BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 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 condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Battery Mineral Resources Corp. (the “Company”) for the three and nine months ended September 30, 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

BATTERY MINERAL RESOURCES
Fiscal Period **September 30, 2025**
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Reported in CAD

	Note	September 30, 2025	December 31, 2024
ASSETS			
Current assets			
Cash		$ **1,590,369**	$ 2,859,283
Accounts receivables	4	**5,861,510**	8,909,287
Sales tax / VAT receivables	4	**9,792,785**	3,626,308
Inventories	5	**5,112,979**	1,856,981
Prepaids		**509,011**	618,912
Total current assets		**22,866,654**	17,870,771
Non-current assets			
Mineral properties, plant and equipment	6	**64,251,706**	58,214,385
Intangible assets		**142,884**	157,310
Exploration and evaluation assets	7	**18,387,839**	19,115,412
Total non-current assets		**82,782,429**	77,487,107
TOTAL ASSETS		$ **105,649,083**	$ 95,357,878
LIABILITIES			
Current liabilities			
Trade payables	8	$ **18,642,686**	$ 8,638,615
VAT payables	8	**8,523,432**	3,737,812
Accrued expenses	8	**9,495,438**	5,879,786
Accrued remuneration and other payables	8	**2,263,479**	2,038,162
Income taxes payable		**219,897**	901,960
Current portion of lease liability	12	**870,717**	2,058,425
Current portion of loans and borrowings	15	**1,181,723**	1,039,508
Convertible debenture	16	**33,883,928**	32,643,225
Promissory note	13	**3,024,326**	5,893,929
Current portion of deferred payments on acquisition	10	**1,666,599**	1,722,627
Current portion of copper prepayment liability	11	**3,235,233**	3,202,897
VAT export program - promissory note payable	9	**5,926,331**	5,445,067
Deferred revenue		**588,206**	740,294
Total current liabilities		**89,521,995**	73,942,307
Non-current liabilities			
Lease liability	12	**324,303**	995,919
Deferred payments on acquisition	10	**1,030,280**	1,993,637
Loans and borrowings	15	**6,151,214**	6,886,226
Copper prepayment liability	11	**2,899,225**	4,767,792
Asset retirement obligation	14	**8,406,483**	8,182,896
Income tax provision		**883,644**	883,644
Total non-current liabilities		**19,695,149**	23,710,114
TOTAL LIABILITIES		$ **109,217,144**	$ 97,652,421
EQUITY			
Share capital	17	**64,649,468**	64,524,885
Contributed surplus	17	**24,594,836**	22,508,911
Accumulated other comprehensive loss		**(3,163,797)**	(3,547,668)
Deficit		**(89,648,568)**	(85,780,671)
TOTAL (DEFICIT) EQUITY		**(3,568,061)**	(2,294,543)
TOTAL LIABILITIES AND EQUITY		$ **105,649,083**	$ 95,357,878

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

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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 September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
REVENUE					
Sales	18	**$ 15,135,864**	$ 13,735,757	**$ 48,725,422**	$ 21,160,769
Cost of sales		**8,608,815**	9,337,904	**29,122,576**	10,308,337
Depreciation and amortization		**999,872**	1,102,017	**3,400,869**	2,570,866
Gross profit		**5,527,177**	3,295,836	**16,201,977**	8,281,566
EXPENSES					
Impairment of exploration and evaluation assets	7	**749,481**	-	**749,481**	3,626
Impairment of property, plant and equipment	6	**-**	96,528	**-**	96,528
Management fees		**338,938**	666,014	**811,304**	1,641,636
Operating and maintenance		**1,149,101**	1,170,237	**4,504,008**	3,814,790
Professional fees		**59,583**	52,904	**586,401**	455,098
Restricted share units expense	17	**585**	7,741	**8,555**	198,613
Performance share units expense	17	**-**	-	**-**	98,106
General and administration		**1,819,291**	3,729,916	**8,795,985**	10,066,961
Stock option expense	17	**-**	18,342	**9,636**	136,595
Gain/(Loss) from operations		**1,410,198**	(2,445,846)	**736,607**	(8,230,387)
Finance costs	11,12,13,15,16	**(5,846,155)**	(935,531)	**(7,571,732)**	(2,424,907)
Foreign exchange gain/(loss)		**3,867,815**	(814,589)	**337,225**	(631,784)
Gain on sale of royalty interest	6	**-**	-	**132,998**	-
Gain/(Loss) on remeasurement of convertible debentures	16	**832,134**	281,394	**1,095,030**	(367,422)
Other income		**16,923**	51,645	**61,707**	144,584
Gain/(Loss) before taxes		**$ 280,915**	$ (3,862,927)	**$ (5,208,165)**	$ (11,509,916)
Income taxes					
Current Income tax expense		**-**	-	**-**	(956)
Gain/(Loss) for the period		**280,915**	(3,862,927)	**(5,208,165)**	(11,510,872)
Currency translation adjustment		**(414,409)**	(775,336)	**383,871**	(2,299,558)
Comprehensive gain/(loss) for the period attributable to common shareholders		**$ (133,494)**	$ (4,638,263)	**$ (4,824,294)**	$ (13,810,430)
Gain/(Loss) per share					
Basic gain/(loss) per ordinary share		**$ 0.00**	$ (0.02)	**$ (0.03)**	$ (0.06)
Basic weighted average number of ordinary shares outstanding		**181,070,296**	180,986,963	**181,070,296**	180,842,601
Gain/(Loss) per share - attributable to common shareholders					
Diluted gain/(loss) per ordinary share		**$ 0.00**	$ (0.02)	**$ (0.03)**	$ (0.06)
Diluted weighted average number of ordinary shares outstanding		**181,418,465**	180,986,963	**181,418,465**	180,842,601

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 otherwise indicated)

	No. 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)**	**(85,780,672)**	**(2,294,543)**
Restricted share units expense (Note 17)	291,668	-	8,555	-	-	8,555
Restricted share units - vested and exercised	-	124,583	(124,583)	-	-	-
Sale of interest in mineral properties	-	-	3,532,586	-	-	3,532,586
Stock based compensation (Note 17)	-	-	(1,330,633)	-	1,340,269	9,636
Gain/(Loss) for the period	-	-	-	-	(5,208,165)	(5,208,165)
Currency translation adjustment	-	-	-	383,871	-	383,871
Balance at September 30, 2025	**181,320,298**	**64,649,468**	**24,594,836**	**(3,163,797)**	**(89,648,568)**	**(3,568,061)**

