BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025
(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF THE

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company for the three months ended March 31, 2025, and 2024 have been prepared by and are the responsibility of the Company's management and have not been reviewed by the Company's auditors.

BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

As at

	Note	March 31, 2025	December 31, 2024
ASSETS			
Current assets			
Cash		$ **3,393,914**	$ 2,859,283
Receivables	4	**12,011,936**	12,535,595
Inventories	5	**1,029,272**	1,856,981
Prepaids		**387,165**	618,912
Total current assets		**16,822,287**	17,870,771
Non-current assets			
Mineral properties, plant and equipment	6	**60,413,845**	58,214,385
Intangible assets		**153,963**	157,310
Exploration and evaluation assets	7	**19,140,683**	19,115,412
Total non-current assets		**79,708,491**	77,487,107
TOTAL ASSETS		$ **96,530,778**	$ 95,357,878
LIABILITIES			
Current liabilities			
Trade and other payables	8	$ **24,367,515**	$ 20,294,375
Income taxes payable		**527,631**	901,958
Current portion of lease liability	12	**1,890,799**	2,058,425
Current portion of loans and borrowings	15	**1,068,624**	1,039,508
Convertible debenture	16	**33,409,237**	32,643,225
Promissory note	13	**6,011,807**	5,893,929
Current portion of deferred payments on acquisition	10	**1,575,338**	1,722,627
Current portion of copper prepayment liability	11	**3,200,003**	3,202,897
VAT liability	9	**5,875,291**	5,445,067
Deferred revenue		**550,041**	740,294
Total current liabilities		**78,476,286**	73,942,305
Non-current liabilities			
Lease liability		**568,504**	995,919
Deferred payments on acquisition	10	**1,958,370**	1,993,637
Loans and borrowings	15	**6,606,031**	6,886,226
Copper prepayment liability	11	**3,721,582**	4,767,792
Asset retirement obligation	14	**8,494,008**	8,182,896
Income tax provision		**883,644**	883,644
Total non-current liabilities		**22,232,139**	23,710,114
TOTAL LIABILITIES		**100,708,425**	97,652,419
EQUITY			
Share capital	17	**64,524,885**	64,524,885
Contributed surplus	17	**22,521,743**	22,508,911
Accumulated other comprehensive loss		**(3,829,745)**	(3,547,668)
Deficit		**(87,394,530)**	(85,780,669)
TOTAL (DEFICIT) EQUITY		**(4,177,647)**	(2,294,541)
TOTAL LIABILITIES AND EQUITY		$ **96,530,778**	$ 95,357,878

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

Nature of operations and going concern	1
Subsequent events	23

Approved on behalf of the Board:

/s/ Lazaros Nikeas *
/s/ Stephen Dunmead*

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Note		For the three months ended March 31, 2025		For the three months ended March 31, 2024
REVENUE					
Sales	18	**$**	**18,384,150**	$	3,161,393
Cost of sales			**(10,488,951)**		(377,674)
Depreciation and amortization	6		**(1,163,392)**		(727,724)
Gross profit			**6,731,807**		2,055,995
EXPENSES					
Impairment of exploration and evaluation assets	7		**-**		3,626
Management Fee			**299,394**		728,178
Operating and maintenance			**1,485,905**		1,242,626
Professional fees			**45,709**		172,071
Share-based compensations	17		**5,577**		179,803
Performance share units expense	17		**-**		80,429
General and administration			**4,035,776**		2,973,558
Stock option expense	17		**7,255**		94,974
Loss from operations			**852,191**	-	(3,419,270)
Finance costs	13,15,16		**(820,587)**		(444,002)
Foreign exchange gain (loss)			**(1,235,733)**		(448)
Gain on sale of royalty interest			**132,998**		-
Loss on remeasurement of convertible debentures	16		**(557,776)**		(480,106)
Other income			**15,048**		48,631
Loss before taxes		**$**	**(1,613,859)**	$	(4,295,195)
Income taxes					
Deferred Income tax recovery			-		(956)
Loss for the period			**(1,613,859)**		(4,296,151)
Currency translation adjustment			**(282,077)**		(2,990,196)
Comprehensive (loss) gain for the period attributable to common shareholders		**$**	**(1,895,936)**	$	(7,286,347)
Loss per share					
Basic and diluted loss per ordinary share		**$**	**(0.01)**	$	(0.02)
Basic and diluted weighted average number of ordinary shares outstanding			**181,028,630**		180,758,391

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars, except where indicated)

	# of shares issued	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity
		$	$	$	$	$
Balance at December 31, 2023 (Restated - Note 3)	**180,420,295**	**64,184,967**	**22,740,403**	**(3,508,445)**	**(29,465,572)**	**53,951,353**
Performance share units expense (Note 17)	-	-	46,726	-	-	46,726
Restricted share units expense (Note 17)	-	-	125,025	-	-	125,025
Stock based compensation (Note 17)	-	-	(63,326)	-	-	(63,326)
Restricted share units - vested and exercised	608,335	339,918	(339,917)	-	-	-
Loss for the period	-	-	-	-	(56,315,100)	(56,315,100)
Currency translation adjustment	-	-	-	(39,223)	-	(39,223)
Balance at December 31, 2024	**181,028,630**	**64,524,885**	**22,508,911**	**(3,547,668)**	**(85,780,671)**	**(2,294,543)**
Restricted share units expense (Note 17)		**-**	**5,577**	**-**	**-**	5,577
Stock based compensation (Note 17)		**-**	**7,255**	**-**	**-**	7,255
Loss for the period		**-**	**-**	**-**	**(1,613,859)**	(1,613,859)
Currency translation adjustment		**-**	**-**	**(282,077)**	**-**	(282,077)
Balance at March 31, 2025	**181,028,630**	**64,524,885**	**22,521,743**	**(3,829,745)**	**(87,394,530)**	**(4,177,647)**

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
CASH FLOWS FROM (TO) OPERATING ACTIVITIES		
Net loss for the period	**$ (1,613,859)**	$ (4,296,151)
Items not affecting cash:		
Accretion	**680,683**	308,262
Depreciation	**1,163,381**	727,724
Impairment of exploration and evaluation assets	**-**	3,626
Restricted share units expense	**5,577**	179,803
Stock option expense	**7,255**	94,974
Performance share units expense	**-**	80,429
Loss on finance lease termination	**-**	6,715
Gain on sale of royalty interest	**(132,998)**	-
Finance costs	**281,219**	-
Loss on remeasurement of convertible debenture	**557,776**	480,106
Unrealized foreign translation loss (gain)	**151,504**	448
Changes in non-cash working capital items:		
Inventory	**827,709**	(214,454)
Receivables	**523,659**	670,988
Prepaid expenses	**231,747**	(125,852)
VAT liability	**430,224**	(254,994)
Trade and other payables	**4,073,140**	(175,582)
Income taxes payable	**(374,327)**	(149)
Deferred revenue	**(190,253)**	235,183
Other current assets	**-**	(116,779)
Other non-current liabilities	**(236,129)**	(423,808)
Net cash provided by (used in) continuing operating activities	**6,386,310**	(2,819,511)
CASH FLOWS FROM (TO) INVESTING ACTIVITIES		
Exploration and evaluation assets - Punitaqui	**-**	(2,502,933)
Exploration and evaluation assets - other	**(25,958)**	(111,063)
Sale of mineral interest	**10,523**	-
Acquisition of property, plant and equipment - Punitaqui	**(1,768,477)**	(200,105)
Other acquisition of property, plant and equipment	**(936,616)**	(1,577,243)
Purchase of intangible assets	**-**	(662)
Lease payments	**(827,248)**	-
Net cash used in investing activities	**(3,547,776)**	(4,392,006)
CASH FLOWS FROM (TO) FINANCING ACTIVITIES		
Proceeds from new convertible debenture	**-**	1,879,672
Proceeds (payments) from copper prepayment	**(1,265,294)**	7,013,161
Proceeds (payments) from loans and borrowings	**(756,531)**	4,584,390
Repayment of long term debt	**-**	(257,138)
Net cash provided by financing activities	**(2,021,825)**	13,220,085
Effects of exchange rate changes on cash and cash equivalents	**(282,024)**	776,595
Change in cash during the period	**534,631**	6,785,163
Cash, beginning of the period	**2,859,283**	888,141
Cash, end of the period	**$ 3,393,914**	**$ 7,673,304**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Battery Mineral Resources Corp. (the “Company” or “BMR”) was incorporated on November 26, 2019, under the laws of British Columbia, Canada. The Company's registered office and principal place of business is located at 1040 West Georgia Street, Suite 1900, Vancouver, BC V6E 4H3. Trading of the Company’s common shares on the TSX Venture Exchange (“TSXV”) commenced on February 22, 2021, under ticker “BMR”.

The Company’s principal business activities include the mine operations at the past-producing Punitaqui Mine Complex (“Punitaqui”), located in Chile, and the acquisition and exploration of mineral exploration and evaluation assets in Canada, the United States, Chile, and South Korea. The Company holds resource interests including copper, cobalt, lithium, and graphite properties. On the basis of information obtained to date, the Company has not yet determined whether these properties contain economically recoverable mineral resources. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as exploration and evaluation properties represent net costs to date, less amounts recovered or written off, and do not necessarily represent present or future values.

