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

AFTERMATH SILVER LTD.
(An Exploration Stage Company)

Nine months ended February 28, 2025 and February 29, 2024

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		February 28, 2025		May 31, 2024
ASSETS				
Current assets:				
Cash	$	7,953,191	$	4,331,365
Receivables		22,084		18,034
Investments (note 10(a))		5,040,041		-
Prepaid expenses and advances (note 9)		224,472		152,350
		13,239,788		4,501,749
Restricted cash (note 5)		12,390		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)		52,898		50,873
	$	**40,874,082**	**$**	**32,133,824**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	$	647,409	$	771,781
Due to related parties (note 9)		34,708		83,923
Current portion of acquisition costs payable (note 6)		-		3,854,507
		682,117		4,710,211
Acquisition costs payable (note 6)		4,039,053		3,504,928
		4,721,170		8,215,139
Shareholders' equity:				
Share capital (note 8)		81,136,987		59,351,182
Subscriptions received in advance (note 8)		-		14,000
Reserves		6,606,544		6,711,620
Deficit		(51,590,619)		(42,158,117)
		36,152,912		23,918,685
	$	**40,874,082**	**$**	**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		Nine months ended	
For the period ended	**Feb 28, 2025**	**Feb 29, 2024**	**Feb 28, 2025**	**Feb 29, 2024**
Expenses:				
Accounting and legal (note 9)	$ 55,511	$ 24,715	$ 150,310	$ 155,939
Accretion expense (note 6)	153,570	196,551	586,604	585,745
Conference and exhibition	53,922	-	140,093	73,881
Consulting fees (note 9)	201,225	21,000	355,868	141,677
Corporate secretarial (note 9)	9,750	8,250	27,250	24,750
Depreciation (note 7)	3,865	3,244	10,712	9,364
Directors' fees (note 9)	26,500	22,500	71,500	67,500
Foreign exchange loss	317,579	8,083	547,873	3,451
Geological exploration (note 5)	91,540	104,974	285,255	429,819
Insurance	5,017	4,550	14,117	12,425
Investor relations	67,966	139,440	381,054	633,228
Listing and filing fees	10,431	24,305	46,386	51,579
Office and sundry (note 9)	16,508	27,881	97,099	94,074
Pre-acquisition exploration (notes 6 and 9)	2,437,229	611,329	5,352,077	1,858,805
Share-based payments (notes 8 and 9)	461,668	9,295	1,074,567	192,554
Travel and meals	31,364	69,822	169,372	162,251
Wages and salaries (note 9)	145,863	63,669	284,734	184,983
	(4,089,508)	(1,339,608)	(9,594,871)	(4,682,025)
Impairment to assets held for sale (note 4)	-	-	-	(189,031)
Loss on modification of acquisition costs payable	(32,997)	-	(32,997)	-
Interest income	125,244	5,347	195,366	68,725
Loss and Comprehensive loss for the period	$(3,997,261)	$(1,334,261)	$ (9,432,502)	$ (4,802,331)
Loss per share – basic and diluted	$ (0.01)	$ (0.01)	$ (0.04)	$ (0.02)
Weighted average number of shares outstanding - basic and diluted	361,326,570	207,283,011	258,444,555	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	-	-	192,554	-	-	192,554
Loss for the period	-	-	-	-	(4,802,331)	(4,802,331)
February 29, 2024	**207,283,011**	**$ 53,589,975**	**$ 6,702,906**	**$ -**	**$ (39,838,580)**	**$ 20,454,301**
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	-	-	1,093	-	-	1,093
Loss for the period	-	-	-	-	(2,319,537)	(2,319,537)
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	16,108,793	4,676,993	(3,672)	(14,000)	-	4,659,321
Options exercised	4,430,500	2,663,189	(1,175,971)	-	-	1,487,218
Share issuance costs	-	(554,377)	-	-	-	(554,377)
Share-based payments	-	-	1,074,567	-	-	1,074,567
Loss for the period	-	-	-	-	(9,432,502)	(9,432,502)
February 28, 2025	**290,308,119**	**$ 81,136,987**	**$ 6,606,544**	**$ -**	**$ (51,590,619)**	**$ 36,152,912**

