TORQ RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended March 31, 2025 and 2024

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Torq Resources Inc. for the interim periods ended March 31, 2025 and 2024, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility management.

The independent auditors, Deloitte LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

May 26, 2025

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

	Note	March 31, 2025	December 31, 2024
		$	$
ASSETS			
Current			
Cash		**3,869,770**	538,284
Amounts receivable		**14,305**	17,881
Prepaid expenses and deposits	12(a)	**145,674**	122,223
		4,029,749	678,388
Equity investment	5	**99,926**	100,588
Equipment	6	**39,378**	41,720
Mineral property interests	7	**1,579,306**	1,580,606
Total assets		**5,748,359**	2,401,302
LIABILITIES			
Current			
Accounts payable and accrued liabilities	12	**4,192,646**	2,599,134
Loan facility	9	**-**	2,593,480
Loan payable	10	**7,546,725**	2,639,320
Subscription liability	11(b)	**418,800**	223,800
		12,158,171	8,055,734
Non-current portion of loan facility	9	**2,657,301**	-
Total liabilities		**14,815,472**	8,055,734
SHAREHOLDERS' DEFICIENCY			
Share capital	11(b)	**78,342,123**	78,342,123
Stock options and warrants reserve		**14,442,885**	14,297,803
Accumulated other comprehensive income		**194,238**	196,339
Deficit		**(102,046,359)**	(98,490,697)
Total shareholders' deficiency		**(9,067,113)**	(5,654,432)
Total liabilities and shareholders' deficiency		**5,748,359**	2,401,302

Nature of operations and going concern (Note 1)
Subsequent events (Note 16)

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 March 31, 2025	2024
		$	$
Operating expenses			
Exploration and evaluation expenses	8,12	**2,783,533**	3,290,302
Fees, salaries and other employee benefits	12	**254,251**	416,697
Impairment of mineral property interests	7(b)	**-**	438,891
Legal and professional fees	12(a)	**103,182**	95,389
Marketing and investor relations	12(a)	**847**	191,799
Office and administration	12(a)	**79,817**	146,597
Project investigation	12(a)	**425**	24,572
Regulatory and transfer agent		**25,680**	30,085
		3,247,735	4,634,332
Other expenses (income)			
Accretion expense	9	**87,373**	72,999
Foreign exchange loss (gain)		**34,479**	(34,637)
Interest expense	9,10	**72,555**	56,096
Interest income		**(8,673)**	(46,738)
Loss on extinguishment of loan facility	9	**121,531**	-
Net loss from equity investment	5	**662**	1,098
Net loss		**3,555,662**	4,683,150
Other comprehensive loss (income)			
Currency translation differences		**2,101**	(51,197)
Comprehensive loss for the period		**3,557,763**	4,631,953
Net loss per share:			
Basic and diluted		**0.03**	0.04
Weighted average number of common shares:			
Basic and diluted		**139,070,290**	130,522,370

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)

	Three months ended March 31, 2025	2024
	$	$
Operating activities		
Net loss for the period	**(3,555,662)**	(4,683,150)
Adjustments for:		
Accretion expense	**87,373**	72,999
Depreciation	**2,300**	23,167
Impairment of mineral property interests	**-**	438,891
Interest expense	**72,555**	56,096
Interest income	**(8,673)**	(46,738)
Loss on extinguishment of loan facility	**121,531**	-
Net loss from equity investment	**662**	1,098
Share-based compensation	**-**	122,469
Unrealized foreign exchange loss (gain)	**(15,504)**	(109,279)
Changes in non-cash working capital:		
Amounts receivable	**3,517**	(8,236)
Prepaid expenses and deposits	**(23,405)**	109,520
Accounts payable and accrued liabilities	**1,527,109**	1,474,883
Cash used in operating activities	**(1,788,197)**	(2,548,280)
Investing activities		
Interest income received	**8,673**	46,738
Investment in mineral property interests	**-**	(472,920)
Cash provided by (used in) investing activities	**8,673**	(426,182)
Financing activities		
Interest paid on the loan facility	**-**	(56,096)
Proceeds from private placement of units, net of issuance costs	**-**	4,870,154
Proceeds from loan payable	**4,911,033**	-
Proceeds from subscription liability	**195,000**	-
Cash provided by financing activities	**5,106,033**	4,814,058
Effect of exchange rate on changes in cash	**4,977**	(61,866)
Change in cash	**3,331,486**	1,777,730
Cash, beginning of the period	**538,284**	487,970
Cash, end of the period	**3,869,770**	2,265,700
Supplemental cash flows information:		
Interest on loan facility included in accounts payable and accrued liabilities	**-**	-
Interest on loan payable included in loan payable	**62,137**	-
Unit issuance costs included in accounts payable and accrued liabilities	**45,328**	61,615