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		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
CASH FLOWS FROM (TO) OPERATING ACTIVITIES				
Net gain/(loss) for the period	**$ 280,915**	$ (3,862,927)	**$ (5,208,165)**	$ (11,510,872)
Items not affecting cash:				
Accretion	**31,887**	628,011	**647,370**	1,609,466
Depreciation	**999,871**	1,102,017	**3,400,869**	2,570,866
Impairment of exploration and evaluation assets	**-**	-	**-**	3,626
Impairment of property, plant and equipment	**749,481**	96,528	**749,481**	96,528
Sale of interest in mineral properties	**3,532,587**	-	**3,532,587**	-
Restricted share units expense	**116,614**	7,741	**124,584**	198,613
Stock option expense	**(1,340,269)**	18,342	**(1,330,633)**	136,595
Performance share units expense	**-**	-	**-**	98,106
Loss on finance lease termination	**-**	(145,319)	**-**	(138,604)
Gain on sale of royalty interest	**-**	-	**(132,998)**	-
Finance costs	**2,557,862**	-	**3,758,661**	-
Loss/(Gain) on remeasurement of asset retirement obligation	**330,149**	-	**152,535**	-
Loss/(Gain) on remeasurement of VAT Liability	**1,281**	-	**(167,996)**	-
Loss/(Gain) on remeasurement of convertible debenture	**(977,807)**	(281,394)	**(1,240,703)**	367,422
Unrealized foreign translation loss/(gain)	**(1,057,728)**	(51,214)	**2,232,819**	(234,019)
Changes in non-cash working capital items:				
Inventory	**(3,199,069)**	(526,663)	**(3,234,277)**	(549,215)
Receivables	**(2,323,835)**	(1,816,451)	**(3,097,894)**	(759,178)
Prepaid expenses	**(155,413)**	(80,835)	**109,168**	(85,264)
VAT export program - promissory note payable	**-**	1,604,135	**-**	523,265
Trade and other payables	**9,249,239**	4,368,329	**18,506,372**	7,608,996
Income taxes payable	**(8,740)**	-	**(682,063)**	(90,631)
Deferred revenue	**24,488**	59,587	**(152,087)**	101,984
Other current assets	**-**	-	**-**	(242,031)
Other non-current assets	**-**	614,009	**-**	3,413,969
Other non-current liabilities	**-**	2,216,273	**-**	(1,538,140)
Net cash provided by continuing operating activities	**8,811,513**	3,950,169	**17,967,630**	1,581,482
CASH FLOWS FROM (TO) INVESTING ACTIVITIES				
Exploration and evaluation assets - Punitaqui	**-**	1,772,926	**-**	(5,695,218)
Exploration and evaluation assets - other	**(10,282)**	(179,812)	**(43,064)**	(364,124)
Sale of mineral interest	**-**	-	**(10,523)**	-
Disposal of property, plant and equipment	**(721,535)**	-	**(721,535)**	-
Acquisition of property, plant and equipment - Punitaqui	**(2,321,545)**	200,105	**(7,914,428)**	-
Other acquisition of property, plant and equipment	**(1,053,757)**	(4,576,711)	**(2,723,837)**	(8,457,132)
Purchase of intangible assets	**-**	(708)	**-**	(6,770)
Lease payments	**(564,610)**	-	**(1,830,220)**	-
Net cash used in investing activities	**(4,671,729)**	(2,784,200)	**(13,243,607)**	(14,523,244)
CASH FLOWS FROM (TO) FINANCING ACTIVITIES				
Proceeds from new convertible debenture	**-**	276,920	**-**	2,156,592
Proceeds (payments) from deferred payments on acquisition	**(424,582)**	-	**(1,309,196)**	-
Proceeds (payments) from copper prepayment	**(1,064,152)**	-	**(2,316,367)**	7,013,161
Proceeds (payments) from loans and borrowings	**(63,863)**	366,920	**(1,061,414)**	7,949,304
Proceeds from bridge loan and promissory note	**(3,689,881)**	997,650	**(3,689,881)**	2,024,850
Proceeds from royalty financing	**-**	-	**143,523**	-
Repayment of long term debt	**-**	(1,106,428)	**-**	(3,600,230)
Net cash (used in) provided by financing activities	**(5,242,478)**	535,062	**(8,233,335)**	15,543,677
Effects of exchange rate changes on cash and cash equivalent	**1,844,392**	(250,440)	**2,240,398**	(218,248)
Change in cash during the period	**741,698**	1,450,591	**(1,268,914)**	2,383,667
Cash, beginning of the period	**848,671**	1,821,217	**2,859,283**	888,141
Cash, end of the period	**$ 1,590,369**	$ 3,271,808	**$ 1,590,369**	$ 3,271,808

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 1111 West Hastings Street, 15th Floor, Vancouver, BC V6E 2J3. Trading of the Company's common shares on the TSX Venture Exchange ("TSXV") commenced on February 22, 2021 under the ticker "BMR".

The Company's principal business activities include the mine operations at the producing Punitaqui Mine Complex ("Punitaqui"), located in Chile, and the acquisition and exploration of mineral exploration and evaluation assets in Canada, the United States, and Chile. The Company's holdings include exploration and mining properties targeting copper-gold-silver, cobalt-silver, and lithium.

The Company has not yet determined whether the exploration and evaluation properties contain economically recoverable mineral resources. The underlying value of the resource interests depends entirely on the existence of economically recoverable resources, the Company's ability to obtain the financing necessary to complete development, and its capacity to achieve future profitable production. The amounts shown as exploration and evaluation properties represent net costs incurred 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"), which is engaged in the sale and rental of backfill separation machines (padding machines) to mainline pipeline, renewables and utility construction, and oilfield pipeline and construction contractors.

At September 30, 2025, the Company had a working capital deficiency of $66,655,341 (December 31, 2024 – working capital deficiency of $56,071,536). For the three and nine months ended September 30, 2025, the Company recorded a net gain of $280,915 and net loss of $5,208,164 (2024 – net loss of $3,862,927 and $11,510,872). For the three and nine months ended September 30, 2025, the Company recorded net cash inflow from operating activities of $8,811,513 and $17,967,630 (2024 – cash inflow from operating activities of $3,950,169 and $1,581,482). During the nine months ended September 30, 2025, the Company did not make the first milestone payment of US$2,000,000 owing under the amended and restated loan purchase agreement with Bluequest Resources AG ("Bluequest") (Note 21). The amount has been recorded in trade and accounts payable (Note 8 and 21). The Company has been in active discussions with the vendor to renegotiate the payment terms; however, no agreement had been reached as of September 30, 2025, and the outcome of these discussions is uncertain.

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 its 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 the carrying values of assets and liabilities, or to the reported consolidated statements of financial position classifications, that would be necessary if the going concern assumption were inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 (the "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 were prepared in accordance with IFRS as issued by the IASB.

These Financial Statements were authorized for issue by the Board of Directors on December 1, 2025.

Basis of presentation

The Financial Statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value through profit or loss ("FVTPL"). In addition, the Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These Financial Statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the parent company.

The financial statements of the Company and each of its subsidiaries are prepared using their respective 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 United States ("US") dollar. The functional currency of Minera BMR SpA ("Minera") was the Chilean peso as of September 30, 2024, and was subsequently changed to US dollar on the basis that the project moved into the development phase. The change in functional currency has been applied prospectively. The presentation currency of the Company is the Canadian dollar.

Basis of consolidation

These Company Financial Statements include the following wholly owned subsidiaries:

Name of Subsidiary	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.	Energy Service Company	Canada
Ozzies, Inc. (formerly ESI Pipeline Services, Inc.)	Energy Service Company	USA
Energy Services (Australia) Pty Ltd.	Energy Service Company	Australia
Minera BMR SpA	Mineral Production	Chile

2. BASIS OF PREPARATION (continued)

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 intercompany 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 Financial Statements in conformity with IFRS Accounting Standards requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of income and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events, or actions to form the basis for judgements and estimates, actual results may differ from those estimates. Areas of judgement that have the most significant effect on the amounts recognized in these Financial Statements are disclosed in Note 2 to 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 Financial Statements are consistent with those disclosed in Note 3 to the annual financial statements for the year ended December 31, 2024, including 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, 2023.

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 is based solely on rights that exist 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
- clarify that settlement includes transfers to the counterparty of cash, equity instruments, other assets, or services that result in the 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 on the Company's convertible debentures, which include a conversion option accounted for as an embedded derivative. Under the revised definition of settlement, 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 may demand settlement of the liability in shares at any time in a manner that would extinguish the liability. Furthermore, because settlement may occur through the transfer of the Company's own equity instruments under a conversion option that was classified as a liability on initial recognition (and not as an equity instrument), the Company does not meet the exception criterion described above. Accordingly, settlement through the transfer of the Company's own equity instruments is considered 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 as 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 (continued)

Accordingly, upon adoption of these amendments, certain amounts in the comparative period have been reclassified to reflect their retrospective application. Application of the amendments in the comparative period resulted in an increase in current liabilities of $24,869,560 and a corresponding decrease in non-current liabilities of $24,869,560, due to the Company's convertible debenture being reclassified from non-current liabilities to current liabilities 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 on 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 that 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 requirements for financial instruments to address matters identified during the post-implementation review of IFRS 9. The IASB clarified the recognition and derecognition dates of certain financial assets and financial liabilities and amended the requirements related to settling financial liabilities through 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 with environmental, social, and governance-linked 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 the disclosure requirements for 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 amendments 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, certain 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	3,259,558	698,443
Income tax gain (expense)	$ (825,883)	$ 1,865,562	$ 1,039,679

(Unaudited – expressed in Canadian dollars)

4. RECEIVABLES

Beginning in the current period, the Company disaggregated receivables on the face of the financial statements into ‘Accounts receivable’ and ‘Sales tax / VAT receivables’ to provide more relevant information.

5. INVENTORIES

	September 30, 2025	December 31, 2024
Concentrates	$ **2,746,687**	$ 742,125
Stockpiles	**2,366,292**	1,114,856
Total	$ **5,112,979**	$ 1,856,981

The amount of inventories recognized in cost of sales was $21,814,624 during the nine months ended September 30, 2025 (2024 – $8,733,172).