The Company holds resource interests including copper, cobalt, lithium, and graphite properties. On the basis of information obtained to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as exploration and evaluation properties represent net costs to date, less amounts recovered or written off, and do not necessarily represent present or future values.

The Company also holds a 100% interest in ESI Energy Services Inc. (“ESI”), a company in the business of selling and leasing backfill separation machines ("Padding Machines") to mainline pipeline contractors, renewables and utility construction contractors, as well as oilfield pipeline and construction contractors.

At March 31, 2025, the Company had a working capital deficiency of $61,654,000 (December 31, 2024 – working capital deficiency of $56,071,536). For the three months ended March 31, 2025, the Company recorded a net loss of $1,613,859 (2024 - $4,296,151). For the three months ended March 31, 2025, the Company recorded net cash outflow from operating activities of $6,386,310 (2024 – outflow from operating activities $2,819,511).

The above factors, together with the potential for additional unforeseen issues and delays in the realization of the potential benefits from the Company’s capital projects, give rise to material uncertainties that may cast significant doubt on the Company’s ability to continue as a going concern. The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration and development programs will result in profitable mining operations. The Company does not currently generate sufficient revenue to fund it’s planned exploration and development activities and will need to continue to obtain additional financing to execute such activities and discharge its day-to-day obligations. There is no assurance that the Company’s funding initiatives will be successful, and these consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements for the three months ended March 31, 2025 (“Financial Statements") have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) including International Accounting Standard (“IAS”) 34, Interim Financial Reporting. These Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS as issued by the IASB.

These consolidated financial statements were authorized for issue by the Board of Directors on July 11, 2025.

Basis of presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value through profit and loss (“FVTPL”). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian Dollars, unless otherwise noted, which is the functional currency of the parent.

The financial statements for the Company and each of its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of North American Cobalt Inc. (Canada) and ESI Energy Services Inc. is the Canadian dollar. The functional currency of North American Cobalt Inc. (USA), Battery Mineral Resources (Nevada), Inc. and Ozzies, Inc. is the US dollar. The functional currency of Minera BMR SpA and Minera Altos de Punitaqui Ltda. was the Chilean peso as of June 30, 2024, and was subsequently changed to US dollar on the basis that the project moved into development phase. The change in functional currency is applied prospectively. The functional currency of Opirus Minerals Group Pty Ltd. and Energy Services (Australia) Pty Ltd. is the Australian dollar. The functional currency of Battery Mineral Resources Korea is the South Korean won. The presentation currency of the Company is the Canadian dollar.

Basis of consolidation

These consolidated financial statements of the Company include the following wholly owned subsidiaries as follows:

Name of Subsidiaries	Principal Activity	Country of Incorporation
BMR Holdings Limited (formerly Battery Mineral Resources Corp.)	Intermediate Holding Company	Canada
North American Cobalt Inc. (formerly Battery Mineral Resources Limited)	Resource Exploration	Canada
North American Cobalt Inc.	Resource Exploration	USA
Battery Mineral Resources (Nevada), Inc.	Resource Exploration	USA
Opirus Minerals Group Pty Ltd.	Intermediate Holding Company	Australia
Battery Mineral Resources Korea (formerly Won Kwang Mines Inc.)	Resource Exploration	South Korea
ESI Energy Services Inc.	Oil and Gas Service Company	Canada
Ozzies, Inc. (formerly ESI Pipeline Services, Inc.)	Oil and Gas Service Company	USA
Energy Services (Australia) Pty Ltd.	Oil and Gas Service Company	Australia
Minera BMR SpA	Resource Exploration	Chile

2. BASIS OF PREPARATION (cont'd…)

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All inter-company transactions and balances have been eliminated upon consolidation. Assets, liabilities, income, and expenses of entities subject to consolidation are recorded from the date of acquisition to the date of disposal.

Critical estimates, judgements and assessments

The preparation of these condensed interim consolidated financial statements in conformity with IFRS Accounting Standards requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events, or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Areas of judgment that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are disclosed in Note 2 of the Company's annual consolidated financial statements for the year ended December 31, 2024.

Summary of accounting policies

The accounting policies, methods of computation and presentation applied in these condensed interim financial statements are consistent with those in Note 3 of the annual financial statements for the year ended December 31, 2024, except for the adoption of amendments to IAS 1 as further described below.

Adoption of new standards and interpretations

The following new standards and interpretations have been adopted since the release of the Company's consolidated financial statements for the year ended December 31, 2024.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

These amendments were adopted by the Company on January 1, 2024, on a retrospective basis. On adoption, there was an impact of the Company convertible debentures, which included a conversion option that was accounted for as an embedded derivative. In applying the definition of settlement, it is clear that the Company does not have the right to defer settlement of the convertible debentures for more than twelve months after the reporting date, as the holders can demand settlement of the liability in shares at any time in a manner that would extinguish the liability. Furthermore, as the settlement would be through the exercise of each holders right to convert the loan to the Company's equity under a conversion option that was classified as a liability on inception and not an equity instrument, the Company does not meet the exception criteria described above and would consider the settlement by transfer of the Company's own equity instrument to be an extinguishment of the liability. As a result, the convertible debentures, including the conversion features classified as derivative liabilities, both of which were previously classified as non-current liabilities, have been reclassified within current liabilities in the statement of financial position at December 31, 2024, to reflect the retrospective application of the amendments.

(Unaudited, Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (cont'd…)

Thereby, upon adoption of these amendments, certain amounts in the comparative period have been reclassified to reflect the retrospective application. Application of the amendments in the comparative period resulted in an increase in current liabilities of $24.9 million and a corresponding decrease in non-current liabilities of $24.9 million, due to the Company's convertible debenture reclassified from long-term debt to short-term in the year 2024.

The following new standards and interpretations have been published that are not mandatory for the current period and have not been early adopted.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

On August 15, 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for reporting periods beginning on or after January 1, 2025. These amendments are not expected to have a significant impact on the Company's financial statements.

IFRS 18 Presentation and Disclosures in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosures in Financial Statements. The objective of the new standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The new standard is effective for reporting periods beginning on or after January 1, 2027. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

Amendments to IFRS 9 and IFRS 7

On May 30, 2024, the IASB issued amendments to the classification and measurement of financial instruments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9. 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-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 reporting periods beginning on or after January 1, 2026. Management is currently assessing the impact of the new standard on the Company's financial statements.

3. Restatement of Comparative figures

During the year ended December 31, 2024, the Company reversed an uncertain tax provision in the prior year's financial statements related to the tax treatment of multinational structures. As a result, the comparative figures for the year ended December 31, 2023, have been restated to reflect this reversal in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The restatement affected the Company's previously reported income tax expense and related tax balances. The correction has been reflected in the comparative information presented in these financial statements. There was no impact on the Company's previously reported cash flows.

	As reported December 31, 2023	Correction	Restated
Income tax receivable	$ 1,393,996	$ (1,393,996)	$ -
Current income tax payable	3,958,002	3,259,560	698,442
Income tax gain (expense)	$ (825,883)	$ 1,865,564	$ 1,039,681

(Unaudited, Expressed in Canadian Dollars)

4. RECEIVABLES

	31-Mar-25	31-Dec-24
Accounts receivable	**$ 7,498,299**	$ 8,100,618
Finance lease receivable	**118,833**	167,346
Sales or value added tax receivables	**4,394,804**	4,267,631
Total	**$ 12,011,936**	$ 12,535,595

5. Inventories

	31-Mar-25	31-Dec-24
Concentrates	**$ 143,898**	$ 742,125
Stockpiles	**885,374**	1,114,856
Total	**$ 1,029,272**	$ 1,856,981

The amount of inventories recognized in cost of sales was $9,609,302 during the three months ended March 31, 2025 (2024 - $Nil)