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 (Deficiency)
(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, 2023	110,368,130	73,153,551	40,250	13,890,761	29,739	(86,076,373)	1,037,928
Shares issued in private placement, net of share issuance costs	23,206,860	4,848,789	(40,250)	-	-	-	4,808,539
Warrants issued for finders' fees	-	(112,882)	-	112,882	-	-	-
Share-based compensation	-	-	-	122,469	-	-	122,469
Currency translation differences	-	-	-	-	51,197	-	51,197
Net loss for the period	-	-	-	-	-	(4,683,150)	(4,683,150)
Balance, March 31, 2024	133,574,990	77,889,458	-	14,126,112	80,936	(90,759,523)	1,336,983
Shares issued in private placement, net of share issuance costs	5,495,300	456,118	-	63,453	-	-	519,571
Warrants issued for finders' fees	-	(3,453)	-	3,453	-	-	-
Share-based compensation	-	-	-	104,785	-	-	104,785
Currency translation differences	-	-	-	-	115,403	-	115,403
Net loss for the period	-	-	-	-	-	(7,731,174)	(7,731,174)
Balance, December 31, 2024	139,070,290	78,342,123	-	14,297,803	196,339	(98,490,697)	(5,654,432)
Warrants issued pursuant to the loan facility	-	-	-	145,082	-	-	145,082
Currency translation differences	-	-	-	-	(2,101)	-	(2,101)
Net loss for the period	-	-	-	-	-	(3,555,662)	(3,555,662)
Balance, March 31, 2025	**139,070,290**	**78,342,123**	**-**	**14,442,885**	**194,238**	**(102,046,359)**	**(9,067,113)**

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 ("TSX-V") 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 1400 - 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5.

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 months ended March 31, 2025 and 2024 (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 and debt based financing to fund its operations. As at March 31, 2025 the Company has a working capital deficit of $8,128,422 (December 31, 2024 - $7,377,346) and a deficit of $102,046,359 (December 31, 2024 - $98,490,697). During the three months ended March 31, 2025, the Company incurred a net loss of $3,555,662 (2024 - $4,683,150). 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. 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. 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, 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 May 26, 2025.

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") 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, 2024 and 2023 (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 ("$" or "CAD") which is the Company's functional currency. The functional currency is the currency of the primary economic environment in which an entity operates. References to "US$" and "USD" are to United States dollars, and references to "CLP" are to Chilean pesos.

d) Basis of consolidation

These financial statements include the financial information of the Company and entities controlled by the Company. 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 consolidated financial statements from the date control commences until the date control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company.

(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 March 31, 2025 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

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 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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, 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, an initial cash deposit of $151,000, which is held by UMS Canada for the purposes of general working capital, the unused deposit 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 year ended December 31, 2024, UMS Canada entered a sublease agreement which as at March 31, 2025 reduces the Company's future lease payments to approximately $0.1 million in respect of future lease rent for the remaining 6.25 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 March 31,	
	2025	2024
	$	$
Cost recoveries	**(651,563)**	(952,104)
Geological services	**195,460**	330,717
Administrative services	**458,749**	625,778
Net loss	**2,646**	4,391
Net loss from equity investment	**662**	1,098

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

	$
Balance, December 31, 2023	121,991
Net loss from equity investment	(21,403)
Balance, December 31, 2024	100,588
Net loss from equity investment	(662)
Balance, March 31, 2025	**99,926**

A summary of the Company's equity interest in the net assets of UMS Canada is as follows:

	March 31, 2025	December 31, 2024
	$	$
Current assets	**871,807**	934,179
Non-current assets	**1,982,811**	2,043,427
Current liabilities	**(1,263,802)**	(1,344,667)
Non-current liabilities	**(1,191,112)**	(1,230,589)
Net assets	**399,704**	402,350
Company's equity interest in net assets	**99,926**	100,588

