TORQ RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

Torq Resources Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**September 30, 2024**	December 31, 2023
		$	$
ASSETS			
Current			
Cash		**35,962**	487,970
Amounts receivable		**18,262**	37,134
Prepaid expenses and deposits	11(a)	**349,416**	559,033
		403,640	1,084,137
Equity investment	5	**90,165**	121,991
Equipment	6	**69,976**	217,646
Mineral property interests	7	**2,865,376**	2,782,273
Total assets		**3,429,157**	4,206,047
LIABILITIES			
Current			
Accounts payable and accrued liabilities	11	**2,638,462**	1,198,982
Loan facility	9	**2,471,611**	-
		5,110,073	1,198,982
Non-current portion of loan facility	9	**-**	1,969,137
Total liabilities		**5,110,073**	3,168,119
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	10(b)	**78,350,737**	73,153,551
Shares to be issued	10(b)	**-**	40,250
Stock options and warrants reserve		**14,325,477**	13,890,761
Accumulated other comprehensive income		**142,382**	29,739
Deficit		**(94,499,512)**	(86,076,373)
Total shareholders' equity (deficiency)		**(1,680,916)**	1,037,928
Total liabilities and shareholders' equity (deficiency)		**3,429,157**	4,206,047

Nature of operations and going concern (Note 1)
Subsequent events (Note 15)

Approved and authorized for issue on behalf of the Board of Directors:

"/s/ "Shawn Wallace"	*"/s/ "Carolina Vargas"*
CEO and Director	Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Torq Resources Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
		$	$	**$**	$
Operating expenses					
Exploration and evaluation expenses	8,11(a),11(b)	**856,344**	3,662,447	**5,403,770**	11,526,137
Fees, salaries and other employee benefits	11(a),11(b)	**280,414**	572,216	**978,518**	2,307,615
Impairment of mineral property interests	7(b)	**-**	-	**438,891**	-
Legal and professional fees	11(a)	**100,556**	111,457	**281,802**	385,628
Marketing and investor relations	11(a)	**29,293**	283,681	**315,500**	940,094
Office and administration	11(a)	**101,773**	178,032	**381,004**	517,370
Project investigation	11(a)	**6,370**	25,116	**41,146**	94,460
Regulatory and transfer agent		**23,803**	27,637	**76,300**	90,138
		1,398,553	4,860,586	**7,916,931**	15,861,442
Other expense (income)					
Accretion expense	9	**86,543**	84,303	**237,326**	235,047
Foreign exchange loss (gain)		**138,919**	(149,482)	**128,946**	92,194
Gain on sale of equipment	6	**(1,559)**	-	**(1,559)**	-
Interest expense	9	**59,301**	56,713	**171,493**	168,288
Interest income		**(4,472)**	(76,440)	**(61,824)**	(354,069)
Net loss from equity investment	5	**10,788**	2,017	**31,826**	19,727
Net loss		**1,688,073**	4,777,697	**8,423,139**	16,022,629
Other comprehensive income					
Currency translation differences		**(46,204)**	147,509	**(112,643)**	(778)
Comprehensive loss		**1,641,869**	4,925,206	**8,310,496**	16,021,851
Net loss per share:					
Basic and diluted		**0.01**	0.04	**0.06**	0.15
Weighted average number of common shares:					
Basic and diluted		**138,442,675**	110,368,130	**134,870,609**	107,650,634

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Torq Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
	$	$
Operating activities:		
Net loss for the period	**(8,423,139)**	(16,022,629)
Adjustments for:		
Depreciation	**66,993**	215,930
Impairment of mineral property interests	**438,891**	-
Accretion expense	**237,326**	235,047
Gain on sale of equipment	**(1,559)**	-
Interest expense	**171,493**	168,288
Interest income	**(61,824)**	(354,069)
Net loss from equity investment	**31,826**	19,727
Share-based compensation	**220,076**	1,962,589
Unrealized foreign exchange loss (gain)	**49,291**	(6,946)
Changes in non-cash working capital:		
Amounts receivable	**18,823**	28,980
Prepaid expenses and deposits	**214,059**	(58,172)
Accounts payable and accrued liabilities	**1,387,251**	(251,236)
Cash used in operating activities	**(5,650,493)**	(14,062,491)
Investing activities:		
Cash interest received	**61,824**	354,069
Additions to mineral property interests	**(472,920)**	(487,764)
Proceeds from sale of equipment	**87,545**	-
Purchase of equipment	**-**	(36,903)
Cash used in investing activities	**(323,551)**	(170,598)
Financing activities:		
Cash interest paid on the loan facility	**(112,192)**	(168,288)
Proceeds from private placement of units, net of issuance costs	**5,345,479**	5,739,486
Proceeds from loan and credit facility, net of arrangement fee and costs	**300,000**	-
Cash provided by financing activities	**5,533,287**	5,571,198
Effect of exchange rate on changes in cash	**(11,251)**	(58,768)
Change in cash	**(452,008)**	(8,720,659)
Cash, beginning of period	**487,970**	12,470,543
Cash, end of period	**35,962**	3,749,884
Supplemental cash flows information:		
Cash income tax paid	**-**	-
Interest on loan facility included in accounts payable and accrued liabilities	**59,301**	-
Unit issuance costs paid in cash	**501,379**	520,853
Unit issuance costs included in accounts payable and accrued liabilities	**8,755**	-