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Land and Buildings	Plant and Mining equipment	Mineral properties	Padding equipment	Spare parts	Office and other equipment	Right-of-use assets	Total
Cost								
At December 31, 2024	**$ 5,386,030**	**$ 18,479,297**	**$ 17,938,750**	**$ 43,818,540**	**$ 2,781,384**	**$ 714,488**	**$ 2,639,026**	**$ 91,757,516**
Additions	-	1,266,099	1,060,267	489,553	389,428	5,946	-	**3,211,292**
Sale of mineral interests	-	-	(10,523)	-	-	-	-	**(10,523)**
Impairment	-	-	-	-	-	-	-	**-**
Disposals - Asset retirement obligation	-	(235,524)	-	-	-	-	-	**(235,524)**
Disposals	-	-	-	(687,641)	-	-	-	**(687,641)**
Re - classification	-	-	-	-	-	-	-	**-**
Foreign currency translation adjustment	6,116	33,720	(16,928)	36,641	448,823	-	(2,299)	**506,074**
At March 31, 2025	**$ 5,392,146**	**$ 19,543,592**	**$ 18,971,567**	**$ 43,657,093**	**$ 3,619,636**	**$ 720,434**	**$ 2,636,727**	**$ 94,541,194**
Accumulated depreciation								
At December 31, 2023	$ (1,062,050)	$ (981)	$ -	$ (26,273,918)	$ -	$ (40,113)	$ (229,702)	$ (27,606,764)
Depreciation	(83,712)	(221,904)	-	(2,816,858)	-	(35,825)	(1,116,315)	(4,274,614)
Disposals	147,864	-	-	451,385	-	-	-	599,249
Re - classification	-	-	-	-	-	-	-	-
Foreign currency translation adjustment	(65,719)	(47,294)	-	(2,074,805)	-	(2,782)	(70,402)	(2,261,002)
At December 31, 2024	**$ (1,063,617)**	**$ (270,179)**	**$ -**	**$ (30,714,196)**	**$ -**	**$ (78,720)**	**$ (1,416,419)**	**$ (33,543,131)**
Depreciation	(31,024)	(126,050)	-	(640,284)	-	(30,963)	(332,496)	**(1,160,816)**
Disposals	-	-	-	549,963	-	-	-	**549,963**
Re - classification	-	-	-	-	-	-	-	**-**
Foreign currency translation adjustment	683	175	-	25,340	-	(197)	635	**26,636**
At March 31, 2025	**$ (1,093,958)**	**$ (396,054)**	**$ -**	**$ (30,779,177)**	**$ -**	**$ (109,880)**	**$ (1,748,280)**	**$ (34,127,349)**
Carrying amounts								
At December 31, 2024	$ 4,322,413	$ 18,209,117	$ 17,938,750	$ 13,104,344	$ 2,781,384	$ 635,768	$ 1,222,607	$ 58,214,385
At March 31, 2025	**$ 4,298,188**	**$ 19,147,538**	**$ 18,971,567**	**$ 12,877,916**	**$ 3,619,636**	**$ 610,554**	**$ 888,447**	**$ 60,413,846**

As at March 31, 2025, included in padding equipment were assets under construction with a cost of $1,300,408 (December 31, 2024 - $1,158,656). No depreciation was recorded for assets under construction. There was no impairment charges recognized on property and equipment during the three months ended March 31, 2025 (2024 - $Nil).

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT (cont'd…)

Chile Copper Project

Punitaqui Mining Complex, Chile

The Company holds the rights to 100% equity interest in the Punitaqui in the Coquimbo region of Chile.

Punitaqui includes a centralized process plant. The Company is currently modifying its existing tailings disposal permit while consolidating its various exploitation permits. Punitaqui is a producing mining operation which consists of an integrated copper and gold mining complex including all required infrastructure and sources of water and power. The copper-gold process plant that is classified as property, plant and equipment consists of a standard copper sulphide crush-grind-flotation circuit to produce a marketable copper-gold concentrate.

In July 2024, the Company concluded that required funding and permits to advance the Punitaqui Project have been received, the approval from the Board of Directors to develop the Punitaqui Project has been obtained and the assessment of commercial viability of the Punitaqui Project has been completed. As a result, the Punitaqui Project was transferred from exploration and evaluation assets to mineral properties.

The Company under IFRS 16, conducted an impairment assessment of its mineral properties, plant and equipment. As a result of the assessment, the Company recognized impairment losses arising from the difference in value in use and carrying amount totalling $16,894,895 related to plant and equipment and split pro rata over its asset classes The impairment is determined by IAS 36 and the impairment charges has been recorded as other expenses in the statement of loss and comprehensive loss.

A second impairment assessment was performed as at December 31, 2024, due to actual production falling short of forecast. As a result of this assessment, the Company recognized impairment losses totalling $1,339,616 of which is related to plant and equipment and split pro rata over its asset classes including mineral properties. The impairment is determined by IAS 36 and the impairment charges has been recorded as other expenses in the statement of loss and comprehensive loss. Management will continue to monitor the assets and reassess its value periodically.

The following are the key assumptions used in both impairment testing calculations for the year ended December 31, 2024.

<u>Commodity Price Assumptions</u>
A long-term real copper price per pound of US$3.83 – 4.49 was used in preparing the discounted cash flow model. Commodity price assumptions use current prices in the initial year and trend to the long-term prices in the information referenced above. Prices are based on a number of factors, including historical data, analyst estimates and forward curves in the near term and are benchmarked with external sources of information, including information published by our peers and market transactions, where possible, to ensure they are within the range of values used by market participants.

<u>Discount Rates</u>
A pre-tax discount rate of 26% was used in preparing the discounted cash flow model. Discount rates are based on market participant mining weighted average costs of capital adjusted for risks specific to the asset, where appropriate.

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT (cont'd…)

Reserves and Resources and Mine Production
Future mineral production is included in life of mine projected cash flows based on plant capacities and resource estimates, and related exploration and evaluation work undertaken by appropriately qualified persons.

Operating Costs and Capital Expenditures
Operating costs and capital expenditures are based on life of mine plans and internal management forecasts. Cost estimates incorporate management experience and expertise, current operating costs, the nature and location of the operation, and the risks associated with the operation. Future capital expenditures are based on management's best estimate of expected future capital requirements, with input from management's experts where appropriate. All committed and anticipated capital expenditures based on future cost estimates have been included in the projected cash flows. Operating cost and capital expenditure assumptions are subject to ongoing optimization and review by management.

Recoverable Amount
Estimates used in calculating the recoverable amount are classified as Level 3 measurements within the fair value measurement hierarchy (Note 20).

Sale of royalty interest

In November 2024, the Company entered into a definitive agreement with Electric Royalties Ltd. (Electric Royalties) to sell a 0.75% Gross Revenue Royalty ("GRR") on its Punitaqui Project in Chile, in exchange for cash consideration of $3,500,000. The Company has the right to buy back half of the 0.75% GRR sold to Electric Royalties for a cash payment of USD$1,500,000, when the Company has made royalty payments to Electric Royalties in excess of $4,000,000. In December 2024, the Company closed a second sale of royalty interest of 0.15% GRR to investors for additional cash consideration of $500,000 and another USD$100,000 was received in January 2025 for a 0.03% GRR.

The sale of royalty interests has been treated as a sale of mineral interest. The portion of the mineral interest sold was determined based on the difference of the net present value of the Company's Punitaqui Project's carrying value incorporated with and without the royalty payments embedded in the cash flow projections.
The portion of the cash proceeds received from Electric Royalties exceeding the mineral properties interest sold was recorded as a gain during the year.

As of March 31, 2025, the Company has disposed of mineral properties in the amount of $10,523 (December 31, 2024 - $307,633) and recorded a gain on the sale of royalty interest of $132,994 (2024 - $Nil).

(Unaudited, Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

The following table represents expenditures incurred on the exploration and evaluation assets for the three months ended March 31, 2025, and for the year ended December 31, 2024:

	Canadian Cobalt Projects	U.S. Cobalt Projects	U.S. Lithium Projects	South Korea Graphite Projects	Chile Copper Punitaqui Project	Total
	$	$	$	$	$	$
Balance as December 31, 2023	**22,189,465**	**615,272**	**394,830**	**2,221,886**	**28,781,885**	**54,203,338**
Additions during the year	159,833	86,244	13,999	140,053	5,426,672	5,826,801
Transfers to mineral properties, plant and equipment	-	-	-	-	(17,354,585)	(17,354,585)
Impairment	(3,994,235)	-	(444,319)	(2,390,470)	(15,551,507)	(22,380,531)
Currency translation adjustment	-	58,833	35,490	28,531	(1,302,465)	(1,179,611)
Balance as December 31, 2024	**18,355,063**	**760,349**	**-**	**-**	**-**	**19,115,412**
Additions during the year	16,254	9,704	-	-	-	25,958
Transfers to mineral properties, plant and equipment	-	-	-	-	-	-
Currency translation adjustment	-	(687)	-	-	-	(687)
Balance as March 31, 2025	**18,371,317**	**769,366**	**-**	**-**	**-**	**19,140,683**

Canadian Cobalt Projects

McAra Project area, Ontario Canada

The Company holds a 100% interest in the McAra project, located in Ontario, Canada. The property is subject to net smelter returns royalties ("NSR") ranging from 1% to 2% of which 1.5% can be acquired for $750,000.

Gowganda Project area, Ontario Canada

The Company holds a 100% interest in certain claims in the Gowganda project area, located in Ontario, Canada. The property is subject to NSR's ranging from 1% to 3% of which 0.5% to 1% of the royalty can be acquired for $250,000 to $1,000,000.

Fabre Project area, Quebec Canada

The Company holds a 100% interest in the Fabre project area located in Quebec, Canada. The property is subject to a 2% gross smelter returns royalty ("GSR") of which 1% can be acquired for $1,000,000 and an additional 1% can be acquired for an additional $1,500,000.

Shining Tree Project area, Ontario Canada

The Company holds a 100% interest in the Shining Tree Project area, located in Ontario, Canada. The property is subject to a 1% NSR of which 0.5% can be purchased for $250,000.

