



NEWS RELEASE

AXO METALS DRILLING INTERCEPTS 48.0 METRES OF 1.18 G/T AU FROM SURFACE AT RECENTLY DISCOVERED LUZ DEL COBRE TARGET; ADDITIONAL RESULTS INCLUDE 3.94 G/T AU OVER 15.0 METRES

HALIFAX, NOVA SCOTIA – October 20, 2026 – Axo Metals Corp. (TSXV:AXO) ("Axo", "Axo Metals" or the "Company") is pleased to announce the latest drilling results from its San Antonio project in Sonora, Mexico. The drilling contained in this release focused on the recently discovered Luz del Cobre target, as the Company continues to find strong mineralization well outside the latest San Antonio resource.

"Drilling at San Antonio continues to deliver excellent results as we follow up on the previously announced discovery hole, 26-048" says Jonathan Egilo, President & CEO. "We are particularly excited about the Luz del Cobre target due to its proximity to our existing and permitted infrastructure, in addition to the fact that strong oxide gold mineralization is being seen either directly from surface, or at relatively shallow depths. With two of our three diamond drill rigs remaining focused on resource expansion drilling, we are excited to continue showcasing that the scale of San Antonio is growing."

San Antonio Drill Results

Axo Metals is reporting the results from 33 drillholes, and approximately 3,700 metres of drilling. Today's results include drilling from the recently announced Luz del Cobre discovery, following up on the highlight hole SOSAP-26-048 which, as previously announced, returned 46.5 metres grading 1.43g/t Au of oxide mineralization directly from surface. The Luz del Cobre target is approximately 750 metres east of the Sapuchi pit-constrained resource. In addition to drilling at the Luz del Cobre target, today's drilling release contains results in the gap zone between the Luz del Cobre target and the Sapuchi resource, as well as further testing around the peripherals of the Sapuchi deposit.

New results in the Luz del Cobre area continue to be encouraging, including Hole SOSAP-26-069 which returned **48.0 metres of 1.18g/t Au of oxide material directly from surface**. Initial drilling in the Luz del Cobre-Sapuchi gap has confirmed at least 450 metres of mineralized strike length. While the Company continues to view the Sapuchi deposit as an excellent starter pit option due to the elevated oxide grades and favourable topography, management notes that Luz del Cobre is only ~1.8km away from the existing plant infrastructure and, due to the area being a past producing open pit, is already connected to the San Antonio infrastructure via haul roads. Thus, the Company is evaluating Luz del Cobre as another compelling option to be mined early in the San Antonio mine life.

Highlights from today's results include:

- **Hole SOSAP-26-069** which reported **the first 48.0 metres drilled directly from surface grading 1.18g/t Au**. The hole was collared in the Luz del Cobre zone, ~750m east of the Sapuchi resource pit.
- **Hole SOSAP-26-083** which assayed **3.94g/t Au over 15.0 metres** from only 12 metres down the hole at Luz del Cobre.
- **Hole SOSAP-26-053** which was collared along the outer edge of Sapuchi, saw multiple zones including **22.0 metres of 1.62g/t Au, 11.0 metres of 1.72g/t Au and 17.0 metres of 0.94g/t Au**.
- **Hole SOSAP-26-077** which assayed **0.88g/t Au over 25.8 metres from surface** at Luz del Cobre.
- **Hole SOSAP-26-080** was collared within the Luz del Cobre-Sapuchi gap zone and returned multiple intercepts from 25.5 metres down the hole to 168 metres. Select separate intervals included **11.0 metres of 1.29g/t Au**, 39.6 metres of 0.32g/t Au and 9.0 metres of 0.73g/t Au.
- **Hole SOSAP-26-073** which returned two intercepts of **0.81g/t Au over 17.9 metres** from only 29 metres down the hole and **0.90g/t Au over 19.9 metres** from 55 metres down the hole at the outer edge of the Sapuchi resource.

