Condensed Consolidated Interim Financial Statements
(Unaudited - expressed in Canadian dollars)

AFTERMATH SILVER LTD.
(An Exploration Stage Company)

Six months ended November 30, 2024 and 2023

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Financial Position
(Unaudited - expressed in Canadian dollars)

As at		November 30, 2024		May 31, 2024
ASSETS				
Current assets:				
Cash and cash equivalents	$	19,634,284	$	4,331,365
Receivables		70,150		18,034
Prepaid expenses and advances (note 9)		148,091		152,350
		19,852,525		4,501,749
Restricted cash (note 5)		11,792		12,196
Mineral properties (notes 4 and 5)		10,306,089		10,306,089
Deferred acquisition costs (note 6)		17,262,917		17,262,917
Equipment (note 7)		53,721		50,873
	$	**47,487,044**	**$**	**32,133,824**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	$	665,296	$	771,781
Due to related parties (note 9)		54,081		83,923
Current portion of acquisition costs payable (note 6)		4,191,453		3,854,507
		4,910,830		4,710,211
Acquisition costs payable (note 6)		3,811,314		3,504,928
		8,722,144		8,215,139
Shareholders' equity:				
Share capital (note 8)		80,149,487		59,351,182
Subscriptions received in advance (note 8)		-		14,000
Reserves		6,208,771		6,711,620
Deficit		(47,593,358)		(42,158,117)
		38,764,900		23,918,685
	$	**47,487,044**	**$**	**32,133,824**

Nature of operations and going concern (note 1)
Subsequent events (note 12)

Approved on behalf of the Board:

"David Terry" Director

"Michael J. Williams Director

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - expressed in Canadian dollars)

	Three months ended		Six months ended	
For the period ended	**Nov 30, 2024**	**Nov 30, 2023**	**Nov 30, 2024**	**Nov 30, 2023**
Expenses:				
Accounting and legal (note 9)	$ 49,980	$ 82,178	$ 94,799	$ 131,224
Accretion expense (note 6)	218,950	193,940	433,034	389,194
Conference and exhibition	50,668	56,682	68,296	73,881
Consulting fees (note 9)	99,547	28,125	154,643	120,677
Corporate secretarial (note 9)	9,250	8,250	17,500	16,500
Depreciation (note 7)	3,652	3,076	6,847	6,120
Directors' fees (note 9)	22,500	22,500	45,000	45,000
Foreign exchange gain	311,881	24,633	230,294	(4,632)
Geological exploration (note 5)	103,515	243,060	193,715	324,845
Insurance	4,550	3,325	9,100	7,875
Investor relations	198,918	238,436	313,088	493,788
Listing and filing fees	25,528	14,681	35,955	27,274
Office and sundry (note 9)	45,508	38,052	80,591	66,193
Pre-acquisition exploration (notes 6 and 9)	1,895,817	675,397	2,914,848	1,247,476
Share-based payments (notes 8 and 9)	612,899	57,485	612,899	183,259
Travel and meals	139,674	58,616	155,883	92,429
Wages and salaries (note 9)	78,083	60,526	138,871	121,314
	(3,870,920)	(1,808,962)	(5,505,363)	(3,342,417)
Impairment to assets held for sale (note 4)	-	-	-	(189,031)
Interest income	52,936	31,706	70,122	63,378
Loss and Comprehensive loss for the period	$(3,817,984)	$(1,777,256)	$ (5,435,241)	$ (3,468,070)
Loss per share – basic and diluted	$ (0.02)	$ (0.01)	$ (0.02)	$ (0.02)
Weighted average number of shares outstanding - basic and diluted	253,589,285	207,283,011	243,671,739	207,283,011

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited - expressed in Canadian dollars)