Elk Lake Project area, Ontario Canada

In December 2024, the Company elected not to renew its claims under the Elk Lake Project and therefore, the asset was impaired. As of March 31, 2025, the Company recorded no additional impairment expense (December 31, 2024 - $2,668,319)

Wilder Project area, Ontario, Canada

Wilder Project area (Kell claims), Ontario, Canada

The Company has a purchase option agreement with Ashley to acquire a 100% interest in the Kell claims, located in Ontario. The property is subject to a 1% NSR of which 1% can be purchased for $2,000,000.

(Unaudited, Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Canadian Cobalt Projects (cont'd…)

Wilder Project area (Thompson claims), Ontario, Canada

The Company has a purchase option agreement with Ashley to acquire 100% interest in the Thompson claims, located in Ontario. The property is subject to a 1% NSR of which 1% can be purchased for $2,000,000.

White Reserve Project area (White Reserve claims), Ontario, Canada

The Company has a purchase option agreement with Ashley to acquire 100% interest in the White Reserve claims, located in Ontario. The property is subject to a 1% NSR of which 1% can be purchased for $2,000,000.

In December 2024, the Company elected not to renew its claims under the White Reserve Project and therefore, the asset was impaired. As of March 31, 2025, the Company recorded no additional impairment expense (December 31, 2024 - $1,325,916)

U.S. Cobalt Projects

Bonanza Project, Idaho, USA

The Company holds a 100% interest in certain land tenure rights in the Bonanza Project in Idaho. The property is subject to a 0.5% NSR which can be purchased for US$1,000,000.

Chile Copper

Punitaqui Project

The Company under IFRS 16, conducted an impairment assessment of its exploration and evaluation mineral properties, plant and equipment as detailed in Note 6. As a result of the assessment, the Company recognized impairment losses arising from the difference in value in use and carrying amount totalling $15,551,507 related to the Punitaqui exploration and evaluation asset. The impairment is determined by IAS 36 and the impairment charges has been recorded as other expenses in the statement of loss and comprehensive loss.

The Punitaqui exploration and evaluation asset was transfered to mineral properties in the year ended December 31, 2024.

8. TRADES AND OTHER PAYABLES

		31-Mar-25		31-Dec-24
Trade payables	$	**19,958,552**	$	14,312,641
Accrued liabillities		**4,408,963**		5,981,734
Total	$	**24,367,515**	$	20,294,375

(Unaudited, Expressed in Canadian Dollars)

9. VAT LIABILITY

Following the acquisition of the Punitaqui Mining Complex, the Company filed an application with, and received approval from, the Chilean Ministry of Economy, Development and Tourism (the "Ministry of Economy") to participate in a VAT-recovery program set in place by the Chilean government to incentivize Chilean exports (the "VAT Program"). The VAT Program allows the Company to recover the VAT paid on goods and services purchased by the Company, in advance of achieving agreed-upon amounts of to-be-exported mineral concentrates. As of March 31, 2025, the Company recovered $5,438,285 (December 31, 2024 - $5,438,285) under the VAT Program.

As part of the VAT Program, the Company issued, to the Chilean Treasury Department, promissory notes for the same amount of the VAT Recovered. The Promissory Notes guarantee the VAT recovered in case the Company is not able to demonstrate to the Ministry of Economy that it has exported mineral concentrates having a minimum value of USD$35.1 million (the "Export Value"), by December 31, 2023. The Company did not achieve the Export Value by December 31, 2023. However, in October 2023, the Company filed a request (the "Request"), with the Ministry of Economy, to extend the deadline to demonstrate the Export Value. On November 29, 2023, the Ministry of Economy approved the Request and extended the deadline for the Company to demonstrate that it will meet the minimum mineral concentrates export value to December 31, 2025. In addition, the Ministry of Economy also increased the minimum export value to USD $37.2 million.

Due to the extension of the deadline to repay the Ministry of Economy to December 31, 2025, the Company applied the discounted cash flow model to the existing total VAT liability to arrive at the corresponding present value. As at March 31, 2025, the total VAT recovery was discounted using the Company's market yield of 9.38% to arrive at the present value of $5,875,291 and was recorded as a non-current liability to be repaid on December 31, 2025.

10. DEFERRED PAYMENTS ON ACQUISITION

		31-Mar-25		31-Dec-24
Deferred payment at beginning of the year	**$**	**3,716,264**	$	5,070,680
Payments during the period		**(448,338)**		(1,709,122)
Accretion expense		**105,662**		495,718
Currency translation adjustment, net of foreign currency impact		**160,120**		(141,012)
Modification gain		**-**		-
Deferred payments at end of the period	**$**	**3,533,708**	$	3,716,264
Current		**(1,575,338)**		(1,722,627)
Long term		**1,958,370**		1,993,637

On May 28, 2021, the Company entered into a number of agreements with Minera Altos de Punitaqui Limited ("MAP"), their parent company Xiana Mining Inc. ("Xiana") and their creditors, Bluequest Resources AG ("Bluequest"), to acquire the rights to certain properties, plant and equipment related to the Punitaqui Mining Complex ("Punitaqui") in Chile. As part of the total consideration of the acquisition, the Company agreed to make future payments to MAP to satisfy certain creditors' debts amounting to $8,080,000 over 23 quarterly installments beginning on June 30, 2021.

On September 28, 2023, the Company amended the timing of the deferred payments on the acquisition of Punitaqui by postponing the quarterly payments due on September 30, 2023 and December 31, 2023 to March 31, 2027 and June 30, 2027, respectively. The Company recalculated the present value of the amended deferred payments schedule using a discount rate of 11% and recorded a reduction to the deferred payments liability with a credit to gain on debt modification of $282,709.

The undiscounted payments remaining as at March 31, 2025 was $4,062,704 (December 31, 2024 - $4,306,568), while the discounted deferred payments remaining as at March 31, 2025 was $3,533,708 (December 31, 2024 - $3,716,264).

(Unaudited, Expressed in Canadian Dollars)

11. COPPER PREPAYMENT LIABILITY

		31-Mar-25		31-Dec-24
Balance at the beginning of the period	$	**7,970,689**	$	-
Prepayment received		**-**		6,735,500
Accrued interest		**225,122**		748,995
Payments during the period		**(1,265,294)**		-
Foreign currency translation adjustment		**(8,932)**		486,194
Balance at the end of the period		**6,921,585**		7,970,689
Less: current portion		**(2,764,104)**		(3,202,897)
Long-term portion	$	**4,157,481**	$	4,767,792

During the first quarter of 2024, the Company entered into a marketing agreement, a master purchase and sale agreement, a copper concentrate prepayment, an advance payment terms arrangement, and other supporting agreements (collectively, the “Javelin Agreements”) with a subsidiary of Javelin Global Commodities (“Javelin”). Pursuant to the Javelin Agreements, Javelin intends to market the copper concentrate, gold, silver, and other metals, (“Product”), produced at the Company’s Punitaqui Project. Javelin has agreed to prepay to Minera BMR SpA an amount of USD$5,000,000 in respect of future deliveries of cooper concentrate made by Minera to Javelin. Javelin will also establish an advance payment terms arrangement in an aggregate amount of up to USD$20,000,000. On March 8, 2024, Minera BMR SpA received the copper concentrate prepayment amount of USD$5,000,000 from Javelin. As of March 31, 2025, no additional advance payments were made to Minera BMR SpA by Javelin.

The copper prepayment amount is due to be repaid to Javelin by the Company on or before December 31, 2026, through the delivery of copper concentrate or in cash. The outstanding balance of the prepaid amount will be subject to an advance payment fee chargeable from the date of the advance until the prepaid amount is reduced to zero, at a rate equal to the three-month SOFR (subject to SOFR floor of 2%) plus 7% per annum. The Company has guaranteed to deliver 9,000 metric tonnes of copper concentrate or the cash equivalent for any shortfall every quarter, starting on January 1, 2025. In addition, the Company will also provide Javelin with a fixed discount of USD$92 per metric tonne.

The early repayment option, variable interest rate and interest rate floor from the Javelin Agreement terms above represent three embedded derivatives that are closely related to the host contract. As a result, upon initially recognizing the pre-payment amount as a financial liability at its fair value, the Company subsequently elected to measure the pre-payment received from Javelin at amortized cost at an effective interest rate of 12.61%.

(Unaudited, Expressed in Canadian Dollars)

12. LEASE LIABILITY

On June 10, 2022, the Company entered into a sale-leaseback agreement with an unrelated party involving land and building property located in Phoenix, AZ, USA. Under the arrangement, the property with a net book value of US$1,742,920 was sold for US$6,900,000 and leased back under a five-year lease agreement. The Company recorded a net sale proceeds of US$6,390,263 after deducting the sale-related expenses of US$509,736.

The Company used the net sale proceeds to pay off its two mortgage loans amounting to US$2,087,109 and US$1,200,000, the aggregate payment of which was US$3,358,459 after considering additional costs related to premature retirement of the loans (Refer to Note 15 on Loan and Borrowings).

At the inception of the lease, based on an incremental borrowing rate of 10.64%, the Company recognized a lease liability for the total lease payments amounting to $1,700,336, and a right-of-use asset on the leased property amounting to $429,500 to be depreciated over the term of the leaseback agreement. The Company recorded a gain of $4,689,491 on this sale and leaseback transaction.

