TORQ RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 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 and Nine Months Ended September 30, 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 September 30, 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 of management.

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

November 20, 2025

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

	Note	**September 30, 2025**	December 31, 2024
		$	$
ASSETS			
Current			
Cash		**44,962**	538,284
Amounts receivable		**11,354**	17,881
Prepaid expenses and deposits	13(a)	**105,829**	122,223
		162,145	678,388
Equity investment	5	**98,270**	100,588
Equipment	6	**28,901**	41,720
Mineral property interests	7	**1,533,806**	1,580,606
Total assets		**1,823,122**	2,401,302
LIABILITIES			
Current			
Accounts payable and accrued liabilities	13	**2,913,473**	2,599,134
Loan facility	9	**2,694,215**	2,593,480
Loan payable	10	**-**	2,639,320
Subscription liability	11(b)	**-**	223,800
Total liabilities		**5,607,688**	8,055,734
SHAREHOLDERS' DEFICIENCY			
Share capital	11(b)	**81,207,598**	78,342,123
Stock options and warrants reserve		**15,217,580**	14,297,803
Other equity reserve	10,12	**1,752,288**	-
Accumulated other comprehensive income		**175,108**	196,339
Deficit		**(110,376,359)**	(98,490,697)
Deficiency attributable to shareholders of the Company		**(12,023,785)**	(5,654,432)
Non-controlling interest	12	**8,239,219**	-
Total shareholders' deficiency		**(3,784,566)**	(5,654,432)
Total liabilities and shareholders' deficiency		**1,823,122**	2,401,302

Nature of operations and going concern (Note 1)
Subsequent events (Note 17)

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, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
		$	$	**$**	$
Operating expenses					
Exploration and evaluation expenses	8, 11(c), 13	**1,158,267**	856,344	**9,251,370**	5,403,770
Fees, salaries and other employee benefits	11(c), 13	**466,616**	280,414	**984,906**	978,518
Impairment of mineral property interests	7(b)	**-**	-	**-**	438,891
Legal and professional fees	13(a)	**59,591**	100,556	**340,277**	281,802
Marketing and investor relations	11(c), 13(a)	**102,720**	29,293	**116,760**	315,500
Office and administration	13(a)	**81,989**	101,773	**295,750**	381,004
Project investigation	13(a)	**-**	6,370	**-**	41,146
Regulatory and transfer agent		**14,311**	23,803	**53,090**	76,300
		1,883,494	1,398,553	**11,042,153**	7,916,931
Other expenses (income)					
Accretion expense	9	**33,412**	86,543	**154,287**	237,326
Foreign exchange loss		**10,243**	138,919	**73,970**	128,946
Gain on sale of equipment	7	**-**	(1,559)	**(12,447)**	(1,559)
Interest expense	9,10	**82,159**	59,301	**217,080**	171,493
Interest income		**(6,792)**	(4,472)	**(23,412)**	(61,824)
Loss on extinguishment of loan facility	9	**-**	-	**121,531**	-
Loss on Share-for-Debt Settlement	11(b)	**-**	-	**591,229**	-
Net loss (income) from equity investment	5	**(1,124)**	10,788	**2,318**	31,826
Net loss		**2,001,392**	1,688,073	**12,166,709**	8,423,139
Other comprehensive income					
Currency translation differences		**(22,336)**	(46,204)	**36,628**	(112,643)
Comprehensive loss		**1,979,056**	1,641,869	**12,203,337**	8,310,496
Net loss attributed to:					
Shareholders of the Company		**1,888,562**	1,688,073	**11,885,662**	8,423,139
Non-controlling interest		**112,830**	-	**281,047**	-
		2,001,392	1,688,073	**12,166,709**	8,423,139
Comprehensive loss attributed to:					
Shareholders of the Company		**1,863,077**	1,641,869	**11,906,893**	8,310,496
Non-controlling interest		**115,979**	-	**296,444**	-
		1,979,056	1,641,869	**12,203,337**	8,310,496
Net loss per share:					
Basic and diluted		**0.01**	0.01	**0.07**	0.06
Weighted average number of common shares:					
Basic and diluted		**151,405,460**	138,442,675	**158,943,621**	134,870,609