	Share Capital										
	Shares		Amount		Reserves		Subscriptions received in advance		Deficit		Total
May 31, 2023	**207,283,011**	**$**	**53,589,975**	**$**	**6,510,352**	**$**	**-**	**$**	**(35,036,249)**	**$**	**25,064,078**
Share-based payments	-		-		183,259		-		-		183,259
Loss for the period	-		-		-		-		(3,468,070)		(3,468,070)
November 30, 2023	**207,283,011**		**53,589,975**		**6,693,611**		**-**		**(38,504,319)**		**21,779,267**
Private placements	17,500,000		3,850,000		-		-		-		3,850,000
Warrants exercised	8,308,398		2,095,820		-		-		-		2,095,820
Options exercised	169,500		102,359		(45,576)		-		-		56,783
Share issuance costs – cash	-		(233,775)		-		-		-		(233,775)
Share issuance costs – finders' warrants	-		(53,197)		53,197		-		-		-
Subscriptions received in advance	-		-		-		14,000		-		14,000
Share-based payments	-		-		10,388		-		-		10,388
Loss for the period	-		-		-		-		(3,653,798)		(3,653,798)
May 31, 2024	**233,260,909**		**59,351,182**		**6,711,620**		**14,000**		**(42,158,117)**		**23,918,685**
Private placements	36,507,936		15,000,000		-		-		-		15,000,000
Return to treasury	(19)		-		-		-		-		-
Warrants exercised	13,707,793		3,837,383		(3,167)		(14,000)		-		3,820,216
Options exercised	4,180,500		2,515,299		(1,112,581)		-		-		1,402,718
Share issuance costs	-		(554,377)		-		-		-		(554,377)
Share-based payments	-		-		612,899		-		-		612,899
Loss for the period	-		-		-		-		(5,435,241)		(5,435,241)
November 30, 2024	**287,657,119**	**$**	**80,149,487**	**$**	**6,208,771**	**$**	**-**	**$**	**(47,593,358)**	**$**	**38,764,900**

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condense Consolidated Interim Statements of Cash Flows
(Unaudited - expressed in Canadian dollars)

For the period ended		November 30, 2024		November 30, 2023
Cash flows from operating activities:				
Loss for the period	$	(5,435,241)	$	(3,468,070)
Items not affected by cash:				
Share-based payments		612,899		183,259
Accretion expense		433,034		389,194
Depreciation		6,847		6,120
Impairment to assets held for sale		-		189,031
Unrealized foreign exchange		210,702		(2,918)
Changes in non-cash working capital items:				
Receivables		(52,116)		10,834
Prepaid expenses and advances		4,259		184,444
Accounts payable and accrued liabilities		(106,485)		(11,171)
Due to related parties		(29,842)		(6,531)
Cash used in operating activities		**(4,355,943)**		**(2,525,808)**
Cash flows from investing activities				
Purchase of equipment		(9,695)		(1,640)
Change in restricted cash		-		2,095
Payments made towards acquisition costs payable		-		(169,950)
Cash used in investing activities		**(9,695)**		**(169,495)**
Cash flows from financing activities				
Proceeds from private placements		15,000,000		-
Proceeds from warrant exercises		3,820,216		-
Proceeds from option exercises		1,402,718		-
Share issuance costs		(554,377)		-
Cash provided by financing activities	**$**	**19,668,557**	**$**	**-**
Change in cash and cash equivalents		15,302,919		(2,695,303)
Cash and cash equivalents, beginning of the period		4,331,365		4,089,832
Cash and cash equivalents, end of the period	**$**	**19,634,284**	**$**	**1,394,529**
Supplemental schedule of non-cash activities				
Reclassification to share capital from reserves on warrant exercises	$	3,167	$	-
Reclassification to share capital from reserves on option exercises	$	1,112,581	$	-
Reclassification of assets held for sale to mineral properties	$	-	$	1,852,853

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

1. Nature of operations and going concern:

Aftermath Silver Ltd. ("the Company" or "Aftermath") was incorporated under the laws of British Columbia on January 27, 2011. Its principal business activity is the acquisition, exploration and development of mineral properties. The Company's shares are currently traded on the TSX Venture Exchange ("TSX-V") under the symbol AAG and on the OTCQB under the symbol AAGFF. The Company's registered and records address is Suite 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

The Company is in the exploration stage and engages principally in the acquisition and exploration of mineral properties. The recoverability of the amounts shown for mineral properties is ultimately dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the mineral properties, obtaining necessary financing to explore and develop the mineral properties, entering into agreements with others to explore and develop the mineral properties, and upon future profitable production or proceeds from disposition of the mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. The Company has no operating revenue and has a history of losses. As at November 30, 2024, the Company has a working capital of $14,941,695. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business. The Company is currently evaluating various opportunities and seeking sources of financing. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. Material accounting policies:

(a) Basis of presentation:

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounts Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and Interpretations issued by the IFRS Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied are the same as those applied in the Company's annual consolidated financial statements for the year ended May 31, 2024.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on January 22, 2025.