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

6. EQUIPMENT

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

	$
Cost	
Balance, December 31, 2023	727,527
Disposals	(335,416)
Foreign currency translation	13,380
Balance, March 31, 2025 and December 31, 2024	**405,491**
Accumulated depreciation	
Balance, December 31, 2023	509,881
Depreciation	78,677
Disposals	(229,281)
Foreign currency translation	4,494
Balance, December 31, 2024	363,771
Depreciation	2,300
Foreign currency translation	42
Balance, March 31, 2025	**366,113**
Carrying amount	
Balance, December 31, 2024	41,720
Balance, March 31, 2025	**39,378**

During the three months ended March 31, 2025, the Company recorded $2,300 (2024 - $23,167) 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 year ended December 31, 2024, the Company recognized a gain on sale of equipment of $20,682, resulting from the disposal of vehicles with a cost of $335,416 and accumulated depreciation of $229,281 for gross proceeds of $126,817.

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, 2023	1,682,040	429,487	670,746	2,782,273
Option payments	472,920	-	830,580	1,303,500
Impairment	(2,310,070)	(438,891)	-	(2,748,961)
Foreign currency translation	155,110	9,404	79,280	243,794
Balance, December 31, 2024	-	-	1,580,606	1,580,606
Foreign currency translation	-	-	(1,300)	(1,300)
Balance, March 31, 2025	**-**	**-**	**1,579,306**	**1,579,306**

7. MINERAL PROPERTY INTERESTS (continued)

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.

Pursuant to the execution of the Margarita Project option agreement (the “Margarita Project Option Agreement”), the Company incurred finder’s fees requiring the issuance of 466,667 common shares of the Company (the “Finder’s 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. 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.

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.

During the year ended December 31, 2024, the Margarita Project was fully impaired due to management’s decision to focus on its more advanced Santa Cecilia Project. As a result, the Company recognized a $2,310,070 impairment charge related to the Margarita Project for the year ended December 31, 2024.

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.

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 Santa Cecilia Project. As a result, the Company recognized a $438,891 impairment charge related to the project for the year ended December 31, 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$1,000,000 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 $830,580 and work expenditures requirement is 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, 2025, 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 March 31, 2025, the Company had incurred approximately US$14,026,000 of eligible work expenditures and drilled 5,482 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 (the “Proposed Option Agreement”) to advance the exploration and development of the Santa Cecilia Project.

On January 17, 2025, the Company finalized the terms of the Proposed Option Agreement and entered into a definitive option and joint venture shareholders agreement (the “JV Agreement”) as well as a Chilean option agreement (the "Chilean Option Agreement", together with the JV Agreement the "Definitive Agreements") with Goldfields.

Gold Fields advanced funds to the Company pursuant to both the Proposed Option Agreement and the Definitive Agreements (Note 10 and Note 16).

Under the Definitive Agreements, Gold Fields retains the option to acquire 75% interest in Minera Santa SpA by funding an aggregate amount of US$48 million as follows:

- Initial Equity Interest - A 10% interest by funding US$6 million of exploration expenditures, property payments and other expenses by July 17, 2027;
- First Option - An additional 41% interest by funding an additional US$12 million of exploration expenditures, property payments and other expenses by July 17, 2027; and
- Second Option - A final 24% interest by funding a further US$30 million exploration expenditures, property payments and other expenses by January 17, 2031.

On April 10, 2025 and May 6, 2025, pursuant to the Definitive Agreements, the Company received further funds totaling $2,311,263 (US$1,669,000) from Goldfields which collectively take Goldfields beyond the US$6 million required for the Initial Equity Interest and earns Goldfields a 10% interest in Minera Santa SpA (Note 16).

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

8. EXPLORATION AND EVALUATION EXPENSES

A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2025 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	52,499	**52,499**
Drilling	-	-	977,707	**977,707**
Environmental, permitting and concessions	60,552	-	153,954	**214,506**
Equipment, vehicles, rent and field supplies	-	-	14,068	**14,068**
Geological consulting, salaries, and wages	81,810	-	633,286	**715,096**
Geophysics, sampling, and assays	-	-	30,009	**30,009**
Project support	23,879	1,007	426,574	**451,460**
Travel, meals and accommodation	8,505	-	319,683	**328,188**
	174,746	**1,007**	**2,607,780**	**2,783,533**