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		February 28, 2025		February 29, 2024
Cash flows from operating activities:				
Loss for the period	$	(9,432,502)	$	(4,802,331)
Items not affected by cash:				
Share-based payments		1,074,567		192,554
Accretion expense		586,604		585,745
Depreciation		10,712		9,364
Impairment to assets held for sale		-		189,031
Loss on modification of acquisition costs payable		32,997		-
Interest accrued on investments		(40,041)		-
Unrealized foreign exchange		444,203		(7,312)
Changes in non-cash working capital items:				
Receivables		(4,050)		16,061
Prepaid expenses and advances		(72,122)		169,047
Accounts payable and accrued liabilities		(124,372)		(63,735)
Due to related parties		(49,215)		1,439
Cash used in operating activities		**(7,573,219)**		**(3,710,137)**
Cash flows from investing activities				
Purchase of equipment		(12,737)		(7,706)
Purchase of investments		(5,000,000)		-
Change in restricted cash		-		48,638
Payments made towards acquisition costs payable		(4,384,380)		(169,950)
Cash used in investing activities		**(9,397,117)**		**(129,018)**
Cash flows from financing activities				
Proceeds from private placements		15,000,000		-
Proceeds from warrant exercises		4,659,321		-
Proceeds from option exercises		1,487,218		-
Share issuance costs		(554,377)		-
Cash provided by financing activities	**$**	**20,592,162**	**$**	**-**
Change in cash		3,621,826		(3,839,155)
Cash, beginning of the period		4,331,365		4,089,832
Cash, end of the period	**$**	**7,953,191**	**$**	**250,677**
Supplemental schedule of non-cash activities				
Reclassification to share capital from reserves on warrant exercises	$	3,672	$	-
Reclassification to share capital from reserves on option exercises	$	1,175,971	$	-
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 February 28, 2024, the Company has a working capital of $12,557,671. 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 April 23, 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 periods ended February 28, 2025 and February 29, 2024:

Period ended February 28, 2025	Cachinal Project	Challacollo Project	Total
Field supplies and equipment	$ -	$ 16,273	$ 16,273
Field staff and benefits	-	18,636	18,636
General and administrative	10,223	37,484	47,707
Geological consulting	13,911	70,820	84,731
Legal fees	-	37,973	37,973
Permits and licenses	2,765	51,685	54,450
Travel and meals	-	5,415	5,415
Value-added tax	-	20,070	20,070
	$ 26,899	$ 258,356	$ 285,255

(Unaudited - expressed in Canadian dollars)

5. Mineral Properties (continued):

Period ended February 29, 2024		**Cachinal Project**		**Challacollo Project**		**Total**
Analysis	$	-	$	19,918	$	19,918
Field supplies and equipment		-		14,693		14,693
Field staff and benefits		-		20,660		20,660
General and administrative		16,519		21,742		38,261
Geological consulting		10,350		58,981		69,331
Legal fees		30,850		51,536		82,386
Maps and reports		-		20,635		20,635
Permits and licenses		-		135,873		135,873
Travel and meals		-		10,391		10,391
Value-added tax		-		17,671		17,671
	$	57,719	$	372,100	$	429,819

A continuity of mineral properties for the period ended February 28, 2025 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 February 28, 2025	$	1,852,853	$	8,453,236	$	10,306,089

As at February 28, 2025, the Company held reclamation deposits with the Chilean Ministry of National Assets of $12,390 (May 31, 2024 - $12,196) recognized within restricted cash. A continuity of restricted for the period ended February 28, 2025 and year ended May 31, 2024 is as follows:

Restricted cash		**February 28, 2025**		**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		194		(6,362)
Restricted cash, end of the period	$	12,390	$	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$2,900,000 cash to be paid on December 31, 2024 *(paid – CAD$4,175,652 - amended from US$3,000,000 due on May 15, 2025, 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. During the period ended February 28, 2025, 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. Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $32,997.

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$545,000 (amended from US$550,000 during the period ended February 28, 2025) 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 February 28, 2025 and 2024, is as follows:

Acquisition costs payable	February 28, 2025	May 31, 2024
Acquisition costs payable, beginning of the period	$ 7,359,435	$ 6,713,152
Amendment to acquisition costs payable	32,997	-
Payment towards acquisition costs payable	(4,175,652)	-
Payment of finders' fees	(208,728)	(169,950)
Accretion expense	586,604	792,863
Foreign exchange recognized	444,397	23,370
	4,039,053	7,359,435
Current portion of acquisition costs payable	-	(3,854,507)
Acquisition costs payable, end of the period	$ 4,039,053	$ 3,504,928

The Company has agreed to pay a finders' fee of US$654,478 (amended from US$ US$659,478 during the period ended February 28, 2025) over the term of the agreement of which US$379,478 ($523,025) 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 periods ended February 28, 2025 and February 29, 2024:

Period ended February 28, 2025	**Berenguela Project**
Analysis	$ 1,411,565
Drilling	1,204,568
Field supplies and equipment	186,831
Field staff and benefits	1,212,825
General and administrative	117,069
Geological consulting	481,038
Legal fees	42,019
Maps and reports	213
Permits & licenses	9,971
Travel and meals	277,047
Value-added tax	408,931
	$ 5,352,077

(Unaudited - expressed in Canadian dollars)

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

Period ended February 29, 2024	Berenguela Project
Analysis	$ 280,556
Field supplies and equipment	71,031
Field staff and benefits	915,143
General and administrative	117,442
Geological consulting	189,993
Legal fees	43,420
Permits & licenses	7,287
Travel and meals	148,980
Value-added tax	65,364
	$ 1,858,805