2. Material accounting policies (continued):

(b) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company, its wholly owned subsidiaries Minera Cachinal S.A. ("Minera Cachinal), Aftermath Silver Peru S.A., Minera Aftermath Challacollo Limitada ("MMC"), and Minera ISP S. R.L. de C.V. Intercompany balances and transactions, including any unrealized income and expenses arising from intercompany transactions, are eliminated on consolidation.

(c) New standards not yet adopted:

IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. The Company is in the process of assessing the impact on the financial statements of the new standard.

3. Material accounting estimates and judgments:

The preparation of financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported periods. The Company reviews its estimates and assumptions regularly; however, actual results could differ from those estimates.

Significant judgments used are as follows:

Valuations of convertible debentures

The equity portion of the convertible debenture is calculated using a discounted cash flow method which requires management to make an estimate on an appropriate discount rate.

Going concern

The assessment of the Company's ability to continue as a going concern involves judgment based on historical experience. Significant judgments are used in the Company's assessment of its ability to continue as a going concern, which are described in Note 1, and recording deferred acquisition costs and acquisition costs payable pursuant to binding agreements.

Functional currency

The functional currency of an entity is assessed on a standalone basis to determine the economic substance of the currency in which each entity performs its operations.

Acquisition of subsidiary entities

Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs.

3. Material accounting estimates and judgments (continued):

Deferred Income tax

The determination of income tax is inherently complex and requires making certain judgments about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Mineral properties

The recognition of mineral properties requires judgments regarding future recoverability and carrying cost. The cost model is utilized and the value of the mineral properties is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Significant accounting estimates used are as follows:

Share-based payments

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Shares issued in non-cash transactions

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

4. Assets held for sale:

Minera Cachinal, Chile

During the year ended May 31, 2020, the Company acquired a 100% stake in the Cachinal De La Sierra silver-gold project (the "Cachinal property") located in Chile, through the acquisition of an 80% ownership in Minera Cachinal S.A. ("Minera Cachinal") from Halo Labs Inc. ("Halo") and the acquisition of the 20% in ownership from SSR Mining Inc. ("SSR"). The value attributed to the property was $2,493,842.

On February 14, 2023, the Company entered into a definitive agreement with Honey Badger Silver Inc. ("Honey Badger") to sell its 100% interest in Minera Cachinal for 3,508,771 common shares of Honey Badger and $652,000 cash on the closing of the transaction.

Management determined the assets of Minera Cachinal meet the definitions of assets held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations." Consequently, the assets of Minera Cachinal were classified as a disposal group.

(Unaudited - expressed in Canadian dollars)

4. Assets held for sale (continued):

In accordance with IFRS 5, on the reclassification of disposal groups as assets held for sale and discontinued operations, the Company remeasured the net assets of Minera Cachinal to fair value less costs of disposal estimated based on the expected proceeds of disposition. During the year ended May 31, 2024, an impairment of $189,031 was recognized against mineral properties within assets held for sale, which is included in profit or loss for the year.

During the year ended May 31, 2024, the definitive agreement with Honey Badger was terminated and the Company reclassified $1,852,853 to mineral properties on the derecognition of the assets held for sale (note 5).

5. Mineral Properties:

Challacollo Property Acquisition, Chile

On November 8, 2019, the Company entered into a share purchase agreement with Mandalay Resources Corp. (“Mandalay”), pursuant to which the Company would acquire Minera Mandalay Challacollo Limitada (“MMC”), which owns the Challacollo silver-gold project in Chile. In consideration for the acquisition of MMC, which closed during the year ended May 31, 2023, the Company paid Mandalay a total of $5,000,000 in cash and issued an aggregate of 8,180,242 common shares with a value of $2,836,035. In addition to the purchase consideration, the Company paid a finder’s fee of $357,500 cash and 306,122 common shares valued at $71,939 and incurred closing costs of $210,877.

The property is subject to net smelter royalty (“NSR”) of 3% capped at $3,000,000.

