Tincorp Metals Inc.

TSXV: TIN
OTCQX: TINFF

(Formerly Whitehorse Gold Corp.)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

Notice to Readers of the Unaudited Condensed Consolidated Interim Financial Statements
for the three and six months ended June 30, 2024

These unaudited condensed consolidated interim financial statements of Tincorp Metals Inc. (the "Company") for the three and six months ended June 30, 2024 (the "Financial Statements") have been prepared by management and have not been reviewed by the Company's independent auditors. The Financial Statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023 which are available under the Company's profile on SEDAR+ at www.sedarplus.ca. The Financial Statements are stated in terms of Canadian dollars and are prepared in accordance with International Financial Reporting Standards.

Tincorp Metals Inc.

(Formerly Whitehorse Gold Corp.)

Unaudited Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

As at	Notes		June 30, 2024		December 31, 2023
ASSETS					
Current Assets					
Cash		$	**625,841**	$	105,428
Other receivables			**4,707**		14,548
Deposits and prepayments			**59,799**		102,570
			690,347		222,546
Non-current Assets					
Reclamation deposit			**15,075**		15,075
Property and equipment	3		**617,162**		650,830
Mineral property interests	4		**27,725,587**		27,519,494
TOTAL ASSETS		$	**29,048,171**	$	28,407,945
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable and accrued liabilities		$	**943,094**	$	1,239,340
Payables due to a related party	6		**1,481,941**		204,192
Total Liabilities			**2,425,035**		1,443,532
EQUITY					
Share capital	5		**26,475,144**		26,370,144
Reserves	5		**1,414,891**		1,386,847
Accumulated other comprehensive Income (loss)			**15,956**		(12,927)
Deficit			**(1,282,855)**		(779,651)
Total Equity			**26,623,136**		26,964,413
TOTAL LIABILITIES AND EQUITY		$	**29,048,171**	$	28,407,945

Approved on behalf of the Board:

(Signed) Rui Feng
Director

(Signed) Lorne Waldman
Director

See accompanying notes to the unaudited condensed consolidated interim financial statements.

Tincorp Metals Inc.

(Formerly Whitehorse Gold Corp.)

Unaudited Condensed Consolidated Interim Statements of Loss

(Expressed in Canadian dollars except numbers for share)

		Three months ended June 30,		Six months ended June 30,	
	Notes	**2024**	2023	**2024**	2023
Operating expenses					
Salaries and benefits		**$ 56,986**	$ 126,008	**$ 83,191**	$ 262,856
Project investigation and evaluation		**64,789**	—	**64,789**	—
Investor relations		**18,566**	79,026	**25,239**	152,837
Filing and continuous listing		**46,750**	50,209	**62,071**	68,425
Professional fees		**77,775**	72,472	**113,349**	123,695
Office and administration		**2,864**	53,709	**5,757**	116,447
Depreciation	3	**7,892**	5,439	**15,717**	10,879
Share-based compensation	5(b)	**67,737**	154,726	**28,044**	271,942
		343,359	541,589	**398,157**	1,007,081
Other expenses (income)					
Interest income		**(3,938)**	(20,637)	**(8,036)**	(30,100)
Financing cost	6(a)	**—**	—	**105,000**	—
Foreign exchange loss		**4,682**	9,913	**8,083**	11,990
		744	(10,724)	**105,047**	(18,110)
Net loss		**$ 344,103**	$ 530,865	**$ 503,204**	$ 988,971
Loss per common share - basic and diluted		**$ 0.01**	$ 0.01	**$ 0.01**	$ 0.01
Weighted average number of common shares - basic and diluted		**66,907,423**	66,557,423	**66,674,055**	66,125,600

See accompanying notes to the unaudited condensed consolidated interim financial statements.

Tincorp. Metals Inc.

(Formerly Whitehorse Gold Corp.)

Unaudited Condensed Consolidated Interim Statements of Comprehensive loss

(Expressed in Canadian dollars except numbers for share)

		Three months ended June 30,		Six months ended June 30,	
	Notes	**2024**	2023	**2024**	2023
Net loss		**$ 344,103**	$ 530,865	**$ 503,204**	$ 988,971
Other comprehensive loss, net of taxes:					
Items that may subsequently be reclassified to net income or loss:					
Currency translation adjustment:		**(10,428)**	71,399	**(28,883)**	76,384
Other comprehensive (income) loss		**(10,428)**	71,399	**(28,883)**	76,384
Total comprehensive loss		**$ 333,675**	$ 602,264	**$ 474,321**	$ 1,065,355

See accompanying notes to the unaudited condensed consolidated interim financial statements.