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Torq Resources Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Shares to be issued	Stock options and warrants reserve	Accumulated other comprehensive income	Deficit	Total shareholders' equity (deficiency)
	#	$	$	$	$	$	$
Balance, December 31, 2022	99,690,481	68,160,093	70,862	10,547,271	89,777	(66,866,520)	12,001,483
Proceeds from private placement of units, net of issuance costs	10,433,899	5,217,791	-	521,695	-	-	5,739,486
Finders' warrants issued as issuance costs	-	(119,714)	-	119,714	-	-	-
Reclassification of subsidiary other comprehensive income upon dissolution	-	-	-	-	(1,787)	1,787	-
Shares issued as finders' fees for the Margarita Project	243,750	70,862	(70,862)	-	-	-	-
Currency translation differences	-	-	-	-	778	-	778
Share-based compensation	-	-	-	1,962,589	-	-	1,962,589
Net loss for the period	-	-	-	-	-	(16,022,629)	(16,022,629)
Balance, September 30, 2023	110,368,130	73,329,032	-	13,151,269	88,768	(82,887,362)	3,681,707
Warrants issued related to the loan facility	-	-	-	517,503	-	-	517,503
Unit issuance costs	-	(175,481)	-	-	-	-	(175,481)
Shares to be issued	-	-	40,250	-	-	-	40,250
Currency translation differences	-	-	-	-	(59,029)	-	(59,029)
Share-based compensation	-	-	-	221,989	-	-	221,989
Net loss for the period	-	-	-	-	-	(3,189,011)	(3,189,011)
Balance, December 31, 2023	110,368,130	73,153,551	40,250	13,890,761	29,739	(86,076,373)	1,037,928
Proceeds from private placement of units, net of issuance costs	28,702,160	5,313,521	(40,250)	63,453	-	-	5,336,724
Finders' warrants issued as issuance costs	-	(116,335)	-	116,335	-	-	-
Warrants issued related to the loan facility	-	-	-	34,852	-	-	34,852
Currency translation differences	-	-	-	-	112,643	-	112,643
Share-based compensation	-	-	-	220,076	-	-	220,076
Net loss for the period	-	-	-	-	-	(8,423,139)	(8,423,139)
Balance, September 30, 2024	**139,070,290**	**78,350,737**	**-**	**14,325,477**	**142,382**	**(94,499,512)**	**(1,680,916)**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Torq Resources Inc. (the "Company" or "Torq") was incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange (the "Exchange") as a Tier 2 mining issuer. The Company's shares trade under the symbol TORQ.V in Canada and on the OTCQB under the US symbol TRBMF. The head office and principal address of Torq is located at 1177 West Hastings Street, Suite 1630, Vancouver, British Columbia, Canada, V6E 2K3.

The Company is principally engaged in the acquisition and exploration of mineral property interests with a focus in the Americas, particularly Chile.

These unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 and 2023 (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. As at September 30, 2024, the Company has a working capital deficit of $4,706,433 (December 31, 2023 - $114,845) and a deficit of $94,499,512 (December 31, 2023 - $86,076,373). During the three and nine months ended September 30, 2024, the Company incurred a net loss of $1,688,073 and $8,423,139, respectively (2023 - $4,777,697 and $16,022,629, respectively). The Company will require additional financing, either through equity or debt financing, sale of assets, joint venture arrangements, or a combination thereof to meet its administrative obligations and to continue to explore and develop its mineral properties. The Company has had success raising capital during the nine months ended September 30, 2024, closing public and private offerings for gross proceeds of $5,887,108 (Note 10(b)). There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, these financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern, and these adjustments may be material.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on November 19, 2024.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements, including International Accounting Standard 34 Interim Financial Reporting. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended December 31, 2023 and 2022 (the "Annual Financial Statements").

b) Basis of presentation

These financial statements have been prepared on a historical cost basis. In addition, except for cash flow information, these financial statements have been prepared using the accrual method of accounting.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars ("$" or "CAD") which is the Company's functional currency. The functional currency is the currency of the primary economic environment in which an entity operates. References to "US$" are to United States dollars, and references to "CLP" are to Chilean pesos.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

(Unaudited - Expressed in Canadian dollars, except where noted)

2. BASIS OF PREPARATION (continued)

A summary of the Company's subsidiaries included in these financial statements as at September 30, 2024 are as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Functional currency	Principal activity
Torq Resources Chile SpA	Chile	100%	USD	Holding company
Minera Margarita SpA	Chile	100%	USD	Mineral exploration
Minera Andrea SpA	Chile	100%	USD	Mineral exploration
Minera Santa SpA	Chile	100%	USD	Mineral exploration
Torq Operaciones Chile SpA	Chile	100%	USD	Mineral exploration

In January 2023, Candelaria Minerals S.A.C., a dormant subsidiary of the Company, was dissolved.

These financial statements include a 25% investment in Universal Mineral Services Ltd. ("UMS Canada") which is a shared service entity (Note 5).

3. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities. The Company's interim results are not necessarily indicative of its results for a full year. The critical judgements and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

5. EQUITY INVESTMENT

On April 1, 2022, the Company purchased a 25% share interest in a shared-service provider, UMS Canada for nominal consideration. The remaining 75% of UMS Canada is owned equally by Tier One Silver Inc., Coppernico Metals Inc. and Fury Gold Mines Limited. The Company further recognized as part of its net investment in UMS Canada, a cash deposit of $151,000, which is held by UMS Canada for the purposes of general working capital, and which will only be returned to the Company upon termination of the UMS Canada arrangement.

UMS Canada is located in Vancouver, British Columbia, Canada and provides geological, financial and transactional advisory services as well as administrative services to the Company and three other companies on a cost recovery basis. Having these services available through UMS Canada on an as needed basis, allows the Company to maintain a more efficient and cost-effective corporate overhead structure by hiring fewer full-time employees and engaging outside professional advisory firms less frequently. The service agreement with UMS Canada has an indefinite term and can be terminated by each participating company upon providing due notice. UMS Canada is party to an office lease agreement with a term of ten years, for which certain rent expenses will be payable by the Company.

During the nine months ended September 30, 2024, UMS Canada entered a sublease agreement which as at September 30, 2024 reduces the Company's future lease payments to approximately $0.1 million in respect of future lease rent for the remaining 6.8 years.

(Unaudited - Expressed in Canadian dollars, except where noted)

5. EQUITY INVESTMENT (continued)

A summary of the UMS Canada's net loss and the Company's share of the net loss is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cost recoveries	**(1,015,697)**	(1,056,280)	**(2,797,026)**	(4,276,612)
Geological services	**481,406**	361,807	**1,013,864**	1,528,706
Administrative services	**577,442**	702,540	**1,910,466**	2,826,814
Net loss	**43,151**	8,067	**127,304**	78,908
Net loss from equity investment	**10,788**	2,017	**31,826**	19,727

A summary of the carrying amount of the Company's investment in UMS Canada is as follows:

	$
Balance, December 31, 2022	127,024
Net loss from equity investment	(5,033)
Balance, December 31, 2023	121,991
Net loss from equity investment	(31,826)
Balance, September 30, 2024	**90,165**

A summary of the Company's equity interest in net assets of UMS Canada as at September 30, 2024 is as follows:

	$
Current assets	786,012
Non-current assets	2,217,820
Current liabilities	(1,340,255)
Non-current liabilities	(1,302,918)
Net assets	360,659
Company's equity interest in net assets	**90,165**

(Unaudited - Expressed in Canadian dollars, except where noted)

6. EQUIPMENT

A summary of the Company's equipment is as follows:

	$
Cost	
Balance, December 31, 2022	690,924
Additions	36,903
Foreign currency translation	(300)
Balance, December 31, 2023	**727,527**
Disposals	(239,644)
Foreign currency translation	12,574
Balance, September 30, 2024	**500,457**
Accumulated depreciation	
Balance, December 31, 2022	227,108
Depreciation	282,874
Foreign currency translation	(101)
Balance, December 31, 2023	509,881
Depreciation	66,993
Disposals	(153,658)
Foreign currency translation	7,265
Balance, September 30, 2024	**430,481**
Carrying amount	
Balance, December 31, 2023	217,646
Balance, September 30, 2024	**69,976**

During the three and nine months ended September 30, 2024, the Company recorded $19,989 and $66,993, respectively (2023 - $63,097 and $199,497, respectively) of depreciation in the statements of loss and comprehensive loss. Depreciation for vehicles is included within exploration and evaluation expenses while depreciation for office equipment is included within office and administration.

During the three and nine months ended September 30, 2024, the Company recognized a gain on sale of equipment of $1,559 and $1,559, respectively, resulting from the disposal of vehicles with a cost of $239,644 and accumulated depreciation of $153,658 for gross proceeds of $87,545.

7. MINERAL PROPERTY INTERESTS

A summary of the Company's mineral property interests is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Balance, December 31, 2022	971,139	357,763	683,466	2,012,368
Option payments	748,460	81,204	-	829,664
Foreign currency translation	(37,559)	(9,480)	(12,720)	(59,759)
Balance, December 31, 2023	1,682,040	429,487	670,746	2,782,273
Option payments	472,920	-	-	472,920
Impairment	-	(438,891)	-	(438,891)
Foreign currency translation	28,750	9,404	10,920	49,074
Balance, September 30, 2024	**2,183,710**	**-**	**681,666**	**2,865,376**

a) Margarita Project

On March 8, 2021, the Company announced it had acquired the option to earn a 100% interest in the Margarita iron-oxide-copper-gold project (the "Margarita Project") located in Chile, 65 kilometers ("km") north of the city of Copiapo. The Company acquired the rights that constitute the Margarita Project through two option agreements: the Margarita claims and the La Cototuda claim.

(Unaudited - Expressed in Canadian dollars, except where noted)

7. MINERAL PROPERTY INTERESTS (continued)

Pursuant to the execution of the Margarita Project option agreement (the "Margarita Project Option Agreement"), the Company incurred finders' fees requiring the issuance of 466,667 common shares of the Company (the "Finders'' Fee Shares") in separate tranches as follows: 81,250 shares were issued on April 7, 2021; 141,667 shares were issued on March 31, 2022; and the final 243,750 shares were issued on March 31, 2023 (Note 10(b)). These Finder's Fee Shares, with aggregate fair value of $159,969, have been recognized within equity.