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	-	4,111,391	3,751,786	3,041,856	874,400	5,795	-	**11,785,227**
Sale of mineral interests	-	-	(167,501)	-	-	-	-	**(167,501)**
Disposals - Asset retirement obligation	-	(145,350)	-	-	-	-	-	**(145,350)**
Disposals	-	-	-	(713,728)	-	-	(120,383)	**(834,111)**
Foreign currency translation adjustment	(156,358)	(292,084)	(881,477)	(1,222,152)	(52,608)	(52,276)	(129,961)	**(2,786,917)**
At September 30, 2025	$ **5,229,673**	$ **22,153,253**	$ **20,641,558**	$ **44,924,516**	$ **3,603,177**	$ **668,007**	$ **2,388,682**	$ **99,608,864**
Accumulated depreciation								
At December 31, 2024	$ **(1,063,617)**	$ **(270,179)**	$ **-**	$ **(30,714,196)**	$ **-**	$ **(78,720)**	$ **(1,416,419)**	$ **(33,543,131)**
Depreciation	(90,556)	(772,034)	-	(1,766,843)	-	(123,493)	(639,215)	**(3,392,141)**
Disposals	-	-	-	553,949	-	-	-	**553,949**
Foreign currency translation adjustment	26,999	80,366	-	854,455	-	16,297	46,048	**1,024,165**
At September 30, 2025	$ **(1,127,174)**	$ **(961,847)**	$ **-**	$ **(31,072,635)**	$ **-**	$ **(185,916)**	$ **(2,009,587)**	$ **(35,357,159)**
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 September 30, 2025	$ **4,102,499**	$ **21,191,406**	$ **20,641,558**	$ **13,851,881**	$ **3,603,177**	$ **482,091**	$ **379,095**	$ **64,251,706**

As at September 30, 2025, padding equipment included assets under construction with a cost of $3,045,624 (December 31, 2024 – $1,158,656). No depreciation was recorded for assets under construction. No impairment charge was recognized on property and equipment during the nine months ended September 30, 2025 (December 31, 2024 – $nil).

6. MINERAL PROPERTIES, PLANT, AND EQUIPMENT (continued)

Chile Copper Project

Punitaqui Mining Complex, Chile

The Company holds the rights to a 100% equity interest in the Punitaqui Mining Complex ("Punitaqui") in the Coquimbo region of Chile.

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

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

In accordance with IFRS 16, the Company conducted an impairment assessment of its mineral properties, plant, and equipment. As a result of the assessment, the Company recognized impairment losses related to plant and equipment arising from the difference between value in use and carrying amount. This impairment total of $16,894,895 was allocated on a pro rata basis to the relevant asset classes. The impairment was determined in accordance with IAS 36, and the impairment charges were 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 totaling $1,339,616, which related to plant and equipment and were allocated on a pro rata basis to the relevant asset classes, including mineral properties. The impairment was determined in accordance with IAS 36, and the impairment charge was recorded as other expenses in the statement of loss and comprehensive loss. Management will continue to monitor the assets and reassess their value periodically.

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

Commodity Price Assumptions

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

Discount Rates

A pre-tax discount rate of 26% was used in preparing the discounted cash flow model. The discount rate was based on mining market participants' weighted average costs of capital, adjusted for asset-specific risks where appropriate.

Reserves and Resources and Mine Production

Future mineral production was incorporated into the life-of-mine projected cash flows based on plant capacities, resource estimates, and exploration and evaluation work undertaken by appropriately qualified persons.

6. MINERAL PROPERTIES, PLANT, AND EQUIPMENT (continued)

Operating Costs and Capital Expenditures

Operating costs and capital expenditures were based on life-of-mine plans and internal management forecasts. Cost estimates incorporated management's experience and expertise, current operating costs, and the nature, location, and risks of the operation. Future capital expenditures were based on management's best estimate of expected future capital requirements, with input from subject-matter experts where appropriate. All committed and anticipated capital expenditures were included in the projected cash flows. Operating costs 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 interests

Electric Royalties

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 US$1,500,000 once 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 0.15% GRR to investors for additional cash consideration of $500,000, and a further US$100,000 was received in January 2025 for a 0.03% GRR.

The sale of these royalty interests was accounted for as a sale of a mineral interest. The portion of the mineral interest sold was determined based on the difference in the net present value of the Company's Punitaqui Project calculated using cash flow projections with and without the royalty payments. The portion of the cash proceeds received from Electric Royalties that exceeded the value of the mineral interest sold was recorded as a gain during the year.

Weston Energy

On July 9, 2025, the Company closed an additional sale of royalty interest, whereby Weston Energy II, LLC ("Weston II") and Weston Energy III, LLC ("Weston III") converted a total of $3,689,881 of indebtedness owing to them (Note 13) in exchange for a total GRR of 0.8232%. The Company has the right to buy back the GRR for: (i) in the case of Weston II, a cash payment of US$1,935,829 once the Company has made royalty payments to Weston II in excess of $2,581,105; and (ii) in the case of Weston III, a cash payment of US$1,356,735 once the Company has made royalty payments to Weston III in excess of $1,808,980.

The sale of these royalty interests was accounted for as a sale of a mineral interest. The portion of the mineral interest sold was determined based on the difference in the net present value of the Company's Punitaqui Project calculated using cash flow projections with and without the royalty payments. The portion of the debt forgiveness by Weston II and Weston III that exceeded the value of the mineral interest sold was recorded as an increase to contributed surplus.

For the nine-month period ended September 30, 2025, the Company sold mineral properties totaling $167,817 (September 30, 2024 – $nil) and recorded a gain on the sale of a royalty interest of $132,998 (September 30, 2024 – $nil). In addition, the Company recorded a gain on sale in mineral properties of $3,532,586 which was recorded in contributed surplus.

(Unaudited – expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

The following table presents expenditures incurred on the exploration and evaluation assets for the nine months ended September 30, 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, 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, December 31, 2024	**18,355,063**	**760,349**	**-**	**-**	**-**	**19,115,412**
Additions during the year	32,776	10,288	-	-	-	43,064
Impairment	-	(749,481)	-	-	-	(749,481)
Transfers to mineral properties, plant and equipment	-	-	-	-	-	-
Currency translation adjustment	-	(21,156)	-	-	-	(21,156)
Balance, September 30, 2025	**18,387,839**	**-**	**-**	**-**	**-**	**18,387,839**

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 return (“NSR”) royalties ranging from 1.0% to 2.0%. The Company holds buyback rights allowing it to repurchase a 1.5% NSR royalty 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 royalties ranging from 1.0% to 3.0%. The Company holds buyback rights allowing it to repurchase an NSR royalty between 0.5% and 1.0% for payments ranging from $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 2.0% gross smelter return (“GSR”) royalty. The Company holds buyback rights allowing it to repurchase a 1.0% GSR royalty for $1,000,000 and a further 1.0% GSR royalty for an incremental $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 1.0% NSR royalty. The Company holds buyback rights allowing it to repurchase a 0.5% NSR royalty for $250,000.

Elk Lake project area, Ontario, Canada

In December 2024, the Company elected to reduce its holdings in the Elk Lake project, resulting in an impairment of the asset. As at September 30, 2025, the Company recorded no additional impairment expense (September 30, 2024 – $nil).

Wilder-Kell project area, Ontario, Canada

Wilder project area (Kell claims), Ontario, Canada

The Company has a purchase option agreement with Ashley Mining Company Limited (“Ashley”) to acquire a 100% interest in the Kell claims located in Ontario. The property is subject to a 1.0% NSR royalty. The Company holds buyback rights allowing it to repurchase the 1.0% NSR royalty for $2,000,000.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Canadian Cobalt Projects (continued)

Wilder project area (Thompson claims), Ontario, Canada

The Company has a purchase option agreement with Ashley to acquire a 100% interest in the Thompson claims located in Ontario. The property is subject to a 1.0% NSR royalty. The Company holds buyback rights allowing it to repurchase the 1.0% NSR royalty for $2,000,000.

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

The Company has a purchase option agreement with Ashley to acquire a 100% interest in the White Reserve claims located in Ontario. The property is subject to a 1% NSR royalty. The Company holds buyback rights allowing it to repurchase the 1.0% NSR royalty for $2,000,000.

In December 2024, the Company elected to reduce its holdings in the White Reserve project, resulting in an impairment of the asset. During the nine-month period ended September 30, 2025, the Company recorded no additional impairment expense (September 30, 2024 – $nil).

United States (“USA”) Cobalt Projects

Bonanza project, Idaho, USA

The Company previously held a 100% interest in certain land tenure rights in the Bonanza project in Idaho. The property was subject to a 0.5% NSR royalty, with buyback rights allowing the Company to repurchase the 0.5% NSR royalty for US$1,000,000.