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, 2025	2024
	$	$
Operating activities		
Net loss	**(12,166,709)**	(8,423,139)
Adjustments for:		
Accretion expense	**154,287**	237,326
Depreciation	**2,300**	66,993
Gain on sale of equipment	**(12,447)**	(1,559)
Impairment of mineral property interests	**-**	438,891
Interest expense	**217,080**	171,493
Interest income	**(23,412)**	(61,824)
Loss on extinguishment of loan facility	**121,531**	-
Loss on Share-for-Debt Settlement	**591,229**	-
Net loss from equity investment	**2,318**	31,826
Share-based compensation	**317,421**	220,076
Unrealized foreign exchange loss	**(5,507)**	49,291
Changes in non-cash working capital:		
Amounts receivable	**6,471**	18,823
Prepaid expenses and deposits	**16,561**	214,059
Accounts payable and accrued liabilities	**1,423,958**	1,387,251
Cash used in operating activities	**(9,354,919)**	(5,650,493)
Investing activities		
Interest income received	**23,412**	61,824
Investment in mineral property interests	**-**	(472,920)
Proceeds from sale of equipment	**21,636**	87,545
Cash provided by (used in) investing activities	**45,048**	(323,551)
Financing activities		
Payment made on the loan facility	**(30,000)**	-
Interest paid on the loan facility	**(62,827)**	(112,192)
Proceeds from private placement of units, net of issuance costs	**1,215,867**	5,345,479
Proceeds from Gold Fields attributable to the Initial Equity Interest	**5,961,209**	-
Proceeds from Gold Fields attributable to the First Option	**1,752,288**	-
Proceeds from loan facility	**-**	300,000
Cash provided by financing activities	**8,836,537**	5,533,287
Effect of exchange rate on changes in cash	**(19,988)**	(11,251)
Change in cash	**(493,322)**	(452,008)
Cash, beginning of the period	**538,284**	487,970
Cash, end of the period	**44,962**	35,962
Supplemental cash flows information:		
Cash income tax paid	**-**	-
Interest on loan facility included in accounts payable and accrued liabilities	**82,159**	59,301
Interest accrual on loan facility settled pursuant to the Share-for-Debt Settlement	**(184,956)**	-
Interest on loan payable included in non-controlling interest	**9,957**	-
Unit issuance costs included in accounts payable and accrued liabilities	**5,240**	8,755
Subscription liability applied to private placement of units	**223,800**	-

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	Other equity reserve	Accumulated other comprehensive income	Deficit	Non-controlling interest	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	28,702,160	5,313,521	(40,250)	63,453	-	-	-	-	5,336,724
Warrants issued for finders' fees	-	(116,335)	-	116,335	-	-	-	-	-
Share-based compensation	-	-	-	220,076	-	-	-	-	220,076
Currency translation differences	-	-	-	-	-	112,643	-	-	112,643
Net loss	-	-	-	-	-	-	(8,423,139)	-	(8,423,139)
Balance, September 30, 2024	139,070,290	78,350,737	-	14,290,625	-	142,382	(94,499,512)	-	(1,715,768)
Shares issued in private placement, net of share issuance costs	-	(8,614)	-	-	-	-	-	-	(8,614)
Share-based compensation	-	-	-	7,178	-	-	-	-	7,178
Currency translation differences	-	-	-	-	-	53,957	-	-	53,957
Net loss	-	-	-	-	-	-	(3,991,185)	-	(3,991,185)
Balance, December 31, 2024	139,070,290	78,342,123	-	14,297,803	-	196,339	(98,490,697)	-	(5,654,432)
Shares issued in private placement, net of share issuance costs	25,152,633	1,403,866	-	30,561	-	-	-	-	1,434,427
Shares issued for Share-for-Debt Settlement	21,618,223	1,461,609	-	-	-	-	-	-	1,461,609
Warrants issued for debt settlement	-	-	-	426,713	-	-	-	-	426,713
Warrants issued pursuant to the loan facility	-	-	-	145,082	-	-	-	-	145,082
Share-based compensation	-	-	-	317,421	-	-	-	-	317,421
Equity interest in Minera Santa SCM acquired by Gold Fields	-	-	-	-	1,752,288	-	-	8,535,663	10,287,951
Currency translation differences	-	-	-	-	-	(21,231)	-	(15,397)	(36,628)
Net loss	-	-	-	-	-	-	(11,885,662)	(281,047)	(12,166,709)
Balance, September 30, 2025	**185,841,146**	**81,207,598**	**-**	**15,217,580**	**1,752,288**	**175,108**	**(110,376,359)**	**8,239,219**	**(3,784,566)**

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 and nine months ended September 30, 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 September 30, 2025, the Company has a working capital deficit of $5,445,543 (December 31, 2024 - $7,377,346) and a deficit of $110,376,359 (December 31, 2024 - $98,490,697). During the three and nine months ended September 30, 2025, the Company incurred a net loss of $2,001,392 and $12,166,709, respectively (2024 - $1,688,073 and $8,423,139, 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. 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 November 20, 2025.

