

# Ajax Resources Plc

## Second only to Achilles

Although until recently a SPAC listed on the Main Market of the LSE, Ajax has wasted no time in becoming a natural resources company listed on Aquis and executing its strategy to acquire orphaned assets at fire sale prices and bringing them to account rapidly. Its flagship asset, Eureka in north-western Argentina, has never been the subject of modern drilling. However, it has been estimated by major mining firms Codelco and Peñoles to contain up to 616,000t of contained copper (albeit neither NI 43-101 nor JORC-compliant). Having approximately doubled its land package from 7,000ha to 14,000ha by acquiring ground contiguous to Eureka, Ajax now plans to drill the project and to declare a JORC-compliant resource in H1 CY26 to crystallise the value of the asset. At the same time it is in the process of buying three other assets in the region (Pereira Velho in Brazil, Leon in Argentina and Paguanta in Chile).

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
2/24	0.0	(0.2)	(0.38)	0.00	N/A	N/A
2/25	0.0	(0.1)	(0.27)	0.00	N/A	N/A
2/26e	0.0	(0.7)	(0.88)	0.00	N/A	N/A
2/27e	0.0	(0.7)	(0.62)	0.00	N/A	N/A

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items.

## Possible revenue within a year

Under the terms of its acquisition of La Norteña (see the 'Expansion potential' section), which neighbours Eureka to the north, the vendor and Ajax (via its Argentinean subsidiary Puna Metals) will enter into an agreement to exploit alluvial gold down to a depth of 6m, whereby the vendor will receive 20% of the profits of such activity. The costs of establishing the alluvial gold extraction activity will be met exclusively by Puna. However, production of just 150oz per month could result in revenue of c US\$5.8m per year to Ajax within a year at current gold prices (note that this represents 'upside risk' to both our forecasts and our valuation).

## Valuation: Mean 25.2p/share, maximum £1.173/share

Eureka has a mineral endowment (according to Codelco and Peñoles) that ranges between 40.8kt and 616.0kt contained copper. At a resource multiple of US\$76.75 per tonne of contained copper, such an endowment has a value in the range of US \$3.1–47.3m, with a weighted average of US\$20.0m. Including a non-associated gold endowment of 52,000oz adds a further US\$1.4m to this figure to give a total valuation of US\$21.4m, or 14.8p per fully diluted share excluding other assets and factors. Including estimated cash of £2.6m post its recent fundraising, this valuation increases to 18.5p/share. Using the same methodology of applying a resource multiple to estimated in-situ resources, we value Pereira Velho at US\$2.6m, Leon at US\$3.1m and Paguanta at US\$5.9m (attributable). Taken together with cash, these imply a mean value for Ajax of 25.2p/share (assuming that all three deals proceed). However, assuming that it is able to declare a JORC-compliant resource at Eureka close to the maximum of the estimates previously made by Codelco and, in particular, Peñoles, and similarly at Leon and Paguanta and that maximum, blue-sky exploration upside is established for each asset, we calculate a maximum potential value for Ajax of £1.173/share.

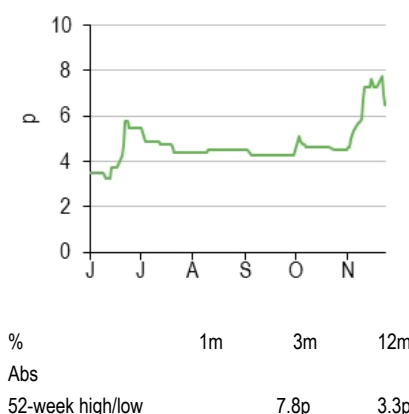
## Initiation of coverage

Metals and mining

16 December 2025

<b>Price</b>	<b>5.88p</b>
<b>Market cap</b>	<b>£6m</b>
	US\$1.3377/£
Estimated net cash post-fund raise	£2.6m
Shares in issue	100.7m
Code	AJAX
Primary exchange	AQSE
Secondary exchange	N/A

## Share price performance



## Business description

Ajax Resources acquires and develops assets with historical production, unexploited reserves and exploration upside. Its flagship asset is the Eureka copper-gold project in Argentina. It is also negotiating to buy the Pereira Velho project in Brazil, the Leon project in Argentina and the Paguanta project in Chile.

## Next events

Paguanta deal completion	December 2025
Pereira Velho deal completion	January 2026
Eureka maiden JORC resource	H1 CY26

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**Ajax Resources Plc is a research client of Edison Investment Research Limited**

## Investment summary

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Ajax Resources acquires and develops assets with historical production, unexploited reserves and exploration upside. Its flagship asset is the Eureka copper-gold project in Argentina, which was in production for 400 years until the 1980s. Upon acquisition of this asset (announced in February and completed in May), Ajax no longer qualified as a shell company under Chapter 13 of the FCA UK Listing Rules and, as a result, it cancelled its listing from the Equity Shares (Shell Companies) category of the Official List and instead sought admission to AQSE, which commenced on 18 June. At the present time, the company is also negotiating to buy a further three projects in South America (Pereira Velho, Leon and Paguanta). Completion of the Pereira Velho transaction, in particular, would leave Appian – one of the world's largest specialist mining funds – as a significant shareholder in Ajax and create the opportunity for the latter to become the former's preferred vehicle to source and develop projects that are either too early-stage or too small for its direct consideration.

### Valuation: Mean valuation 25.2p/share excluding Paguanta

Eureka has a mineral endowment (according to well-respected copper majors such as Codelco and Peñoles) that ranges between 40.8kt and 616.0kt contained copper. At a resource multiple of US\$76.75/t contained copper (see Exhibit 6), such an endowment has a value in the range US\$3.1–47.3m, with a weighted average of US\$20.0m. Including a non-associated gold endowment of 52,000oz adds a further US\$1.4m to this figure to give a total valuation of US\$21.4m, or 14.8p per fully diluted share excluding other assets and factors. Including estimated cash of £2.6m, this valuation increases to 18.5p/share (Exhibit 19). Including Pereira Velho, Leon and Paguanta (but netting off the initial cash cost of each acquisition and increasing the number of shares in issue to account for consideration paid in shares) increases our valuation of Ajax to 25.2p/share (Exhibit 19), albeit this is obviously contingent on the transactions going ahead according to the terms disclosed.

### Sensitivities: Valuation potentially over £1

Our valuation of Eureka could be discounted for the fact that it is not yet JORC-compliant or it could be discounted by the estimated cost of making it JORC-compliant, for which Ajax has budgeted a cost of no more than £1.4m (or 1.3p/share). Within this valuation however, very little account is taken of blue-sky exploration potential, which could increase Eureka's valuation into the range US\$24.7–112.7m and Paguanta's to US\$23.8m (attributable). In summary therefore, we would place a minimum valuation on Ajax of 4.9p/share, which is at just a 16.5% discount to the current share price of 5.875p (Exhibit 20), and which assumes the lowest possible resource estimate for Eureka once a maiden estimate is declared in H1 CY26, no upside blue-sky exploration potential and that neither the Pereira Velho, Leon nor Paguanta transactions go ahead. At the other end of the scale, we estimate a maximum valuation for Ajax of £1.173/share, assuming that it is able to declare a JORC-compliant resource close to the maximum of the estimates previously made by Codelco and, in particular, Peñoles, that the Pereira Velho, Leon and Paguanta transactions proceed according to the terms already declared and that full, blue-sky exploration upside is established for each asset.

## Financials

Ajax had £0.8m in net cash on its balance sheet as at end-February and £1.4m as at end-August 2025. It maintains no head office and, at the current time, pays only one cash salary. Hence, there is a minimal administrative cash drag. Since end-August, we estimate that it will have paid out £0.2m in administrative expenses and that it will pay out a further £0.6m in cash for acquisitions in H226 and a further £0.7m in exploration investment at Eureka. Over the same timeframe, it has raised an effective c £1.5m in equity finance to leave it with an estimated £2.6m currently. Hence, we estimate that it will still be net cash positive as at end-February 2026 and until approximately October 2026. By this time, it should have produced a maiden, JORC-compliant mineral resource estimate at Eureka, which will define the parameters of any future equity fund-raising.

## Company description

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Ajax's strategy is the acquisition of assets with historical past production that can be revitalised through targeted technical, geological and infrastructural investment. Its flagship asset is the Eureka copper-gold project in Argentina, which was in production for 400 years since the 16th century until the 1980s. Ajax is also in the process of buying three other assets in the region (Pereira Velho in Brazil, Leon in Argentina and Paguanta in Chile).

## Eureka

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The Eureka project is located in north-west Argentina and comprises 18 exploration licences. Both copper and gold mineralisation have been identified, albeit in different geological environments. To date, neither JORC- nor NI 43-101-compliant resource estimates have been delineated. However, previous exploration of the project has resulted in a number of non-compliant resource estimates (see Exhibit 4, below) and, on 8 December 2025, Ajax received formal approval for its Environmental Impact Study on Eureka from the director and Mines and Energy Resources for the Province of Jujuy, which will allow it to undertake the first modern drilling campaign in the project's history.

## Summary

The 18 licences are situated within the Argentinean portion of the regionally extensive Bolivian-Argentinean Tertiary Belt, which is known to host Red Bed copper deposits such as Corocoro in south-west Bolivia. The underground Eureka gold mine (now closed and largely flooded), which has been mined intermittently since the 16th century, is situated in the middle of the property.

Copper oxide mineralisation occurs in loosely consolidated conglomerates and is the focus of the project's economic potential. The mineralisation is amenable to heap leaching while the carbonate content of the conglomerate is reported to be low, thereby reducing potential acid consumption. However, the source of the copper mineralisation is uncertain. It could have formed as a result of mineralising fluids passing through the unconsolidated conglomerates typical of Red Bed deposits. Alternatively, the copper could have been eroded from upstream and deposited at the same time as the conglomerates.