The Company entered into multiple lease agreements with vendors for various mining equipment and trucks for the development of its Punitaqui Project. Applying the Company's current incremental borrowing rate of 12%, the Company recognized a lease liability and corresponding right-of-use assets for the amount of $3,853,915. The right-of-use assets are amortized over the term of the lease agreements.

As of March 31, 2025, depreciation of $308,507 (2024 - $Nil) on the right-of-use assets, and an interest of $83,560 (December 31, 2024 - $464,945) on the lease were recorded. Total cash outflow for the lease during the period was $798,961 (December 31, 2024 - $2,666,239) including interest. The carrying amount of right-of-use assets on the leased property as of March 31, 2025, was $888,447 (December 31, 2024 - $1,222,607) and the lease liability was $2,459,303 (December 31, 2024 - $3,054,344).

The continuity of the Company's contractual lease liabilities as of March 31, 2025, and December 31, 2024, is presented below:

		31-Mar-25		31-Dec-24
Lease Liabilities, beginning of period	**$**	**3,054,344**	$	1,319,335
Additions		**-**		3,746,454
Lease payments		**(798,961)**		(2,666,239)
Interest expense		**83,560**		464,945
Exchange rate movements		**120,360**		189,849
Lease liability, end of period		**2,459,303**		3,054,344
Lease liability – current portion		**(1,890,799)**		2,058,425
Lease liability - long - term portion	**$**	**568,504**	$	995,919

(Unaudited, Expressed in Canadian Dollars)

13. PROMISSORY NOTES

		31-Mar-25		31-Dec-24
Principal amount	$	5,750,400	$	5,755,600
Interest accrued		261,407		138,329
Total	$	6,011,807	$	5,893,929

On June 26, 2024, the Company entered into a short-term debt financing arrangement with Weston Energy II LLC ("Weston II") for proceeds of USD$750,000. In connection with this debt financing agreement, the Company issued a promissory note to Weston II for an amount of USD$750,000, which matures on September 24, 2024, and bears interest at a rate of eight percent (8%) per annum, with interest payable at the maturity of the promissory note. On September 18, 2024, the maturity date was extended to December 5, 2024. On December 2, 2024, the maturity date was further extended to October 31, 2025.

On September 6, 2024, the Company issued a second promissory note to Weston II for proceeds of USD$750,000. The second promissory note bears interest at a rate of eight percent (8%) per annum and matures on December 5, 2024, with interest payable at the maturity date. On December 2, 2024, the maturity date was extended to October 31, 2025.

On October 9, 2024, the Company issued to a third promissory note to Weston Energy III LLC ("Weston III") for proceeds of USD$2,500,000. The third promissory note bears interest at a rate of eight percent (8%) per annum and matures on December 5, 2024, with interest payable at the maturity date. On December 2, 2024, the maturity date was extended to October 31, 2025.

During the three months ended March 31, 2025, the total interest accrued under the promissory notes is $261,407 (2024 - $138,329).

14. ASSET RETIREMENT OBLIGATION

		31-Mar-25		31-Dec-24
Balance at the beginning of the period	$	8,182,896	$	10,317,746
Changes in estimates		(236,129)		(2,157,029)
Accretion expense		48,264		201,641
Foreign currency translation adjustment		505,235		(55,975)
Currency translation adjustment		(6,258)		(123,487)
Balance at the end of the period	$	8,494,008	$	8,182,896

On October 4, 2022, the Chilean mining authorities approved the transfer of the Punitaqui operational mining permits, which triggered the Company to recognize the asset retirement obligation arising from mining equipment and previously mined property interests. The provision consists primarily of costs associated with mine reclamation and closure activities. These activities, which tend to be site specific, generally include costs for decommissioning the mill complex and related infrastructure, physical and chemical stability of the tailings area and, post-closure site security and monitoring costs. The Company regularly reviews the estimate and considers such factors as changes in laws and regulations, and requirements under existing permits in determining the estimated costs.

The estimated undiscounted cash flows required to satisfy the reclamation and closure cost obligation as at March 31, 2025, were $10,102,235 (December 31, 2024 – $10,839,474). The undiscounted cash flows were discounted using the ten-year Government of Chile Benchmark Bond rate of 2.45% for bonds issued in Chilean Units of Accounts (UF) to arrive at a discounted liability of $8,494,008 (December 31, 2024 - $8,182,896).

(Unaudited, Expressed in Canadian Dollars)

15. LOANS AND BORROWINGS

		31-Mar-25		31-Dec-24
Fiera loan	$	**6,972,944**	$	7,178,219
Other finance agreements		**701,711**		747,515
Total loans and borrowings		**7,674,655**		7,925,734
Less: current portion		**(1,068,624)**		(1,039,508)
Long-term portion	$	**6,606,031**	$	6,886,226

Fiera Enhanced Private Debt Fund Credit Agreement

		31-Mar-25		31-Dec-24
Balance at the beginning of the period	$	**7,178,219**	$	-
Loan proceeds during the period		**-**		8,000,000
Transaction costs		**-**		(417,616)
Accretion expense		**57,114**		104,404
Payments during the period		**(262,389)**		(508,569)
Balance at the end of the period		**6,972,944**		7,178,219
Less: current portion		**(880,815)**		(854,475)
Long-term portion	$	**6,092,129**	$	6,323,744

On March 8, 2024, the Company's subsidiary ESI entered into an $8,000,000 credit agreement with Fiera Enhanced Private Debt Fund ("Fiera", together "Fiera Loan"). The Fiera Loan bears a float interest rate that equals the prime rate plus an applicable margin and will mature on the third anniversary of the agreement. Monthly payments of $87,463 commenced on April 15, 2024, with a ballon payment at maturity. The Company can voluntarily prepay the loan at any time based on the yield on the Government of Canada bond equal to the term remaining. The Company is also obligated to repay the loan under certain conditions. The voluntary prepayment option represents an embedded derivative to the Company.

The Company drew a first advance of $5,000,000 during the first quarter of 2024 and utilized the net proceeds towards the restart of its Punitaqui Project in Chile. During the three months ended June 30, 2024, the Company completed the final drawdown of $3,000,000 from the Fiera Loan. The Company has utilized partial proceeds from the final drawdown to extinguish an existing indebtedness. Total transaction costs of $417,616 were incurred and will be amortized over the term of the Fiera Loan.

As at March 31, 2025, the Fiera Loan is measured at amortized cost with an interest rate of 11.7%. The current portion of the Fiera Loan is $880,815 (December 31, 2024 - $854,475), while the long-term portion is $6,092,129 (December 31, 2024 - $6,623,744). The fair value of the embedded derivative as at March 31, 2025 was $Nil (December 31, 2024 - $Nil). Interest accrued as at March 31, 2025 totaled $57,114 (December 31, 2024 - $104,404), while total payments of $262,389 were made during the three months ended March 31, 2025 (December 31 2024 - $508,569)

Other finance agreements

All other finance agreements were undertaken by the Company's subsidiaries ESI Energy Services Inc. and Ozzie's Inc. and include six US Dollar denominated loans outstanding as of March 31, 2025, relating to the purchase of three compact track loaders, one vehicle and one excavator that were financed through dealers in 2022 through 2024, and a sixth loan which is a lease agreement secured by Company equipment. The first five loans have terms ranging from four to five years with varying rates of interest up to 7.62%. The sixth loan is the largest which has a four-year term at an interest rate of 10.48% with monthly rental costs of USD $51,190.

(Unaudited, Expressed in Canadian Dollars)

16. CONVERTIBLE DEBENTURES

On October 17, 2023, the Company announced a private placement offering (the "Private Placement") of senior unsecured convertible debentures (the "Debentures") for total gross proceeds of up to USD$6,000,000. Concurrently with the announcement of the Private Placement, the Company proposed to issue approximately USD$15,400,000 in Debentures to the holders of previous indebtedness, which included the Bridge Loan, Promissory Note, and the 2022 convertible debentures, as part of a comprehensive debt consolidation to simplify the Company's capital structure and extend the Company's near-term debt maturities.

On October 19, 2023, the Company closed the first tranche of the Private Placement of the Debentures for gross proceeds of USD$1,370,000. Concurrently, the Company also issued USD$15,408,039 in Debentures to holders of existing indebtedness, including holders of the previously issued convertible debentures, to complete the comprehensive debt consolidation. On November 3, 2023, the Company closed the second tranche of the Private Placement of the Debentures for gross proceeds of USD$1,915,000.

On February 16, 2024, the Company closed the third tranche of the Private Placement of the Debentures for gross proceeds of USD$1,000,000. On May 13, 2024, the Company closed the fourth tranche of the Private Placement of the Debentures for gross proceeds of USD$400,000. On October 25, 2024, the Company closed a fifth tranche of the Private Placement of the Debentures for gross proceeds of USD$200,000.