Margarita claims

On August 5, 2024, the Company amended its Margarita Project Option Agreement to extend the option by one year and to defer each of the property payments by one year. Under the terms of the amended agreement, an additional US$300,000 (to a total of US$1,500,000), was added to the August 22, 2025 option payment and an increase of US$200,000 (to a total of US$2,200,000) was added to the August 22, 2026 option payment. In addition, Torq is required to spend at least US$1,000,000 in exploration and evaluation expenses before August 22, 2025 and an additional US$1,000,000 (to a total of USD $2,000,000) in exploration and evaluation expenses before August 22, 2026.

Under the amended agreement, the Company may acquire a 100% interest in the project by making cash option payments totaling US$6,700,000 and incurring work expenditures totaling US$5,050,000 as summarized in the table below. The Company has made, on-time, all the required option payments totaling US$500,000 to the date of these financial statements.

A summary of the Company's total required cash payments and work expenditures under the amended agreement is as follows:

	Cash payments	Work expenditures requirement
	US$	US$
April 20, 2021 (paid $62,445)	50,000	-
August 22, 2021 (paid $64,280 and work expenditures requirement is met)	50,000	400,000
August 22, 2022 (paid $155,013 and work expenditures requirement is met)	100,000	1,150,000
August 18, 2023 (paid $406,560 and work expenditures requirement is met)	300,000	1,500,000
August 22, 2025	1,500,000	1,000,000
August 22, 2026	2,200,000	1,000,000
August 22, 2027	2,500,000	-
	6,700,000	**5,050,000**

La Cototuda Claim

On February 23, 2024, the Company made a $472,920 (US$350,000) final cash payment thereby acquiring a 100% interest in the La Cototuda claim.

b) Andrea Project

On May 25, 2021, the Company announced it had acquired the option to earn a 100% interest in the Andrea copper porphyry project (the "Andrea Project") located in northern Chile, 100 km east of the city of La Serena. The Company acquired the rights that constitute the Andrea project through three option agreements.

On March 25, 2024, the Company allowed its option on the Andrea Project to lapse in order to focus and prioritize its capital allocation to its more advanced Margarita and Santa Cecilia projects. As a result, the Company recognized a $438,891 impairment charge related to the project for the period ended September 30, 2024.

c) Santa Cecilia Project

On October 21, 2021, the Company announced that it had acquired an option to earn a 100% interest in the 3,250-hectare Santa Cecilia gold-copper project (the "Santa Cecilia Project") located approximately 100 km east of the city of Copiapo in Northern Chile. The project is in the southern region of the world-class Maricunga belt and immediately north of the El Indio belt.

In order to maintain the Santa Cecilia Project option agreement, the Company needs to make option payments totaling US$25,000,000 and incur work expenditure totaling US$15,500,000 as summarized in the table below. The Company has made on-time all the required option payments totaling US$400,000 to the date of these financial statements.

(Unaudited - Expressed in Canadian dollars, except where noted)

7. MINERAL PROPERTY INTERESTS (continued)

The summary of total required cash payments and work expenditures under the option agreement is as follows:

	Cash payments	**Work expenditures requirement**
	US$	US$
October 21, 2021 (paid $123,580)	100,000	-
October 21, 2022 (paid $409,470)	300,000	-
October 21, 2023 (work expenditures requirement is met)	-	3,000,000
October 21, 2024 (paid $830,100 and work expenditures requirement met)	600,000	4,500,000
October 21, 2025	1,000,000	8,000,000
October 21, 2026	3,000,000	-
October 21, 2027	5,000,000	-
October 21, 2028	15,000,000	-
	25,000,000	**15,500,000**

The Company needs to complete total staged work expenditures of US$15,500,000 over the period up to October 20, 2028, as well as complete 25,000 meters of drilling which is a pre-requisite to exercising the option to earn 100% interest in the project. The Company has met the first two work expenditure commitments totaling US$7,500,000 by October 21, 2024. As at September 30, 2024, the Company had incurred approximately US$11,587,000 of eligible work expenditures and drilled 3,548 meters.

On July 31, 2024, the Company entered into a non-binding term sheet with an affiliate of Gold Fields Limited ("Gold Fields") with respect to a proposed option and joint venture agreement ("Option Agreement") to advance the exploration and development of the Santa Cecilia Project. Under the Option Agreement, Gold Fields will be granted a two-stage option to acquire up to a 75% interest in the Santa Cecilia Project in exchange for incurring an aggregate US$48 million in project expenditures over a maximum of 6 years.