Both primary and secondary gold mineralisation is also present at the project. In its primary form, vein hosted gold mineralisation is related to older, regional volcanism and has eroded to form secondary, placer deposits.

## History

The Eureka mine has a long history dating back to Incan times and subsequently the Jesuits in the 16th century who recovered alluvial gold from a number of shallow surface pits as well as one underground drift with almost 2,000m of workings. In more recent times, it was mined for gold between 1885 and 1908 and between 1950 and 1960. In the 1970s and 1980s, the mine was worked for both gold and copper. It has been estimated that previous mining has recovered c 9,000oz of gold (70,000t at 4g/t) and 2,000t of copper. The mine is now largely flooded except for the upper level.

Since the 1980s, a number of operators have explored the project. A brief summary of their activities is outlined below.

- Mantos Blancos (now part of Anglo American) undertook a programme of underground mapping and bulk sampling, declaring a non NI 43-101 compliant gold resource of 52,000oz (600,000t at 2.7g/t).
- In the 1990s, Paramount Ventures & Finance completed approximately 900m of surface trenching in the vicinity of the Eureka mine.
- In the mid-1990s, Codelco undertook a programme of geological mapping and sampling focused on the Eureka mine. Codelco derived both a resource estimate as well as an exploration potential, which are summarised in more detail below.
- In 1999, Minera Peñoles carried out a programme of mapping, sampling and a 2,200m Induced Polarisation (IP) survey. It concentrated its exploration efforts on a 1.5km × 3.5km area containing most of the surficial copper occurrences. However, initial results suggest that chargeability may be an effective means of defining the mineralised horizons. Extensive trenching was also carried out. As a result of this work, Minera Peñoles concluded that there was a non-NI 43-101-compliant resource of 26Mt at 2% copper equivalent to 52Mt at 1% copper.

- In 2007, Minera Solitario carried out a small sampling programme consisting of 43 rock and soil samples from surface and the existing trenches. This sampling programme was designed to confirm the near surface grades previously reported by Codelco and Minera Peñoles. Results ranged from 20ppm to 6.3% copper, with 18 of the samples containing greater than 0.5% copper.

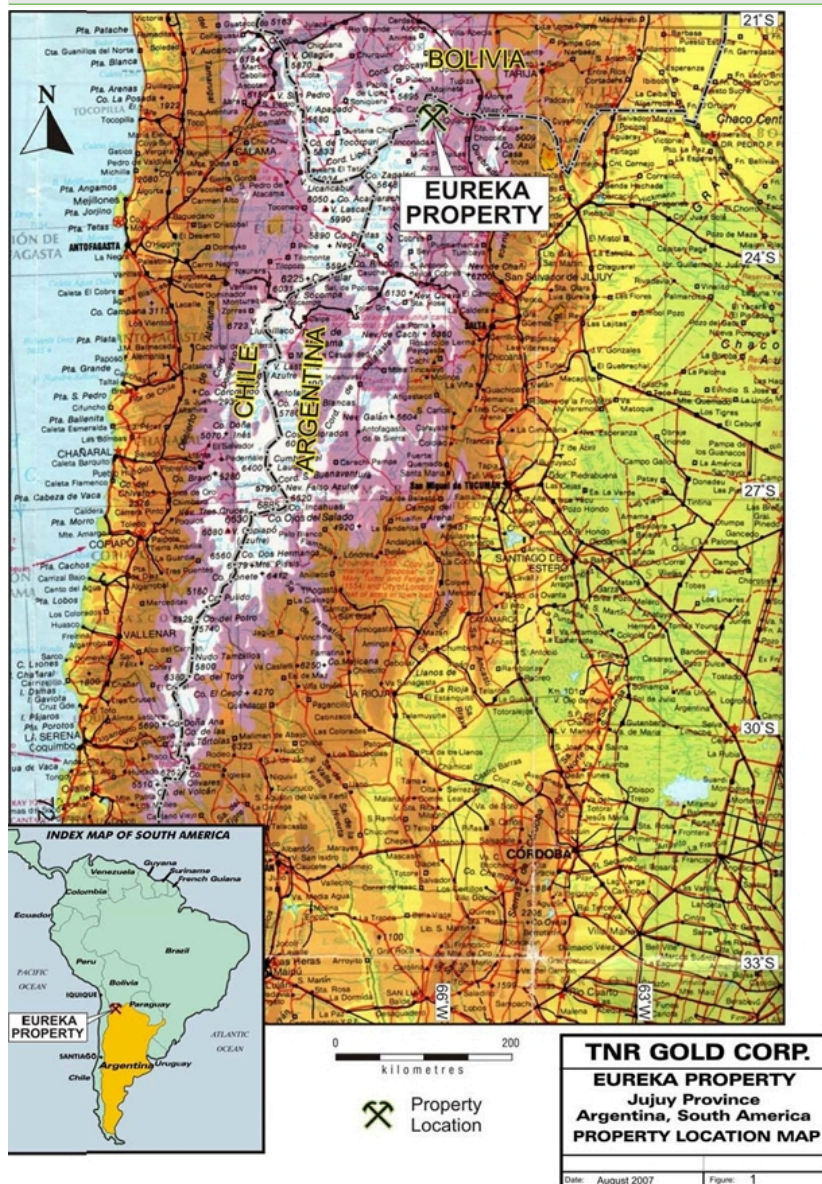
Bezant Resources (AIM: BZT) entered into an agreement to acquire the property in late 2010 and completed its purchase in January 2012 for a consideration of c US\$7m in cash (c 38% of the total) and shares (c 62%). However, Bezant's plans to rapidly develop the project stalled, initially after the death of the company's executive chairman, Gerry Nealon, in 2013 and then again after its new executive chairman, Colin Bird, refocused the company towards Africa and away from South America after 2018. Ultimately, Bezant decided to divest itself of its Eureka asset and entered into a heads of terms agreement to this effect with Ajax on 25 February 2025 for an initial cash payment of US\$120,000 plus deferred consideration of a further US\$100,000 to be satisfied in Ajax shares. However, the terms of the transaction were subsequently revised such that the entire consideration was reduced to just an accelerated cash payment of US \$170,000 with no deferred element.

## Geography

The Eureka property is located 3,600–4,386m above sea level in the north-west corner of the Jujuy Province in northern Argentina, close to the border with Bolivia. It is located approximately 250km east of Calama (in Chile) and 20km west of Santa Catalina (in Argentina) and accessible via a series of gravel roads. Its nearest major port is Antofagasta, in Chile.



**Exhibit 2: Location of Eureka property in northwestern Argentina**



Source: NI 43-101 technical report on the Eureka property, Jim Chapman, 2007, TNR Gold

## Geology

### Regional geology

The Eureka project is located in a northerly trending depositional basin that covers an area of approximately 20km × 6km. The basin developed within the Ordovician basement in a structural transfer zone between two regional scale north/south striking faults. Stratigraphically, the sequence consists of older Ordovician metasediments overlain by younger Cretaceous marine clastics and carbonates followed by Miocene lacustrine and fluvial sediments. The copper mineralisation is hosted within Miocene (5.3–2.6 million years old) conglomerates, which are thought to have been mineralised by hydrothermal waters circulating during volcanism. Miocene/Pliocene lavas and pyroclastics (c 23.0–2.6 million years old) partially cover all the older sequences. The Ordovician basement (487–443 million years old) is often mineralised with gold-bearing quartz veins and, when eroded, can develop placer deposits in alluvial settings.

**Exhibit 3: A simplified stratigraphic column of the Eureka district**

Age	Name	Lithology	Thickness	Mineralisation
Recent		Recent gravels and colluvials	5m	Alluvial gold
Upper Miocene to Pliocene		Lavas and ignimbrites	150m	
Middle or upper Miocene	Eureka	Red to grey fluvial sediments; consolidated at base; unconsolidated in upper section	350m	Braided river deposits; poorly sorted debris flows alternating with pebbly conglomerates; host to Cu (Red-bed or exotic) and Au mineralisation
Eocene (?)	Peña Colorada	Red fluvial debris flows, sandstones/siltstones and conglomerates, consolidated	600m (?)	Red-bed type Cu mineralisation (?)
Upper Cretaceous	Pirgua	Basal, quartz, conglomerate, marine at top	50m (?)	Gold in quartz conglomerates
Ordovician	Acoite	Shales, sandstone, greywackes in turbidite facies	+1,000m	Metamorphogenic gold in quartz veins

Source: H. Gropper and J.C. Castelli, 1997

## Local geology

'Red Bed' type stratabound copper oxide mineralisation is hosted within the pebble conglomerates of the weakly consolidated upper portion of the Eureka Formation. It has been suggested the mineralised conglomerates formed in active channels of a braided river system. Mineralisation occurs over multiple horizons over the entire 450m thick Eureka Formation, which covers an area c 3.5km × 4km. The mineralised horizons are generally flat lying to gently dipping and vary in thickness from 1cm to over 60cm. The horizons can be anything from one to hundreds of metres long and up to 10m in width.

In addition, placer gold has been recovered from basal conglomerate layers in the Eureka Formation. Within the region, north trending quartz veins up to 15m in width and striking for over 6km are also known to be gold bearing and represent the likely source of the placer deposits.