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB"), 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 ("$") which is the Company's functional currency. The functional currency is the currency of the primary economic environment in which an entity operates. References to "US$" 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 September 30, 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 SCM(1)	Chile	90%	USD	Mineral exploration
Torq Operaciones Chile SpA	Chile	100%	USD	Mineral exploration

(1) Gold Fields Limited retains 10% interest in Minera Santa SCM pursuant to the Initial Equity Interest (Note 7(c), 10 and 12), resulting in a non-controlling interest (Note 12).

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.

Pronouncements issued but not yet effective

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).* These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures.* The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the 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.

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

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 into a sublease agreement on the shared office space which as at September 30, 2025 reduces the Company's future lease payments to approximately $100,000 in respect of future lease rent for the remaining 5.75 years.

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

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
	$	$	**$**	$
Cost recoveries	**(868,898)**	(1,015,697)	**(2,119,410)**	(2,797,026)
Geological services	**417,240**	481,406	**757,228**	1,013,864
Administrative services	**447,160**	577,442	**1,371,452**	1,910,466
Net loss (income)	**(4,498)**	43,151	**9,270**	127,304
Net loss (income) from equity investment	**(1,124)**	10,788	**2,318**	31,826

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	(2,318)
Balance, September 30, 2025	**98,270**

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

	September 30, 2025	December 31, 2024
	$	$
Current assets	**838,615**	934,179
Non-current assets	**1,859,194**	2,043,427
Current liabilities	**(1,195,580)**	(1,344,667)
Non-current liabilities	**(1,109,148)**	(1,230,589)
Net assets	**393,081**	402,350
Company's equity interest in net assets	**98,270**	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, December 31, 2024	405,491
Disposals	(38,093)
Foreign currency translation	347
Balance, September 30, 2025	**367,745**
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
Disposals	(28,904)
Foreign currency translation	1,677
Balance, September 30, 2025	**338,844**
Carrying amount	
Balance, December 31, 2024	41,720
Balance, September 30, 2025	**28,901**

During the three and nine months ended September 30, 2025, the Company recorded $nil and $2,300, respectively (2024 - $19,989 and $66,993, respectively) of depreciation in exploration and evaluation expenses. Depreciation for office equipment is included within office and administration.

During the nine months ended September 30, 2025, the Company recognized a gain on sale of equipment of $12,447 (2024 - $1,559), resulting from the disposal of vehicles with a cost of $38,093 (2024 - $239,644) and accumulated depreciation of $28,904 (2024 - $153,658) for gross proceeds of $21,636 (2024 - $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, 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	-	-	(46,800)	(46,800)
Balance, September 30, 2025	**-**	**-**	**1,533,806**	**1,533,806**

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

7. MINERAL PROPERTY INTERESTS (continued)

a) Margarita Project

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 March 25, 2024, the Company allowed its option on the Andrea Project to lapse by deciding not to make the required option payment of US$300,000 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 completed all the required option payments and work expenditure requirements in accordance with the option agreement to September 30, 2025. In addition, to the date of these financial statements, the Company has paid US$2,000,000 and incurred $15,500,000 of work expenditures, meeting all requirements to October 21, 2025.

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

	Cash payments	**Work expenditure requirements**
	US$	US$
October 21, 2021 (paid $123,580)	100,000	-
October 21, 2022 (paid $409,470)	300,000	-
October 21, 2023 (work expenditures requirement met)	-	3,000,000
October 21, 2024 (paid $830,580 and work expenditures requirement met)	600,000	4,500,000
October 21, 2025 (paid $1,402,200 and work expenditures requirement met) (Note 17)	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**

In order to be eligible to exercise the option to earn 100% interest in the project, the Company is required to complete total staged work expenditures of US$15,500,000 over the period up to October 21, 2025, as well as complete 25,000 meters of drilling over the period up to October 21, 2028,. As at September 30, 2025, the Company had incurred approximately US$18,759,000 of eligible work expenditures and drilled 7,588 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 Gold Fields.