8. EXPLORATION AND EVALUATION EXPENSES

A summary of the Company's exploration and evaluation expenses for the three months ended September 30, 2024 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	141,814	**141,814**
Environmental, permitting and concessions	(10,773)	-	8,122	**(2,651)**
Equipment, vehicles, rent and field supplies	953	-	957	**1,910**
Geological consulting, salaries, and wages	128,034	406	374,449	**502,889**
Geophysics, sampling, and assays	139	-	8,833	**8,972**
Project support	39,231	6,891	112,901	**159,023**
Share-based compensation	584	60	1,188	**1,832**
Travel, meals and accommodation	15,937	1,099	25,519	**42,555**
	174,105	8,456	673,783	**856,344**

(Unaudited - Expressed in Canadian dollars, except where noted)

8. EXPLORATION AND EVALUATION EXPENSES (continued)

A summary of the Company's exploration and evaluation expenses for the three months ended September 30, 2023 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	161,827	161,827
Drilling	840,399	-	230,472	1,070,871
Environmental, permitting and concessions	34,272	-	177,968	212,240
Equipment, vehicles, rent and field supplies	3,815	21	7,556	11,392
Geological consulting, salaries, and wages	389,029	9,876	544,583	943,488
Geophysics, sampling, and assays	223,853	-	86,758	310,611
Project support	437,298	11,675	227,917	676,890
Share-based compensation	46,039	2,643	64,774	113,456
Travel, meals and accommodation	88,570	1,363	71,739	161,672
	2,063,275	25,578	1,573,594	3,662,447

A summary of the Company's exploration and evaluation expenses for the nine months ended September 30, 2024 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	131	-	186,290	186,421
Drilling	-	-	1,456,253	1,456,253
Environmental, permitting and concessions	16,137	-	89,920	106,057
Equipment, vehicles, rent and field supplies	7,619	33	33,620	41,272
Geological consulting, salaries, and wages	613,172	17,063	1,428,966	2,059,201
Geophysics, sampling, and assays	5,411	-	159,068	164,479
Project support	165,265	21,979	772,056	959,300
Share-based compensation	21,825	1,263	34,087	57,175
Travel, meals and accommodation	109,123	3,569	260,920	373,612
	938,683	**43,907**	**4,421,180**	**5,403,770**

A summary of the Company's exploration and evaluation expenses for the nine months ended September 30, 2023 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	248,498	248,498
Drilling	840,399	-	1,836,755	2,677,154
Environmental, permitting and concessions	158,342	18,162	438,509	615,013
Equipment, vehicles, rent and field supplies	10,864	79	62,458	73,401
Geological consulting, salaries, and wages	955,425	25,482	2,014,646	2,995,553
Geophysics, sampling, and assays	284,453	-	564,079	848,532
Project support	756,346	43,135	1,402,819	2,202,300
Share-based compensation	293,152	16,240	388,973	698,365
Travel, meals and accommodation	246,471	18,493	902,357	1,167,321
	3,545,452	121,591	7,859,094	11,526,137

(Unaudited - Expressed in Canadian dollars, except where noted)

9. LOAN FACILITY

A summary of the Company's loan facility is as follows:

	$
Balance, December 31, 2022	1,966,710
Accretion expense	317,848
Loan extinguishment and recognition adjustment	(315,421)
Balance, December 31, 2023	1,969,137
Accretion expense	237,326
Additions	265,148
Balance, September 30, 2024	**2,471,611**
Current portion	2,471,611
Non-current portion	-

On July 19, 2022, the Company secured a $3,000,000 loan facility with 191010 Investments Limited, (the "Lender") with a maturity date of July 19, 2024, subject to interest payments at 9% per annum, payable quarterly, and incurring transaction costs of $48,032. Under the loan agreement, the Company is required to issue share purchase warrants to the Lender with each advance. Upon closing of the loan facility, the Company drew down $2,000,000 and issued 3,333,333 share purchase warrants exercisable at $0.60 per common share of the Company until July 19, 2024. The Company allocated $1,527,531 of the initial draw down to the loan facility based on its estimated fair value and $472,469 to the share purchase warrants being the residual amount. Of the total transaction costs of $48,032, $36,685 was allocated to the loan facility and $11,347 was allocated to the share purchase warrants.

On December 13, 2022, the Company drew down $500,000 and issued 769,231 share purchase warrants exercisable at $0.65 per common share of the Company until July 11, 2024. The Company allocated $381,883 of the draw down to the loan facility based on its estimated fair value and $118,117 to the share purchase warrants being the residual amount.

On November 27, 2023, the Company and the Lender agreed to amend the loan facility agreement by extending the maturity date to July 11, 2025. In consideration of the extension, the Company agreed to replace the 4,102,564 share purchase warrants that were issued to the Lender with 7,500,000 share purchase warrants exercisable at $0.35 per common share until July 11, 2025. This amendment was treated as an extinguishment of the former loan facility and reissuance of a new loan facility. The extinguishment gave rise to a loss on extinguishment of $202,082 on the statement of loss and comprehensive loss during the year ended December 31, 2023. The Company allocated $1,982,497 of the $2,500,000 principal to the loan facility based on its estimated fair value and $517,503 to the share purchase warrants being the residual amount.

On August 26, 2024, the Company drew down $300,000 and issued 3,750,000 share purchase warrants exercisable at $0.08 per common share of the Company until July 11, 2025. The Company allocated $265,148 of the draw down to the loan facility based on its estimated fair value and $34,852 to the share purchase warrants being the residual amount.

The effective interest rate of the amended loan facility is estimated at 28.92%. During the three and nine months ended September 30, 2024, the Company incurred accretion expense in respect of the loan of $86,543 and $237,326, respectively (2023 - $84,303 and $235,047, respectively).