## Three potential models of copper mineralisation

Copper mineralisation occurs within the conglomerate matrix as well as coatings on the pebbles. The minerals include mainly copper oxides such as malachite, chrysocolla, native copper and cuprite. Lesser amounts of tenorite, azurite, atacamite and brochantite are also present. No primary copper mineralisation has been located in the fragments within the Eureka sediments nor have any copper sulphides been observed. The mineralisation occurs as discrete horizons with six main levels. The copper grades of these horizons vary from 0.1% to 6.3%.

The exact source of the mineralisation is open to interpretation. However, one suggestion is that the Eureka project hosts a possible Red Bed type deposit. In this scenario, low temperature copper bearing fluids migrated into the unconsolidated Eureka sediments via basin margin faults. Copper mineralisation was deposited along the permeable pebble conglomerate horizons. The source of the copper mineralisation has yet to be determined, however samples of the underlying Ordovician black shales reportedly contain up to 400ppm copper. Another hypothesis is that exotic, primary copper deposits to the north and west on the Bolivian side of the Rio San Juan de Oro could be the source of the metal. Erosion of these would have resulted in the syngenetic deposition of copper within the active channel conglomerates. A third possibility is that conglomerate hosted exotic mineralisation overlies deeper Red Bed type mineralisation.

Similar Red Bed type copper occurrences are located approximately 60km to the north-west in Bolivia. These are relatively small-scale (<50,000t). However, the Corocoro deposit, also in Bolivia, is estimated (by the state mining company, Comibol) to contain 80–100Mt ore at a copper grade of 0.6%.

## Gold mineralisation

Gold mineralisation at the project occurs as both primary mineralisation within the quartz veins of the Ordovician sediments and as secondary placer mineralisation within the conglomerates of the Eureka Formation (Exhibit 3). These primary quartz veins can be up to 10m wide and some contain visible gold. Surficial material overlying these vein outcrops has been exploited as a source of alluvial gold. Previous sampling returned up to 5.2g/t over 3m at the western margin of the El Torno vein and a gold resource of 52,000oz was estimated by Mantos Blancos.

## Reserves and resources

Previous exploration by Codelco and Minera Peñoles has outlined non NI 43-101-compliant resources for the copper mineralisation. Their work consisted of extensive sampling of trenches, test pits, creek beds and the underground workings. These resource estimates are summarised in Exhibit 4 and discussed in more detail below. In addition,

Mantos Blancos explored for gold around the Eureka Mine in the 1980s and established a potential resource of 600,000t at 2.7g/t Au containing 52,000oz.

#### Exhibit 4: Summary of resource estimates at the Eureka property

Source	Nature of estimate	Tonnage Mt	Grade %	Contained copper t
Codelco	Resource estimate: diluted	13.10	0.36	47,160
Codelco	Resource estimate: undiluted	2.04	2.00	40,800
Codelco	Exploration potential: undiluted	8.00	2.00	160,000
Codelco	Exploration potential: diluted	52.00	0.35	180,000
Peñoles	Resource estimate	52.00	1.00	520,000
Peñoles	Exploration potential	61.60	1.00	616,000

Source: Codelco, Peñoles

### Codelco report

As part of its work, Codelco estimated an undiluted copper resource of 2.04Mt at 2% Cu (equivalent to 40,800t Cu) based on a visible, near-surface resource that is partially exposed in the south-east of the Eureka property and covers approximately 1.0km × 0.6km. Codelco went on to estimate a corresponding diluted resource of 13.1Mt at 0.36% Cu (equivalent to 47,160t of copper) over a mineralised interval of 10m to 25m.

#### Exhibit 5: Breakdown of Codelco's diluted and undiluted resource estimates at Eureka

Sector	Length (m)	Width (m)	Thickness		SG (g/cm <sup>3</sup> )	Mt		% Cu	
			Undiluted	Diluted		Undiluted	Diluted	Undiluted	Diluted
1	400	600	2.40	10	2.0	1.150	4.800	2.0	0.55
2	400	300	2.40	25	2.0	0.580	6.000	2.0	0.22
3	300	250	2.00	15	2.0	0.300	2.250	2.0	0.35
4	25	50	2.00	10	2.0	0.005	0.025	2.2	0.55
5	20	70	1.80	15	2.0	0.005	0.042	2.2	0.26
6	20	30	2.00	15	2.0	0.002	0.018	2.2	0.30
<b>Total</b>						<b>2.040</b>	<b>13.100</b>	<b>2.0</b>	<b>0.36</b>

Source: H. Gropper and J.C. Castelli, 1997

### Exploration potential

The Codelco report goes on to suggest an exploration potential by extrapolating fourfold the visible near-surface resource of the south-east portion over the entire property and the entire thickness of the Eureka sequence. On this basis, Codelco calculated an undiluted exploration potential of 8Mt at 2% Cu (containing 160,000t of copper) and a corresponding diluted exploration potential of 52Mt at 0.35% Cu containing 180,000t of copper (Exhibit 4).

According to the Codelco report, additional 'blue sky' exploration potential is expected to occur within the 90km district between the Eureka project in the north and the Providencia mine in the south. The size and grade of several near-surface mineral showings in the field suggest the presence of a number of small, dispersed but relatively high-grade copper accumulations, similar to those observed in the south-east portion of the Eureka property.

Edison understands that Codelco did not attempt to assess the exploration potential for alluvial gold on the Eureka property and the wider Eureka district. Mantos Blancos had previously estimated a gold resource potential of 52,000oz (600,000t at 2.7g/t Au) for the Eureka mine. However, according to Jim Chapman, author of the NI 43-101 technical report on the Eureka property (which described the property but did not provide resource estimates), it could host a placer gold resource of several times this size. In addition, gold hosted within the Ordovician quartz veins is thought to represent an exploration target in its own right.

### Peñoles report

Minera Peñoles undertook a more extensive exploration programme than any of the previous owners. As a consequence, it calculated a resource estimate of 52.0Mt at 1% Cu (equivalent to 520,000t of contained copper). Although this is almost three times larger than the previous Codelco estimates, Edison understands that this is a direct consequence of the additional exploration undertaken by Minera Peñoles.

### Exploration potential

On the basis of its more extensive exploration programme, Minera Peñoles estimated an exploration potential of 61.6Mt at 1% Cu containing 616,000t Cu (Exhibit 4).

## Development strategy

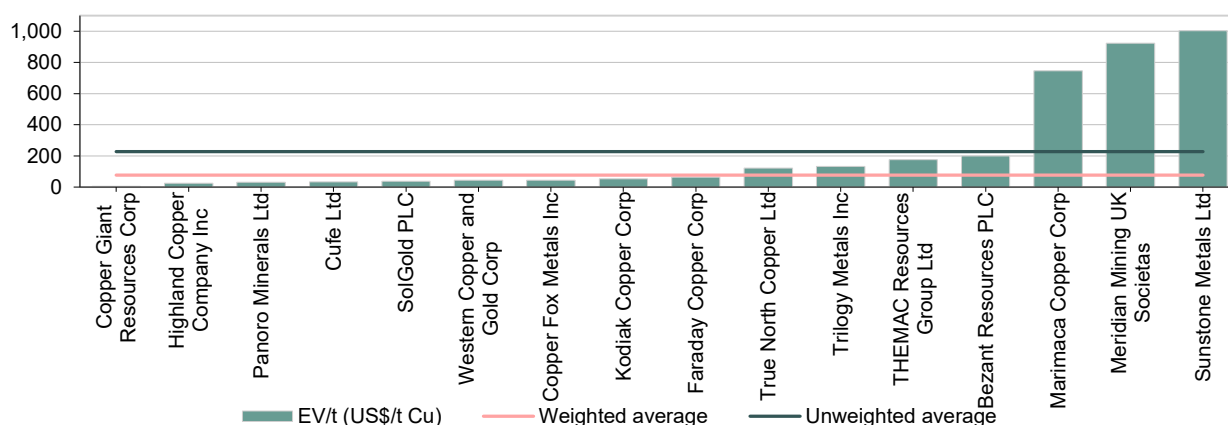
On 8 December, Ajax reported that its Environmental Impact Study (EIS) for Eureka had been formally approved by the Director of Mines and Energy Resources for the Province of Jujuy. Eureka is drill ready, and various highly prospective anomalies have already been identified by previous operators, including high grade copper oxides at surface, with grades up to 6.1% Cu and numerous samples returning more than 0.5% Cu across multiple historical programmes. The approval of the EIS represents a key permitting milestone for the company and now allows it to start the first ever modern, drilling exploration campaign on the property.

Ajax's drilling programme will commence with an initial 1,500m diamond drilling campaign, benefiting from and building upon the extensive historical mapping and pitting completed across Eureka by previous owners. This initial programme will be followed by a further 4,000m of drilling, guided by these initial results, designed to expand coverage across priority copper and gold targets and advance Eureka toward a maiden JORC-compliant mineral resource estimate in H1 CY26. Drilling will target shallow geochemical and IP anomalies, as well as a deeper IP chargeability anomaly outlined in a 2014 report authored by SRK, possibly representing the transition to a sulphide-rich feeder system.

## Eureka valuation

We have valued the Eureka project on the basis of its estimated resources (outlined in Exhibit 4). To these estimates, we have applied a weighted average resource multiple of US\$76.75 per total tonne of contained copper, which is calculated from a comparison of several listed, small- to mid-cap copper explorers (Exhibit 6).

**Exhibit 6: Copper explorers' enterprise value (EV) per total tonne of copper resource (US\$/t)**



Source: company sources, LSEG Data & Analytics, Edison Investment Research

A summary of the range of results for Eureka is presented in Exhibit 7, below, depending on the resource estimate adopted. In the most conservative scenario, we value the undiluted Codelco copper resource at US\$3.1m. In the most optimistic, we value Peñoles' exploration potential at US\$47.3m. The average valuation of all six resource estimates is US\$20.0m. In addition, because it is not associated with the copper, the gold resource of 52,000oz can be valued at an additional US\$1.4m (at an average value of US\$26.71/oz Au in-situ for resources listed in London, based on a similar comparison of gold explorers' EV/oz estimates) to give a total valuation of US\$21.4m, within a range of US\$4.5–48.7m.