Tincorp. Metals Inc.

(Formerly Whitehorse Gold Corp.)

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

		Three months ended June 30,		Six months ended June 30,	
	Notes	**2024**	2023	**2024**	2023
Cash used in					
Operating activities					
Net loss for the year		**$ (344,103)**	$ (530,865)	**$ (503,204)**	$ (988,971)
Add (deduct) items not affecting cash:					
Financing cost	6(a)	**—**	—	**105,000**	—
Depreciation	3	**7,892**	5,439	**15,717**	10,879
Share based compensation	5(b)	**67,737**	154,726	**28,044**	271,942
Foreign exchange loss		**4,682**	9,913	**8,083**	11,990
Changes in non-cash operating working capital	10	**40,420**	(53,130)	**(202,846)**	(88,342)
Net cash used in operating activities		**(223,372)**	(413,917)	**(549,206)**	(782,502)
Investing activities					
Mineral property interests					
Capital expenditures	4,10	**(70,589)**	(447,260)	**(247,014)**	(669,859)
Property and equipment					
Additions		**—**	(4,423)	**—**	(6,096)
Net cash used in investing activities		**(70,589)**	(451,683)	**(247,014)**	(675,955)
Financing activities					
Equity financing, net of issuance costs		**—**	—	**—**	1,937,662
Debt financing	6(a)	**682,900**	—	**1,351,500**	—
Net cash provided by financing activities		**682,900**	—	**1,351,500**	1,937,662
Effect of exchange rate changes on cash		**(11,010)**	(1,308)	**(34,867)**	(6,072)
Increase (decrease) in cash		**377,929**	(866,908)	**520,413**	473,133
Cash, beginning of the period		**247,912**	3,401,229	**105,428**	2,061,188
Cash, end of the period		**$ 625,841**	$ 2,534,321	**$ 625,841**	$ 2,534,321

See accompanying notes to the unaudited condensed consolidated interim financial statements.

Tincorp Metals Inc.

(Formerly Whitehorse Gold Corp.)

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

(Expressed in Canadian dollars except share data)

		Share capital		Reserves				
	Notes	Number of shares	Amount	Share-based compensation	Warrant	Accumulated other comprehensive (loss)income	(Deficit) Retained earnings	Total equity
Balance, January 1, 2023		61,672,423	$ 24,552,482	$ 673,250	$ 165,023	$ 45,102	$ 3,669,252	$ 29,105,109
Share-based compensation		—	—	277,696	—	—	—	277,696
Share issuance in 2nd Tranche of 2022 Private Placement, net of share issue costs		4,885,000	1,817,662	—	—	—	—	1,817,662
Net loss and comprehensive loss		—	—	—	—	(76,384)	(988,971)	(1,065,355)
Balance, June 30, 2023		66,557,423	$ 26,370,144	$ 950,946	$ 165,023	$ (31,282)	$ 2,680,281	$ 30,135,112
Share-based compensation		—	—	270,878	—	—	—	270,878
Net loss and comprehensive loss		—	—	—	—	18,355	(3,459,932)	(3,441,577)
Balance, December 31, 2023		66,557,423	$ 26,370,144	$ 1,221,824	$ 165,023	$ (12,927)	$ (779,651)	$ 26,964,413
Share-based compensation	5(b)	—	—	28,044	—	—	—	28,044
Share issued for credit facility	6(a)	350,000	105,000	—	—	—	—	105,000
Net loss and comprehensive loss		—	—	—	—	28,883	(503,204)	(474,321)
Balance, June 30, 2024		**66,907,423**	**$ 26,475,144**	**$ 1,249,868**	**$ 165,023**	**$ 15,956**	**$ (1,282,855)**	**$ 26,623,136**

See accompanying notes to the unaudited condensed consolidated interim financial statements

1. CORPORATE INFORMATION

Tincorp Metals Inc. (the "Company" or "Tincorp"), formerly Whitehorse Gold Corp., is a mineral exploration and development company focusing on tin projects in Bolivia and a gold project near Whitehorse, Yukon, Canada.

The Company was incorporated under the *Business Corporations Act* (British Columbia) on November 27, 2019 under the name of "Whitehorse Gold Corp". Effective February 22, 2023, the Company changed its name to Tincorp Metals Inc. The head office, registered address and records office of the Company are located at 1066 Hastings Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 3X1.

The Company's common shares (each, a "Share" or a "Common Share") are listed on the TSX Venture Exchange (the "TSXV") under the symbol "TIN" and on the OTCQX Market under the symbol "TINFF". Prior to February 27, 2023, the Company's Common Shares were trading under the new symbol "WHG" on the TSXV and under "WHGDF" on the OTCQX Market.

2. MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting ("IAS 34")* as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023. These unaudited condensed consolidated interim financial statements follow the same accounting policies, estimates and judgements set out in Note 2 to the audited consolidated financial statements for the year ended December 31, 2023 with the exception of the adoption of the amendments noted below.

These consolidated financial statements were authorized for issuance in accordance with a resolution of the Board of Directors dated August 21, 2024.

(b) Adoption of New Accounting Standards, Interpretation or Amendments

The Company adopted the following new standards or amendments to IFRS as at January 1, 2024. Their adoption has not had any material impact on the disclosures, or the amounts reported in these condensed consolidated interim financial statements.

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

The amendments to IAS 1, clarifies the presentation of liabilities. The classification of liabilities as current or concurrent is based on contractual rights that are in existence at the end of the reporting period and are affected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment also introduces a definition of "settlement" to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The amendment issued in October 2022 also clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date.

The amendments were applied effective January 1, 2024 and did not have a material impact on the Company's condensed consolidated interim financial statements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to sale and leaseback transactions entered into after the date of initial application.

The amendments were applied effective January 1, 2024 and did not have a material impact on the Company's condensed consolidated interim financial statements.

Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)

The amendments require disclosure requirements regarding the effects of supplier finance arrangement on their liabilities, cash flows and exposure to liquidity risk. Entities are required to disclose the followings:

- The terms and conditions;
- The amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are reflected in the balance sheet;
- Ranges of payment due dates; and
- Liquidity risk information.

The amendments were applied effective January 1, 2024 and did not have a material impact on the Company’s condensed consolidated financial statements.

(c) New Accounting Standards Issued but not effective

Certain new accounting standards and interpretations have been issued that are not mandatory for the current period and have not been early adopted.

Presentation and Disclosure in Financial Statements (IFRS 18 replaces IAS 1)

In April 2024, the IASB released IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. IFRS 18 introduces new requirements to: i) present specified categories and defined subtotals in the statement of earnings, ii) provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements, iii) improve aggregation and disaggregation. Some of the requirements in IAS 1 are moved to IAS 8 Accounting

Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments: Disclosures. The IASB also made minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share in connection with the new standard. IFRS 18 requires retrospective application with specific transition provisions.

The amendments are effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is currently evaluating the impact of IFRS 18 on its financial statements.

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The Company is currently evaluating the impact of this amendment.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The amendments contain guidance to derecognition of a financial liability settled through electronic transfer, as well as classification of financial assets for:

- Contractual terms that are consistent with a basic lending arrangement;
- Assets with non-recourse features;
- Contractually linked instruments.

Also, additional disclosures relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Company is currently evaluating the impact of these amendments.

(d) Going Concern

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue its exploration activities and operations for the foreseeable future. In making this assessment, management has considered various factors, including the Company's exploration activities, available funding sources and exploration prospects.

The exploration and evaluation of mineral resources inherently has significant risks, including but not limited to geological uncertainties, regulatory and social challenges, and fluctuations in commodity prices. As a result, there is no certainty that the Company is able to generate positive cash flows from its exploration activities in the near term.

The Company has experienced losses in recent periods and has a history of negative cash flows from operating activities. The Company incurred a net loss of $344,103 and $503,204 during the three and six months ended June 30, 2024 (three and six months ended June 30, 2023 - $530,865 and $988,971) and, as of the date, the Company's current liabilities exceeded its current assets by $1,734,688. The Company's ability to continue operations in the normal course of business is dependent on several factors, including the exploration of its mineral property, as well as the ability to secure additional financing through the issuance of additional equity or debt.

To address the Company's financial conditions, in January 2024, the Company entered into an interest-free unsecured credit facility agreement with Silvercorp Metals Inc. ("Silvercorp"), the largest shareholder of the Company, who holds approximately 29.69% equity interest in the Company, to allow the Company to draw down up to US$1,000,000 to fund its operational needs. As of June 30, the Company advanced a total of US$1,000,000 from Silvercorp. However, there can be no assurance that the Company will continue to be successful in obtaining the necessary funding on acceptable terms or that its exploration efforts will result in the discovery of economically viable mineral deposits. In the event that the Company is unable to secure additional financing or achieve its exploration objectives, it may be required to curtail or cease its exploration activities, which could have a material adverse effect on its financial position and results of operations.

The above conditions, along with other factors, indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern, and any such adjustments may be material.

(e) Basis of Consolidation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its wholly or partially owned subsidiaries.