The Company incurred the following exploration expenditures on the Cachinal and Challacollo Mineral projects during the six months ended November 30, 2024 and 2023:

Period ended November 30, 2024	Cachinal Project	Challacollo Project	Total
Field supplies and equipment	$ -	$ 11,218	$ 11,218
Field staff and benefits	-	12,570	12,570
General and administrative	6,548	32,400	38,948
Geological consulting	8,484	46,618	55,099
Legal fees	-	21,768	21,768
Permits and licenses	1,845	34,538	36,383
Travel and meals	-	3,380	3,380
Value-added tax	-	14,349	14,349
	$ 16,874	$ 176,841	$ 193,715

(Unaudited - expressed in Canadian dollars)

5. Mineral Properties (continued):

Period ended November 30, 2023	Cachinal Project	Challacollo Project	Total
Field supplies and equipment	$ -	$ 10,728	$ 10,728
Field staff and benefits	-	14,365	14,365
General and administrative	11,419	15,015	26,434
Geological consulting	7,338	43,392	50,730
Legal fees	30,767	39,776	70,543
Maps and reports	-	20,609	20,609
Permits and licenses	-	115,668	115,668
Travel and meals	-	6,232	6,232
Value-added tax	-	9,536	9,536
	$ 49,524	$ 275,321	$ 324,845

A continuity of mineral properties for the period ended November 30, 2024 and year ended May 31, 2024 is as follows:

	Cachinal Project	Challacollo Project	Total
Balance, May 31, 2023	$ -	$ 8,453,236	$ 8,453,236
Reclassified from assets held for sale (note 4)	1,852,853	-	1,852,853
Balance, May 31, 2024 and November 30, 2024	$ 1,852,853	$ 8,453,236	$ 10,306,089

As at November 30, 2024, the Company held reclamation deposits with the Chilean Ministry of National Assets of $11,792 (May 31, 2024 - $12,196) recognized within restricted cash. A continuity of restricted for the period ended November 30, 2024 and year ended May 31, 2024 is as follows:

Restricted cash	November 30, 2024	May 31, 2024
Restricted cash, beginning of the period	$ 12,196	$ 60,060
Additions to reclamation deposits	-	45,078
Reclamation deposits refunded	-	(86,580)
Foreign exchange recognized	(404)	(6,362)
Restricted cash, end of the period	$ 11,792	$ 12,196

6. Deferred acquisition costs, Investigation costs:

Berenguela Property Acquisition, Peru

On July 22, 2020, the Company entered into a binding Letter of Intent (the “LOI”) with SSR to acquire 100% of the Berenguela silver-copper project located in Puno, Peru, through the purchase of 100% of SSR’s shares in its Peruvian holding company, Sociedad Minera Berenguela S.A (“SMB”). On September 30, 2020, the acquisition agreement with SSR was signed.

6. Deferred acquisition costs, Investigation costs (continued):

The Company has agreed to pay US$12,725,000 made in staged cash payments, 4,287,049 Aftermath Silver common shares, and a sliding scale net NSR on production, as follows:

i. US$1,000,000 deposit, to be paid withing 48 hours of signing the LOI *(paid – CAD $1,341,670)*;

ii. US$725,000 cash on the initial closing date (*paid – CAD $953,375*) and 4,287,049 Aftermath common shares (*issued with value of $4,029,826)*;

iii. US$2,250,000 cash to be paid on November 30, 2021 *(paid – CAD$2,862,585)*;

iv. US$2,500,000 cash to be paid on November 30, 2023 (*paid - CAD$3,403,900 - amended from November 30, 2022, as per discussion below)*;

v. US$3,000,000 cash to be paid on May 15, 2025 *(amended from November 30, 2024 and further amended subsequent to November 30, 2024, as per discussion below)*;

vi. Completion of a Preliminary Feasibility Study ("PFS") and filing on SEDAR of a NI 43-101 technical report summarizing the PFS by November 23, 2025 *(amended from November 30, 2024, pursuant to an amending agreement with the vendor)*;

vii. US$3,250,000 cash to be paid on November 30, 2026;

viii. A sliding scale NSR on all mineral production from the Berenguela Project for the life of mine commencing at the declaration of commercial production, based on the following:

    a. 1.0% NSR, on all mineral production when the Silver Market Price is up to and including US$25/ounce; and

    b. 1.25% NSR on all mineral production when the Silver Market Price is over US$25/ounce and when the Copper Market Price is above $2.00/lb.

During the year ended May 31, 2023, the Company entered into an agreement whereby the payment of US$2,500,000 original due on November 30, 2022, was deferred by one year to November 30, 2023. In consideration for the deferral, the Company paid US$400,000 ($541,884). Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $157,739.

During the year ended May 31, 2024, the Company entered into a further agreement whereby it made the US$2,500,000 payment due on November 30, 2023 early in exchange for deferment of the November 30, 2024 payment of US$3,000,000 to May 15, 2025. The Company recognized an increase in acquisition costs payable of $6,321 during the year ended May 31, 2023. Subsequent to the period ended November 30, 2024, the Company entered into a further amendment, whereby the US$3,000,000 payment was reduced to US$2,900,000 by making payment by December 31, 2024 (Note 12).