**Exhibit 7: Eureka project valuations, depending on resource estimate adopted (US\$m)**

Source	Nature of estimate	Tonnage Mt	Grade %	Contained copper t	Valuation \$m
Codelco	Resource estimate: diluted	13.10	0.36	47,160	3.6
Codelco	Resource estimate: undiluted	2.04	2.00	40,800	3.1
Codelco	Exploration potential: undiluted	8.00	2.00	160,000	12.3
Codelco	Exploration potential: diluted	52.00	0.35	180,000	13.8
Peñoles	Resource estimate	52.00	1.00	520,000	39.9
Peñoles	Exploration potential	61.60	1.00	616,000	47.3

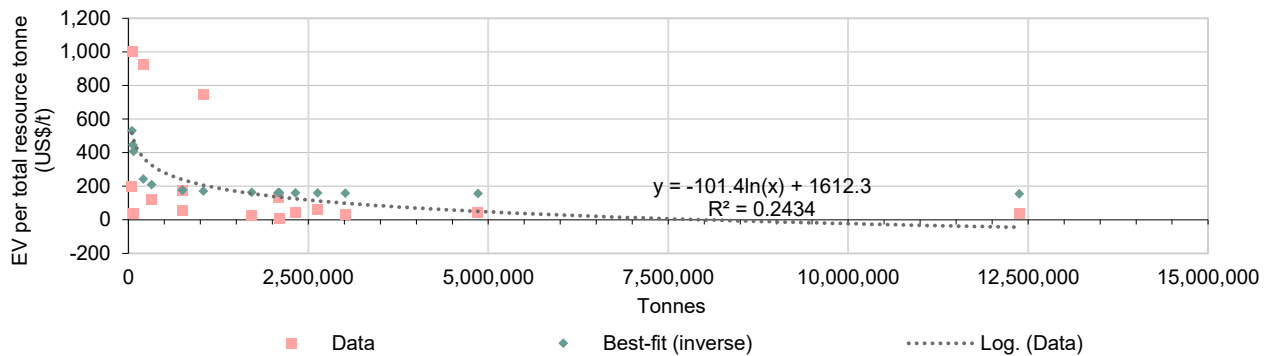
Source: Edison Investment Research (underlying data: Peñoles and Codelco)

Our average in-situ resource valuations for copper and gold apply to JORC- and NI 43-101-compliant resources only. Strictly speaking therefore, our valuations must be interpreted on the condition that Ajax's resources achieve JORC



or NI 43-101 compliance. They may therefore be discounted either for the probability of achieving JORC or NI 43-101 compliance and/or the cost of achieving that compliance. On the other hand, we note that both Peñoles and Codelco are responsible, producing copper companies, which inherently confers confidence on their resource estimates (note we are unaware whether the Codelco or Peñoles estimates have been made public, but we obtained them in our discussions with Ajax and, previously, Bezant). Moreover, inasmuch as Ajax's maiden resource at Eureka may not match the most optimistic exploration estimates for the project when it is announced (targeted for early next year), there is some evidence (albeit not statistically significant at the 5% level) that smaller resources attract higher in-situ valuations on the presumption that they have expansion potential, as shown in Exhibit 8, below:

**Exhibit 8: Copper explorers' resource size (tonnes Cu) versus in-situ resource valuation (US\$/t Cu)**



Source: Edison Investment Research (underlying data: company sources, LSEG Data & Analytics)

On this basis, Codelco's (minimum) resource estimate of 40,800 in-situ copper tonnes could be valued at US\$604.37/t (as implied by the 'Best-fit (inverse)' points in Exhibit 8, above) to give a value for the project (inherently including upside exploration potential) of US\$24.7m (ie close to the average calculated above). Alternatively, Peñoles' (maximum) exploration potential of 616,000t in-situ copper (still relatively small by global standards – Exhibit 8) could attract a value of US\$182.90/t to give an in-situ project value of US\$112.7m (note that the unweighted average in-situ resource valuation of the companies in Exhibit 6 is US\$227.64/t, so this appears not unreasonable, despite being at a material premium to the weighted average value of US\$76.75/t – note that this disparity alone supports the assertion that small resources attract a bigger per tonne valuations than larger ones). A summary of all potential valuations for Eureka inherently incorporating blue-sky upside potential is provided in the table below:

**Exhibit 9: Eureka project valuations incorporating blue-sky exploration upside (US\$m)**

Source	Nature of estimate	Tonnage Mt	Grade %	Contained copper (t)	Valuation* \$m	Valuation** \$/t	Valuation** \$m
Codelco	Resource estimate: diluted	13.10	0.36	47,160	3.6	543.50	25.6
Codelco	Resource estimate: undiluted	2.04	2.00	40,800	3.1	604.37	24.7
Codelco	Exploration potential: undiluted	8.00	2.00	160,000	12.3	268.10	42.9
Codelco	Exploration potential: diluted	52.00	0.35	180,000	13.8	255.31	46.0
Peñoles	Resource estimate	52.00	1.00	520,000	39.9	188.42	98.0
Peñoles	Exploration potential	61.60	1.00	616,000	47.3	182.90	112.7

Source: Edison Investment Research (underlying data: Codelco and Peñoles). Note: \*At US\$76.75/t contained Cu. \*\*Includes blue-sky exploration upside.

Albeit with the same proviso regarding JORC or NI 43-101 compliance, taking blue-sky exploration upside into account suggests an average valuation for Eureka of US\$58.3m (40.2p per fully diluted share), within a range US\$24.7m to US\$112.7m.

## Expansion potential

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Since acquiring Eureka in May, Ajax's management has pursued an explicit strategy of maximising the property's prospectivity by completing a series of bolt-on acquisitions (summarised below) that have more than doubled its land position in the region, to c 14,000ha.

### Minas La Escondida

On 15 May, Ajax announced the acquisition of Minas La Escondida (contiguous to Eureka) from a local Argentinean investor. The relevant characteristics of this prospect are:

- It is a mining project comprising two licences, La Escondida 1 and La Escondida 2, each holding mining rights over an area of 1,250ha, for a total of 2,500ha.
- It is contiguous to Eureka, including a tailing dam below Mina Eureka. Ajax has yet to assess this dam, but it could prove to be a near-term revenue generator.
- It shares the same geological prospectivity for gold and copper mineralisation as Eureka, potentially hosting sizeable additional resources; in addition to hosting alluvial deposits, the region also hosts vein- and lode-form mineralisation, which have been variously exploited over several centuries using small-scale underground mining methods.
- It is located in an area including historical production and resources.
- It is easily accessible via good-quality asphalt and gravel roads.
- The option to acquire the prospect for a total cash consideration of US\$80,000 was exercised in June.

### La Norteña

On 27 August, Ajax confirmed the completion of the acquisition of 100% the 6,300ha La Norteña licence area, which also neighbours Eureka to the north, for US\$22,500.

Under the terms of the acquisition, the vendor and Ajax (via its Argentinean subsidiary Puna Metals) will enter into an agreement to exploit alluvial gold (limited to gold located within 6m of the surface) at La Norteña, whereby the vendor will receive 20% of the profits of such activity. After 24 months, Puna will then have the option to purchase the vendor's profit share for US\$115,000. The costs of establishing the alluvial gold extraction activity will be met exclusively by Puna.

### Additional licences

Also in August, Ajax applied for mineral sub-surface rights over three areas of land similarly contiguous with Eureka. Two of these applications relate to mineral exploration licences (Cateo), covering a combined area of approximately 118ha. A third relates to a mining licence called La Piqueta, which covers a further 216ha.

## Other assets

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### Pereira Velho

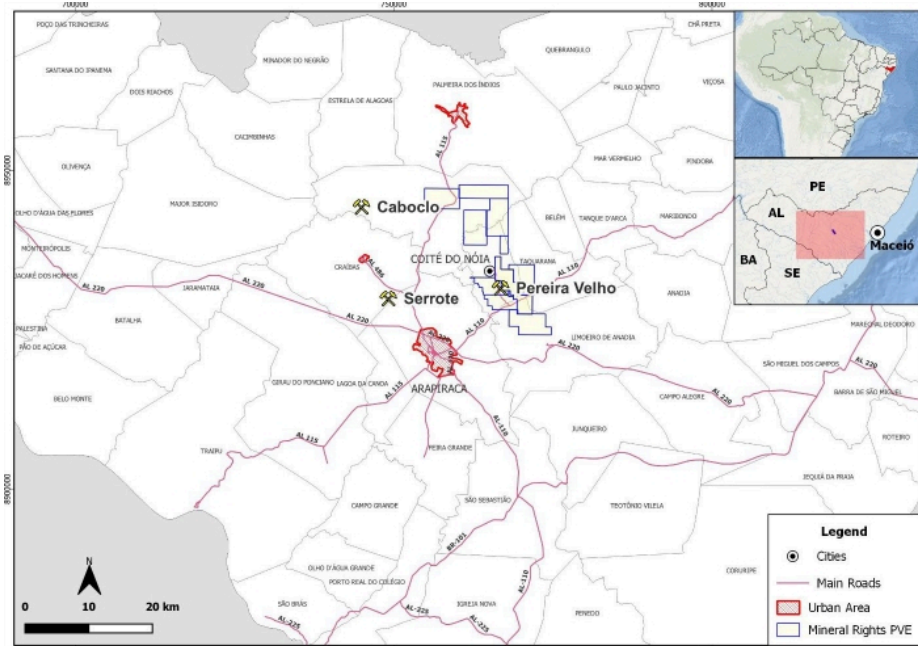
On 11 December, Ajax announced that it had signed a heads of terms to acquire 100% of the issued share capital of Pereira Velho Exploração SA (PV), a Brazilian company that owns the Pereira Velho gold project in Alagoas State in Brazil, from well-known British private equity mining fund manager Appian Capital Advisory. On completion, Appian – one of the world's largest speciality mining funds – will become a material shareholder in Ajax.