During the three and nine months ended September 30, 2024, the Company has incurred interest expense in respect of the loan facility of $59,301 and $171,493, respectively (2023 - $56,713 and $168,288, respectively).

10. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

10. SHARE CAPITAL (continued)

b) Issued share capital

During the nine months ended September 30, 2024, the Company had the following share capital transactions:

- On January 4, 2024, the Company closed a public and private offering (the "Offering") and issued 23,206,860 units at a price of $0.23 per unit for gross proceeds of $5,337,578. Each unit consists of one common share and one share purchase warrant exercisable at $0.30 per common share with 17,528,600 exercisable until January 4, 2027 and 5,768,260 exercisable until January 4, 2029. The Company attributed $5,337,578 of the gross proceeds to share capital and a residual value of $nil to the warrants issued. The Company incurred issuance costs of $601,671 comprised of cash issuance costs of $488,789 and finders' warrants with a fair value of $112,882. The Company issued 1,084,814 finders' warrants exercisable at a price of $0.23 per common share with an expiry date of January 4, 2026.

- On July 2, 2024, the Company closed the first tranche of a non-brokered private placement for gross proceeds of $464,530, through the issuance of 4,645,300 units at a price of $0.10 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each whole share purchase warrant is exercisable into one common share at an exercise price of $0.15 per common share until June 27, 2025. The Company attributed fair value of $418,077 of the gross proceeds to share capital and a residual value of $46,453 to the warrants issued. In connection with the private placement, the Company incurred cash issuance costs of $15,028 and issued 108,000 non-transferable finders' warrants with a fair value of $3,452. Each finders' warrant is exercisable at a price of $0.10 per common share and expires on July 27, 2025.

- On August 26, 2024, the Company closed the second tranche of a non-brokered private placement for gross proceeds of $85,000 through the issuance of 850,000 units at a price of $0.10 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each whole share purchase warrant is exercisable into one common share at an exercise price of $0.15 per common share until August 26, 2025. The Company attributed fair value of $68,000 of the gross proceeds to share capital and a residual value of $17,000 to the warrants issued. The Company incurred no finders' fees and issued no finder's warrants in connection with the closing of the second tranche of the private placement.

During the year ended December 31, 2023, the Company had the following share capital transactions:

- During the year ended December 31, 2023, the Company received gross proceeds of $40,250 for a public and private unit offering which closed subsequent to year-end on January 4, 2024.

- On March 10, 2023, the Company closed a non-brokered private placement and issued 10,433,899 units at a price of $0.60 per unit for gross proceeds of $6,260,339. Each unit consists of one common share and one half of a share purchase warrant, each whole share purchase warrant exercisable at $0.80 per common share until March 10, 2026. The Company attributed $5,738,644 of the gross proceeds to share capital and a residual value of $521,695 to the warrants issued. The securities were issued under the listed issuer financing exemption, pursuant to National Instrument 45-106 *Prospectus Exemptions*, and therefore no hold period applied to these securities in Canada, except where required by the TSX Venture Exchange. In connection to the private placement, the Company paid cash issuance costs of $520,853 and issued 601,034 finders' warrants with a fair value of $119,714. Each finders' warrant is exercisable at a price of $0.60 per common share and expires on March 10, 2025.

- On March 31, 2023, the Company issued 243,750 common shares with a fair value of $70,862, in relation to the Margarita Project finders' fee agreement, which were previously recorded under shares to be issued during the year ended December 31, 2022 (Note 7(a)).

c) Stock options

The Company maintains a rolling share-based option plan (the "Option Plan") providing for the issuance of share purchase options of up to 10% of the Company's issued and outstanding common shares. The Company may grant from time-to-time share options to its directors, officers, employees and other service providers. The share options typically vest 25% on the date of the grant and 12.5% every three months thereafter for a total vesting period of 18 months.

(Unaudited - Expressed in Canadian dollars, except where noted)

10. SHARE CAPITAL (continued)

A summary of the Company's stock option activity is as follows:

	Number of options outstanding	**Weighted average exercise price**
	#	$
Balance, December 31, 2022	3,851,875	0.72
Granted	5,550,000	0.73
Forfeited	(265,000)	0.71
Cancelled	(404,375)	0.65
Balance, December 31, 2023	8,732,500	0.73
Forfeited	(306,875)	0.73
Cancelled	(2,205,625)	0.71
Balance, September 30, 2024	**6,220,000**	**0.73**

A summary of the Company's stock options outstanding at September 30, 2024, is as follows:

Date of expiry	**Number of options outstanding**	**Number of options exercisable**	**Weighted average exercise price**	**Weighted average remaining life**
	#	#	$	Years
May 25, 2025	400,000	400,000	0.58	0.65
April 7, 2026	935,000	935,000	0.77	1.52
September 3, 2026	375,000	375,000	0.82	1.93
November 24, 2026	340,000	340,000	0.86	2.15
July 19, 2027	422,500	422,500	0.65	2.80
January 19, 2028	3,602,500	3,443,409	0.73	3.30
February 7, 2028	45,000	45,000	0.62	3.36
March 3, 2028	100,000	100,000	0.60	3.42
	6,220,000	**6,060,909**	**0.73**	**2.68**

A summary of the Company's share-based compensation recognized within net loss is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Exploration and evaluation expenses	**1,832**	113,456	**57,175**	698,365
Fees, salaries and other employee benefits	**37,659**	224,380	**150,712**	1,137,058
Marketing and investor relations	**181**	15,497	**9,305**	98,224
Project investigation	**136**	4,825	**2,884**	28,942
	39,808	358,158	**220,076**	1,962,589

During the nine months ended September 30, 2024, no stock options were granted.