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

7. MINERAL PROPERTY INTERESTS (continued)

Under the Definitive Agreements, Gold Fields retains the option to acquire 75% interest in Minera Santa SCM, which owns the Santa Cecilia Project by funding an aggregate amount of US$48,000,000 as follows:

- Initial Equity Interest - A 10% interest by funding US$6,000,000 of exploration expenditures, property payments and other expenses by July 17, 2027 (completed, Note 10 and Note 12);
- First Option - An additional 41% interest by funding an additional US$12,000,000 of exploration expenditures, property payments and other expenses by July 17, 2027; and
- Second Option - A final 24% interest by funding a further US$30,000,000 exploration expenditures, property payments and other expenses by January 17, 2031.

On May 16, 2025, pursuant to the Definitive Agreements the Company received sufficient funding from Gold Fields, which satisfied the US$6,000,000 required for the Initial Equity Interest and earned Gold Fields a 10% interest in Minera Santa SCM. (Note 12). The remaining contribution beyond US$6,000,000 will be applied to the First Option.

8. EXPLORATION AND EVALUATION EXPENSES

A summary of the Company's exploration and evaluation expenses for the three months ended September 30, 2025 is as follows:

	Margarita Project	**Andrea Project**	**Santa Cecilia Project**	**Total**
	$	$	$	$
Community relations	-	-	155,008	155,008
Drilling	-	-	21,495	21,495
Environmental, permitting and concessions	-	-	40,899	40,899
Equipment, vehicles, rent and field supplies	24	-	1,506	1,530
Geological consulting, salaries, and wages	99,211	-	500,743	599,954
Geophysics, sampling, and assays	-	-	31,635	31,635
Project support	13,161	12	193,694	206,867
Share-based compensation	-	-	52,133	52,133
Travel, meals and accommodation	8,689	-	40,057	48,746
	121,085	**12**	**1,037,170**	**1,158,267**

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 (recovery)	(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 nine months ended September 30, 2025 is as follows:

	Margarita Project	Andrea Project	Santa Cecilia Project	Total
	$	$	$	$
Community relations	-	-	262,591	262,591
Drilling	-	-	3,658,783	3,658,783
Environmental, permitting and concessions	61,337	-	235,724	297,061
Equipment, vehicles, rent and field supplies	989	-	36,804	37,793
Geological consulting, salaries, and wages	261,928	-	1,785,358	2,047,286
Geophysics, sampling, and assays	-	-	264,539	264,539
Project support (recovery)	38,846	(219)	1,577,388	1,616,015
Share-based compensation	-	-	52,133	52,133
Travel, meals and accommodation	25,228	-	989,941	1,015,169
	388,328	**(219)**	**8,863,261**	**9,251,370**

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**

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)
Payment of transaction fee	(30,000)
Accretion expense - post-extinguishment	69,297
Balance, September 30, 2025	**2,694,215**
Current portion	2,694,215
Non-current portion	-

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

9. LOAN FACILITY (continued)

On July 19, 2022, the Company secured a $3,000,000 loan facility with 191010 Investments Limited, (the "Lender") with an initial maturity date of July 19, 2024, later amended to July 11, 2025. Under the loan agreement, the Company is required to issue share purchase warrants to the Lender with each advance. As at December 31, 2024, the Company had drawn down $2,800,000 and issued 11,250,000 share purchase warrants exercisable at a weighted average price of $0.26 per common share until July 11, 2025.

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 cancel 7,500,000 share purchase warrants that were previously issued to the Lender and replace them with 46,666,667 share purchase warrants exercisable at a price of $0.06 per share until July 11, 2026. 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 $nil and $121,531, respectively during the three and nine months ended September 30, 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 4.96%. During the three and nine months ended September 30, 2025, the Company incurred accretion expense in respect of the loan facility of $33,412 and $154,287, respectively (2024 - $86,543 and $237,326, respectively).

During the three and nine months ended September 30, 2025, the Company incurred interest expense in respect of the loan facility of $82,159 and $207,123, respectively (2024 - $59,301 and $171,493, respectively).

10. LOAN PAYABLE

On October 17, 2024, in relation to the Proposed Option Agreement, the Company entered into an interim loan and facility agreement (the "Loan Payable") with Gold Fields for an aggregate amount of $2,529,784 (US$1,810,000). The Loan Payable bore interest at a rate of 9% per annum and was to mature on October 17, 2025.