A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2024 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	32,703	32,703
Drilling	-	-	1,371,130	1,371,130
Environmental, permitting and concessions	26,628	-	65,648	92,276
Equipment, vehicles, rent and field supplies	4,638	29	29,056	33,723
Geological consulting, salaries, and wages	304,780	11,732	560,795	877,307
Geophysics, sampling, and assays	4,043	-	130,869	134,912
Project support	72,447	8,333	380,003	460,783
Share-based compensation	17,248	822	25,090	43,160
Travel, meals and accommodation	55,930	1,290	187,088	244,308
	485,714	22,206	2,782,382	3,290,302

9. LOAN FACILITY

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

	$
Balance, December 31, 2023	1,969,137
Accretion expense	324,343
Addition	300,000
Balance, December 31, 2024	2,593,480
Accretion expense - pre-extinguishment	84,990
Loan extinguishment and recognition adjustment	(23,552)
Accretion expense - post-extinguishment	2,383
Balance, March 31, 2025	**2,657,301**
Current portion	**-**
Non-current portion	**2,657,301**

9. LOAN FACILITY (continued)

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 until July 11, 2025. Due to the loan facility having a maturity of less than year, the fair value of the draw down was deemed to be equal to the $300,000 cash received, the Company allocated $300,000 of the draw down to the loan facility based on its estimated fair value and $nil to the share purchase warrants being the residual amount.

On March 23, 2025, the Company entered into an agreement with the Lender to further extend the maturity date of the loan facility from July 11, 2025, to July 11, 2026. In consideration of the extension, the Company agreed to replace the 7,500,000 share purchase warrants that were previously issued to the Lender with 46,666,667 share purchase warrants exercisable at a price of $0.06 per share until July 11, 2026, subject to approval from the TSX-V. In addition, the interest rate on the loan facility will increase to 12% per annum from 9% per annum starting July 11, 2025 and the Lender will receive a $30,000 payment in consideration of a recent security priority waiver and a default waiver. In accordance with IFRS 9 *Financial Instruments*, 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 $121,531 on the statement of loss and comprehensive loss during the three months ended March 31, 2025. The Company allocated $2,654,918 of the $2,800,000 principal to the loan facility based on its estimated fair value and $145,082 to the share purchase warrants being the residual amount.

The effective interest rate of the extended loan facility is estimated at 4.10%. During the three months ended March 31, 2025, the Company incurred accretion expense in respect of the loan facility of $87,373 (2024 - $72,999).

During the three months ended March 31, 2025, the Company incurred interest expense in respect of the loan facility of $62,137 (2024 - $56,096).

10. LOAN PAYABLE

On October 17, 2024, in relation to the Proposed Option Agreement (Note 7c), the Company entered into an interim loan and facility agreement (the "Loan Payable") with an affiliate of Gold Fields for an aggregate amount of $2,529,784 (US$1,810,000). The Loan Payable bears interest at a rate of 9% per annum and was to mature on October 17, 2025. During the three months ended January 31, 2025, pursuant to the Definitive Agreements (Note 7c), the Company received additional loan proceeds of $4,911,033 (US$3,408,000).

Pursuant to the execution of the Definitive Agreements, the outstanding balance of the loan payable of $7,546,725 (US$5,249,502) as at March 31, 2025, will form part of the required funding under the Initial Equity Interest and will be converted to a capital contribution in Minera Santa SpA once the remaining portion of the US$6 million funding commitment is met.

On April 10, 2025, pursuant to the Definitive Agreements, the Company received a further $657,303 (US$469,000) from Goldfields, which will be applied as a contribution to the Initial Equity Interest (Note 16).

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

10. LOAN PAYABLE (continued)

On May 6, 2025, pursuant to the Definitive Agreements, the Company received a further $1,653,960 (US$1,200,000) from Goldfields which takes Goldfields beyond the US$6 million required for the Initial Equity Interest and earns Goldfields a 10% interest in Minera Santa SpA (Note 16).

A continuity of the Company's loan payable is as follows:

	$
Balance, December 31, 2023	-
Additions	2,529,784
Interest accrual	35,029
Currency translation differences	74,507
Balance, December 31, 2024	2,639,320
Additions	4,911,033
Interest accrual	10,418
Currency translation differences	(14,046)
Balance, March 31, 2025	**7,546,725**

During the three months ended March 31, 2025, the Company incurred interest expense in respect of the loan payable of $10,418 (2024 - $nil).

11. SHARE CAPITAL

a) Authorized share capital

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

b) Issued share capital

During three months ended March 31, 2025, the Company had no share capital transactions other than the receipt of subscription deposits of $195,000 for a previously announced non-brokered private placement.