The Debentures bear annual interest of 10% and mature on September 30, 2026 ("Maturity Date"). Interest accrued from the date of issuance up to and including March 30, 2025 will be paid by way of issuance of common shares of the Company. Interest accrued following March 30, 2025 will be, at the option of the holder, paid either in cash or by way of issuance of common shares of the Company. The holder of a Debenture may, at their option, at any time from March 31, 2024 and prior to the close of business on the business day immediately preceding the Maturity Date, convert all, but not less than all, of the principal amount of such Debenture into common shares of the Company at the conversion price of USD $0.22 per share. The Company has the right, starting on March 31, 2024, with 15 days' notice, to prepay the then outstanding principal and interest due.

The USD denominated conversion price and the prepayment option of the Debentures represent embedded derivatives. The Company has elected to not separate these embedded derivatives from the underlying debt host contract, and instead, account for the entire Debenture as a financial liability at fair value through profit or loss. The Debentures were recognized at their estimated fair value at initial recognition of $24,837,096 using a lattice binomial valuation model and then were revalued at the end of each reporting period, with the change in estimated fair value recognized through profit and loss.

As at March 31, 2025, the Debentures were valued at $33,409,237 and classified as a current liability (December 31, 2024 - $32,643,225. During the three months ended March 31, 2025, the Company recognized a loss of $557,776 (December 31, 2024 - $2,901214) from the remeasurement of the fair value of the financial liability.

The following valuation model along with the key inputs and assumptions were used in the determination of fair value of the Debentures:

Valuation technique	Key inputs and assumptions	**31-Mar-25**	31-Dec-24
The fair value of the New Debentures has been calculated using a lattice binomial model	*Observable - Level 2*		
	Risk-free rate	**2.495%**	2.955%
	Foreign exchange rate (USD:CAD)	**1.4376**	1.4389
	Unobservable - Level 3		
	Volatility	**123.1%**	105.9%
	Credit spread	**6.88%**	5.50%

(Unaudited, Expressed in Canadian Dollars)

16. CONVERTIBLE DEBENTURES (cont'd…)

The carrying amount of the Debentures is as follows:

		31-Mar-25		31-Dec-24
Convertible unsecured subordinated debentures				
Fair value at beginning of the period	**$**	**32,643,225**	$	24,869,560.00
Issuance of convertible debentures during the year		**-**		2,164,871
Accrued interest		**208,236**		2,707,580
Change in fair value		**557,776**		2,901,214
Balance at end of period	**$**	**33,409,237**	$	32,643,225

For the fair value of the New Debenture at March 31, 2025, reasonably possible changes at the reporting date to one of the significant inputs, holding other inputs constant, would have the following effects:

Key inputs	Inter-relationship between significant inputs and fair value measurement	Fair value Increase (decrease)
Discount rate	Discount rate was 5% higher	(1,697,500)
	Discount rate was 5% lower	-
Stock volatility	Stock volatility was 5% higher	-
	Stock volatility was 5% lower	-

(Unaudited, Expressed in Canadian Dollars)

17. SHARE CAPITAL

a) Authorized share capital

The Company has authorized share capital of unlimited common shares without par value.

b) Share issuances

During the three months ended March 31, 2025, the Company did not issue any shares. As of March 31, 2025, the Company has 181,028,630 shares issued and outstanding.

During the year ended December 31, 2024, the Company issued 608,335 common shares that were related to the vested restricted stock units.

c) Restricted stock units

The Company adopted the restricted share units plan ("RSU's") to allow the Board of Directors to grant its officers, directors, and consultants of the Company non-transferable share units based on fair value of the units at the date of grant. The awards vest over a one or three year period and expire after eight years. During the three months March 31, 2025, the Company issued no new units of RSUs (2024 - $Nil) to its officers and employees. The total RSU expense for the three months ended March 31, 2025, was $5,577 (2024 - $ 179,803). There was no restricted stock units granted during the three months ended March 31, 2025.

Movements in the number of restricted share units outstanding are as follows:

	RSU
Outstanding at December 31, 2023	4,300,002
Excercised	(608,335)
Forfeited	(333,334)
Outstanding at March 31, 2025 and December 31, 2024	3,358,333

d) Stock options

The Company has an equity settled common share purchase plan (the "Stock Option Plan") under which the Board of Directors may grant options to purchase common shares to directors, officers, employees and independent contractors of the Company and/or its affiliates (collectively, the "Service Providers"). The maximum aggregate number of common shares under option at any time pursuant to the Stock Option Plan was 10% of the issued and outstanding common shares at the time of the grant.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Options	Weighted average excercise price
Outstanding at December 31, 2023	9,520,832	0.77
Forfeited	(1,430,000)	0.74
Outstanding at March 31, 2025 and December 31, 2024	8,090,832	0.78

(Unaudited, Expressed in Canadian Dollars)

17. SHARE CAPITAL (cont'd…)

The Company uses the Black-Scholes option pricing model to estimate the fair value for all stock options. The expected volatility assumption inherent in the pricing model is based on the historical volatility of comparable companies over a term equal to the expected term of the option granted. Total stock-based compensation expense for the three months ended March 31, 2025, was $7,255 (2024 - $ 94,974).

There were no options granted, and no options exercised during the three months ended March 31, 2025 (2024 – Nil).

As of March 31, 2025, the Company had outstanding and exercisable stock options as follows:

	Options outstanding					Options exercisable	
Price	Number outstanding	Weighted-average remaining contractual life (years)	Weighted-average excerise price	Weighted-average Fair Value	Number excerisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price
$0.85	5,000,000	4.01	0.85	0.41	5,000,000	4.01	0.85
$0.75	250,000	1.59	0.75	0.25	250,000	1.59	0.75
$0.65	270,832	4.76	0.65	0.29	270,832	4.76	0.65
$0.65	75,000	4.76	0.65	0.29	75,000	4.76	0.65
$0.65	1,395,000	4.94	0.65	0.24	1,395,000	4.94	0.65
$0.65	1,100,000	5.08	0.65	0.24	733,333	5.08	0.65
	8,090,832	4.27	0.78	0.35	7,724,165	4.23	0.78

e) Performance share units ("PSUs")

The Company adopted the PSU plan to allow the Board of Directors to grant the Company's management personnel, officers and directors non-transferrable share units based on the fair value of the Company's common shares on the date of the grant. All the PSUs were granted in 2023 to certain management personnel, officers, and directors of the Company, in connection with the Company's 2022 fiscal year bonus incentive plan. The awards shall be fully vested on any single day that the Company's closing stock price reaches or exceeds $0.50 within the performance cycle between March 30, 2023 and March 30, 2026. The fair value and the expected vesting period of the PSUs are measured using the Monte Carlo simulation model at the time of grant.

There were no PSUs vested, and no new PSUs granted during the three months ended March 31, 2025. The total PSU expense for the three months ended March 31, 2025, was $Nil (2024 - $80,429).

Movements in the number of PSUs outstanding are as follows:

	PSU
Outstanding at January 1, 2023	-
Granted	2,330,000
Outstanding at December 31, 2023	2,330,000
Forfeited	(370,000)
Outstanding at March 31, 2025 and December 31, 2024	1,960,000

(Unaudited, Expressed in Canadian Dollars)

18. REVENUE

All the Company's revenue for the three months ended March 31, 2025, and three months March 31, 2024, were generated by both Minera and ESI. During the three months ended March 31, 2025, and March 31, 2024, the Company's revenue comprised of the following:

	For the three months ended March 31, 2025	For three months ended March 31, 2024
Minera BMR SpA		
Sale of copper concentrate	**$ 13,493,086**	$ -
Total BMR SpA	**13,493,086**	-
ESI		
Machine rental	**2,344,807**	1,926,798
Machine sales	**1,868,710**	569,210
Other	**677,547**	665,385
Total ESI	**4,891,064**	3,161,393
Total	**$ 18,384,150**	$ 3,161,393

Minera
For the three months ended March 31, 2025, Minera's revenue was $13,493,086 (2024 - $Nil), all of which were from the sale of copper concentrate derived from two customers (2024 – $Nil).

ESI
For the three months ended March 31, 2025, $4,213,517 (2024 - $3,161,393) of revenue was derived from eleven (2024 – seven) customers that represented 85% (2024 – 88 %) of the Company's revenue. As at March 31, 2025, $2,049,827 (2024 - $1,211,607) from these customers was included in accounts receivable.

(Unaudited, Expressed in Canadian Dollars)

19. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes members of the Board of Directors, the Executive Chairman, the President and Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary. The aggregate compensation paid, or payable, to key management personnel, during the three months ended March 31, 2025, and 2024, is as follows:

	For the three months ended March 31, 2025	For three months ended March 31, 2024
Director fees	$ **85,493**	$ 335,463
Management fees	**1,021,345**	1,674,620
Share-based compensation	**12,832**	414,121
Total	$ **1,119,671**	$ 2,424,204

During 2024, Weston Energy II LLC, a company owned by the Weston Group a major shareholder, subscribed for USD$3,115,000 of the Debentures (Note 16) and USD $1,500,000 of the Promissory Notes (Note 13).

Weston Energy III LLC, a company owned by the Weston Group a major shareholder, subscribed for USD $2,500,000 of the total issued and outstanding Promissory Notes (Note 13).