On the initial closing date, the Company recognized a total of $10,300,701 to deferred acquisition costs related to the present value of future US$11,000,000 in payments plus US$550,000 in future finders' fees discounted using a rate of 12%.

(Unaudited - expressed in Canadian dollars)

6. Deferred acquisition costs, Investigation costs (continued):

A continuity of acquisition costs payable for the period ended November 30, 2024 and 2023, is as follows:

Acquisition costs payable	November 30, 2024	May 31, 2024
Acquisition costs payable, beginning of the period	$ 7,359,435	$ 6,713,152
Payments of finders' fees	-	(169,950)
Accretion expense	433,034	792,863
Foreign exchange recognized	210,298	23,370
	8,002,767	7,359,435
Current portion of acquisition costs payable	(4,191,453)	(3,854,507)
Acquisition costs payable, end of the period	$ 3,811,314	$ 3,504,928

The Company has agreed to pay a finders' fee of US$659,478 over the term of the agreement of which US$234,478 ($314,297) has been paid to date, and issue 346,279 common shares (issued during the year ended May 31, 2021, with a value of $415,535).

Ownership in SMB will not transfer until such time the Company has completed its payments. Up until the point ownership transfers, all of the Company's exploration costs towards the Berenguela project are included in pre-acquisition exploration costs as they are not required pursuant to the acquisition agreement.

The Company incurred the following pre-acquisition exploration costs for the period ended November 30, 2024 and 2023:

Period ended November 30, 2024	**Berenguela Project**
Analysis	$ 637,886
Drilling	598,240
Field supplies and equipment	118,711
Field staff and benefits	752,638
General and administrative	80,314
Geological consulting	282,363
Legal fees	16,119
Maps and reports	210
Permits & licenses	8,357
Travel and meals	188,165
Value-added tax	231,845
	$ 2,914,848

(Unaudited - expressed in Canadian dollars)

6. Deferred acquisition costs, Investigation costs (continued):

Period ended November 30, 2023	Berenguela Project
Analysis	$ 190,476
Field supplies and equipment	45,841
Field staff and benefits	610,041
General and administrative	92,228
Geological consulting	137,691
Legal fees	26,972
Permits & licenses	119
Travel and meals	97,930
Value-added tax	46,178
	$ 1,247,476

Deferred acquisition costs incurred as at November 30, 2024, and May 31, 2024 are as follows:

	Berenguela Project	Total
Balance, May 31, 2023, May 31, 2024, and November 30, 2024	$ 17,262,917	$ 17,262,917

7. Equipment:

	Office Furniture	Computer & Comms Equipment	Field Equipment	Total
Cost				
Balance, May 31, 2023	$ 15,797	$ 28,848	$ 29,232	$ 73,877
Additions	4,206	1,950	6,984	13,140
Balance, May 31, 2024	20,003	30,798	36,216	87,017
Additions	-	7,998	1,697	9,695
Balance, November 30, 2024	20,003	38,796	37,913	96,712
Accumulated Depreciation				
Balance, May 31, 2023	3,006	11,670	8,579	23,255
Depreciation	2,973	4,660	5,256	12,889
Balance, May 31, 2024	5,979	16,330	13,835	36,144
Depreciation	1,506	2,618	2,723	6,847
Balance, November 30, 2024	7,485	18,948	16,558	42,991
Net Book Value				
May 31, 2024	$ 14,024	$ 14,468	$ 22,381	$ 50,873
November 30, 2024	$ 12,518	$ 19,848	$ 21,355	$ 53,721

(Unaudited - expressed in Canadian dollars)

8. Share capital:

(a) Authorized share capital:

Unlimited number of voting common shares without par value.

(b) Issued share capital:

Share issuances for the period ended November 30, 2024 were as follows:

a) The Company closed a non-brokered private placement by issuing 14,285,714 units at a price of $0.35 per unit for gross proceeds of $5,000,000. Each unit consists of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of $0.45 for a period of two years. In connection with the offering, the Company paid finders' fees of $150,000 and incurred additional closing costs of $37,480.

b) The Company closed a non-brokered private placement by issuing 22,222,222 units at a price of $0.45 per unit for gross proceeds of $15,000,000. Each unit consists of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of $0.70 for a period of two years. In connection with the offering, the Company paid finders' fees of $300,000 and incurred additional closing costs of $66,897.