During the year ended December 31, 2023, the Company granted 5,550,000 stock options to directors, officers, employees, and other service providers who are consultants that provide on-going services to the Company, representative of employee services. The weighted average fair value per option of these share options was calculated as $0.44 using the Black-Scholes option pricing model ("BSM") at the grant date.

(Unaudited - Expressed in Canadian dollars, except where noted)

10. SHARE CAPITAL (continued)

A summary of the Company's weighted average inputs used in the BSM to calculate the fair value of stock options granted during the nine months ended September 30, 2024, and the year ended December 31, 2023 is as follows:

	2024	2023
Share price	**N/A**	$0.73
Exercise price	**N/A**	$0.73
Risk-free interest rate	**N/A**	2.84%
Expected life	**N/A**	5 years
Expected volatility	**N/A**	70.93%
Expected annual dividend yield	**N/A**	0.00%

d) Share purchase warrants

A summary of the Company's warrant activity is as follows:

	Number of warrants	**Weighted average exercise price**
	#	$
Balance, December 31, 2022	11,135,964	0.92
Issued	13,317,983	0.54
Cancelled	(4,102,564)	0.61
Balance, December 31, 2023	20,351,383	0.73
Issued	30,897,324	0.26
Balance, September 30, 2024	**51,248,707**	**0.44**

A summary of the Company's outstanding warrants as at September 30, 2024, is as follows:

Date of expiry	**Number of warrants**	**Weighted average exercise price**	**Weighted average remaining life**
	#	$	Years
March 1, 2025	7,033,400	1.10	0.42
March 10, 2025	601,034	0.60	0.44
June 27, 2025	2,322,650	0.15	0.74
June 27, 2025	108,000	0.10	0.74
July 11, 2025	7,500,000	0.35	0.78
July 11, 2025	3,750,000	0.08	0.78
August 26, 2025	425,000	0.15	0.90
January 4, 2026	1,084,814	0.23	1.26
March 10, 2026	5,216,949	0.80	1.44
January 4, 2027	17,528,600	0.30	2.26
January 4, 2029	5,678,260	0.30	4.27
	51,248,707	**0.44**	**1.70**

A summary of the Company's weighted average inputs used in the BSM for finders' warrants issued during the nine months ended September 30, 2024, and the year ended December 31, 2023, is as follows:

	2024	2023
Share price	**$0.17**	$0.55
Exercise price	**$0.17**	$0.60
Risk-free interest rate	**4.05%**	3.97%
Expected life	**1.50 years**	2 years
Expected volatility	**85.66%**	67.09%
Expected annual dividend yield	**0.00%**	0.00%

(Unaudited - Expressed in Canadian dollars, except where noted)

11. RELATED PARTY TRANSACTIONS

a) Related party transactions with UMS Canada

A summary of the Company's transactions with UMS Canada, the Company's 25% equity investment (Note 5), is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Exploration and evaluation expenses	**2,797**	128,727	**235,193**	449,800
Fees, salaries and other employee benefits	**52,845**	135,173	**218,973**	563,450
Legal and professional fees	**5,450**	3,708	**21,538**	12,005
Marketing and investor relations	**-**	50,728	**90,538**	148,698
Office and administration	**75,325**	84,593	**241,360**	388,715
Project investigation	**-**	728	**76**	9,684
Unit issuance costs (Note 10(b))	**253**	-	**264**	1,204
	136,670	403,657	**807,942**	1,573,556

As at September 30, 2024, included in the Company's accounts payable and accrued liabilities was $381,316 (December 31, 2023 - $175,417) and in prepaid expenses and deposits was $268,879 (December 31, 2023 - $298,609) relating to transactions with UMS Canada. All transactions with UMS Canada have occurred in the normal course of operations. All balances are unsecured, non-interest bearing and have no specific terms of repayment.

The Company issues options to certain UMS Canada employees including key management personnel of the Company. During the three and nine months ended September 30, 2024, the Company recognized a share-based compensation expense of $1,060 and $45,438, respectively (2023 - $113,924 and $709,819, respectively) in respect of stock options granted to UMS Canada employees.

b) Key management compensation

Key management personnel are those who have the authority and responsibility for planning, directing, and controlling the Company. A summary of the Company's related party transactions with key management is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Exploration and evaluation expenses	**54,843**	156,995	**322,622**	438,425
Fees, salaries and other employee benefits [(1)]	**105,675**	146,900	**392,447**	533,063
Share-based compensation (Note 10(c))	**4,175**	220,404	**108,881**	1,378,364
	164,693	524,299	**823,950**	2,349,852

(1) During the three and nine months ended September 30, 2024, included in fees, salaries and other employee benefits was a total of $29,972 and $96,494, respectively (2023 - $36,547 and $99,160, respectively) paid to the Company's directors for services rendered during the period.