As of March 31, 2025, included in trade and other payables was $898,745 (2024 - $616,947) due to directors and officers of the Company.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Fair values of financial assets and liabilities are determined based on available market information and valuation methodologies appropriate to each situation. Judgments are required in the interpretation of the market data to produce the most appropriate fair value estimates. The use of different market information and/or evaluation methodologies may have a material effect on the fair value amounts. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability or inputs that are derived principally from or corroborated by observable market data or other means.

Level 3: Inputs are unobservable (supported by little or no market activity).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

The Company's fair values of financial assets and liabilities were as follows:

			March 31, 2025		
	Carrying Amount	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Convertible debenture	**33,409,237**	**-**	**-**	**33,409,237**	**33,409,237**
	33,409,237	**-**	**-**	**33,409,237**	**44,617,599**

			December 31, 2024		
	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Convertible debenture	32,643,225	-	-	32,643,225	32,643,225
	32,643,225	-	-	32,643,225	32,643,225

The Company's financial instruments consist of cash, receivables, and trade and other payables, deferred payments on acquisition, loans and borrowings and convertible debenture. The fair value of the short-term working capital assets and liabilities approximates their carrying values due to the short-term nature of these instruments. The fair value of long-term debt approximates its carrying value as the contractual interest rates are comparable to current market interest rates, unless the long-term debt is classified as FVTPL. The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity, and commodity price.

The Company has a separately recognized derivative measured at fair value which is valued using Level 2 inputs. As at March 31, 2025, the derivative has a fair value of $Nil (December 31, 2023 - $Nil).

Currency risk

The Company conducts exploration and evaluation activities in the United States, Canada, South Korea and Chile and exposed to risk due to fluctuations in the exchange rates for the Canadian ("CAD") and foreign currencies. As at March 31, 2025, the Company had foreign currency liabilities and foreign currency assets in United States Dollars ("USD"), Chilean Pesos ("CLP"), Australian Dollars ("AUD"), and Korean Won ("KRW"). Each 10% change in the foreign currencies relative to the Canadian dollar will result in a foreign exchange gain/loss of approximately $7,779,240.

The table below shows the balances held in foreign currency:

	USD	**KRW**	**CLP**	**Equivalent CAD**
March 31, 2025	**$**	**$**	**$**	**$**
Cash	1,823,275	-	4,547,770	2,628,093
Receivables	1,813,812	-	6,295,048,925	12,232,036
Prepaids	189,147	66,007	13,688,208	292,911
Trade and other payables	904,843	152,727,018	13,010,193,368	21,340,996
Income taxes payable	164,355	-	-	236,277
VAT liability	3,784,187	-	3,855,542,000	11,334,885
Convertible debenture	23,239,592	-	-	33,409,237
Promissory note	4,181,836	-	-	6,011,807
Deferred payments on acquisition	420,196	-	1,928,023,241	3,551,829
Lease liability	687,430	-	965,349,736	2,464,172
Copper prepayment	4,814,681	-	-	6,921,585
Loans and borrowings	5,338,519	-	-	7,674,655
Net exposure	**(39,709,404)**	**(152,661,011)**	**(13,445,823,442)**	**(77,792,403)**

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company minimizes its credit exposure related to short term investments when applicable by selecting counterparties based on credit ratings and monitors all investments to ensure a stable return, avoiding complex investment vehicles with higher risk such as asset backed commercial paper. The Company's cash is held in significant financial institutions and the Company considers this risk to be remote.

(Unaudited, Expressed in Canadian Dollars)

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

The Company's receivables primarily include balances receivable from the government of Canada and Chile. The Company invests cash with financial institutions that are financially sound based on their credit rating.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, The Company's interest rate risk is minimal as there are no variable rate interest-bearing outstanding loans. The Company has not entered any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the exposure of the Company to the risk of being unable to meet its financial obligations as they come due. The Company manages liquidity risk by monitoring and reviewing actual and forecasted cash flows to ensure there are available cash resources to meet these needs.

The Company expects that cash and cash flow from operations, will be sufficient to fund its presently anticipated requirements for investments in working capital and capital assets.

Contractual cash flow requirements as at March 31, 2025, were as follows:

	year 1 $	year 2 $	year 3 $	year 4 $	> 4 years $	Total $
Loans and borrowings	1,068,624	6,291,861	127,014	83,723	103,432	7,674,655
Trade payables and accrued liabilities	24,371,564	-	-	-	-	24,371,564
Income tax payables	527,631	-	-	-	-	527,631
Deferred revenue	550,041	-	-	-	-	550,041
Lease liability	1,890,798	482,548	85,956	-	-	2,459,302
Copper prepayment liability	3,200,003	4,244,078	-	-	-	7,444,081
Asset retirement obligation - liability	644,816	202,464	5,797	30,536	7,610,406	8,494,019
VAT Liability	5,875,291	-	-	-	-	5,875,291
Deferred payments on acquisition	1,805,646	1,805,646	451,412	-	-	4,062,704
Promissory note	6,011,807	-	-	-	-	6,011,807
Royalty payments	835,806	1,042,499	1,139,050	1,714,272	2,287,413	7,019,040
Convertible debenture	-	33,409,237	-	-	-	33,409,237
Total	**46,782,027**	**47,478,334**	**1,809,229**	**1,828,531**	**10,001,251**	**107,899,372**

Commodity price risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper, gold, cobalt, lithium, and graphite. The Company monitors copper, gold, cobalt, lithium, and graphite prices to determine the appropriate course of action to be taken. The Company does not engage in programs to mitigate its exposure to commodity price risk. On March 31, 2025, the spot COMEX copper price was USD$ 4.9128/lb.

Capital management

The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to continue as a going concern. The Company considers capital to be the short-term and long-term debt, including convertible debenture, copper prepayment liability and other loans and borrowings, as well as equity. As at March 31, 2025, the total capital held by the Company is $49,839,638 (December 31, 2024 - $52,139,036). The Board of Directors of the Company does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds may be required to finance the Company. There has been no significant change to the Company's capital management policies during the three months ended March 31, 2025.

21. CONTINGENCIES

On May 28, 2021, the Company entered into agreement with Bluequest Resources AG ("Bluequest"), to acquire the rights to certain properties, plant and equipment related to Punitaqui. One of the considerations included a contingent consideration of up to USD$5,000,000 of additional payments subject to achieving certain production milestones at Punitaqui, with each milestone payment to be satisfied, at the election of Bluequest, by the payment of cash, the issuance of Common Shares at prevailing market prices (subject to a minimum issue price of $0.41), or a combination of both. The milestone payments include: (i) an amount equal to USD$2,000,000, payable 60 days following the date on which commercial restart is achieved, (ii) an amount equal to USD$1,000,000, payable 60 days following the date on which the first production milestone is achieved, (iii) an amount equal to USD$1,000,000, payable 60 days following the date on which the second production milestone is achieved, and (iv) an amount equal to USD$1,000,000, payable 60 days following the date on which the third production milestone is achieved. The production milestones include the achievement of aggregate production equal to or greater than 291,600 tonnes for the commercial restart milestone, aggregate production of 583,200 tonnes for the first production milestone, aggregate production of 874,800 tonnes for the second production milestone, and aggregate production of 1,166,400 tonnes for the third production milestone.

(Unaudited, Expressed in Canadian Dollars)

22. SEGMENTED INFORMATION

Operating segments are determined by the way information is reported and used by the Company's Chief Operating Decision Maker ("CODM") to review operating performance. The Company monitors the operating results of its operating segments independently for the purpose of making decisions about resource allocation and performance assessment.

The Company operates in three segments, one segment being the acquisition and exploration of exploration and evaluations assets located in Canada, United States, Chile and South Korea and the second segment for the operations of ESI, located in Canada and United States and the third segment being the corporate head office located in Canada.

The following table presents geographic information regarding operating segments.

For the year ended December 31, 2024	**ESI**	**Exploration and Evaluation Properties**				**Corporate**	**Total**
		Canada	**USA**	**South Korea**	**Chile**		
Exploration and evaluation	-	18,355,063	760,349	-	-	-	**19,115,412**
Property, plant, equipment	15,072,093	-	-	-	43,132,680	9,612	**58,214,385**
Total assets	20,229,318	18,527,032	760,349	22,550	55,267,264	551,365	**95,357,878**
Total liabilities	11,736,581	-	-	465,665	39,974,585	45,475,589	**97,652,421**

For the three months ended March 31, 2025	**ESI**	**Exploration and Evaluation Properties**				**Corporate**	**Total**
		Canada	**USA**	**South Korea**	**Chile**		
Exploration and evaluation	-	18,371,317	769,366	-	-	-	**19,140,683**
Property, plant, equipment	15,236,652	-	-	-	45,167,622	9,572	**60,413,846**
Total assets	20,190,359	18,546,212	769,366	-	56,150,063	874,777	**96,530,777**
Total liabilities	11,135,138	-	-	-	39,653,272	49,920,015	**100,708,425**

(Unaudited, Expressed in Canadian Dollars)

