NEWS RELEASE

AXO METALS SECURES MAJOR ENVIRONMENTAL PERMIT APPROVAL; CLEARS PATH FOR PRODUCTION AT THE SAN ANTONIO GOLD PROJECT

HALIFAX, NOVA SCOTIA – July 27, 2026 – Axo Metals Corp. (TSXV:AXO) ("Axo", "Axo Metals" or the "Company") is pleased to announce that the Mexican Federal Environmental Department ("SEMARNAT") has issued a positive decision approving the Environmental Impact Statement ("Manifestos de Impacto Ambiental" or "MIA") for the San Antonio gold project located in the State of Sonora.

This landmark approval validates the environmental merits of the San Antonio project and grants the primary authorization required for the construction and operation of the mine.

"The receipt of the MIA is the definitive green light from SEMARNAT that we have been working towards" says Jonathan Egilo, President & CEO. "We are excited and committed to leveraging our existing infrastructure at San Antonio and returning the project to production. Today's announcement marks a significant milestone. Axo is committed to responsible resource development, and we will continue to work to create long-term value for the people of Sonora and our shareholders."

With the MIA in hand, Axo Metals is positioned for near-term production. The newly issued MIA covers all existing infrastructure and current resources across all deposits at San Antonio. Prior to beginning mining at Sapuchi, Golfo de Oro, and the California deposits, the Company is finalizing a standard administrative follow-up regarding the Change of Use of Soils ("CUS"). The CUS application was submitted earlier this year. The Company views the CUS as a routine ancillary step and anticipates approval prior to yearend. The Company's core infrastructure – including the past-producing Luz del Cobre open pit, existing stockpiles, waste dumps, carbon-in-column processing facility, and camp – is fully permitted and requires no further soil-use authorizations.

Axo Metals remains dedicated to responsible resource development and continues to enjoy a strong, collaborative relationship with the local communities in Sonora as it advances towards gold production.

About Axo Metals

Axo Metals Corp. is a Canadian mineral exploration company engaged in the exploration and development in Mexico. The company holds two projects. The San Antonio project is located in the state of Sonora, and is in advanced development. Total resources at San Antonio stand at 576koz Au and 1.37moz Ag grading 1.20 g/t Au and 2.9g/t Ag in the Indicated category, with 544koz Au and 1.76moz Ag grading 1.02 g/t Au and 3.3g/t Ag in the Inferred category across all deposit types (oxide, transition and sulphide). Axo's second project is 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 nearsurface 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.axometals.com.

For inquiries, please contact:

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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 Offering, the Company's plans in respect of the La Huerta property and receipt of all necessary regulatory approvals, are forward-looking statements that involve various risks and uncertainties. Forward-looking statements are frequently characterized by words such as "will", "propose", "may", "is expected to", "subject to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective", "focus" and "outlook" 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.

Cautionary statement: by their nature, surface or chip samples are selective samples and may not represent true underlying mineralization