On January 4, 2024, in connection with the Offering, three directors of the Company purchased an aggregate of 575,000 units in the Offering for gross proceeds of $132,250 (Note 10(b)).

On July 2, 2024, two directors of the Company purchased an aggregate of 1,500,000 units in the first tranche of the private placement for gross proceeds of $150,000 (Note 10(b)).

On August 26, 2024, one director of the Company purchased an aggregate of 850,000 units in the second tranche of the private placement for gross proceeds of $85,000 (Note 10(b)).

As at September 30, 2024, accounts payable and accrued liabilities contain amounts due to key management personnel of $366,529 (December 31, 2023 - $nil). The amounts have no specified terms of repayment and are due upon demand.

12. SEGMENTED INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company has been identified as the Chief Executive Officer, who makes strategic decisions and allocates resources across operating segments. The CODM has determined that the Company operates as one operating segment, being the acquisition and exploration of mineral resource properties. The Company's primary exploration and evaluation assets are located in Chile, and its corporate assets, comprising mainly cash, are located in Canada. The Company is in the exploration stage and has no reportable segment revenues or operating results. Most corporate expenses are incurred in Canada.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2024, the Company's financial instruments consist of cash, amounts receivable, deposits, accounts payable and accrued liabilities and loan facility; all of these financial instruments are classified as and measured at amortized cost. The fair values of cash, deposits, amounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term to maturity.

The Company is exposed to certain financial risks by its financial instruments. The risk exposures and their impact on the Company's financial statements are summarized below:

a) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk through accounts payable and accrued liabilities as well as the loan facility. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt, as required. As at September 30, 2024, the Company had cash of $35,962 (December 31, 2023 - $487,970) to settle accounts payable and accrued liabilities of $2,638,462 (December 31, 2023 - $1,198,982) and loan facility of $2,471,611 (December 31, 2023 - $1,969,137) with contractual maturities of less than one year. The Company will be required to raise additional funding to meet its financial obligations in the near term. There is no assurance that the necessary financing will be available in a timely manner or on terms acceptable to the Company. The Company assesses liquidity risk as high.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash, deposits and amounts receivable. The amount of credit risk to which the Company is exposed is considered insignificant as the Company's cash is held with highly rated financial institutions in interest-bearing accounts and the amounts receivable primarily consist of sales taxes receivable from the Government of Canada.

c) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured.

A summary of the Company's financial assets and liabilities that are denominated in the US dollar and the Chilean peso as at September 30, 2024, expressed in Canadian dollars, is as follows:

	USD	**CLP**
	$	$
Financial assets		
Cash	66	27,543
Amounts receivable	-	16,318
Financial liabilities		
Accounts payable and accrued liabilities	(103,872)	(1,611,083)
Net financial liabilities	**(103,806)**	**(1,567,222)**

A 10% increase or decrease in the US dollar and Chilean peso exchange rates relative to the Companies and its subsidiaries' functional currencies would result in an impact of approximately $184,516 to the Company's loss and comprehensive loss.

14. CAPITAL MANAGEMENT

The Company considers capital to include items within shareholders' equity. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and evaluation of mineral properties and to maintain the Company in good standing. In order to maintain or adjust its capital structure, the Company may issue additional common shares. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The properties in which the Company currently has an interest are in the exploration stage and are not positive cash-flow generating; as such, the Company has historically relied on equity and debt markets to fund its activities. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable, given the relative size of the Company. The Company is not subject to any capital restrictions and the Company's approach to capital management has not changed from the prior periods.

15. SUBSEQUENT EVENTS

On October 18, 2024, the Company entered an interim loan and facility agreement with an affiliate of Gold Fields for up to an aggregate amount of US$1,810,000 (CAD$2,492,000) (the "Goldfields Loan"). The Goldfields Loan will be drawn in tranches. The Goldfields Loan is to be funded in an immediate amount of US$600,000 (CAD$830,100) with an additional credit facility allowing Torq to draw-down further amounts to a maximum additional amount of US$1,210,000 currently approximately (CAD$1,666,000) to advance the approved programs on the Santa Cecilia Project. The Goldfields Loan is intended to bridge the period until Torq and Gold Fields complete the option and joint venture agreement ("Earn-in Option"). Under the Earn-in Option, Gold Fields is to be granted a staged option to acquire up to a 75% interest in the Santa Cecilia project in exchange for incurring an aggregate of US$48 million in spending at the project over a maximum of 6 years (Note 7(c)).

On October 21, 2024, the Company completed the first draw down on the Goldfields Loan for US$600,000 ($830,100) to make an option payment of US$600,000 ($830,100) on the Santa Cecilia Project (Note 7(c)).

On October 28, 2024, the Company completed the second draw down on the Goldfields Loan for US$345,000 ($479,550), the proceeds will be used to advance the exploration and development of the Santa Cecilia Project in accordance with programs approved by Gold Fields.

On November 14, 2024, the Company completed the third draw down on the Goldfields Loan for US$527,000 ($737,800), the proceeds will be used to advance the exploration and development of the Santa Cecilia Project in accordance with programs approved by Gold Fields.