In September 2025, the Company relinquished 100% of the property tenure rights in the Bonanza Project in Idaho and recorded an impairment of $749,481 in the period. As a result of the relinquishment, the associated NSR royalty and related buyback rights are no longer applicable.

Chile Copper

Punitaqui Project

In accordance with IFRS 16, the Company 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 related to the Punitaqui exploration and evaluation asset arising from the difference between value in use and carrying amount. This impairment total of $15,551,507 was determined in accordance with IAS 36, and the impairment charges were recorded as other expenses in the statement of loss and comprehensive loss.

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

8. TRADES AND OTHER PAYABLES

Beginning in the current period, the Company disaggregated trade and other payables on the face of the financial statements into ‘Trade payables,’ ‘VAT payables,’ ‘Accrued expenses,’ and ‘Accrued remuneration and other payables’ to provide more relevant information.

Included in ‘Accrued expenses’ is $2,784,200 (USD 2,000,000) owing to BlueQuest for the first milestone payment. The Company is in active discussions with the vendor regarding the outstanding amount (Note 1 and 21).

(Unaudited – expressed in Canadian dollars)

9. VAT EXPORT PROGRAM – PROMISSORY NOTE PAYABLE

Following the acquisition of the Punitaqui Mining Complex, the Company applied for, and received approval from, the Chilean Ministry of Economy, Development, and Tourism (the "Ministry of Economy") to participate in a VAT-recovery program established by the Chilean government to incentivize exports (the "VAT Export Program"). The VAT Export Program allows the Company to recover VAT paid on goods and services purchased in advance of achieving agreed-upon amounts of mineral concentrates to be exported. As of September 30, 2025, the Company had recovered $5,926,331 (December 31, 2024 – $5,445,067) under the VAT Export Program.

As part of the VAT Export Program requirements, the Company issued promissory notes to the Chilean Treasury Department for the same amounts of VAT recovered. The promissory notes guarantee the VAT recovered in the event that the Company does not demonstrate to the Ministry of Economy that it has exported mineral concentrates with the minimum export value, which was US$35.1 million at the commencement of the Company's participation in the program (the "Original Export Requirement") by December 31, 2023 (the "Original Export Deadline"). The Company did not meet the Original Export Requirement by the Original Export Deadline. In October 2023, the Company submitted a request to extend the deadline to meet the Original Export Requirement (the "Request"). On November 29, 2023, the Ministry of Economy approved the Request and extended the deadline to December 31, 2025 (the "Revised Export Deadline"). As part of the approval, the Ministry of Economy increased the minimum export value requirement to US$37.2 million (the "Revised Export Requirement").

10. DEFERRED PAYMENTS ON ACQUISITION

		September 30, 2025		December 31, 2024
Deferred payment, beginning of the year	**$**	**3,716,264**	$	5,070,680
Paid or accured during the period		**(1,309,196)**		(1,709,122)
Accretion expense		**283,221**		495,718
Currency translation adjustment, net of foreign currency impact		**6,590**		(141,012)
Deferred payment, end of the period	**$**	**2,696,879**	$	3,716,264
Current		**(1,666,599)**		(1,722,627)
Long-term		**1,030,280**		1,993,637

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

On September 28, 2023, the Company amended the timing of the deferred payments related to the acquisition of Punitaqui by postponing the quarterly payments that were due on September 30, 2023 and December 31, 2023 to March 31, 2027 and June 30, 2027 respectively.

The undiscounted payments remaining as at September 30, 2025 were $3,002,229 (December 31, 2024 – $4,306,568), while the discounted deferred payments remaining as at September 30, 2025 were $2,696,879 (December 31, 2024 – $3,716,264). This liability was discounted at a rate of 11%.

(Unaudited – expressed in Canadian dollars)

11. COPPER PREPAYMENT LIABILITY

	September 30, 2025	December 31, 2024
Balance at the beginning of the year	**$ 7,970,689**	$ -
Payments during the period	**(2,316,367)**	6,735,500
Accrued Interest	**594,660**	748,995
Foreign currency translation adjustment	**(114,523)**	486,194
Balance at the end of the period	**$ 6,134,459**	$ 7,970,689
Current	**(3,235,233)**	(3,202,897)
Long-term	**2,899,225**	4,767,792

On February 12, 2024, the Company's wholly owned Chilean subsidiary, Minera BMR SpA ("Minera"), entered into a marketing agreement, a master purchase and sale agreement, a copper concentrate prepayment arrangement, 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 (the "Product") produced at the Company's Punitaqui Project. Javelin agreed to prepay Minera US$5,000,000 in respect of future deliveries of copper concentrate by Minera to Javelin. Javelin will also establish an advance payment terms facility in an aggregate amount of up to US$20,000,000. On March 8, 2024, Minera received the copper concentrate prepayment amount of US$5,000,000 from Javelin. As at September 30, 2025, no additional advance payments had been made to Minera 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 is 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 Secured Overnight Financing Rate ("SOFR") (subject to a 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, beginning January 1, 2025. In addition, the Company will provide Javelin with a fixed discount of US$92 per metric tonne.

The early repayment option, variable interest rate feature, and interest rate floor in the Javelin Agreements represent embedded derivatives that are closely related to the host contract. Accordingly, upon initially recognizing the prepayment amount as a financial liability at its fair value, the Company elected to subsequently measure the prepayment liability at amortized cost using an effective interest rate of 12.61%.

(Unaudited – expressed in Canadian dollars)

12. LEASE LIABILITY

Sale-leaseback transaction

On June 10, 2022, the Company entered into a sale-leaseback agreement with an unrelated party involving land and buildings located in Phoenix, Arizona, USA. Under the arrangement, the property, which had 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 net sale proceeds of US$6,390,263 after deducting sale-related expenses of US$509,736.

The Company used the net sale proceeds to repay two mortgage loans totaling US$2,087,109 and US$1,200,000, with aggregate payment of US$3,358,459 after including additional costs related to the early retirement of the loans (Refer to Note 15 – 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 total lease payments of $1,700,336 and a right-of-use asset of $429,500, which will be depreciated over the term of the leaseback agreement. The Company recorded a gain of $4,689,491 on the sale-leaseback transaction.

Mining equipment leases

The Company also 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 lease liabilities and corresponding right-of-use assets totaling $3,853,915. The right-of-use assets are amortized over the terms of the respective lease agreements.

As at September 30, 2025, depreciation of $639,215 (December 31, 2024 – $68,226) on the right-of-use assets and interest of $180,650 (December 31, 2024 – $464,945) were recorded on the lease. Total cash outflow, including interest, for the lease during the period was $1,830,220 (December 31, 2024 – $2,666,239). The carrying amount of the right-of-use assets related to the leased property as at September 30, 2025, was $379,095 (December 31, 2024 – $1,222,607), and the lease liability was $1,195,020 (December 31, 2024 – $3,054,344).

The continuity of the Company's contractual lease liabilities as of September 30, 2025, and December 31, 2024, are presented below:

	September 30, 2025	December 31, 2024
Lease liabilities, beginning of the year	**$ 3,054,344**	$ 1,319,335
Additions	**-**	3,746,454
Disposal	**(167,586)**	-
Lease payments	**(1,830,220)**	(2,666,239)
Interest expense	**180,650**	464,945
Exchange rate movements	**(42,167)**	189,849
Lease laibilities, end of period	**$ 1,195,020**	$ 3,054,344
Lease liabilities - current portion	**(870,717)**	(2,058,425)
Lease liabilities - long-term portion	**324,303**	995,919

(Unaudited – expressed in Canadian dollars)

13. PROMISSORY NOTES

		September 30, 2025		December 31, 2024
Principal amount	**$**	**2,986,021**	$	5,755,600
Interest accrued		**38,305**		138,329
Total	**$**	**3,024,326**	$	5,893,929

On June 26, 2024, the Company entered into a short-term debt financing arrangement with Weston II for US$750,000. In connection with this financing, the Company issued a promissory note to Weston II for US$750,000, which originally matured on September 24, 2024, and bore interest at a rate of eight percent (8%) per annum, with interest payable at maturity. On September 18, 2024, the maturity date was extended to December 5, 2024, and 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 US$750,000. The second promissory note bore interest at a rate of eight percent (8%) per annum and originally matured 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 a third promissory note to Weston III for US$2,500,000. The third promissory note bears interest at a rate of eight percent (8%) per annum and originally matured on December 5, 2024, with interest payable at maturity. On December 2, 2024, the maturity date was extended to October 31, 2025.