Deferred acquisition costs incurred as at February 28, 2025, and May 31, 2024 are as follows:

	Berenguela Project	Total
Balance, May 31, 2023, May 31, 2024, and February 28, 2025	$ 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	-	9,371	3,195	12,566
Balance, February 28, 2025	20,003	40,169	39,411	99,583
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	2,256	4,159	4,126	10,541
Balance, February 28, 2025	8,235	20,489	17,961	46,685
Net Book Value				
May 31, 2024	$ 14,024	$ 14,468	$ 22,381	$ 50,873
February 28, 2025	$ 11,768	$ 19,680	$ 21,450	$ 52,898

(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 February 28, 2025 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	(16,108,793)		0.29
Balance, February 28, 2025	39,934,649	$	0.46

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(c) Warrants (continued):

At February 28, 2025, warrants were outstanding enabling holders to acquire common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
9,580,733	$0.35	May 3, 2025[1]
3,120,260	$0.35	May 15, 2025[2]
6,373,237	$0.32	April 2, 2026[3]
2,606,451	$0.32	April 11, 2026
7,142,857	$0.45	September 25, 2027
11,111,111	$0.70	November 28, 2027
39,934,649		

1. Subsequent to the period ended February 28, 2054, 3,905,082 of these warrants were exercised for proceeds of $1,366,779.
2. Subsequent to the period ended February 28, 2025, 1,554,400 of these warrants were exercised for proceeds of $544,04.
3. Subsequent to the period ended February 28, 2025, 137,500 of these warrants were exercised for proceeds of $44,000.

(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 February 28, 2025	14,480,500	0.53
Granted	5,975,000	0.37
Exercised	(4,430,500)	0.34
Exercisable, February 28, 2025	16,025,000	$ 0.52

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(e) Stock options (continued):

At February 28, 2025, stock options were outstanding, enabling holders to acquire common shares as follows:

Number of Stock Options		Exercise Price	Expiry Date
5,100,000	$	0.80	October 9, 2025
700,000	$	0.65	June 16, 2026
450,000	$	0.65	October 27, 2026
3,050,000	$	0.35	December 5, 2027
750,000	$	0.30	March 16, 2028
5,275,000	$	0.35	September 3, 2029
100,000	$	0.485	January 11, 2025
600,000	$	0.495	January 26, 2025
16,025,000			

During the period ended February 28, 2025, the Company granted a total of 5,975,000 (year ended May 31, 2024 – nil) stock options with a weighted average fair value of $0.20 per option (year ended May 31, 2024 – $nil). For the period ended February 28, 2025, the Company recognized share-based payments expense of options granted and vesting of $836,022 (2024 - $192,554).

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

	February 28, 2025	**May 31, 2024**
Risk-free interest rate	2.93%	-
Expected life of option	4 years	-
Expected annualized volatility	86.62%	-
Dividend	$0.00	-

(f) Restricted Share Units:

During the period ended February 28, 2025, 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 February 28, 2025, the Company recognized $238,545 (February 29, 2024 - $nil) for RSUs granted and vested.

RSU transactions are as follows:

	Number of RSUs
Balance, May 31, 2023 and 2024	-
Granted	2,900,000
Exercisable, February 28, 2025	2,900,000

(Unaudited - expressed in Canadian dollars)

8. Share capital (continued):

(f) Restricted Share Units (continued):

At February 28, 2025, 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
550,000	-	January 11, 2025
2,900,000	-	

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 February 28, 2025 and February 29, 2024, the Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	February 28, 2025	**February 29, 2024**
Accounting and legal	$ 67,500	$ 67,500
Consulting	213,000	135,000
Geological consulting fees included in pre-acquisition exploration	230,968	101,568
Corporate secretarial	27,250	24,750
Directors' fees	71,500	67,500
Share-based payments	733,953	114,213
Wages and salaries	259,000	180,000
	$ 1,603,171	$ 690,531

In addition, payments to companies with common directors and officers for rent, office, and administration totaled $64,476 (February 29, 2024 - $57,726).

As at February 28, 2025, due to related parties included $34,708 (May 31, 2024 - $83,923) due to key management personnel. As at February 28, 2025, $25,855 (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, investments, 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. During the period ended February 28, 2025, the Company purchased a $5,000,000 six-month locked guaranteed interest certificate with a major Canadian financial institution, recognized within investments and valued at $5,040,041 inclusive of accrued interest, for which management believes the risk of loss to be remote. 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 February 28, 2025.

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 February 28, 2025, the Company had foreign current assets totaling approximately CLP592,814,105 and PEN178,424 and amounts payable totaling approximately US$2,836,403, CLP6,003,773, PEN1,221,250 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 February 28, 2025, would result in a $363,799 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 February 28, 2025, the Company:

a) Granted 400,000 stock options to a consultant of the Company with an exercise price of $0.60 and life of five years.