FIGURE 1: NEW DRILLHOLE LOCATIONS ACROSS THE SAPUCHI DEPOSIT AND LUZ DEL COBRE TARGET

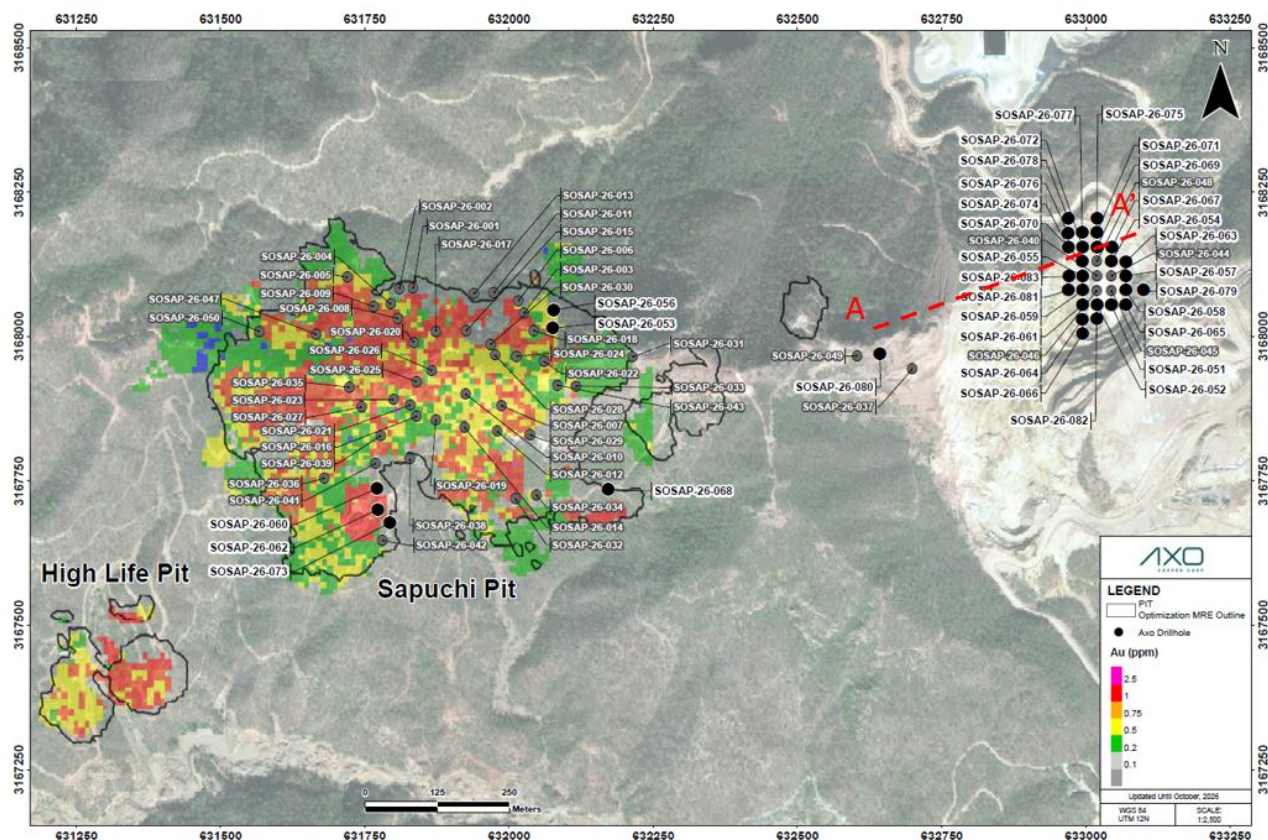
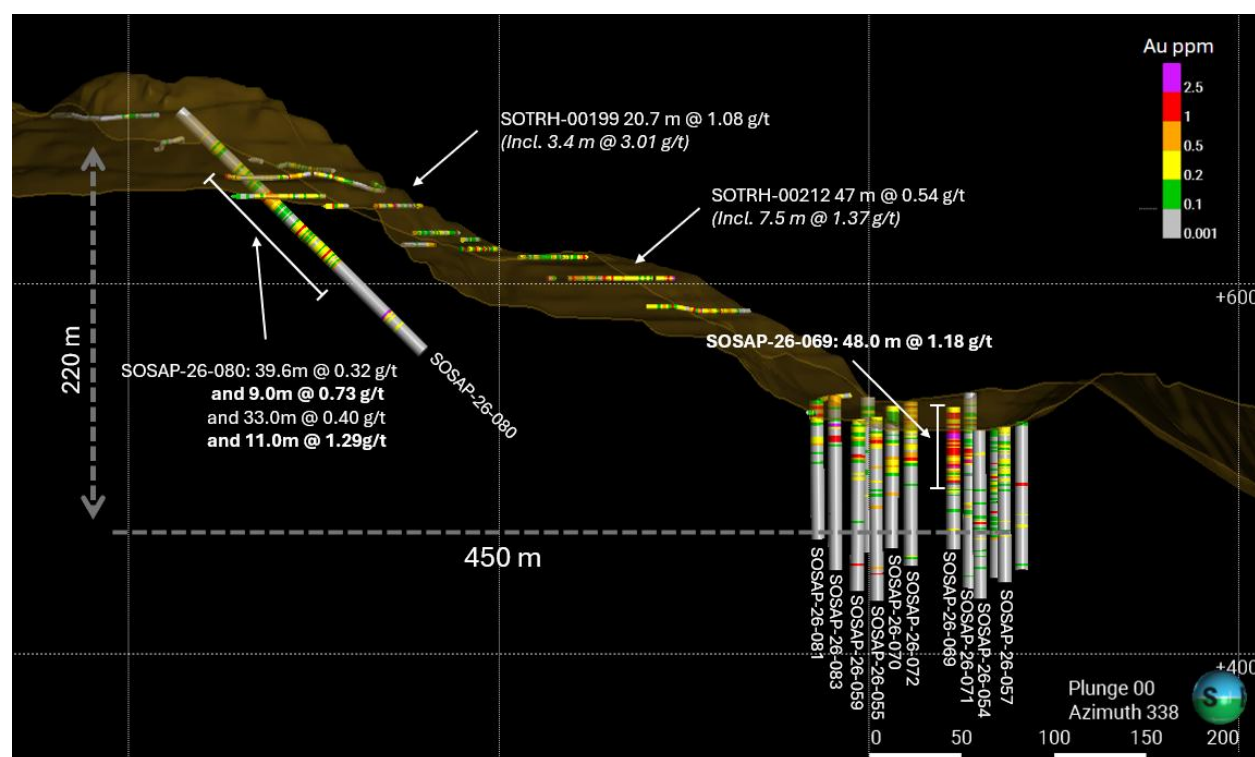