During the year ended December 31, 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 5,678,260 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 $112,883. 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 $21,346 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 finders' warrants in connection with the closing of the second tranche of the private placement.

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

11. SHARE CAPITAL (continued)

- During the year ended December 31, 2024, the Company received gross proceeds of $223,800 and incurred share issuance costs of $8,613 for a previously announced non-brokered private placement.

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.

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

	Number of options outstanding	Weighted average exercise price
	#	$
Balance, December 31, 2023	8,732,500	0.73
Forfeited	(306,875)	0.73
Cancelled	(2,205,625)	0.71
Balance, March 31, 2025 and December 31, 2024	**6,220,000**	**0.73**

A summary of the Company's stock options outstanding at March 31, 2025, 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	0.15
April 7, 2026	935,000	935,000	0.77	1.02
September 3, 2026	375,000	375,000	0.82	1.43
November 24, 2026	340,000	340,000	0.86	1.65
July 19, 2027	422,500	422,500	0.65	2.30
January 19, 2028	3,602,500	3,602,500	0.73	2.81
February 7, 2028	45,000	45,000	0.62	2.86
March 3, 2028	100,000	100,000	0.60	2.93
	6,220,000	**6,220,000**	**0.73**	**2.19**

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

	Three months ended March 31,	
	2025	2024
	$	$
Exploration and evaluation expenses	**-**	43,160
Fees, salaries and other employee benefits	**-**	71,379
Marketing and investor relations	**-**	6,090
Project investigation	**-**	1,840
	-	122,469

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

11. SHARE CAPITAL (continued)

d) Share purchase warrants

A continuity of the Company's share purchase warrant activity is as follows:

	Number of share purchase warrants	Weighted average exercise price
	#	$
Balance, December 31, 2023	20,351,383	0.73
Issued	30,897,324	0.26
Balance, December 31, 2024	51,248,707	0.44
Cancelled [(1)]	(7,634,434)	1.06
Balance, March 31, 2025	**43,614,273**	**0.33**

(1) The cancellation of 7,500,000 and issuance of 46,666,667 warrants pursuant to the amendment of the loan facility are subject to approval from the TSX-V and thus not included in the table above.

On January 4, 2024, pursuant to the Offering, the Company issued 17,528,600 share purchase warrants, each of which is exercisable into one common share at an exercise price of $0.30 per share until January 4, 2027. In addition, the Company issued 5,678,260 share purchase warrants, each of which is exercisable into one common share at an exercise price of $0.30 per share 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 share purchase warrants issued. In connection with the Offering, the Company issued 1,084,814 finders' warrants with a fair value of $112,882 which was determined using the BSM. Each finders' warrant is exercisable at a price of $0.23 per share until January 4, 2026.

On July 2, 2024, pursuant to the first tranche of the non-brokered private placement, the Company issued 2,322,650 share purchase warrants. Each share purchase warrant is exercisable into one common share at an exercise price of $0.15 per 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 share purchase warrants issued. In connection with the private placement, the Company issued 108,000 finders' warrants with a fair value of $3,452 which was determined using the BSM. Each finders' warrant is exercisable at a price of $0.10 per share and expires on June 27, 2025.

On August 26, 2024, pursuant to the second tranche of the non-brokered private placement, the Company issued 425,000 share purchase warrants. Each share purchase warrant is exercisable into one common share at an exercise price of $0.15 per 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 share purchase warrants issued.

On August 26, 2024, pursuant to the $300,000 loan facility draw down (Note 9) the Company issued 3,750,000 share purchase warrants exercisable at $0.08 per common share until July 11, 2025.

On March 23, 2025, pursuant to the agreement to the extension of the maturity date of the loan facility (Note 9), the Company replaced 7,500,000 share purchase warrants that were previously issued to the Lender with 46,666,667 share purchase warrants, subject to approval from the TSX-V. Each share purchase warrant is exercisable into one common share at an exercise price of $0.06 per share until July 11, 2026. The Company attributed a residual value of $145,082 to the share purchase warrants issued. As at March 31, 2025, the Company has not received approval from TSX-V for the replacement of the share purchase warrants.

