

TERM SHEET

Axo Copper Corp.
Initial Public Offering of Units
May 23, 2025

A final prospectus containing important information relating to the Units (as defined herein) has been filed with the securities regulatory authorities in each of the Provinces of Canada, other than the Province of Quebec, and is accessible through SEDAR+ at www.sedarplus.ca. Copies of the final prospectus may be obtained from Stifel Nicolaus Canada Inc. at ProspectusCanada@stifel.com. This term sheet does not provide full disclosure of all material facts relating to the Units. Investors should read the final prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the Units, before making an investment decision.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The offering of these securities shall only be completed in those jurisdictions where they may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any U.S. state securities laws and may not be offered, sold or delivered to, or for the account or benefit of, persons in the "United States" or "U.S. persons" (as such terms are defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable U.S. state securities laws or an exemption from such registration requirements is available. The prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities to, or for the account or benefit of, persons in the United States or U.S. persons.*

Issuer:	Axo Copper Corp. (the " Company ").
Offering:	18,182,000 Units of the Company (the " Units "). Each Unit will consist of one common share of the Company (a " Unit Share ") and one half of one Common Share purchase warrant of the Company (each whole warrant, a " Warrant ").
Offering Price:	C\$0.55 per Unit.
Issue Amount:	C\$10,000,100
Warrants:	Each Warrant will entitle the holder to acquire one common share of the Company (a " Warrant Share ") at an exercise price of C\$0.70 for a period of 24 months from the Closing Date (as herein defined).
Over-Allotment Option:	The Company has granted the underwriters an option, exercisable in whole or in part, for a period of 30 days following the Closing Date, to purchase up to an additional 2,727,300 Units (and/or the components thereof) sold under the Offering, to cover over-allotments, if any, so long as the aggregate number of additional Unit Shares and additional Warrants that may be issued under the option does not exceed 2,727,300 additional Unit Shares and 1,363,650 Warrants.
Use of Proceeds:	The net proceeds of the Offering will be used to advance the drilling and exploration program at the Company's La Huerta Project, to fund operating costs and for general corporate and administrative purposes, as further described in the prospectus.
Shares Outstanding:	Upon completion of the Offering, assuming no exercise of the Over-Allotment Option, 127,567,933 common shares of the Company will be issued and outstanding on a non-diluted basis (140,728,859 on a fully-

diluted basis), and, if the Over-Allotment Option is exercised in full, 130,295,233 common shares of the Company will be issued and outstanding on a non-diluted basis (144,819,809 on a fully-diluted basis).

Principal Shareholder: Immediately after the completion of the Offering, Glenn Jessome will beneficially own 16,000,000 common shares of the Company, representing approximately 12.5% of the issued and outstanding shares (approximately 12.3%, if the Over-Allotment Option is exercised in full).

Lock-Up Arrangement: In connection with the completion of the Offering, each of the Company and the Company's directors, executive officers, and certain shareholders of the Company will agree that he, she or it will not, directly or indirectly, without the prior written consent of Stifel Nicolaus Canada Inc., on behalf of the underwriters, such consent not to be unreasonably withheld, offer, sell, contract to sell, secure, pledge, grant or sell any option, right or warrant to purchase, or otherwise lend, transfer or dispose of any of the Company's equity securities, or other securities convertible or exchangeable into or otherwise exercisable into the Company's equity securities, or make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Company's equity securities, or agree or publicly announce any intention to do any of the foregoing for a period commencing on the Closing Date and ending 180 days after the Closing Date, subject to certain limited exceptions.

Form of Offering: Initial public offering by way of a long-form prospectus filed in all provinces Canada except the Province of Québec. Private placement in the United States pursuant to available exemptions from registration under the U.S. Securities Act and all applicable U.S. state securities laws, and internationally pursuant to relevant prospectus or registration exemptions in accordance with applicable laws.

Listing: The Company has applied and has obtained the conditional approval of the TSX Venture Exchange (the "**TSXV**") with respect to the listing of the Unit Shares, the Warrant Shares and the existing issued and outstanding common shares of the Company on the TSXV under the symbol "AXO". Listing is subject to the Company fulfilling all of the requirements of the TSXV on or before August 21, 2025. The Warrants will not be listed.

Eligibility: Eligible for RRSPs, RRIFs, RESPs, DPSPs, RDSPs, FHSAs and TFSAAs under the regulations to the *Income Tax Act* (Canada).

Bookrunner: Stifel Nicolaus Canada Inc.

Commission: The Company shall pay to the underwriters, on the Closing Date, a cash commission equal to 6.0% of the gross proceeds raised under the Offering (subject to a reduced cash commission of 2.0% in respect of the gross proceeds raised from sales (up to a maximum of C\$5 million) to purchasers included on a President's List).

Closing Date: On or about June 3, 2025 (the "**Closing Date**") or such other date as the underwriters and the Company may agree.

There is currently no market through which the Unit Shares or Warrants may be sold and purchasers may not be able to resell Unit Shares or Warrants purchased under the final prospectus. This may

affect the pricing of the Unit Shares and Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Unit Shares and Warrants and the extent of issuer regulation.

An investment in the Units should be considered highly speculative and involves a high degree of risk. There is no guarantee that an investment in the Company will earn any positive return in the short or long-term. An investment in the Company is appropriate only for investors who have the capacity to absorb a loss of all of their investment. There are certain risk factors associated with an investment in the Units. In reviewing the final prospectus and in connection with an investment in the Company, a prospective investor should carefully consider the risk factors and other matters described under the heading "*Risk Factors*" and "*Forward-Looking Information*" in the final prospectus.

Prospective investors should rely only on the information contained in the final prospectus. The Company and the underwriters have not authorized anyone to provide investors with information different from that contained in the final prospectus. The underwriters are offering to sell and seeking offers to buy the Units only in jurisdictions where, and to persons whom, offers and sales are lawfully permitted. Investors should not assume that the information contained in the final prospectus is accurate as of any date other than the date of the final prospectus.

Prospective investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of this investment based upon their own personal circumstances.