Figure 2 below shows a cross section that covers approximately 450 metres between the recently discovered Luz del Cobre zone and the existing Sapuchi resource. Hole SOSAP-26-069 from today's release lies at the base of the former Luz del Cobre historical pit, while hole SOSAP-26-080 returned multiple long intervals of above cut-off mineralization. All drilling in the area is considered resource expansion.

The Luz del Cobre historical pit was operated from 2011 to 2018 and solely focused on the mining of copper oxide, with 2.8Mt of copper oxide ore mined in that time period. The drilling around Luz del Cobre that is returning strong grades of oxide gold mineralization are not returning material grades of copper, which the Company views as a positive from a metallurgical standpoint.

FIGURE 2: SECTION VIEW ACROSS LUZ DEL COBRE HIGHLIGHTED BY HOLES SOSAP-26-069 AND SOSAP-26-080



Drill Plans and RC Waste Dump Drilling Program

There are currently three diamond drill rigs turning at San Antonio. Two are focused on resource expansion drilling around Luz del Cobre and within the Luz del Cobre-Sapuchi gap zone. The third drill rig is positioned at Sapuchi, infilling inferred resource blocks and testing areas to convert waste to ore within the resource pit shell.

The Company is also exploring the gold potential contained within the waste dumps that were built from historical Luz del Cobre operations. From late 2021 to mid-2023, Osisko Gold Group (formerly known as Osisko Development), San Antonio's operator prior to Axo's acquisition, mined and processed 1.14Mt of waste dump material grading 0.58g/t Au, recovering 74% via heap leaching, and selling 13,591 gold ounces. Axo has recently completed a ~1,900 metre reverse-circulation (RC) drill program through these waste dump, which has been drilled off to approximately 25 x 25 metre spacings. The Company believes the waste dumps could provide a compelling option for additional resource growth at San Antonio, with any discovered ounces providing an option to potentially

expedite production at San Antonio through the processing of waste dumps – at potentially low operating costs and low capital intensity. The waste dumps are situated ~1.8km away from the carbon-in-column plant, and connected via haul roads. The Company expects to receive and disclose these RC drilling results prior to year-end.

FIGURE 3: PLAN VIEW SHOWING THE LOCATION OF WASTE DUMPS RELATIVE TO SAN ANTONIO EXISTING INFRASTRUCTURE



La Huerta Update

The Company is announcing that it has elected to terminate the option agreement for the La Gallina concession at its La Huerta copper project in Jalisco, Mexico. Axo Metals continues to retain full ownership of the Juanes concession, which is the concession that holds the overwhelming majority of metres drilled at La Huerta, and all material drilling previously announced and disclosed by the Company. For more details about the La Gallina option agreement, please see our most recent financial statements and MD&A located on SEDAR+.

Table 1: San Antonio Assay Results

Hole ID	Area ¹	Comment ²	From m	To m	Length m	Au Grade g/t
SOSAP-26-051	LDC	Oxide	7.3	14.5	7.3	0.11
SOSAP-26-052	LDC	Oxide	0.0	22.5	22.5	0.55
SOSAP-26-053	Sapuchi	Sulphide	87.0	91.8	4.8	0.43
and		Sulphide	103.5	114.5	11.0	1.72
and		Sulphide	129.7	146.7	17.0	0.94
incl.		Sulphide	137.6	140.7	3.1	1.54
and		Sulphide	153.1	175.1	22.0	1.62
incl.		Sulphide	164.7	175.1	10.4	2.94
SOSAP-26-054	LDC	Oxide	46.5	54.0	7.5	0.28
and		Transition	64.9	69.0	4.1	0.18
SOSAP-26-055	LDC	Oxide	0.0	16.6	16.6	0.38