### Asset overview

The Pereira Velho project is a significant licence package, of which only a small portion has been drilled. It covers 14,596 hectares and hosts a more than 2.5km gold-in-soil anomaly just 30km from the Mineração Vale Verde copper-

gold project that Appian developed and sold to Baiyin Nonferrous for US\$420m in cash earlier this year.

#### Exhibit 10: Pereira Velho location



Source: Pereira Velho technical report

Access to the project area is via the AL-110 highway and municipal roads. The nearest urban centre is Arapiraca, which provides essential services such as healthcare, education, skilled labour and commercial infrastructure.

The region experiences a tropical rainy climate with dry summers, with rainfall concentrated between February and October, which nevertheless allows for year-round exploration and mining activities. Water resources are available from local rivers and groundwater sources, while electricity is supplied through the national grid, supplemented by hydroelectric power stations.

Between 2018 and 2022, PV was subject to 6,363m of diamond drilling across 47 holes (average 135m/hole), which confirmed widespread, near-surface, oxidised gold mineralisation hosted in fractured quartzite and gneiss units with modest clay content, resulting in a highly prospective potential deposit with a low-stripping ratio.

A historical mineral resource estimate – comprising both oxide and fresh material – was filed with the Brazilian National Mining Agency in 2023, as follows:

#### Exhibit 11: Pereira Velho historical resource estimate

Category	Tonnage (Mt)	Grade (g/t)	Contained gold (oz)
<b>Oxide</b>			
Measured	1.156	0.64	23,700
Indicated	0.969	0.66	20,400
Inferred	2.098	0.60	40,350
<b>Total</b>	<b>4.223</b>	<b>0.62</b>	<b>84,449</b>
<b>Fresh</b>			
Measured	0.392	0.44	5,600
Indicated	0.355	0.42	4,794
Inferred	0.190	0.43	2,610
<b>Total</b>	<b>0.937</b>	<b>0.43</b>	<b>13,004</b>
<b>Total</b>			
Measured	1.548	0.59	29,200
Indicated	1.324	0.59	25,200
Inferred	2.287	0.58	42,960
<b>Total</b>	<b>5.159</b>	<b>0.59</b>	<b>97,360</b>

Source: Pereira Velho technical report. Note: Not JORC-compliant.

As at Eureka, this estimate is neither JORC nor NI 43-101 compliant and will require further delineation and potential re-estimation by Ajax. However, such exploration can now be undertaken within the context of an intuitive, structurally

controlled exploration model, with multiple drill-ready targets defined via a combination of recent historical drilling, soil geochemistry and geophysical datasets. Metallurgically, over 80% of the mineralisation is reported to be oxidised, containing free gold, supporting the potential for a low-cost, open-pit, heap-leach development pathway in a region that has good road access, established local infrastructure and an experienced mining workforce.

### **Regional and local geology**

Pereira Velho is located within the Rio Coruripe Domain of the Neoproterozoic Sergipano Orogenic Belt and represents a promising gold exploration venture within the Borborema province (a well-known metallogenic belt in northeastern Brazil). Local geology is dominated by high-grade metamorphic rocks of the Arapiraca Complex, including biotite and quartz-feldspathic gneisses, migmatites, granulites, quartzites and banded iron formations, intruded by minor Neoproterozoic granitoids, which are favourable hosts for gold mineralisation.

Multiple ductile–brittle deformation phases and major NW–SE and NE–SW shear zones exert strong structural control on gold emplacement.

Gold itself occurs within a low-sulphidation, gold-only orogenic system hosted in quartz–pyrite veins and fractured quartzites. The quartzite corridors extend up to 10km, providing significant scope for strike extensions and resource expansions. Mineralisation consists of free and pyrite-hosted gold, commonly associated with limonite, haematite, and magnetite. Hydrothermal alteration includes propylitic, sericitic, silicic and argillic assemblages.

### **Metallurgy**

Both bottle roll and column leach metallurgical studies have been conducted on Pereira Velho material. Results showed that oxidised ore samples achieved higher gold recoveries, suggesting that cyanidation or heap leaching could be viable processing options. However, sulphide-rich samples exhibited refractory characteristics, indicating that pre-treatment methods such as roasting or ultra-fine grinding may be necessary to enhance gold liberation.

At the same time, column leach tests provided insights into gold dissolution kinetics, showing moderate to high recovery potential, although further tests will be required to determine optimum leach times, reagent use and particle size distribution.

### **Consideration**

Under the terms of the agreements Ajax will acquire 100% of PV for a total consideration of up to US\$2.1m, composed of:

- US\$0.2m in cash at completion.
- US\$0.4m set off against Appian's obligation to subscribe for new shares under the fundraising (see below), on completion.
- US\$1.5m satisfied through the issue of new ordinary shares calculated using the previous 10-trading day volume-weighted average price (VWAP) following publication of a JORC-compliant measured resource of at least 350koz gold.
- A 2.5% net smelter return (NSR) royalty, payable after any two consecutive fiscal quarters with an average LBMA Gold Price PM above US\$2,500/oz once in production. Note that Ajax/PV may repurchase the NSR for US\$1.5m within three years of the start of production.

It is intended that both parties will negotiate in good faith to sign and exchange a sale & purchase agreement (SPA) on or before 16 January and complete the transaction on or before 30 January 2026.

### **Investment by Appian and proposed fundraising**

Pursuant to the PV/Appian agreement, Ajax raised an additional £1.2m in equity (gross) via the issue of new ordinary shares at 5.5p to support its recent suite of transactions. The issue price for these shares has then also been applied to Appian's subscription (see above and below), whereby it has agreed to subscribe for the sterling equivalent of US\$0.4m in new Ajax ordinary shares. These shares will be allotted at completion of the transaction and the subscription amount will be offset against the consideration payable in connection with the acquisition.

### **Pereira Velho development strategy**

Following completion, Ajax plans to execute a work programme at Pereira Velho divided into two phases:

- Phase 1: a committed exploration programme that includes a minimum spend of US\$80,000 over three months from commencement and to be completed within six months of securing the necessary local approvals. This phase will focus on validating the quality of historical drilling to support JORC compliance and expanding the existing soil sampling grid.
- Phase 2: a conditional resource definition programme, which will proceed following the findings derived from and conditional on the success of Phase 1. This phase will include a minimum spend of US\$1.0m and is designed to deliver a maiden mineral resource estimate in accordance with the JORC Code (2012 Edition). The planned scope includes approximately 3,000m of diamond drilling, additional geophysics, step-out drilling, engineering studies and ongoing ESG engagement.

## Potential Pereira Velho valuation

As at Eureka, the resource estimated at Pereira Velho is currently neither JORC- nor NI 43-101 compliant. As such, the valuation below should be interpreted as being contingent upon Ajax's being able to bring it up to compliant standards and/or it should also be discounted for the cost of doing so. With that proviso, the table below provides an indicative valuation for the prospect at our most recent, calculated comparison of several listed, small- to mid-cap gold explorers conducted at the same time as that for copper explorers for Eureka (above):

### Exhibit 12: Potential Pereira Velho valuation

Category	Tonnage (Mt)	Grade (g/t)	Contained gold (oz)	In-situ value (US\$/oz)	Valuation US\$
Measured	1.548	0.59	29,200	26.71	779,936
Indicated	1.324	0.59	25,200	26.71	673,094
Inferred	2.287	0.58	42,960	26.71	1,147,462
<b>Total</b>	<b>5.159</b>	<b>0.59</b>	<b>97,360</b>	<b>26.71</b>	<b>2,600,492</b>

Source: Pereira Velho technical report, Edison Investment Research

On this basis, it can be seen that Ajax is acquiring an asset with an indicative valuation of US\$2.6m for an initial consideration of US\$0.6m. In the event that it delineates a JORC-compliant measured resource of 350koz Au, consideration would increase by an incremental US\$1.5m; however, the valuation of the project would simultaneously increase by at least US\$6.7m to at least c US\$9.3m.

## Leon

On 10 December, Ajax announced that it has (via its Argentinean subsidiary, Puna Metals) entered into a preliminary agreement with Madero Minerals SA to buy the León mining project in the Salta province of Argentina. The agreement is structured as a conditional exploration and option-to-purchase framework, whereby Puna is bound only if due diligence is satisfactory, while the vendor assumes binding obligations from signature. The assets covered in the transaction are:

- The León project for a total option value of US\$3m plus US\$0.1m in Ajax shares and a net smelter royalty of 0.5% (which can be bought back for US\$0.45m).

Payments for the project occur 36 months after EIA approval, unless Puma does not exercise the option. The minimum work commitment is US\$1m once EIA approval has been granted. In the meantime, Puna has 90 days in which to conduct technical, legal and environmental due diligence and may withdraw without cost.

All payments, investments and obligations by Puna only apply after due diligence approval and signing the definitive contract. Transaction costs and stamp duties will be shared 50:50.

