



AXO COPPER COMPLETES ACQUISITION OF SAN ANTONIO GOLD PROJECT FROM OSISKO DEVELOPMENT

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Halifax, NS – January 27, 2026 – Axo Copper Corp. (TSXV: AXO) (“Axo Copper” or the “Company”) is pleased to announce that, further to its news release dated November 24, 2025 (the “Initial News Release”), it has completed the acquisition (the “Transaction”) of Sapuchi Minera S. de R.L. de C.V. (“Sapuchi Minera”) from Osisko Development Corp. (“Osisko Development”) pursuant to (i) a securities purchase agreement with Osisko Development dated November 21, 2025 (the “Securities Purchase Agreement”), and (ii) a share issuance agreement with OR Royalties International Ltd. (“OR International”), a wholly-owned subsidiary of OR Royalties Inc., dated November 21, 2025 (the “Share Issuance Agreement”). Sapuchi Minera holds a 100% interest in the San Antonio gold project (“San Antonio”) located in Sonora State, Mexico. In connection with the Transaction, Sapuchi Minera and OR International also entered into an amended and restated stream agreement, as described in the Initial News Release. Prior to closing, the parties agreed to certain revisions to the terms of the Securities Purchase Agreement and Share Issuance Agreement set forth in the Initial News Release, as described below.

Jonathan Egilo, Axo Copper’s CEO, commented: “We are excited to announce the closing of the acquisition of San Antonio, and welcome two new shareholders, Osisko Development and OR International. We firmly believe this is a transformational move for the Company. San Antonio is in the advanced development stages, has existing infrastructure, along with excellent exploration and resource growth potential. The transaction repositions Axo Copper as a late-stage development company, while we continue to explore at our La Huerta project. We are well positioned for 2026, and look forward to begin advancing and growing San Antonio.”

At closing of the Transaction, the Company issued 15,325,841 common shares of Axo Copper (“Axo Shares”) to Osisko Development and 7,655,250 Axo Shares to OR International, in accordance with the Securities Purchase Agreement and Share Issuance Agreement, respectively.

The contingent consideration payable to Osisko Development under the Securities Purchase Agreement was revised such that (i) the first deferred payment of US\$2,000,000 may be satisfied in cash or Axo Shares, up to a maximum of 9,398,496 Axo Shares, at Axo Copper’s option, provided that if the issue price of such Axo Shares (the “Issue Price”) is below US\$0.2128 per Axo Share (the “Floor Price”), the Company will pay an amount in cash equal to the shortfall between US\$2,000,000 and the US dollar-equivalent value of the Axo Shares received; and (ii) the second deferred payment of US\$2,000,000 will be paid in cash only. In addition, if Axo Copper completes one or more equity financings resulting in aggregate gross proceeds of at least US\$10,000,000 (a “Qualifying Financing”), Axo Copper may issue up to a maximum of 5,521,699 Axo Shares to Osisko Development to maintain its ownership percentage. If the Issue Price is less than the Floor Price with respect to the issuance of Axo Shares to Osisko Development in connection with a Qualifying Financing, Osisko Development will receive 5,521,699 Axo Shares plus a cash amount equal to the shortfall caused by the Issue Price being less than the Floor Price.

Under the Share Issuance Agreement, if the Issue Price is less than the Floor Price with respect to the issuance of Axo Shares to OR International in connection with a Qualifying Financing, OR International will receive 2,758,086 Axo Shares plus a cash amount equal to the shortfall caused by the Issue Price being less than the Floor Price.



Advisors

Stifel Canada acted as financial advisor to Axo Copper and Fasken Martineau DuMoulin LLP acted as legal counsel to Axo Copper in connection with the Transaction.

Contact Information

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About Axo Copper

Axo Copper Corp. is a Canadian mineral exploration company engaged in the exploration and development of the La Huerta property, a new copper discovery in Jalisco, Mexico. Initial exploration has yielded high-grade copper both at surface through sampling programs, and at depth through initial drilling. The Company is focused on continuing to define near-surface mineralization along the La Huerta Trend, expanding mineralization at depth, and targeting new discoveries in an underexplored district.

Additional information can be found at the Company's website: www.axocopper.com.

Caution Regarding Forward-Looking Information

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release includes certain "forward-looking statements". All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the Company's plans in respect of the La Huerta property and the San Antonio property are forward-looking statements that involve various risks and uncertainties. Forward-looking statements in this news release are characterized by words and phrases such as "believe", "if", "will", "propose", "may", "is expected to", "subject to", "provided that" "anticipates", "intends", "plans", "could", and "focus" and other similar words. Forward-looking information in this news release is based on the opinions and assumptions of management considered reasonable as of the date hereof, including, but not limited to, general business and economic conditions will not change in a materially adverse manner; the potential of high grade copper mineralization at the Company's properties; the results (if any) of further exploration work to define and expand mineral resources; the ability of exploration work (including drilling) to accurately predict mineralization; and the ability to generate additional drill targets. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include environmental risks, limitations on insurance coverage, risks and uncertainties related to exploration, development, operations, commodity prices and global financial volatility including as a result of tariffs, risk and uncertainties of operating in a foreign jurisdiction as well as additional risks described from time to time in the filings made by the Company with securities regulators. The Company disclaims any intention or obligation to update or revise any forward-looking information, other than as required by applicable securities laws.