Share issuances for the year ended May 31, 2024 were as follows:

a) The Company closed two tranches of a non-brokered private placement by issuing 17,500,000 units at a price of $0.22 per unit for gross proceeds of $3,850,000. Each unit consists of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.32 for a period of two years. The Company paid finders' fees of $81,774 and issued 540,700 finders' warrants with the same term as the unit warrants and a fair value of $53,197. The finders' warrants were valued using the Black-Scholes valuation model with the following weighted average inputs: share price of $0.25, life of two years, volatility of 85.85%, and discount rate of 4.24%. In connection with the private placement, the Company incurred additional closing costs of $152,001.

(c) Warrants:

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2023	36,807,174	$ 0.30
Issued	9,290,698	0.32
Exercised	(8,308,398)	0.25
Balance, May 31, 2024	37,789,474	0.32
Issued	18,253,968	0.60
Exercised	(13,707,793)	0.28
Balance, November 30, 2024	42,335,649	$ 0.45

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(c) Warrants (continued):

At November 30, 2024, warrants were outstanding enabling holders to acquire common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
11,565,733	$0.35	May 3, 2025[1]
3,494,760	$0.35	May 15, 2025[2]
6,376,237	$0.32	April 2, 2026
2,644,951	$0.32	April 11, 2026
7,142,857	$0.45	September 25, 2027
11,111,111	$0.70	November 28, 2027
42,335,649		

1. Subsequent to the period ended November 30, 2024, 45,000 of these warrants were exercised for proceeds of $15,750.
2. Subsequent to the period ended November 30, 2024, 45,000 of these warrants were exercised for proceeds of $15,750.

(d) Long-term incentive plan:

The Company has a long-term incentive plan, approved by the Company's shareholders, that allows it grant Stock Options, Restricted Share Units, Performance Share Units, Deferred Share Units, and Stock Appreciation Rights subject to the aggregate number of common shares of the Company issuable under all security incentives of the Company not exceeding 10% of the issued and outstanding common shares of the Company at the time of the grant.

(e) Stock options:

Stock option grants must be approved by the Board of Directors and options are exercisable over periods of up to ten years to buy shares of the Company at a price not less than the closing market price prevailing on the date the option is granted, less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX-V.

Stock option transactions are as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, May 31, 2023	15,150,000	$ 0.52
Expired / Cancelled	(500,000)	0.34
Exercised	(169,500)	0.34
Balance, May 31, 2024 and November 30, 2024	14,480,500	0.53
Granted	5,275,000	0.35
Exercised	(4,185,000)	0.34
Exercisable, November 30, 2024	15,575,000	$ 0.52

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(e) Stock options (continued):

At November 30, 2024, stock options were outstanding enabling holders to acquire common shares as follows:

Number of Stock Options		Exercise Price	Expiry Date
200,000	$	0.335	December 11, 2024[1]
5,100,000	$	0.80	October 9, 2025
700,000	$	0.65	June 16, 2026
450,000	$	0.65	October 27, 2026
3,100,000	$	0.35	December 5, 2027[2]
750,000	$	0.30	March 16, 2028
5,275,000	$	0.35	September 3, 2029
15,575,500			

1. Subsequent to the period ended November 30, 2024, all of these options were exercised for proceeds of $67,000.
2. Subsequent to the period ended November 30, 2024, 50,000 of these options were exercised for proceeds of $17,500.

During the period ended November 30, 2024, the Company granted a total of 5,275,000 (year ended May 31, 2024 – nil) stock options with a weighted average fair value of $0.19 per option (year ended May 31, 2024 – $nil). For the period ended November 30, 2024, the Company recognized share-based payments expense of options granted and vesting of $505,564 (2024 - $183,259).

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted:

	November 30, 2024	**May 31, 2024**
Risk-free interest rate	2.93%	-
Expected life of option	4 years	-
Expected annualized volatility	86.71%	-
Dividend	$0.00	-

(f) Restricted Share Units:

During the period ended November 30, 2024, the Company granted 2,350,000 Restricted Share Units (“RSUs”) to certain directors, officers, and consultants of the Company. The RSUs vest by one third one each year, starting one year from the grant date. During the period ended November 30, 2024, the Company recognized $107,335 (2023 - $nil) for RSUs granted and vested. As at November 30, 2024, no RSUs had vested.