On July 9, 2025, the Company entered into definitive agreements to sell to Weston II and Weston III GRRs totaling 0.8232% on the gross revenues produced by Punitaqui in exchange for extinguishing a portion of the debt owed by the Company (or its wholly owned subsidiaries) to Weston II and Weston III, in the aggregate amount of US$2,694,721 (the “Transaction”). The GRRs issued to Weston II and Weston III are on substantially similar terms to the Company’s previously completed royalty transaction with Electric Royalties.

Transaction terms with Weston II and Weston III

Specifically, the Transaction was effected through the following agreements:

- **Weston II** Agreement: The Company sold a 0.4840% GRR (the “Weston II Royalty”) on the Project in exchange for extinguishing a portion of the amount (including accrued and outstanding interest) owed by the Company to Weston II under the promissory note issued on September 6, 2024, totaling US$1,584,333.
- **Weston III** Agreement: 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 a portion of the amount owed by the Company to Weston III under the promissory note issued on October 9, 2024 (the “October 9 Note”), totaling US$1,110,388.

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

The Company has the right to buy back the Royalties as follows: (i) in the case of the Weston II Royalty, for a cash payment of US$1,935,829 once the cumulative royalty payments to Weston II exceed $2,581,105; and (ii) in the case of the Weston III Royalty, for a cash payment of US$1,356,735 once cumulative royalty payments to Weston III exceed $1,808,980.

Concurrently with closing the Transaction, Minera issued an amended and restated promissory note (the “Amended Note”) to Weston III in the amount of US$1,491,834, representing the remaining amount owed under the October 9 Note that was not extinguished as part of the Transaction. The Amended Note has the same terms as the original October 9 Note, except for the revised principal amount and maturity date. The Amended Note matures on October 31, 2025 (see Note 23) and accrues interest at a rate per annum equal to eight percent (8%). The Amended Note is unsecured, and no bonus securities were issued in connection with its issuance.

On July 8, 2025, Minera issued a promissory note to Weston III for US$653,142. The promissory note bears interest at a rate of ten percent (10%) per annum and matured on August 8, 2025, with interest payable at the maturity date. The balance remained unpaid at period end (see Subsequent Events).

14. ASSET RETIREMENT OBLIGATION

		September 30, 2025		December 31, 2024
Balance at the beginning of the year	**$**	**8,182,896**	$	10,317,746
Changes in estimates		**152,535**		(2,157,029)
Accretion expense		**(150,580)**		201,641
Foreign currency translation adjustment		**498,580**		(55,975)
Currency translation adjustment		**(276,948)**		(123,487)
Balance at the end of the period	**$**	**8,406,483**	$	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 an asset retirement obligation arising related to mining equipment and previously mined property interests. The obligation consists primarily of costs associated with mine reclamation and closure activities. These activities, which are site specific, generally include decommissioning the mill complex and related infrastructure, ensuring the physical and chemical stability of the tailings area, and post-closure site security and monitoring costs. The Company regularly reviews the estimate and, in determining expected costs, considers factors such as changes in laws and regulations and requirements under existing permits.

The estimated undiscounted cash flows required to settle the reclamation and closure obligation as at September 30, 2025 were $11,125,708 (December 31, 2024 – $10,839,474). These undiscounted cash flows were discounted using the ten-year Government of Chile Benchmark Bond rate of 2.49% for bonds issued in Chilean Units of Accounts ("UF"), resulting in a discounted liability of $8,406,483 (December 31, 2024 – $8,182,896). For the period ended September 30, 2025, the foreign currency translation adjustment arising from translating UF to US dollars resulted in a loss of $498,580 (December 31, 2024 – gain of $55,975). The cumulative translation adjustment from US dollars to the Company's reporting currency (Canadian dollars) for the period ended September 30, 2025 was a gain of $276,948 (December 31, 2024 – $123,847).

(Unaudited – expressed in Canadian dollars)

15. LOANS AND BORROWINGS

		September 30, 2025		December 31, 2024
Fiera loan	**$**	**6,547,450**	$	7,178,219
Other finance agreements		**785,487**		747,515
Total loans and borrowings	**$**	**7,332,937**	$	7,925,734
Less: current portion		**(1,181,723)**		(1,039,508)
Long-term portion		**6,151,214**		6,886,226

Fiera Enhanced Private Debt Fund Credit Agreement

		September 30, 2025		December 31, 2024
Balance at the beginning of the period	**$**	**7,178,219**	$	-
Loan proceeds during the period		**-**		8,000,000
Transaction costs		**-**		(417,616)
Accretion expense		**104,404**		104,404
Payments during the period		**(735,173)**		(508,569)
Balance at the end of the period	**$**	**6,547,450**	$	7,178,219
Less: current portion		**(931,720)**		(854,475)
Long-term portion		**5,615,730**		6,323,744

On March 8, 2024, ESI, one of the Company's wholly owned subsidiaries, entered into an $8,000,000 credit agreement with Fiera Enhanced Private Debt Fund (the "Fiera Loan"). The Fiera Loan bears a floating interest rate equal to the prime rate plus an applicable margin and matures on the third anniversary of the agreement. Monthly payments of $87,463 commenced on April 15, 2024, with a balloon payment due at maturity. The Company may voluntarily prepay the loan at any time, with the prepayment amount determined by reference to the yield on the Government of Canada bond with a term equal to the remaining loan term. In certain circumstances, the Company is required to repay the loan. The voluntary prepayment feature contains an embedded derivative.

The Company drew an initial advance of $5,000,000 during the first quarter of 2024 and applied the proceeds toward the restart of the Punitaqui Project. During the six months ended June 30, 2024, the Company completed the final drawdown of $3,000,000 under the Fiera Loan. A portion of the proceeds from the final drawdown was used to extinguish an existing indebtedness. Total transaction costs of $417,616 were incurred and are being amortized over the term of the Fiera Loan.

As at September 30, 2025, the Fiera Loan was measured at amortized cost with an effective interest rate of 11.7%. The current portion of the Fiera Loan is $931,720 (December 31, 2024 – $854,475), and the long-term portion is $5,615,730 (December 31, 2024 – $6,323,744). The fair value of the embedded derivative as at September 30, 2025 was $nil (December 31, 2024 – $nil). Interest accrued as at September 30, 2025 totaled $104,404 (December 31, 2024 – $104,404). Total payments of $735,173 were made during the nine months ended September 30, 2025 (September 30, 2024 – $284,806).

Other finance agreements

All other financing agreements were undertaken by the Company's subsidiaries, ESI and Ozzies Inc., and include seven US dollar-denominated loans outstanding as of September 30, 2025. These loans were obtained through equipment dealers between 2022 and 2030 and have terms ranging from three to six years, with interest rates of up to 8.39%.

(Unaudited – expressed in Canadian dollars)

16. CONVERTIBLE DEBENTURES

On October 19, 2023, the Company closed the first tranche of a private placement of convertible debentures (the "Debentures") for gross proceeds of US$1,370,000. Concurrently, the Company also issued US$15,408,039 in Debentures to holders of existing indebtedness, including holders of previously issued convertible debentures, as part of a comprehensive debt consolidation to simplify the Company's capital structure and extend near-term debt maturities. On November 3, 2023, the Company closed the second tranche of the private placement for gross proceeds of US$1,915,000, and on February 16, 2024, the Company closed the third tranche for gross proceeds of US$1,000,000.

The Company completed the following additional private placement of Debentures:

a. On May 13, 2024, for gross proceeds of US$400,000; and
b. On October 25, 2024, for gross proceeds of US$200,000.

All Debentures issued under these private placements bear identical terms. The Debentures accrue annual interest at 10% per annum and matures on September 30, 2026 (the "Maturity Date"). Interest accrued from the date of issuance up to and including March 30, 2025 will be settled through the issuance of common shares of the Company. Interest accrued thereafter, will be, at the option of the holder, payable either in cash or through the issuance of common shares. At any time from March 31, 2024 until the business day immediately preceding the Maturity Date, a holder may elect the entire principal amount of a Debenture into common shares of the Company at a conversion price of US$0.22 per share. The Company may, beginning March 31, 2024 and upon providing 15 days' notice, prepay the outstanding principal and interest due.

The US dollar-denominated conversion price and the issuer prepayment option are embedded derivatives. The Company has elected to not separate these embedded derivatives from the debt host contract and instead accounts for the entire Debenture as a financial liability measured at fair value through profit or loss. On initial recognition, the Debentures were recognized at an estimated fair value of $24,837,096, determined using a lattice binomial valuation model. The Debentures are remeasured at each reporting date, with changes in estimated fair value recognized in profit or loss.