### Initial Leon valuation

Leon is 55km south-east of Salta city and benefits from favourable access via paved national highways and gravel roads, with water available from the nearby Juramento River. It was previously owned by Alexander Mining, which reportedly spent US\$25m on the project between 2005 and 2010, including over 10,000m of drilling as well as trial mining and processing to demonstrate its amenability to open-pit extraction and heap-leach recovery. To this end, Alexander delineated a JORC (2004) mineral resource estimate of 6.6Mt (in the indicated and inferred categories) at a grade of 0.62% copper and 18g/t silver in the near-surface oxide horizon of the deposit. Ajax's plan is to re-drill the deposit to upgrade the mineral resource estimate, with a particular focus on the deeper, sulphide horizons, which were never targeted by Alexander.

In the meantime, at a global average in-situ value of US\$76.75/t contained copper, we would value this deposit, initially, at US\$3.1m in a similar manner to Eureka. As such, Ajax appears to be acquiring an asset valued at US\$3.1m for a consideration of US\$3.1m (albeit deferred by 36 months). Clearly, any expansion of the mineral resource beyond that



already defined would increase the value to the project and would be value accretive inasmuch as it is achieved for an exploration cost of less than US\$76.75/t contained copper.

Note that Leon also boasts a historical copper resource of 44.7Mt at 0.8% Cu and 21.8g/t Ag. If Ajax were able to delineate a JORC resource of this magnitude, we estimate that it would be valued in the order of US\$27.4m (ie close to Alexander's historical investment in the project), as shown below:

**Exhibit 13: Initial and potential Leon valuations (US\$)**

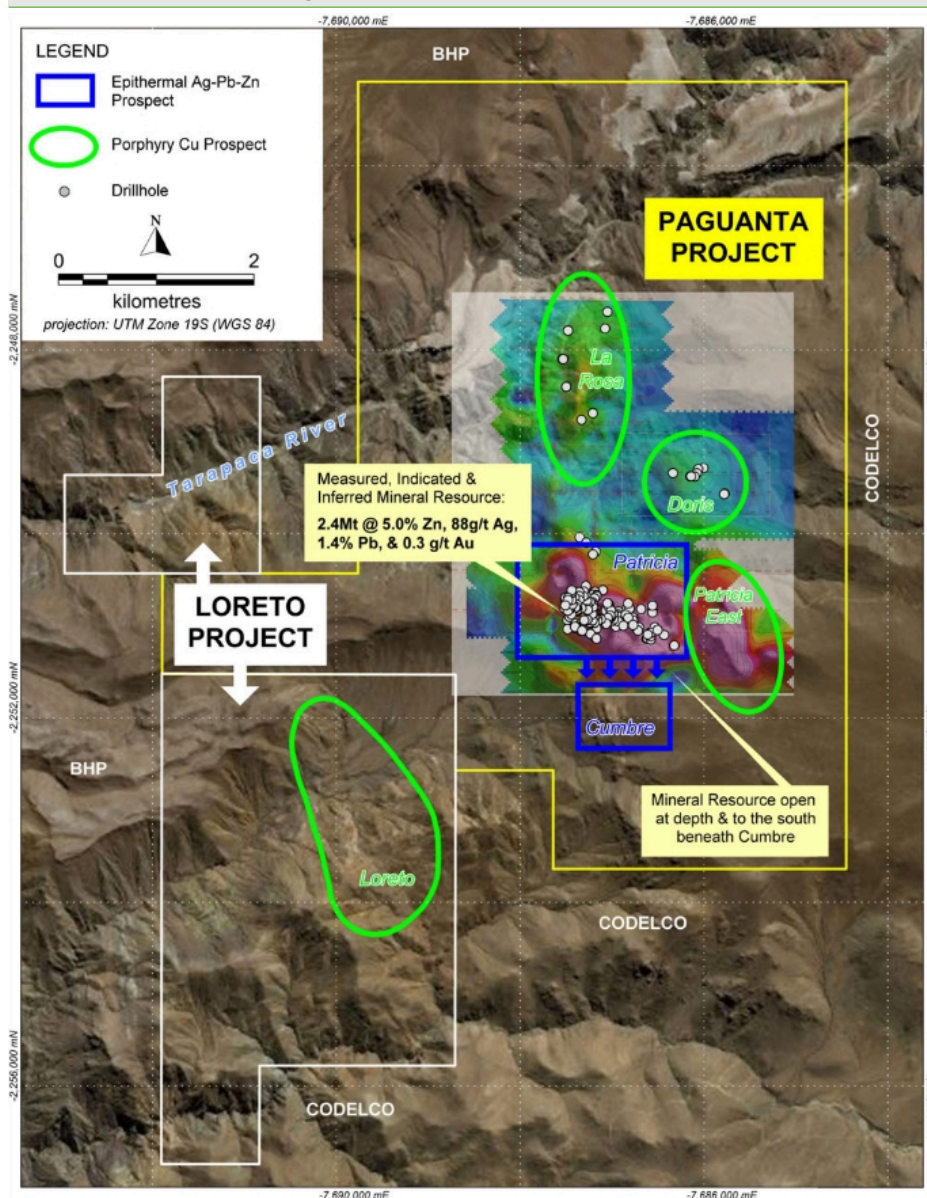
	Tonnage	Copper grade	Silver grade	Contained copper	Contained silver	Valuation	
	Mt	(%)	(g/t)	(tonnes)	(oz)	US\$/t Cu	US\$
JORC (2004) resource							
Total	6.6	0.62	18.00	40,920	3,819,539	76.75	3,140,610
Historical resource							
Total	44.7	0.80	21.80	357,600	31,329,863	76.75	27,445,800

Source: Ajax Resources, Edison Investment Research

## Paguanta

On 28 August, Ajax announced that it had agreed terms to conditionally acquire a 74.81% interest in the Paguanta project from ASX-listed Asara Resources.

Paguanta is an advanced exploration-stage polymetallic deposit, historically recognised for its silver production, located in the Tarapacá region of northern Chile and comprising 14 exploitation concessions and 14 pending applications for exploration concessions covering approximately 7,800ha. The project hosts noteworthy mineral resources, primarily silver, zinc and lead, as well as lying on the northern extension of Chile's West Fissure, which is the world's largest concentration of major porphyry copper-molybdenum deposits. Hence, it also boasts significant identified potential for copper and gold on ground surrounded by BHP and Codelco claims.

**Exhibit 14: Location of Paguanta in northern Chile**


Source: Asara Resources

The core of Paguanta's current value resides in the Patricia prospect, which has been the subject of the most extensive exploration efforts. This prospect boasts a JORC-compliant mineral resource of 6.8Moz silver, alongside 265Mlb zinc and 74Mlb lead. A notable feature of these mineral resources is that they remain open at depth (where the deepest hole ended in mineralisation with grades of 1,765g/t Ag, 12% Zn, 7.5% Pb and 1.7g/t Au) and along strike, indicating considerable potential for future expansion.

Under the terms of the agreement:

- The parties have until 31 December 2025 (extended from 25 November 2025 – see Ajax's [announcement of 19 November](#)) to negotiate final contractual terms and complete the transaction.
- Ajax will undertake its due diligence prior to completion.
- Ajax may terminate the agreement prior to completion at no cost if the results of its due diligence are unsatisfactory.
- The acquisition will consist of the purchase of 100% of the share capital of Paguanta Resources (Chile) SpA, which in turn owns 74.81% of the share capital of Compania Minera Paguanta SA, which owns the Paguanta project. Both companies are incorporated in Chile.

- On acquisition, both companies will be free of outstanding debt, other than debts novated to Ajax by Asara.

In the event that it proceeds, consideration for the acquisition will be:

- Within 15 days of completion:
  - US\$37,500 in cash (revised downwards from US\$50,000 in cash originally); and
  - US\$37,500 in Ajax ordinary shares (revised downwards from US\$100,000 originally), calculated at the seven-day VWAP prior to issue.
- A further US\$500,000 to be payable upon the definition of a proved reserve exceeding 25Mt at ≥5% zinc equivalent.
- A further US\$500,000 to be payable upon the definition of a proved reserve exceeding 5Mt of copper.
- The vendor will retain a 1% net smelter royalty, commencing on the first anniversary of production at Paguanta, capped at a maximum amount of US\$500,000 (US\$850,000 previously) and subject to the average zinc price during the preceding two quarters exceeding US\$2,600/t (note that the zinc price is currently US\$2,989/t at the time of writing).

## Potential Paguanta valuation

In similar fashion to our valuation of copper resources, for silver resources we apply an average resource multiple of US \$1.16 per ounce of contained silver (including co-products), which is derived from a comparison of several listed, small-to mid-cap silver explorers. On this basis, we would value the resource at Paguanta at US\$7.9m (on a 100% basis) or US\$5.9m (on a 74.81% attributable basis). As such, we can see that Asara is divesting itself of this asset at a deep discount to its likely value, albeit this may be explained by its strategic desire to focus on its lead gold asset in Guinea.