incl.		Oxide	10.6	14.7	4.2	0.91
SOSAP-26-056	Sapuchi	Sulphide	75.4	95.4	20.0	0.34
and		Sulphide	105.0	111.0	6.0	0.44
and		Sulphide	125.2	149.0	23.9	1.17
and		Sulphide	161.8	166.5	4.8	1.99
and		Sulphide	186.0	204.0	18.0	0.30
SOSAP-26-057	LDC	Transition	7.8	35.2	27.4	0.18
SOSAP-26-058	LDC	Oxide	0.0	9.0	9.0	1.58
and		Sulphide	51.0	60.0	9.0	0.31
SOSAP-26-059	LDC	Transition/Sulphide	0.0	23.8	23.8	0.31
SOSAP-26-060	Sapuchi	Oxide	3.1	12.0	8.9	0.12
SOSAP-26-061	LDC	Transition	0.0	29.3	29.3	0.54
incl.		Transition	21.5	25.8	4.4	2.33
SOSAP-26-062	Sapuchi	Oxide	15.0	31.9	16.9	0.92
incl.		Oxide	15.0	18.0	3.0	4.36
and		Oxide	39.7	58.5	18.8	0.97
incl.		Oxide	47.5	49.4	1.9	4.81
SOSAP-26-063	LDC	NSV				
SOSAP-26-064	LDC	Oxide	0.0	17.0	17.0	0.19
SOSAP-26-065	LDC	NSV				
SOSAP-26-066	LDC	Oxide	0.0	21.0	21.0	0.34
and		Transition	36.0	42.0	6.0	0.67
SOSAP-26-067	LDC	Transition	0.0	13.0	13.0	0.11
and		Transition	22.1	41.0	18.9	0.26
and		Transition	45.0	60.0	15.0	0.20
SOSAP-26-068	Sapuchi	NSV				
SOSAP-26-069	LDC	Oxide/Transition	0.0	48.0	48.0	1.18
incl.		Oxide/Transition	3.0	26.0	23.0	1.59
SOSAP-26-070	LDC	Oxide	0.0	21.0	21.0	0.14
and		Sulphide	27.0	37.5	10.5	0.39
SOSAP-26-071	LDC	NSV				
SOSAP-26-072	LDC	Oxide/Transition	0.0	34.5	34.5	0.51
incl.			2.0	12.0	10.0	0.84
SOSAP-26-073	Sapuchi	Oxide	29.2	47.1	17.9	0.81
incl.		Oxide	32.6	37.8	5.3	2.22
and		Transition/Sulphide	55.1	75.0	19.9	0.90
incl.		Transition	57.5	66.0	8.5	1.58
SOSAP-26-074	LDC	NSV				
SOSAP-26-075	LDC	Oxide	2.9	23.5	20.7	0.26
SOSAP-26-076	LDC	NSV				
SOSAP-26-077	LDC	Oxide/Transition	0.0	25.8	25.8	0.88
incl.		Oxide	3.0	13.3	10.3	1.75
SOSAP-26-078	LDC	NSV				
SOSAP-26-079	LDC	NSV				
SOSAP-26-080	LDC	Oxide	25.5	33.0	7.5	0.29
and		Oxide	43.3	82.9	39.6	0.32
incl.		Oxide	63.0	72.0	9.0	0.73

and		Oxide/Transition	87.0	120.0	33.0	0.40
and		Sulphide	157.0	168.0	11.0	1.29
SOSAP-26-081	LDC	Sulphide	0.0	13.5	13.5	0.83
and		Sulphide	19.7	24.4	4.7	0.32
SOSAP-26-082	LDC	NSV				
SOSAP-26-083	LDC	Sulphide	12.0	27.0	15.0	3.94