As at September 30, 2025, the Debentures were measured at fair value and classified as a current liability at $33,883,928 (December 31, 2024 – $32,643,225). During the nine months ended September 30, 2025, the Company recognized a gain of $1,095,030 from the remeasurement of the fair value of the financial liability (September 30, 2024 – loss of $367,422).

The following valuation methodology, together with key inputs and assumptions, was used in determining the fair value of the Debentures:

	Key inputs and assumptions	**September 30, 2025**	December 31, 2024
	Observable - Level 2		
	Risk-free rate	**2.420%**	2.955%
The fair value of the Debentures has been calculated using a lattice binomial model	Foreign exchange rate (USD:CAD)	**1.3921**	1.4389
	Unobservable - Level 3		
	Volatility	**176.7%**	105.9%
	Credit spread	**6.68%**	5.50%

(Unaudited – expressed in Canadian dollars)

16. CONVERTIBLE DEBENTURES (continued)

The carrying amounts of the Debentures are as follows:

	September 30, 2025	December 31, 2024
Fair value at the beginning of the period	$ 32,643,225	$ 24,869,560
Issuance of convertible debentures during the period	-	2,164,871
Accrued interest	2,335,733	2,707,580
Change in fair value	(1,095,030)	2,901,214
Total	$ 33,883,928	$ 32,643,225

For the fair value of the Debentures at September 30, 2025, reasonably possible changes to one significant input at the reporting date, assuming all other inputs remain 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	(1,005,000)
	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 is authorized to issue an unlimited number of common shares without par value.

b) Share issuances

During the nine months ended September 30, 2025, the Company issued 291,668 shares upon the exercise of restricted stock units. As at September 30, 2025, the Company has 181,320,297 shares issued and outstanding.

During the year ended December 31, 2024, the Company issued 608,335 common shares upon the vesting of restricted stock units.

c) Restricted stock units ("RSUs")

The Company adopted a restricted share unit plan (the "RSU Plan"), under which the Board of Directors may grant non-transferable share units to its officers, directors, and consultants of the Company. RSUs are measured at fair value on the grand date, over one- or three-year periods, and expire after eight years. During the three and nine months ended September 30, 2025, the Company granted no new RSUs (2024 – Nil) to its officers and employees. Total RSU expense for the three and nine months ended September 30, 2025, was $585 and $8,555, respectively (2024 – $7,741 and $198,613).

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 December 31, 2024	3,358,333
Exercised	(291,668)
Outstanding at September 30, 2025	3,066,665

d) Stock options

The Company has an equity settled common share purchase option 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 its affiliates. The maximum number of common shares that may be issued under the Stock Option Plan is limited to 10% of the Company's issued and outstanding common shares at the time of 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	(4,834,166)	0.80
Outstanding at September 30, 2025	4,686,666	0.74

(Unaudited – expressed in Canadian dollars)

17. SHARE CAPITAL (continued)

The Company uses the Black-Scholes option pricing model to estimate the fair value of all stock options. The expected volatility assumption inherent in the pricing model is based on the historical volatility of comparable companies over a period consistent with the expected life of the option. Total stock option compensation expense for the three and nine months ended September 30, 2025 was $nil and $9,636, respectively (2024 – $18,342 and $136,595).

No stock options were granted or exercised during the three and nine months ended September 30, 2025 (2024 – nil).

As of September 30, 2025, the Company had the following stock options outstanding and exercisable:

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	2,000,000	3.50	0.85	0.41	2,000,000	3.50	0.85
$0.75	250,000	1.09	0.75	0.25	250,000	1.09	0.75
$0.65	166,666	4.26	0.65	0.29	166,666	4.26	0.65
$0.65	75,000	4.26	0.65	0.29	75,000	4.26	0.65
$0.65	1,095,000	4.44	0.65	0.24	1,095,000	4.44	0.65
$0.65	1,100,000	4.58	0.65	0.24	1,100,000	4.58	0.65
	4,686,666	3.88	0.74	0.32	4,686,666	3.88	0.74

e) Performance share units

The Company adopted a performance share unit ("PSU") plan to allow the Board of Directors to grant non-transferable share units to management personnel, officers, and directors based on the fair value of the Company's common shares on the grant date. All PSUs currently outstanding were granted in 2023 to certain management personnel, officers, and directors in connection with the Company's 2022 fiscal year bonus incentive plan. PSUs vest in full on any single day that the Company's closing share price reaches or exceeds $0.50 at any time within the performance period between March 30, 2023 and March 30, 2026. The fair value and expected vesting period of the PSUs were measured at the time of grant using a Monte Carlo simulation model.

During the nine months ended September 30, 2025, no PSUs vested or were granted. The total PSU expense for the three and nine months ended September 30, 2025, was $nil (2024 – $nil and $98,106, respectively).

Movements in the number of PSUs outstanding are as follows:

	PSU
Outstanding at December 31, 2024	1,960,000
Forfeited	(400,000)
Outstanding at September 30, 2025	1,560,000

(Unaudited – expressed in Canadian dollars)

18. REVENUE

All revenue for the three and nine months ended September 30, 2025, was generated by Minera and ESI. In the comparable periods of 2024, revenue was generated from Minera in the three months ended September 30, 2024 and for the nine months by ESI. Revenue for the three and nine months ended September 30, 2025 and 2024, was as follows:

Minera

For the three and nine months ended September 30, 2025, Minera's revenue was $9,095,390 and $31,815,322, respectively (2024 – $8,739,127 and $8,739,127), all of which were from the sale of copper concentrate derived from three customers (2024 – two customers).

ESI

For the three and nine months ended September 30, 2025, ESI generated revenue of $6,040,474 and $16,910,100, respectively (2024 – $4,996,630 and $12,421,642). The revenue for the nine-month period was earned from twelve customers (2024 – seven), who collectively accounted for 70% (2024 – 66%) of the Company's revenue. As at September 30, 2025, accounts receivable included $2,361,662 (2024 – $1,352,243) related to these customers.

	Three months ending September 30,		Nine months ending September 30,	
	2025	2024	**2025**	2024
Minera BMR SpA				
Sale of copper concentrate	**$ 9,095,390**	$ 8,739,127	**$ 31,815,322**	$ 8,739,127
Total Minera BMR SpA	**$ 9,095,390**	$ 8,739,127	**$ 31,815,322**	$ 8,739,127
ESI				
Machine rental	**4,260,604**	2,808,331	**9,633,948**	6,825,358
Machine sales	**791,444**	1,175,972	**4,436,633**	3,249,304
Others	**988,426**	1,012,327	**2,839,519**	2,346,980
Total ESI	**$ 6,040,474**	$ 4,996,630	**$ 16,910,100**	$ 12,421,642
Total	**$ 15,135,864**	$ 13,735,757	**$ 48,725,422**	$ 21,160,769

(Unaudited – expressed in Canadian dollars)

19. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel include members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer of ESI, and the General Manager of Minera. The aggregate compensation paid or payable to key management personnel during the three and nine months ended September 30, 2025 and 2024 is as follows:

	Three months ending September 30,		Nine months ending September 30,	
	2025	2024	**2025**	2024
Director Fees	**(831,021)**	84,873	**(660,033)**	275,557
Salaries	**249,924**	355,681	**1,459,768**	1,156,301
Share-based compensation	**585**	26,083	**18,191**	433,314
Total	**$ (580,512)**	$ 466,637	**$ 817,926**	$ 1,865,172

Other related party transactions

During 2024, Weston Energy II, LLC (“Weston II”), an investment company owned by Yorktown Partners LLC, a major shareholder of the Company, subscribed for US$3,115,000 of Convertible Debentures (Note 16) and provided US$1,500,000 in funding pursuant to promissory notes issued by the Company (Note 13). Weston Energy III, LLC (“Weston III”), also an investment company owned by Yorktown Partners LLC, provided US$2,500,000 in funding pursuant to promissory notes issued by the Company (Note 13).

On July 9, 2025, Weston II and Weston III converted a portion of their indebtedness into a GRR (Notes 7 and 13). In addition, the maturity date of Minera’s promissory note to Weston was extended to October 31, 2025 (Note 23).

On July 9, 2025, Minera issued a promissory note to Weston III for US$653,142. The promissory note bears interest at a rate of ten percent (10%) per annum and matured on August 8, 2025, with interest payable at the maturity date. The balance remained unpaid at period end.

As at September 30, 2025, a director and officer of the Company had an outstanding balance owing to them of $16,956 (December 31, 2024 – $nil).