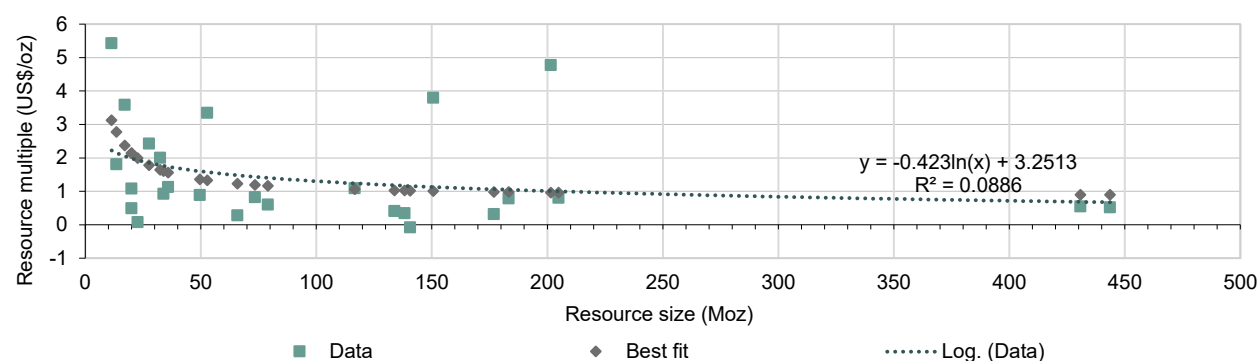
### Exhibit 15: Paguanta mineral resource estimate and valuation

	kt	Ag (g/t)	Zinc (%)	Pb (%)	Contained Ag (koz)	Contained Zn (kt)	Contained Pb (kt)	Contained Ag attributable (koz)	Contained Zn attributable (kt)	Contained Pb attributable (kt)	Valuation (US\$m)
Resource	2,400	88.0	5.0	1.4	6,790	120	34	5,080	90	25	5.9

Source: Ajax Resources, Asara Resources, Edison Investment Research

Unlike at Eureka, Paguanta's resource is already JORC-compliant. Similar to copper however, there is evidence (which, in this case, is statistically significant at the 5% level, based on the number of data points in the population and the correlation coefficient between them) that resource size is inversely proportional to resource multiple, such that smaller resources attract higher in-situ valuations on the presumption that they have expansion potential as shown below:

### Exhibit 16: Silver explorers' resource size (Moz) versus resource multiple (US\$/oz)



Source: Edison Investment Research (underlying data: company sources and LSEG Data & Analytics)

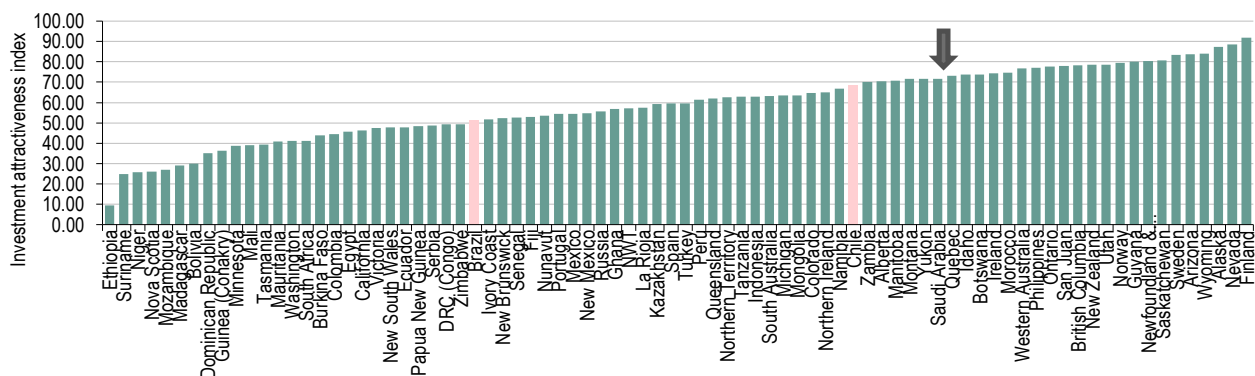
On this basis, Paguanta's resource estimate of 6.8Moz in-situ silver (gross) could be valued at US\$4.68/oz (as implied by the 'Best-fit' points in Exhibit 16, above) to give a value for the project (inherently including upside exploration potential) of US\$31.8m (100% basis) or US\$23.8m (attributable).

## Chile, Argentina and Brazil as destinations for mining investment

Prior to COVID-19, Chile was regarded as one of the best destinations for mining investment attractiveness in the world. This has waned since the election of Gabriel Boric as president in 2022. Nevertheless, it remains within the top half of global jurisdictions for mining investment attractiveness according to the most recent (2024) annual survey by the Fraser Institute (Exhibit 17).

Jujuy province's mining investment attractiveness must necessarily be considered within the context of Argentina's overall socioeconomic backdrop. President Javier Milei took office on 10 December 2023, amid a lack of support in Congress, an annual inflation rate approaching 200%, rising poverty and a polarised population. His administration's focus is therefore necessarily focused on economic reform. Nevertheless, the country recently held midterm elections where Milei's party, La Libertad Avanza (LLA), made significant gains in Congress, improving its legislative position. While Milei's government has begun to stabilise inflation, its policies have faced criticism regarding social programme cuts and human rights challenges. Possibly as a result, Jujuy did not feature in the Fraser Institute's 2024 survey. However, its 2023 survey position is shown by the arrow in the graph below. Were it to maintain the same score in 2024's survey therefore, it would feature in the second-best quartile of jurisdictions for mining attractiveness.

**Exhibit 17: Fraser Institute index of Investment Attractiveness, by jurisdiction (2024)**

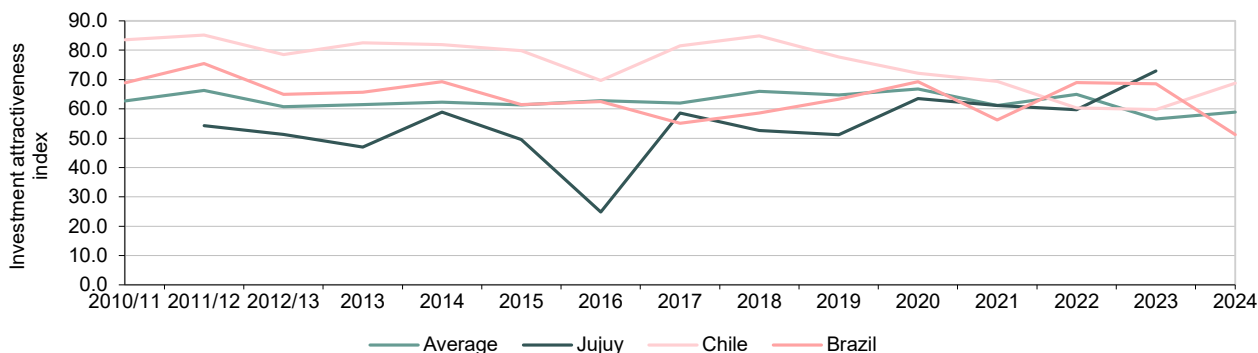


Source: Fraser Institute. Note: Arrow shows position of Jujuy based on its score in the 2023 survey.

Chile has operated a hybrid model of state-owned (Codelco) and privately owned mining companies that has remained central to government policy for over three decades. On 16 November 2025, it held a general election in which President Gabriel Boric was prohibited from running for re-election under the constitutional ban on consecutive presidential terms. There is a [perception](#) that President Boric's administration has disappointed the Chilean electorate, with constitutional reform failure and broken campaign promises thereby weakening the position of the left wing in general. In the event, however, no presidential candidate secured an absolute majority in the first round, with the result that a run-off election was conducted on 14 December between the top two finishers – Jeannette Jara of the Communist Party and Jose Antonio Kast of the Republican Party – and was won by the latter, who will now be inaugurated on 11 March 2026.

Possibly, as a consequence of the above, Chile's trend within the Fraser Institute survey has been generally downwards since 2018, when it ranked among the world's top 10 destinations for mining investment attractiveness (albeit with a tick upward in 2024). By contrast, Jujuy has generally been on a flat to gently rising profile until 2023 (albeit with a noticeable dip in 2016 when a new government under President Mauricio Macri began its term amid economic instability, high inflation and a 32.6% poverty rate).

**Exhibit 18: Fraser Institute survey of mining Investment Attractiveness, Jujuy, Chile and Brazil versus global average, 2010/11 to 2024**



Source: Fraser Institute

Brazil is the largest nation in South America and a globally recognised jurisdiction, where mining accounts for c 4% of national GDP and c US\$10bn in annual exports. Geologically, it sits within the Brazilian Shield, hosting world-class mineral provinces and major deposits of iron ore, gold, copper, nickel, bauxite, niobium, lithium, graphite and rare earth elements. The Alagoas–Sergipe region (where PV is located) hosts several emerging gold and Cu–Au projects, including Borborema and Gurupi. With a diverse industrial base and abundant natural resources, Brazil's economy has shown remarkable resilience in recent years and performed better than expected in 2024, growing at 3.4%. However, this is expected to moderate this year and in 2026 under the influence of relative high interest rates and tight lending conditions.

Mining in Brazil is governed by the Brazilian Mining Code (Decree-Law 227/1967) and administered by the ANM. Titles are granted via Exploration Authorisation followed by Mining Concession, subject to technical and economic studies. Foreign companies may hold 100% ownership.

The country has well-developed rail, port, and power networks in core mining regions, while environmental permitting requires federal and state approval under the EIA/RIMA regime, with post-2019 reforms strengthening environmental, social & governance, safety, and tailings management standards.

Although it has the largest economy in South America and one of the top ten in the world in nominal terms, Brazil is seen in some quarters as a serial under-performer, possibly based on the perception of president Lula da Silva's statist economic policies, its embrace of the BRICS grouping of countries in defiance of President Trump and limited structural reforms. As a result, its Investment Attractiveness declined in 2024 relative to 2023, although in the 13 years prior to that its ranking was broadly flat, just outside the top quartile of mining jurisdictions (Exhibit 17).