RSU transactions are as follows:

	Number of RSUs
Balance, May 31, 2023 and 2024	-
Granted	2,350,000
Exercisable, November 30, 2024	2,350,000

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(f) Restricted Share Units (continued):

At November 30, 2024, RSUs were outstanding enabling holders to acquire common shares as follows:

Number of RSUs	Number of RSUs vested	Grant Date
2,350,000	-	September 3, 2024
2,350,000	-	

9. Related party balances and transactions:

Key management personnel consist of directors and senior management including the Executive Chairman, President and Chief Executive Officer, Chief Financial Officer, and Corporate Secretary.

During the periods ended November 30, 2024 and 2023, the Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	November 30, 2024	November 30, 2023
Accounting and legal	$ 45,000	$ 45,000
Consulting	90,000	90,000
Geological consulting fees included in pre-acquisition exploration	89,475	66,585
Corporate secretarial	17,500	16,500
Directors' fees	45,000	45,000
Share-based payments	428,628	112,468
Wages and salaries	120,000	120,000
	$ 835,603	$ 495,553

In addition, payments to companies with common directors and officers for rent, office, and administration totaled $41,351 (2024 - $38,301).

As at November 30, 2024, due to related parties included $54,081 (May 31, 2024 - $83,923) due to key management personnel. As at November 30, 2024, $24,431 (May 31, 2024 - $24,616) in advances to related parties was included within prepaid expenses and advances. During the year ended May 31, 2024, the Company received a short-term loan in the amount of $225,000 from an Officer and Director of the Company. The loan bore interest at a rate of 7.7% per annum and had a maturity of three-months. During the same year, the loan was repaid in full inclusive of interest of $426.

10. Financial instruments:

The carrying values of cash, receivables, restricted cash, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short terms to maturity. The promissory notes and acquisition costs payable was valued using a valuation technique.

10. Financial instruments (continued):

(a) Financial instrument risk exposure and risk management:

Credit risk

Credit risk arises from the possibility that counterparties may be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, restricted cash, and receivables. The carrying value of these instruments represents the Company's maximum exposure to credit risk. The Company manages and limits exposure to credit risk by maintaining its cash with high-credit quality financial institutions. The Company's receivables related to GST receivable in Canada and VAT receivable in Peru. As the only amounts owing are from government agencies, the Company has determined the credit risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company manages liquidity risk through the management of its capital structure, as outlined in note 10(b) of these condensed consolidated interim financial statements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing financial assets as at November 30, 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign currency rates. The Company's functional and reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets, liabilities and the amount of shareholders' equity.

The Company's main risks are associated with fluctuations in the US dollar ("US"), the Chilean peso ("CLP"), the Peruvian Sol ("PEN"), and the Mexican peso ("MXN"). The Company does not enter into any foreign exchange hedging contracts. As at November 30, 2024, the Company had foreign current assets totaling approximately CLP47,570,497 and PEN171,617 and amounts payable totaling approximately US$5,877,836, CLP1,388,829, PEN775,750 and MXN263,984. The Company has determined that a 10% increase or decrease in these currencies against the Canadian dollar on these instruments, as at November 30, 2024, would result in a $841,303 change to profit or loss for the period.

10. Financial instruments (continued):

(b) Capital management:

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's exploration and evaluation of its resource properties and support any expansion plans. The capital of the Company consists of the items included in shareholders' equity.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its financial objectives. Notwithstanding the risks described in note 1 of the condensed consolidated interim financial statements, the Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.

11. Segmented information:

The Company operates in one segment, the acquisition and exploration of mineral properties. Geographical information can be found in notes 4, 5, and 6. All of the Company's equipment is located in Peru.

12. Subsequent events:

Subsequent to the period ended November 30, 2024, the Company:

a) Entered into an amending agreement on the Berenguela project (Note 6), whereby the US$3,000,000 payment originally due in May 2025 was reduced to US$2,900,000 in exchange for making the payment by December 31, 2024 *(paid)*.

b) Granted 100,000 stock options to a consultant of the Company with an exercise price of $0.49 and life of five years.

c) Granted 550,000 restricted share units ("RSUs") to certain directors and officers of the Company. The RSUs vest 1/3 on January 11, 2026, and 1/3 each year thereafter.

d) Granted 600,000 stock options to a consultant of the Company with an exercise price of $0.495 and life of five years.