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Fair values of financial assets and liabilities are determined using available market information and valuation techniques appropriate for each instrument. Significant judgement is required in interpreting market data to develop the most reliable fair value estimates. The use of alternative assumptions, market inputs, or valuation methodologies may materially impact the resulting fair values. IFRS 13 establishes a hierarchy that categorizes the inputs used in valuation techniques into three levels.

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include

- quoted prices for similar assets or liabilities in active markets,
- quoted prices for identical or similar assets or liabilities in markets that are not active, and
- inputs derived principally from, or corroborated by, observable market data.

Level 3: Unobservable inputs for the asset or liability, supported by little or no market activity.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The hierarchy prioritizes the use of observable inputs (Level 1 and Level 2) and assigns the lowest priority to unobservable inputs (Level 3).

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

	September 30, 2025				
	Carrying Amount	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Convertible debenture	**$ 33,883,928**	**$ -**	**$ -**	**$ 33,883,928**	**$ 33,883,928**
	$ 33,883,928	**$ -**	**$ -**	**$ 33,883,928**	**$ 33,883,928**

	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, trade and other payables, deferred payments on acquisition, loans and borrowings, and convertible debenture. The fair values of short-term working capital assets and liabilities approximate their carrying amounts due to their short-term nature. The fair value of long-term debt approximates its carrying amount 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 various financial risks as a result of its activities, including currency, credit, interest rate, liquidity, and commodity price risk.

The Company has a separately recognized derivative measured at fair value using Level 2 inputs. As at September 30, 2025, the derivative has a fair value of $nil (December 31, 2024 – $nil).

Currency risk

The Company conducts exploration, evaluation, development, and operating activities in the United States, Canada, South Korea, and Chile and is therefore exposed to foreign exchange risk arising from fluctuations in the exchange rates between the Canadian dollar ("CAD") and foreign currencies. As at September 30, 2025, the Company had monetary assets and liabilities in United States dollars ("USD"), Chilean pesos ("CLP"), Australian dollars ("AUD"), and Korean won ("KRW"). As 10% change in the USD, KRW, or CLP relative to the CAD as at September 30, 2025, would have resulted in a foreign exchange gain/(loss) of $3,811,253, $14,884 and $3,412,327 respectively.

The table below summarizes the balances held in foreign currency:

Tuesday, September 30, 2025	**USD** **$**	**KRW** **$**	**CLP** **$**	**Equivalent CAD** **$**
Cash	857,080	-	12,168,262	1,210,751
Accounts receivables	5,013,143	-	3,517,766	6,983,887
Sales tax / VAT receivables	-	-	6,261,582,105	9,061,493
Prepaids	277,453	64,745	32,566,493	433,435
Trade payables	1,211,490	149,807,689	10,713,221,154	17,339,138
VAT payables	-	-	5,887,225,962	8,519,741
Accrued expenses	-	-	5,976,150,000	8,648,428
Accrued remuneration and other payables	-	-	1,377,593,129	1,993,594
Income taxes payable	(51,330)	-	-	(71,457)
VAT export program - promissory note payable	-	-	4,095,153,707	5,926,331
Convertible debenture	24,340,154	-	-	33,883,928
Promissory note	2,172,492	-	-	3,024,326
Deferred payments on acquisition	335,551	-	1,539,639,895	2,695,221
Lease liability	546,175	-	300,374,669	1,195,020
Copper prepayment	4,406,622	-	-	6,134,459
Loans and borrowings	564,246	-	-	785,487
Net exposure	**(27,377,723)**	**(149,742,944)**	**(23,579,523,889)**	**(72,384,647)**

(Unaudited – expressed in Canadian dollars)

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 with strong credit ratings and by monitoring all investments to ensure a stable return. The Company avoids complex or higher-risk investment vehicles, such as asset-backed commercial paper. The Company's cash balances are held with major financial institutions, and management considers the associated credit risk to be remote.

The Company's receivables primarily include balances receivable from the governments 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 exposure to interest rate risk is minimal it does not have any variable-rate interest-bearing loans outstanding. The Company has not entered any interest rate swaps or other active interest rate management programs.

Liquidity risk

Liquidity risk is the risk that the Company will be 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 that sufficient cash resources are available to meet its obligations.

The Company expects that cash on hand and cash flows from operations will not be sufficient to fund its presently anticipated requirements for working capital and capital asset investments. Accordingly, the Company will need to obtain additional financing to execute these activities and meet its day-to-day obligations (see Note 1).

Contractual cash flow requirements as at September 30, 2025, were as follows:

	year 1 $	year 2 $	year 3 $	year 4 $	> 4 years $	Total $
Loans and borrowings	1,087,034	6,029,938	117,389	70,691	27,885	7,332,937
Trade payables	18,642,686	-	-	-	-	18,642,686
VAT payables	8,523,432	-	-	-	-	8,523,432
Accrued expenses	9,495,438	-	-	-	-	9,495,438
Accrued remuneration and other payables	2,263,479	-	-	-	-	2,263,479
Income tax payables	219,897	-	-	-	-	219,897
Deferred revenue	588,207	-	-	-	-	588,207
Lease liability	847,295	347,726	-	-	-	1,195,020
Copper prepayment liability	3,235,233	2,899,225	-	-	-	6,134,459
Asset retirement obligation - liability	519,258	138,772	6,061	60,482	7,681,910	8,406,483
VAT Liability	5,926,331	-	-	-	-	5,926,331
Deferred payments on acquisition	1,666,599	1,030,280	-	-	-	2,696,879
Promissory note	3,024,326	-	-	-	-	3,024,326
Royalty payments	1,814,046	2,033,212	2,311,898	2,241,686	4,109,238	12,510,079
Convertible debenture	33,883,928	-	-	-	-	33,883,928
Total	**91,737,189**	**12,479,154**	**2,435,348**	**2,372,858**	**11,819,033**	**120,843,582**

Commodity price risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets, as well as its future profitability, is directly related to the price of copper, gold, cobalt, lithium, and graphite. The Company monitors these commodity prices to determine the appropriate course of action. The Company does not engage in

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

hedging or other programs to mitigate its exposure to commodity price risk. On September 30, 2025, the spot LME copper price was US$4.73/lb.

Capital management

The Company manages its capital structure and adjusts as necessary based on available financial resources in order to continue as a going concern. The Company considers capital include short-term and long-term debt (including the convertible debenture, copper prepayment liability, and other loans and borrowings) as well as shareholders' equity. As at September 30, 2025, total capital was $46,807,588 (December 31, 2024 – $52,139,034). The Board of Directors of the Company does not set quantitative return on capital targets; instead it relies on management's judgement to maintain and develop the business. Additional financing may be required to support the Company's operations and strategic initiatives. There were no significant change to the Company's capital management policies during the nine months ended September 30, 2025.

21. CONTINGENCIES (MILESTONE PAYMENTS)

On May 28, 2021, the Company entered into an agreement with Bluequest Resources AG ("Bluequest") to acquire the rights to certain properties, plant, and equipment related to the Punitaqui project. As part of the consideration, the Company agreed to make contingent payments of up to US$5,000,000 upon the achievement of specified production milestones. Each milestone payment may be settled, at Bluequest's election, in cash, by the issuance of Common Shares at prevailing market prices (subject to a minimum issue price of $0.41), or by a combination of both.

The milestone payments are structured as follows:

1. US$2,000,000, payable 60 days following achievement of commercial activities (291,600 tonnes of aggregate production);
2. US$1,000,000, payable 60 days following achievement of the first production milestone (583,200 tonnes);
3. US$1,000,000, payable 60 days following achievement of the second production milestone (874,800 tonnes); and
4. US$1,000,000, payable 60 days following achievement of the third production milestone (1,166,400 tonnes).

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. As part of the consideration, the Company agreed contingent consideration of up to US$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 US$2,000,000, payable 60 days following the date on which commercial activities achieved, (ii) an amount equal to US$1,000,000, payable 60 days following the date on which the first production milestone is achieved, (iii) an amount equal to US$1,000,000, payable 60 days following the date on which the second production milestone is achieved, and (iv) an amount equal to US$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.

During the nine months ended September 30, 2025, the Company achieved the commercial restart milestone and recorded the first milestone payment of $2,784,200 (US$2,000,000) in trade and other payables. The amount remained unpaid as at September 30, 2025 with the Company in active discussions with the vendor regarding the outstanding amount (Note 1 and 8).

