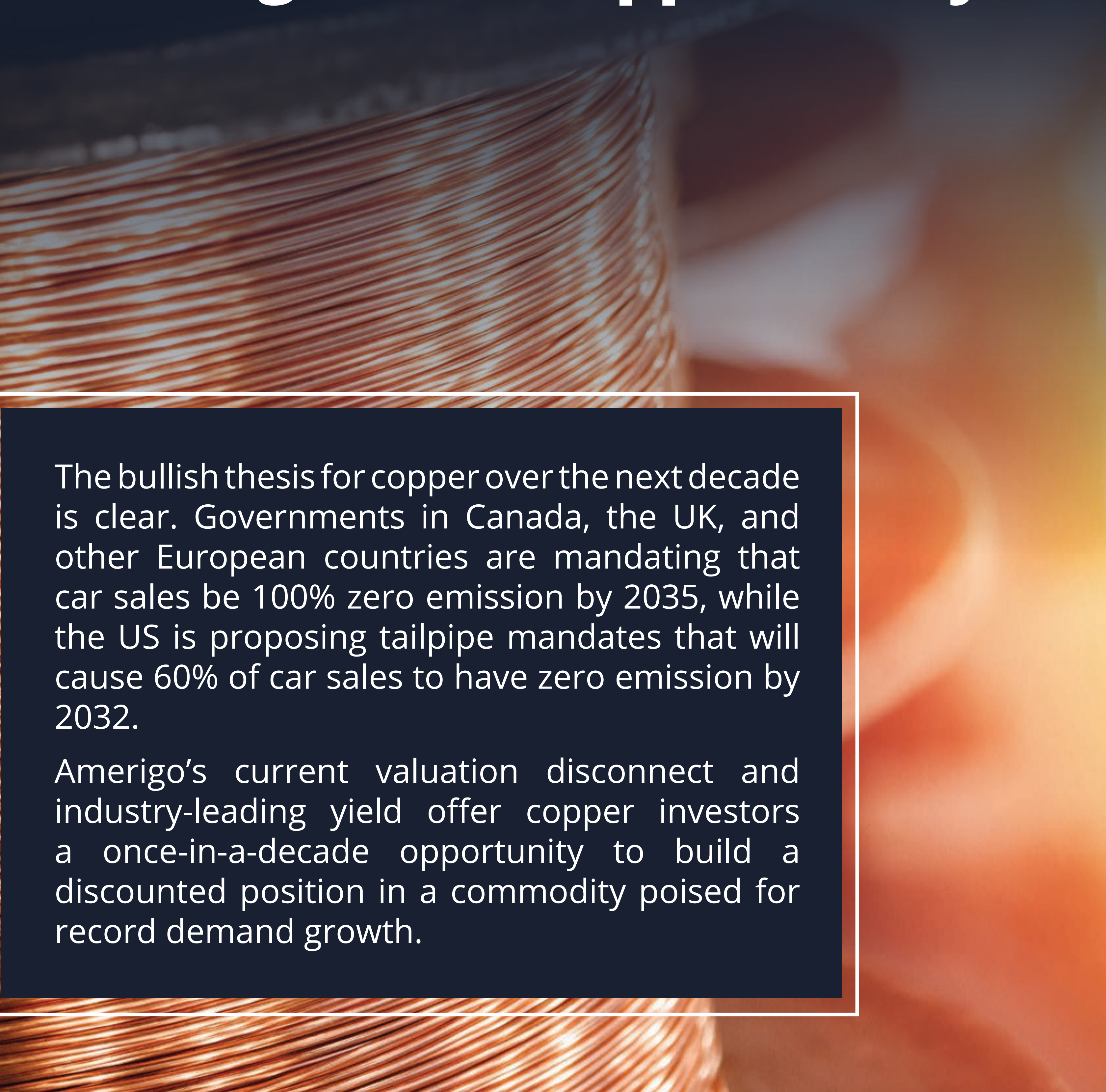
Amerigo has invested in two expansion projects at MVC, one in 2007-2008 and one in 2015-2016. Both projects returned multiples of the capital invested. Amerigo is run by a management team with a deep understanding of copper markets and a conservative approach to reinvesting in the business.

Mining companies often promise big payouts to shareholders in times of rising commodity prices but make ill-timed acquisitions or reinvest in new capacity at a cyclical peak, squandering the cash.

Unlike most mining companies, Amerigo has a history of paying out all free cash directly to shareholders in times of plenty, which is a huge differentiator. Payouts through dividends and buybacks turn promises into actual returns.



Conclusion: Copper is the Future, Amerigo is the Opportunity



The bullish thesis for copper over the next decade is clear. Governments in Canada, the UK, and other European countries are mandating that car sales be 100% zero emission by 2035, while the US is proposing tailpipe mandates that will cause 60% of car sales to have zero emission by 2032.

Amerigo's current valuation disconnect and industry-leading yield offer copper investors a once-in-a-decade opportunity to build a discounted position in a commodity poised for record demand growth.