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

11. SHARE CAPITAL (continued)

A summary of the Company's outstanding warrants as at March 31, 2025 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	$	Years
June 27, 2025	2,322,650	0.15	0.24
June 27, 2025	108,000	0.10	0.24
July 11, 2025	7,500,000	0.35	0.28
July 11, 2025	3,750,000	0.08	0.28
August 26, 2025	425,000	0.15	0.41
January 4, 2026	1,084,814	0.23	0.76
March 10, 2026	5,216,949	0.80	0.94
January 4, 2027	17,528,600	0.30	1.76
January 4, 2029	5,678,260	0.30	3.77
	43,614,273	**0.33**	**1.42**

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model ("BSM") to calculate the fair value of finders' warrants issued during the three months ended March 31 ,2025 and the year ended December 31, 2024 is as follows:

	2025	2024
Share price	**N/A**	$0.23
Exercise price	**N/A**	$0.22
Risk-free interest rate	**N/A**	4.00%
Expected life (years)	**N/A**	1.91
Expected volatility	**N/A**	76.00%
Expected annual dividend yield	**N/A**	0.00%

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

a) Related party transactions

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

	Three months ended March 31,	
	2025	2024
	$	$
Exploration and evaluation expenses	**40,953**	205,568
Fees, salaries and other employee benefits	**66,638**	93,970
Legal and professional fees	**9,831**	10,212
Marketing and investor relations	**-**	53,291
Office and administration	**27,783**	87,542
Project investigation	**-**	76
Unit issuance costs (Note 11(b))	**-**	11
	145,205	450,670

As at March 31, 2025 included in the Company's accounts payable and accrued liabilities was $352,041 (December 31, 2024 - $316,274) and in prepaid expenses and deposits was $49,584 (December 31, 2024 - $55,986) 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, unless otherwise noted.

The Company issues options to certain UMS Canada employees including key management personnel of the Company. During the three months ended March 31, 2025, the Company recognized a share-based compensation expense of $nil (2024 - $35,793) in respect of stock options granted to UMS Canada employees.

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

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (continued)

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 March 31, 2025	Three months ended March 31, 2024
	$	$
Exploration and evaluation expenses	**56,744**	213,975
Fees, salaries and other employee benefits (1)	**115,486**	190,144
Share-based compensation (Note 11(c))	**-**	78,322
	172,230	482,441

(1) During the three months ended March 31, 2025, included in fees, salaries and other employee benefits was a total of $25,585 (2024 - $36,550) incurred with 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 11(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 11(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 11(b)).

As at March 31, 2025, accounts payable and accrued liabilities contain amounts due to key management personnel of $543,880 (December 31, 2024 - $443,100). The amounts have no specified terms of repayment and are due upon demand.

13. 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, 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.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at March 31, 2025, the Company's financial instruments consist of cash, amounts receivable, deposits, accounts payable and accrued liabilities, loan facility, and loan payable. 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, and loan payable approximate their carrying values due to their short-term to maturity.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 March 31, 2025, the Company had cash of $3,869,770 (December 31, 2024 - $538,284) to settle accounts payable and accrued liabilities of $4,192,646 (December 31, 2024 - $2,599,134), and loan payable of $7,546,725 (December 31, 2024 - $2,639,320) 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.

Pursuant to the execution of the Definitive Agreements, the outstanding balance of the loan payable of $7,546,725 (US$5,282,987) as at March 31, 2025, will form part of the required funding under the Initial Equity Interest and will be converted to a capital contribution in Minera Santa SpA once the remaining portion of the US$6 million funding commitment is met.

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 March 31, 2025, expressed in Canadian dollars, is as follows:

	USD	**CLP**
	$	$
Financial assets		
Cash	19	3,727,335
Amounts receivable	-	32,923
Financial liabilities		
Accounts payable and accrued liabilities	(148,926)	(2,578,680)
Loan payable	(7,546,725)	-
Net financial liabilities	**(7,695,632)**	**1,181,578**

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 $865,696 to the Company's loss and comprehensive loss.

15. 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.

15. CAPITAL MANAGEMENT (continued)

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.

16. SUBSEQUENT EVENTS

On April 10, 2025, pursuant to the Definitive Agreements, the Company received a further $657,303 (US$469,000) from Goldfields, which will be applied as a contribution to the Initial Equity Interest (Note 10).

On May 6, 2025, pursuant to the Definitive Agreements, the Company received a further $1,653,960 (US$1,200,000) from Goldfields, which takes Goldfields beyond the US$6 million required for the Initial Equity Interest and earns Goldfields a 10% interest in Minera Santa SpA (Note 10). The remaining contribution beyond the US$6 million will be applied to the First Option (Note 6).

On May 25, 2025 400,000 stock options with an exercise price of $0.58 expired unexercised.