(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 four segments, one segment being the acquisition and exploration of exploration and evaluations assets located in Canada, United States, and South Korea; the second segment for the operations of ESI, located in Canada and United States; the third segment being the Punitaqui operations in Chile and the fourth segment 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			Chile	Corporate	Total
		Canada	USA	South Korea			
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 nine months ended September 30, 2025	ESI	Exploration and Evaluation Properties			Chile	Corporate	Total
		Canada	USA	South Korea			
Exploration and evaluation	**-**	**18,387,839**	**-**	**-**	**-**	**-**	**18,387,839**
Property, plant, equipment	**16,031,918**	**-**	**-**	**-**	**48,210,176**	**9,612**	**64,251,706**
Total assets	**21,528,455**	**18,387,839**	**-**	**-**	**65,723,177**	**9,612**	**105,649,083**
Total liabilities	**10,878,108**	**-**	**-**	**-**	**62,478,913**	**35,860,123**	**109,217,144**

(Unaudited – expressed in Canadian dollars)

22. SEGMENTED INFORMATION (continued)

For the nine months ended September 30, 2024	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Revenue from contracts with customers	12,421,642	-	-	-	8,739,127	-	21,160,769
Total revenue	**12,421,642**	**-**	**-**	**-**	**8,739,127**	**-**	**21,160,769**
Depreciation of equipment	(2,200,218)	-	-	-	(370,648)	-	(2,570,866)
Impairment of exploration and evaluation assets	-	(3,626)	-	-	-	-	(3,626)
Impairment of property, plant and equipment	-	-	-	-	-	(96,528)	(96,528)
Management fees	(513,374)	-	(360,114)	-	(351,931)	(416,217)	(1,641,636)
Professional fees	-	-	(2,449)	-	-	(452,649)	(455,098)
Performance share units expense	-	-	-	-	-	(98,106)	(98,106)
Restricted stock units expense	-	-	-	-	-	(198,613)	(198,613)
Stock based compensation	-	-	-	-	-	(136,595)	(136,595)
Other costs and expenses	(7,446,691)	-	(496)	-	(15,401,342)	(1,341,559)	(24,190,088)
Loss from operations	**2,261,359**	**(3,626)**	**(363,059)**	**-**	**(7,384,794)**	**(2,740,267)**	**(8,230,387)**
Foreign exchange (loss) gain	(128,852)	-	(161,410)	(161,008)	(2,471,746)	2,291,232	(631,784)
Finance costs	(812,187)	-	-	-	(1,105,957)	(506,763)	(2,424,907)
Loss on remeasurement of convertible debenture	-	-	-	-	-	(367,422)	(367,422)
Other income and expenses	144,584	-	-	-	-	-	144,584
Gain (loss) for the year from continuing operations	**1,464,904**	**(3,626)**	**(524,469)**	**(161,008)**	**(10,962,497)**	**(1,323,220)**	**(11,509,916)**
Income tax expense	(956)	-	-	-	-	-	(956)
Cumulative translation adjustment	281,681	-	19,866	28,531	(2,629,636)	-	(2,299,558)
Total net income (loss)	**1,745,629**	**(3,626)**	**(504,603)**	**(132,477)**	**(13,592,133)**	**(1,323,220)**	**(13,810,430)**

Non-cash items in net income (loss):

For the nine months ended September 30, 2024	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Accretion	-	-	-	-	(1,105,957)	(503,509)	(1,609,466)
Depreciation of equipment	(2,200,218)	-	-	-	(370,648)	-	(2,570,866)
Impairment of exploration and evaluation assets	-	(3,626)	-	-	-	-	(3,626)
Performance share units expense	-	-	-	-	-	(98,106)	(98,106)
Restricted stock units expense	-	-	-	-	-	(198,613)	(198,613)
Stock based compensation	-	-	-	-	-	(136,595)	(136,595)
Loss on finance lease termination	138,604	-	-	-	-	-	138,604
Current income tax expense	(956)	-	-	-	-	-	(956)
Loss on remeasurement of convertible debenture	-	-	-	-	-	(367,422)	(367,422)
Unrealized foreign exchange translation (loss) gain	(128,852)	-	(161,409)	(161,008)	(641,744)	1,327,033	234,019
Total non- cash items in net (loss) income	**(2,191,422)**	**(3,626)**	**(161,409)**	**(161,008)**	**(2,118,349)**	**22,788**	**(4,613,028)**

(Unaudited – expressed in Canadian dollars)

22. SEGMENTED INFORMATION (continued)

For the nine months ended September 30, 2025	ESI	Exploration and Evaluation Properties			Chile	Corporate	Total
		Canada	USA	South Korea			
Revenue from contracts with customers	16,910,100	-	-	-	31,815,322	-	48,725,422
Cost of sales	(3,696,098)	-	-	-	(25,426,478)	-	(29,122,576)
Depreciation and amortization	(1,936,288)	-	-	-	(1,464,581)	-	(3,400,869)
Gross profit	**11,277,714**	**-**	**-**	**-**	**4,924,263**	**-**	**16,201,977**
Impairment of exploration and evaluation assets	-	-	(749,481)	-	-	-	(749,481)
Impairment of property, plant and equipment	-	-	-	-	-	-	-
Management fees	(620,582)	-	-	-	(190,722)	-	(811,304)
Professional fees	-	-	-	-	(196,576)	(389,825)	(586,401)
Performance share units expense	-	-	-	-	-	-	-
Restricted stock units expense	-	-	-	-	-	(8,555)	(8,555)
Stock based compensation	-	-	-	-	-	(9,636)	(9,636)
Other costs and expenses	(7,265,680)	-	(123,962)	-	(6,003,039)	92,689	(13,299,992)
Gain/(Loss) from operations	**3,391,452**	**-**	**(873,443)**	**-**	**(1,466,074)**	**(315,327)**	**736,607**
Foreign exchange gain/(loss)	186,179	-	-	-	1,975,096	(1,824,050)	337,225
Finance costs	(748,238)	-	-	-	(4,238,411)	(2,585,083)	(7,571,732)
Gain on sale of royalty interest	-	-	-	-	132,998	-	132,998
Gain on remeasurement of convertible debenture	-	-	-	-	-	1,095,030	1,095,030
Other income and expenses	61,707	-	-	-	-	-	61,707
Gain/(Loss) for the year from continuing operations	**2,891,100**	**-**	**(873,443)**	**-**	**(3,596,391)**	**(3,629,430)**	**(5,208,165)**
Cumulative translation adjustment	(652,439)	-	-	-	1,036,310	-	383,871
Total net gain/(loss)	**2,238,661**	**-**	**(873,443)**	**-**	**(2,560,081)**	**(3,629,430)**	**(4,824,294)**

(Unaudited – expressed in Canadian dollars)

Non-cash items in net income (loss):

For the nine months ended September 30, 2025	ESI	Exploration and Evaluation Properties			Chile	Corporate	Total
		Canada	USA	South Korea			
Accretion	(104,404)	-	-	-	(542,965)	-	(647,370)
Depreciation of equipment	(1,450,155)	-	-	-	(1,950,714)	-	(3,400,869)
Impairment of exploration and evaluation assets	-	-	(749,481)	-	-	-	(749,481)
Sale of interest in mineral properties	-	-	-	-	(3,532,587)	-	(3,532,587)
Performance share units expense	-	-	-	-	-	-	-
Restricted stock units expense	-	-	-	-	-	(124,584)	(124,584)
Stock based compensation	-	-	-	-	-	1,330,633	1,330,633
Gain on sale of royalty interest	-	-	-	-	132,997	-	132,997
Gain/(Loss) on remeasurement of asset retirement obligation	-	-	-	-	(152,535)	-	(152,535)
Gain/(Loss) on VAT liability modification	-	-	-	-	167,996	-	167,996
Current income tax expense	-	-	-	-	-	-	-
Finance costs	748,238	-	-	-	(2,171,168)	(2,335,733)	(3,758,662)
Gain/(Loss) on remeasurement of convertible debenture	-	-	-	-	-	1,240,703	1,240,703
Unrealized foreign exchange translation Gain/(Loss)	(186,179)	-	-	-	(1,706,925)	(339,715)	(2,232,819)
Total non- cash items in net gain/(loss)	**(992,500)**	**-**	**(749,481)**	**-**	**(9,755,900)**	**(228,696)**	**(11,726,576)**

23. SUBSEQUENT EVENTS

Subsequent to the nine months ended September 30, 2025:

a. The maturity date of the Company's promissory note to Weston III was extended to April 30, 2026 (Note 13).
b. The maturity date of Minera's promissory note to Weston III was extended to March 31, 2026 (Note 13).
c. New Canaan Capital Advisors LLC exercised 3,000,000 restricted share units (Note 17).