## Valuation: Sum-of-the-parts

Taking our US\$21.4m mean valuation of Eureka (Exhibit 7), albeit subject to drilling confirmation, our US\$2.6m potential valuation for Pereira Velho, our US\$3.1m initial valuation for Leon and our US\$5.9m valuation of Paguanta (Exhibit 15), a sum-of-the-parts valuation of Ajax as at end-February 2026 – both including and excluding Pereira Velho, Leon and Paguanta – is as follows:

**Exhibit 19: Ajax Resources sum-of-the-parts valuation**

	Including Pereira Velho, Leon and Paguanta	Excluding Pereira Velho, Leon and Paguanta
Eureka (US\$m)	21.4	21.4
Pereira Velho (US\$m)	2.6	0.0
Leon (US\$m)	3.1	0.0
Paguanta (US\$m)	5.9	0.0
Total (US\$m)	33.0	21.4
Total (£m)	24.7	16.0
Estimated net cash (£m)	2.6	2.6
Total (£m)	27.3	18.6
Fully diluted shares in issue (millions)	108.4	100.7
Value per share (£/share)	0.252	0.185

Source: Edison Investment Research



## Sensitivities

In contrast to Exhibit 19, above, Exhibit 20, below, shows the maximum value that we can derive for Ajax (based on Peñoles' exploration potential of 61.60Mt at 1.0% Cu) and compares this with the minimum value that we can derive based on Codelco's undiluted resource of 2.04Mt at 2.0% Cu assuming no blue-sky exploration potential. It also takes into account the maximum potential values that we calculate for Leon and Paguanta.

**Exhibit 20: Ajax Resources maximum and minimum sum-of-the-parts valuations**

	Maximum		Minimum	
	Including Pereira Velho, Leon and Paguanta	Excluding Pereira Velho, Leon and Paguanta	Including Pereira Velho, Leon and Paguanta	Excluding Pereira Velho, Leon and Paguanta
Eureka (US\$m)	112.7	112.7	3.1	3.1
Pereira Velho (US\$m)	2.6	0.0	2.6	0.0
Leon (US\$m)	27.4	0.0	3.1	0.0
Paguanta (US\$m)	23.8	0.0	5.9	0.0
Total (US\$m)	166.5	112.7	14.8	3.1
Total (£m)	124.5	84.2	11.0	2.3
Estimated net cash (£m)	2.6	2.6	2.6	2.6
Total (£m)	127.1	86.8	13.6	4.9
Fully diluted shares in issue (millions)	108.4	100.7	108.4	100.7
Value per share (£/share)	1.173	0.862	0.126	0.049

Source: Edison Investment Research

On this basis, it can be seen that, while Ajax's maximum valuation far exceeds both its mean valuation (Exhibit 19) and its share price, its minimum valuation (excluding Pereira Velho, Leon, Paguanta and blue-sky exploration potential) of 4.9p/share is only slightly below its share price of 5.875p (ie a 16.5% discount).

## Financials

Ajax had £1.4m in net cash on its balance sheet as at end-August 2025. It maintains no head office and, at the current time, pays only one cash salary. Hence, there is a minimal administrative cash drag. Since end-August, we estimate that it will have paid only another c £0.2m in administrative overheads, before raising a further effective £1.5m in equity to leave it with an estimated £2.6m currently, from which it will pay out c £0.6m in cash for acquisitions in H226 and a further £0.7m in exploration investment. Therefore, we estimate that it will still be net cash positive as at end-February 2026 and until approximately October 2026. By this time, we anticipate it will have produced a maiden, JORC-compliant mineral resource estimate at Eureka, which will define the parameters of any future equity fund-raising and development steps.

Thereafter, in order to bring the project to production, Ajax will probably have to complete at least two out of three studies (a scoping study and/or a pre-feasibility study and a definitive feasibility study), which will also involve drilling the deposit out to the fullest reasonable extent (a likely two- to three-year time frame). It will then need to raise both debt and equity finance to develop the project and finally, it will need to construct it (a further two to three years).

**Exhibit 21: Financial summary**

£'000s	2024	2025	2026e	2027e	2028e	2029e	2030e	2031e
Year end 28 February	UK GAAP	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>								
Revenue	0	0	0	0	0	0	0	0
Cost of Sales	(317)	(251)	(609)	(609)	(609)	(609)	(609)	(609)
Gross Profit	(317)	(251)	(609)	(609)	(609)	(609)	(609)	(609)
EBITDA	(317)	(251)	(609)	(609)	(609)	(609)	(609)	(609)
Operating Profit (before amort. and except.)	(317)	(251)	(692)	(692)	(692)	(1,028)	(1,028)	(1,028)
Intangible Amortisation	0	0	0	0	0	0	0	0
Exceptionals	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Operating Profit	(317)	(251)	(692)	(692)	(692)	(1,028)	(1,028)	(1,028)
Net Interest	138	124	12	16	(62)	(218)	(706)	(851)
Profit Before Tax (norm)	(178)	(127)	(680)	(676)	(753)	(1,246)	(1,734)	(1,879)
Profit Before Tax (FRS 3)	(178)	(127)	(680)	(676)	(753)	(1,246)	(1,734)	(1,879)
Tax	0	0	0	0	0	0	0	0
Profit After Tax (norm)	(178)	(127)	(680)	(676)	(753)	(1,246)	(1,734)	(1,879)
Profit After Tax (FRS 3)	(178)	(127)	(680)	(676)	(753)	(1,246)	(1,734)	(1,879)
Average Number of Shares Outstanding (m)	47	47	78	108	108	108	108	108
EPS - normalised (p)	(0.4)	(0.3)	(0.9)	(0.6)	(0.7)	(1.1)	(1.6)	(1.7)
EPS - normalised and fully diluted (p)	(0.3)	(0.2)	(0.8)	(0.6)	(0.6)	(1.0)	(1.5)	(1.6)
EPS - (IFRS) (p)	(0.4)	(0.3)	(0.9)	(0.6)	(0.7)	(1.1)	(1.6)	(1.7)
Dividend per share (p)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross Margin (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EBITDA Margin (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Operating Margin (before GW and except.) (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>BALANCE SHEET</b>								
Fixed Assets	0	0	1,677	2,619	3,284	6,478	6,059	5,640
Intangible Assets	0	0	933	1,958	2,706	2,955	2,955	2,955
Tangible Assets	0	0	743	661	578	3,523	3,104	2,685
Investments	0	0	0	0	0	0	0	0
Current Assets	982	798	1,059	0	0	0	0	0
Stocks	0	0	0	0	0	0	0	0
Debtors	8	0	0	0	0	0	0	0
Cash	974	798	1,059	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Current Liabilities	(95)	(45)	0	(559)	(1,978)	(6,418)	(7,733)	(9,192)
Creditors	(95)	(45)	0	0	0	0	0	0
Short-term borrowings	0	0	0	(559)	(1,978)	(6,418)	(7,733)	(9,192)
Long-Term Liabilities	0	0	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0
Net Assets	888	753	2,735	2,059	1,306	61	(1,673)	(3,552)
<b>CASH FLOW</b>								
Operating Cash Flow	(267)	(307)	(654)	(609)	(609)	(609)	(609)	(609)
Net Interest	138	124	12	16	(62)	(218)	(706)	(851)
Tax	0	0	0	0	0	0	0	0
Capex	346	8	(1,759)	(1,025)	(748)	(3,613)	0	0
Acquisitions/disposals	0	0	0	0	0	0	0	0
Financing	0	0	2,662	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0
Net Cash Flow	217	(176)	260	(1,618)	(1,418)	(4,440)	(1,315)	(1,460)
Opening net debt/(cash)	(757)	(974)	(798)	(1,059)	559	1,978	6,418	7,733
HP finance leases initiated	0	0	0	0	0	0	0	0
Other	(0)	0	0	0	0	(0)	0	0
Closing net debt/(cash)	(974)	(798)	(1,059)	559	1,978	6,418	7,733	9,192

Source: Ajax Resources, Edison Investment Research

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**Revenue by geography**

N/A

**Management team**
**Chief Executive Officer: Ippolito Cattaneo**

Ippolito Cattaneo is an energy sector entrepreneur with a blend of financial and operational experience across various regulatory environments. He is Ajax's founder and speaks four languages fluently (English, French, Spanish and Italian). He started his career at Standard Chartered Bank in loan syndication, before joining Zenith Energy, a Canadian oil and gas company with interests in Azerbaijan, Tunisia, Italy and the Republic of the Congo, listed on both the London Stock Exchange and Euronext Growth Oslo. Among other activities, he currently serves as a Reservist in the British Army.

**Executive director: Richard Heywood**

Richard Heywood has experience in metal trading and financial services, having previously worked at J O Hambro Capital Management Group, assisting the leadership of the company. Before that, he was a commissioned officer in the Scots Guards. He is currently engaged in commodities trading across East Africa.

**Non-executive Chairman: Michael Hutchison**

Michael Hutchinson began his career at Metallgesellschaft, where he worked for 25 years, ultimately becoming its managing director in 1985. At the same time, he was a board member, between 1986 and 2006, of the London Metals Exchange (LME). Since then, he has held a number of notable board and management roles, including chairman of Metalloyd, a major supplier of steel and raw materials, and chairman of Wogen, a speciality metals trading house. From 2017 to 2021, he served as non-executive chairman of Bluejay Mining, an AIM-listed mining exploration and development company.

**Principal shareholders**

%

I.I. Cattaneo Esq.	22.99
JIM Nominees	9.10
J. Story Esq.	8.85
Orca Capital	8.13
Appian*	5.40
Elmlea Properties	5.01
A. O'Hara Esq.	3.95
First Corporate Consultants	3.25
R. Heywood Esq.	3.17
J. Simmons Esq.	3.05
*Estimated post-fundraising.	

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