¹LDC = Luz del Cobre

²NSV=No significant values

Table 2: San Antonio Drillhole Coordinates

Hole ID	Easting	Northing	Elevation m	Depth m	Azimuth	Dip
SOSAP-26-051	633044	3168055	521	110	0	-90
SOSAP-26-052	633019	3168055	521	100	0	-90
SOSAP-26-053	632075	3168014	665	201	0	-90
SOSAP-26-054	633044	3168130	521	91	0	-90
SOSAP-26-055	632994	3168105	526	99	0	-90
SOSAP-26-056	632077	3168046	648	210	0	-90
SOSAP-26-057	633069	3168105	521	84	0	-90
SOSAP-26-058	633069	3168080	521	108	0	-90
SOSAP-26-059	632994	3168080	526	93	0	-90
SOSAP-26-060	631771	3167736	638	180	0	-90
SOSAP-26-061	632994	3168055	526	81	0	-90
SOSAP-26-062	631772	3167700	619	190	0	-90
SOSAP-26-063	633069	3168130	524	80	0	-90
SOSAP-26-064	632994	3168030	526	83	0	-90
SOSAP-26-065	633069	3168055	525	146	0	-90
SOSAP-26-066	632994	3168005	525	90	0	-90
SOSAP-26-067	633045	3168154	521	81	0	-90
SOSAP-26-068	632171	3167735	571	219	0	-90
SOSAP-26-069	633019	3168155	532	77	0	-90
SOSAP-26-070	632994	3168130	531	76.5	0	-90
SOSAP-26-071	633019	3168180	539	105.5	0	-90
SOSAP-26-072	632994	3168155	535	88.5	0	-90
SOSAP-26-073	631793	3167677	598	182	0	-90
SOSAP-26-074	632969	3168155	538	84	0	-90
SOSAP-26-075	633019	3168205	544	85.5	0	-90
SOSAP-26-076	632969	3168179	536	87	0	-90
SOSAP-26-077	632994	3168180	537	81	0	-90
SOSAP-26-078	632969	3168205	529	67.5	0	-90
SOSAP-26-079	633100	3168080	541	90	0	-90
SOSAP-26-080	632643	3167970	693	186	83	-45
SOSAP-26-081	632969	3168081	535	75	0	-90
SOSAP-26-082	633019	3168030	521	84	0	-90
SOSAP-26-083	632970	3168104	538	94	0	-90

About Axo Metals

Axo Metals Corp. is a Canadian mineral exploration company engaged in the exploration and development of mineral properties 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.

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

Procedure, Quality Assurance / Quality Control and Data Verification

The diamond drill core (HQ size) is geologically logged, photographed and marked for sampling. When the sample lengths are determined, the full drill core is sawn with a diamond blade drill core saw with one half of the drill core being bagged and tagged for assay. The remaining half portion is returned to the drill core trays for storage and/or for metallurgical test work.

The sealed and tagged drill core sample bags are transported to the ALS Chemex facilities in Querétaro and Zacatecas, Mexico. ALS Chemex crushes the samples and prepares 200-300 gram pulp samples with ninety percent passing Tyler 150 mesh (106 µm). Copper and multi-element analysis is completed using total digestion (Code ME-ICP61 Total Digestion ICP). Over limits greater than 10,000 grams per tonne copper are assayed using Cu-OG62.

Quality assurance and quality control ("QA/QC") procedures monitor the chain-of-custody of the samples and include the systematic insertion and monitoring of appropriate reference materials (certified reference materials, blanks and duplicates) into the sample strings. The results of the assaying of the QA/QC material included in each batch are tracked to ensure the integrity of the assay data. All results stated in this announcement have passed Axo's QA/QC protocols.

Grab and trench exploration samples are geologically logged, photographed and marked for sampling and processing in the Company's on-site laboratory. The sealed and tagged sample bags are transported to the San Antonio On Site Laboratory, in San Antonio de La Huerta, Sonora. Initially, the sample undergoes primary size reduction using a jaw crusher to a nominal particle size of 1/2 inch. The crushed material is subsequently homogenized and split using a riffle splitter. Once completely dry, the sample is pulverized with ninety percent passing 200 mesh. The prepared pulp is subsequently processed by 30g fire assay. The resulting doré bead is then dissolved by acid digestion using aqua regia. The resulting solution is diluted to the appropriate volume and analyzed by atomic absorption spectrometry (AAS) to determine the gold concentration in the sample. Quality assurance and quality control ("QA/QC") procedures monitor the chain-of-custody of the samples and include the systematic insertion and monitoring of appropriate reference materials (certified reference materials, blanks and duplicates) into the sample strings. Results are preliminary and have not yet been verified by an independent, certified commercial laboratory.

Qualified Person

Charles Spath, P. Geo., is the Qualified Person for Axo Metals Corp., as defined under National Instrument 43-101, and is non-independent. Mr. Spath has reviewed and approved the scientific and technical information in this press release.

For inquiries, please contact:

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Forward-Looking information:

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the 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 exploration and drilling plans at the San Antonio and La Huerta projects 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 gold and 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, risks 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.