22. SEGMENTED INFORMATION (cont'd…)

For the three months ended March 31, 2023	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Revenue from contracts with customers	2,725,033	-	-	-	-	-	2,725,033
Total revenue	**2,725,033**	-	-	-	-	-	**2,725,033**
Depreciation of equipment	(699,345)	-	-	-	-	-	(699,345)
Impairment of exploration and evaluation assets	-	(8,094)	-	-	-	-	(8,094)
Management fees	(154,433)	-	(98,962)	-	-	(183,750)	(437,145)
Professional fees	-	-	-	-	-	(354,276)	(354,276)
Restricted stock units expense	-	-	-	-	-	(409,810)	(409,810)
Stock based compensation	-	-	-	-	-	(204,343)	(204,343)
Other costs and expenses	(2,296,086)	(591)	(162)	(47)	(18,396)	(400,109)	(2,715,391)
Loss from operations	**(424,831)**	**(8,685)**	**(99,124)**	**(47)**	**(18,396)**	**(1,552,288)**	**(2,103,371)**
Foreign exchange (loss) /gain	(10,018)	-	(77,096)	69,150	356,197	11,604	349,837
Finance costs	(117,310)	-	-	-	(57,469)	(517,401)	(692,180)
Other income and expenses	62,605	-	-	-	-	-	62,605
Gain (loss) for the year from continuing operations	**(489,554)**	**(8,685)**	**(176,220)**	**69,103**	**280,332**	**(2,058,085)**	**(2,383,109)**
Cumulative translation adjustment	(10,982)	-	(1,762)	(80,432)	3,077,381	-	2,984,205
Total net income (loss)	**(500,536)**	**(8,685)**	**(177,982)**	**(11,329)**	**3,357,713**	**(2,058,085)**	**601,096**

Non-cash items in net income (loss):

For the three months ended March 31, 2023	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Accretion	-	-	-	-	(57,469)	(517,401)	(574,870)
Depreciation of equipment	(699,345)	-	-	-	-	-	(699,345)
Impairment of exploration and evaluation assets	-	(8,094)	-	-	-	-	(8,094)
Restricted stock units expense	-	-	-	-	-	(409,810)	(409,810)
Stock based compensation	-	-	-	-	-	(204,343)	(204,343)
Unrealized forex translation loss (gain)	(10,061)	-	(35,026)	69,390	(317,731)	(42,064)	(335,492)
Total non- cash items in net income (loss)	**(709,406)**	**(8,094)**	**(35,026)**	**69,390**	**(375,200)**	**(1,173,618)**	**(2,231,954)**

(Unaudited, Expressed in Canadian Dollars)

22. SEGMENTED INFORMATION (cont'd…)

For the period ended March 31, 2025	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Revenue from contracts with customers	4,891,064	-	-	-	13,493,086	-	18,384,150
Cost of sales	(2,703,006)	-	-	-	(9,609,302)	-	(12,312,308)
Depreciation and amortization	(697,872)	-	-	-	(465,520)	-	(1,163,392)
Gross profit	**1,490,186**	**-**	**-**	**-**	**3,418,264**	**-**	**4,908,450**
Impairment of exploration and evaluation assets	-	-	-	-	-	-	-
Impairment of property, plant and equipment	-	-	-	-	-	-	-
Management fees	-	-	-	-	(299,394)	-	(299,394)
Professional fees	-	-	-	-	(45,709)	-	(45,709)
Performance share units expense	-	-	-	-	-	-	-
Restricted stock units expense	-	-	-	-	-	(5,577)	(5,577)
Stock based compensation	-	-	-	-	-	(7,255)	(7,255)
Other costs and expenses	(666,799)	-	(9,688)	-	(3,021,665)	(172)	(3,698,324)
Loss from operations	**823,387**	**-**	**(9,688)**	**-**	**51,496**	**(13,004)**	**852,191**
Foreign exchange (loss) gain	7,565	-	-	-	(1,243,298)		(1,235,733)
Finance costs	(267,576)	-	-	-	(549,757)	(3,254)	(820,587)
Gain on sale of royalty interest	-	-	-	-	132,998	-	132,998
Loss on contract termination	-	-	-	-	-	-	-
Loss on remeasurement of convertible debenture	-	-	-	-	-	(557,776)	(557,776)
Other income and expenses	15,048	-	-	-	-	-	15,048
Gain (loss) for the year from continuing operations	**578,424**	**-**	**(9,688)**	**-**	**(1,608,561)**	**(574,034)**	**(1,613,859)**
Income tax expense	-	-	-	-	-	-	-
Cumulative translation adjustment	(16,191)	-	671	-	(266,556)	-	(282,077)
Total net income (loss)	**562,233**	**-**	**(9,017)**	**-**	**(1,875,117)**	**(574,034)**	**(1,895,935)**

(Unaudited, Expressed in Canadian Dollars)

22. SEGMENTED INFORMATION (cont'd…)

Non-cash items in net income (loss):

For the period ended March 31, 2025	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Accretion	(57,114)	-	-	-	(57,398)	53,171	(61,342)
Depreciation of equipment	(697,864)	-	-	-	(465,528)	-	(1,163,392)
Impairment of exploration and evaluation assets	-	-	-	-	-	-	-
Performance share units expense	-	-	-	-	-	-	-
Restricted stock units expense	-	-	-	-	-	(5,577)	(5,577)
Stock based compensation	-	-	-	-	-	(7,255)	(7,255)
Loss on finance lease termination	-	-	-	-	-	-	-
Current income tax expense	-	-	-	-	-	-	-
Loss on remeasurement of convertible debenture	-	-	-	-	-	(557,776)	(557,776)
Unrealized foreign exchange translation (loss) gain	(781)	-	(687)	-	(153,463)	3,427	(151,504)
Total non- cash items in net (loss) income	**(755,760)**	**-**	**(687)**	**-**	**(676,389)**	**(514,010)**	**(1,946,846)**

23. SUBSEQUENT EVENTS

On April 11, 2025, the Company announced that Weston II and Weston III, have agreed to settle an aggregate of USD 2,583,667 (CAD 3,683,008 equivalent) in outstanding indebtedness (including accrued and unpaid interest) owed by the Company in exchange for a 0.9352% gross revenue royalty ("GRR") on mining claims, mining leases and mineral tenures comprising the Company's Punitaqui copper mine and any third-party ore or other materials processed through the Punitaqui mill to December 31, 2027. In addition, Weston III has agreed to extend the maturity on an aggregate of USD 1,601,111 (CAD $2,282,378 equivalent) in outstanding indebtedness (including accrued and unpaid interest) owed by Minera to June 30, 2025.

On July 9, 2025, the Company entered into definitive agreements with Weston II and Weston Energy III to sell them a Gross Revenue Royalty (a "GRR") totalling 0.8232% in the aggregate, on the gross revenues produced by Punitaqui, in exchange for extinguishing debts (the "Extinguished Debts") owing by the Company (or its wholly-owned subsidiaries) to Weston in the aggregate amount of US$2,694,721 (C$3,841,324) (the "Transaction"). The GRR issued to Weston is on substantially similar terms to the Company's previously announced royalty transaction with Electric Royalties Ltd., described in the press release of the Company dated November 25, 2024.

Transaction Terms with Weston II and Weston III

Specifically, the Transaction was effected by the following agreements:

- an agreement with Weston II pursuant to which the Company sold a 0.4840% GRR (the "Weston II Royalty") on the Project in exchange for extinguishing all amounts (including accrued and outstanding interest) owing by the Company to Weston II pursuant to the promissory note issued by the Company to Weston II on September 6, 2024 (as further described in the press releases of the Company dated September 9, 2024 and September 12, 2024), being an aggregate of US$1,584,333 (C$2,258,466); and
- an agreement with Weston III pursuant to which the Company sold a 0.3392% GRR (the "Weston III Royalty", and together with the Weston II Royalty, the "Royalties") on the Project in exchange for extinguishing an amount equal to US$1,110,388 (C$1,582,858) out of the amount owing by Minera BMR Spa ("Minera"), a wholly-owned subsidiary of the Company, to Weston III pursuant to the promissory note issued by Minera to Weston III on October 9, 2024 (as further described in the press release of the Company dated October 15, 2024) (the "October 9 Note").

In addition to the ores produced from the Punitaqui mines, the Royalties will apply to any third-party ore or other materials processed through the Punitaqui mill from the effective date of the definitive agreement, to December 31, 2027.

The Company will have the right to buy back the Royalties sold to Weston II and Weston III for: (i) in the case of the Weston II Royalty, a cash payment of US$1,935,829 (C$2,759,524) from the date on which the Company will have made royalty payments to Weston II in excess of C$2,581,105; and (ii) in the case of Weston III Royalty, a cash payment of US$1,356,735 (C$1,934,025) from the date on which the Company will have made royalty payments to Weston III in excess of C$1,808,980.

Concurrently with closing the Transaction, Minera issued an amended and restated promissory note (the "New Note") to Weston III in the amount of US$1,491,834 (C$2,126,609), representing the remaining amount owing by Minera to Weston III pursuant to the October 9 Note not extinguished pursuant to the Transaction. The New Note has the same terms as the October 9 Note, other than the amount and maturity date. Specifically, the New Note matures on October 31, 2025 and accrues interest at a rate per annum equal to eight percent (8%). The New Note is unsecured and no bonus securities were issued for the New Note.