On May 16, 2025, pursuant to the Definitive Agreements the Company received sufficient funding from Gold Fields to satisfy the US$6,000,000 required for the Initial Equity Interest (Note 7(c)) and earned Gold Fields a 10% interest in Minera Santa SCM resulting in a non-controlling interest (Note 12). Pursuant to the Definitive Agreements, $8,535,663 (US$6,000,000) of the required funding under the Initial Equity Interest and was converted to a capital contribution in Minera Santa SCM. Subsequent to May 16, 2025, contributions by Gold Fields were classified as Other Equity Reserve (Note 12).

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

	$
Balance, December 31, 2023	-
Additions	2,529,784
Interest	35,029
Currency translation differences	74,507
Balance, December 31, 2024	2,639,320
Additions	5,961,209
Interest	9,957
Conversion to capital contribution in Minera Santa SCM by Gold Fields	(8,535,663)
Currency translation differences	(74,823)
Balance, September 30, 2025	**-**

During the three and nine months ended September 30, 2025, the Company incurred interest expense in respect of the loan payable of $nil and $9,957, respectively (2024 - $nil and $nil, respectively). On May 16, 2025, when Goldfields achieved 10% interest in Minera Santa SCM, the total interest accrual of $44,670 (US$31,955) was included in the $8,535,663 (US$6,000,000) that was converted to a capital contribution.

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 nine months ended September 30, 2025, the Company had the following share capital transactions:

- On June 6, 2025, the Company closed a private placement and issued 25,152,633 units at a price of $0.06 per unit for gross proceeds of $1,509,158. Each unit consists of one common share and one share purchase warrant exercisable at $0.12 per common share until June 6, 2027. The Company attributed $1,509,158 of the gross proceeds to share capital and a residual value of $nil to the warrants issued. The Company incurred issuance costs of $105,292 comprised of cash issuance costs of $23,719, cash finders' fees of $51,012 and finders' warrants with a fair value of $30,561. The Company issued 800,200 finders' warrants exercisable at a price of $0.06 per common share with an expiry date of June 6, 2026.

- On June 6, 2025, the Company issued 1,998,829 common shares to non-arm's length creditors and 19,619,394 common shares and share purchase warrants to arm's length creditors to settle an aggregate of $1,297,093 of debt ("Share-for-Debt Settlement"). Each share purchase warrant is exercisable into one common share at an exercise price of $0.12 per common share until June 6, 2027. The Company attributed an aggregate of $1,461,609 of the settled amounts to share capital and a fair value of $426,713 to stock options and warrants reserve for the warrants issued. As a result, the Company incurred $591,229 non-cash loss on the Share-for-Debt Settlement.

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.

- During the year ended December 31, 2024, the Company received gross proceeds of $223,800 and incurred share issuance costs of $8,614 for a previously announced non-brokered private placement.

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

11. SHARE CAPITAL (continued)

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, December 31, 2024	6,220,000	0.73
Granted	12,700,000	0.10
Expired	(415,000)	0.58
Balance, September 30, 2025	**18,505,000**	**0.30**

On July 9, 2025, the Company granted 10,700,000 stock options to certain directors, officers, and employees of the Company. Each stock option is exercisable into one common share at an exercise price of $0.10 per share, expires on July 9, 2030 and vests 25% on the date of the grant and 12.5% every three months thereafter for a total vesting period of 18 months. The stock options have a fair value of $492,044 which was determined using the Black-Scholes option pricing model ("BSM").

On July 9, 2025, the Company granted 2,000,000 stock options to a certain consultant of the Company. Each stock option is exercisable into one common share at an exercise price of $0.10 per share, expires on July 9, 2030 and vests 25% every three months after the date of the grant for a total vesting period of 12 months. The stock options have a fair value of $91,971 which was determined using the BSM.

During the three and nine months ended September 30, 2025, the Company recognized $317,421 and $317,421, respectively, of share-based compensation within net loss (2024 - $39,808 and $220,076, respectively) in connection with the vesting of the underlying stock options.

A summary of the Company's stock options outstanding at September 30, 2025, is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	$	Years
April 7, 2026	935,000	935,000	0.77	0.52
September 3, 2026	375,000	375,000	0.82	0.93
November 24, 2026	340,000	340,000	0.86	1.15
July 19, 2027	407,500	407,500	0.65	1.80
January 19, 2028	3,602,500	3,443,409	0.73	2.30
February 7, 2028	45,000	45,000	0.62	2.36
March 3, 2028	100,000	100,000	0.60	2.42
July 9, 2030	12,700,000	2,675,000	0.10	4.78
	18,505,000	**8,320,909**	**0.30**	**3.85**

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

11. 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, 2025 is as follows:

Share price	**$0.07**
Exercise price	**$0.10**
Risk-free interest rate	**2.92%**
Expected life (years)	**5.00**
Expected volatility	**90.87%**
Expected annual dividend yield	**0.00%**

There were no stock options granted during the year ended December 31, 2024.

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,	
	2025	2024	**2025**	2024
	$	$	**$**	$
Exploration and evaluation expenses	**52,133**	1,832	**52,133**	57,175
Fees, salaries and other employee benefits	**221,979**	37,659	**221,979**	150,712
Marketing and investor relations	**43,309**	181	**43,309**	9,305
Project investigation	**-**	136	**-**	2,884
	317,421	39,808	**317,421**	220,076

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
Issued	92,238,894	0.09
Expired	(14,240,084)	0.61
Cancelled	(7,500,000)	0.35
Balance, September 30, 2025	**121,747,517**	**0.16**

On March 23, 2025, pursuant to the agreement to extend 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. 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 recorded $145,082 in the warrants reserve in connection with the fair value of warrants issued.

On June 6, 2025, pursuant to the private placement, the Company issued 25,152,633 share purchase warrants. Each share purchase warrant is exercisable into one common share at an exercise price of $0.12 per share until June 6, 2027. The Company attributed a residual value of $nil to the warrants issued. In connection with the private placement, the Company issued 800,200 finders' warrants with a fair value of $30,561 which was determined using the BSM. Each finders' warrant is exercisable into one common share at an exercise price of $0.06 per share and expires on June 6, 2026.

On June 6, 2025, pursuant to the Share-for-Debt Settlement, the Company issued 19,619,394 share purchase warrants to arm's length creditors. Each share purchase warrant is exercisable into one common share at an exercise price of $0.12 per common share until June 6, 2027. Using the BSM, the Company determined that the warrants issued in the Shares-for-debt Settlement had a fair value of $426,713 which was recorded to the stock options and warrants reserve.

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

11. SHARE CAPITAL (continued)

A summary of the Company's outstanding warrants as at September 30, 2025 is as follows:

Date of expiry	**Number of warrants**	**Weighted average exercise price**	**Weighted average remaining life**
	#	$	Years
January 4, 2026	1,084,814	0.23	0.26
March 10, 2026	5,216,949	0.80	0.44
June 6, 2026	800,200	0.06	0.68
July 11, 2026	46,666,667	0.06	0.78
January 4, 2027	17,528,600	0.30	1.26
June 6, 2027	44,772,027	0.12	1.68
January 4, 2029	5,678,260	0.30	3.27
	121,747,517	**0.15**	**1.28**

A summary of the Company's weighted average inputs used in the BSM to calculate the fair value of share purchase warrants issued during the nine months ended September 30, 2025 is as follows:

	2025
Share price	**$0.07**
Exercise price	**$0.11**
Risk-free interest rate	**2.69%**
Expected life (years)	**2.00**
Expected volatility	**135.00%**
Expected annual dividend yield	**0.00%**

12. NON-CONTROLLING INTEREST

On May 16, 2025, pursuant to the Definitive Agreements (Note 7(c)), $8,535,663 (US$6,000,000) of the outstanding balance of the loan payable that formed part of the required funding under the Initial Equity Interest was converted to a capital contribution in Minera Santa SCM. (Note 10). As a result, Gold Fields acquired 10% interest in Minera Santa SCM resulting in a non-controlling interest.

A summary of the Company's non-controlling interest for the period from May 16, 2025 through September 30, 2025, is as follows:

	$
Balance, December 31, 2024	-
Conversion of loan to capital contribution in Minera Santa SCM on May 16, 2025	8,535,663
Minera Santa SCM's net loss attributable to non-controlling interest	(281,047)
Minera Santa SCM's other comprehensive loss attributable non-controlling interest	(15,397)
Balance, September 30, 2025	**8,239,219**

Other Equity Reserve

Contributions by Gold Fields made after May 16, 2025, towards the First Option have been accounted for as Other Equity Reserve until such time as either the First Option is satisfied in full, or Gold Fields does not meet the First Option criteria. In the event of either of these scenarios, the Company will determine the appropriate accounting treatment based on the applicable fact patterns.

During the period from May 17, 2025 through September 30, 2025, Gold Fields contributed $1,752,288 (US$1,267,955) which was included in Other Equity Reserve.

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

13. 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 September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
	$	$	**$**	$
Exploration and evaluation expenses	**19,272**	2,797	**75,727**	235,193
Fees, salaries and other employee benefits	**60,150**	52,845	**203,393**	218,973
Legal and professional fees	**1,665**	5,450	**14,920**	21,538
Marketing and investor relations	**-**	-	**-**	90,538
Office and administration	**33,340**	75,325	**87,612**	241,360
Project investigation	**-**	-	**-**	76
Unit issuance costs	**308**	253	**1,235**	264
	114,735	136,670	**382,887**	807,942

As at September 30, 2025, accounts payable and accrued liabilities included $238,622 (December 31, 2024 - $316,274) due to UMS Canada and prepaid expenses and deposits included $36,779 (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 and nine months ended September 30, 2025, the Company recognized a share-based compensation expense of $nil and $nil, respectively (2024 - $1,060 and $45,438, 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,	
	2025	2024	**2025**	2024
	$	$	**$**	$
Exploration and evaluation expenses	**56,095**	54,843	**169,061**	322,622
Fees, salaries and other employee benefits [(1)]	**99,713**	105,675	**324,233**	392,447
Share-based compensation (Note 11(c))	**160,112**	4,175	**160,112**	108,881
	315,920	164,693	**653,406**	823,950

(1) During the three and nine months ended September 30, 2025, included in fees, salaries and other employee benefits was a total of $17,061 and $48,426, respectively (2024 - $29,972 and $96,494, respectively) 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)).

On June 6, 2025, three current directors and two former directors of the Company received 1,998,829 common shares pursuant to the Share-for-Debt Settlement.

On July 9, 2025, the Company granted 6,250,000 stock options to certain directors and officers of the Company. Each stock option is exercisable into one common share at an exercise price of $0.10 per share and expires on July 9, 2030 (Note 11(c)).

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

As at September 30, 2025, accounts payable and accrued liabilities contain amounts due to key management personnel of $520,068 (December 31, 2024 - $443,100). The amounts have no specified terms of repayment and are due upon demand.

14. 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.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2025, the Company's financial instruments consist of cash, 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, 2025, the Company had cash of $44,962 (December 31, 2024 - $538,284) to settle accounts payable and accrued liabilities of $2,913,473 (December 31, 2024 - $2,599,134), and loan facility of $2,694,215 (December 31, 2024 - $2,593,480) 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. 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.

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.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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

	USD	CLP
	$	$
Financial assets		
Cash	3,325	22,048
Amounts receivable	-	24,496
Financial liabilities		
Accounts payable and accrued liabilities	(47,239)	(1,834,062)
Net financial liabilities	**(43,914)**	**(1,787,518)**

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 $147,063 to the Company's loss and comprehensive loss.

16. 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.

17. SUBSEQUENT EVENTS

On October 8, 2025 the Company received $1,185,000 (US$849,000) from Gold Fields pursuant to the Definitive Agreements (Note 7), these funds were used to settle accounts payables and accrued liabilities at the Santa Cecilia Project included within accounts payables and accrued liabilities on the consolidated statement of financial position as at September 30, 2025.

On October 17, 2025 the Company received $1,475,000 (US$1,050,000) from Gold Fields pursuant to the Definitive Agreements (Note 7), these funds were used to settle accounts payables and accrued liabilities at the Santa Cecilia Project included within accounts payables and accrued liabilities on the consolidated statement of financial position as at September 30, 2025 and to fund exploration and evaluation expenses at the Santa Cecilia Project.

On October 21, 2025, the Company received $1,405,000 (US$1,001,000) from Gold Fields pursuant to the Definitive Agreements (Note 7), these funds were used to fulfill a $1,402,200 (US $1,000,000) required option payment for the Santa Cecilia Project which was paid on October 22, 2025.

On November 12, 2025 the Company received $2,624,000 (US$1,872,700) from Gold Fields pursuant to the Definitive Agreements (Note 7), these funds were used to fund exploration and evaluation expenses at the Santa Cecilia Project.