Subsidiaries are consolidated from the date on which the Company obtains control up to the date of the disposition of control. Control is achieved when the Company has power over the subsidiary, is exposed or has rights to variable returns from its involvement with the subsidiary; and has the ability to use its power to affect its returns.

For non-wholly owned subsidiaries over which the Company has control, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the consolidated statements of financial position. Net income for the period that is attributable to the non-controlling interests is calculated based on the ownership of the non-controlling interest shareholders in the subsidiary. Adjustments to recognize the non-controlling interests' share of changes to the subsidiary's equity are made even if this results in the non-controlling interests having a deficit balance. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interests is adjusted to reflect the change in the non-controlling interests' relative interests in the subsidiary and the difference between the adjustment to the carrying amount of non-controlling interest and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to equity holders of the Company.

Balances, transactions, income and expenses between the Company and its subsidiary are eliminated on consolidation.

(Expressed in Canadian dollars except numbers for share or otherwise stated)

Details of the Company's significant subsidiaries which are consolidated are as follows:

			Proportion of ownership interest held		
Name of subsidiaries	**Principal activity**	**Country of incorporation**	**June 30, 2024**	December 31, 2023	**Mineral properties**
Whitehorse Gold (Yukon) Corp.	Mineral exploration	Canada	**100%**	100%	Skukum
Tin Metals Inc.	Holding company	BVI (i)	**100%**	100%	
Stannum Metals Corp.	Holding company	BVI	**100%**	100%	
Cassiterite Metals Inc.	Holding company	BVI	**100%**	100%	
Regiment Metals Inc.	Holding company	BVI	**100%**	100%	
TinCorp Management Service S.A	Holding company	Bolivia	**100%**	100%	
Minera Estano Bolivia S.A.	Holding company	Bolivia	**100%**	100%	
Minera Tincorp Bolivia S.A.	Holding company	Bolivia	**100%**	100%	
Sucesoures Pardo LTDA.	Mineral exploration	Bolivia	**100%**	100%	San Florencio ("SF")
Empresa Minera San Genaro S.R.L.	Mineral exploration	Bolivia	**100%**	100%	Porvenir

(i) British Virgin Islands ("BVI")

(Expressed in Canadian dollars except numbers for share or otherwise stated)

3. PROPERTY AND EQUIPMENT

Cost	Building	Office equipment	Computer software	Equipment and furniture	Machinery	Motor vehicle	Construction in process	Total
Balance, January 1, 2023	$ 439,118	$ 25,598	$ 23,800	$ 62,456	$ 88,436	$ —	$ 119,721	$ 759,129
Additions	—	1,669	—	4,436	—	45,632	—	51,737
Foreign currency translation impact	—	(149)	—	(89)	—	(918)	—	(1,156)
Ending balance as at December 31, 2023	439,118	27,118	23,800	66,803	88,436	44,714	119,721	809,710
Foreign currency translation impact	—	224	—	151	—	1,560	—	1,935
Ending balance as at June 30, 2024	**$ 439,118**	**$ 27,342**	**$ 23,800**	**$ 66,954**	**$ 88,436**	**$ 46,274**	**$ 119,721**	**$ 811,645**
Accumulated depreciation and amortization								
Balance, January 1, 2023	$ (30,972)	$ (6,880)	$ (11,198)	$ (21,859)	$ (24,842)	$ —	$ —	$ (95,751)
Depreciation and amortization	(21,963)	(4,134)	(5,133)	(12,695)	(17,690)	(1,548)	—	(63,163)
Foreign currency translation impact	—	—	—	4	—	30	—	34
Ending balance as at December 31, 2023	(52,935)	(11,014)	(16,331)	(34,550)	(42,532)	(1,518)	—	(158,880)
Depreciation and amortization	(10,981)	(2,066)	(2,567)	(6,470)	(8,845)	(4,613)	—	(35,543)
Foreign currency translation impact	—	—	—	(7)	—	(53)	—	(60)
Ending balance as at June 30, 2024	**$ (63,916)**	**$ (13,080)**	**$ (18,898)**	**$ (41,023)**	**$ (51,377)**	**$ (6,154)**	**$ —**	**$ (194,483)**
Carrying amounts								
Balance as at December 31, 2023	$ 386,183	$ 16,104	$ 7,469	$ 32,253	$ 45,904	$ 43,196	$ 119,721	$ 650,830
Ending balance as at June 30, 2024	**$ 375,202**	**$ 14,262**	**$ 4,902**	**$ 25,931**	**$ 37,059**	**$ 40,119**	**$ 119,721**	**$ 617,162**

During the three and six months ended June 30, 2024, a total of $7,892 and $15,717, respectively, depreciation and amortization (three and six months ended June 30, 2023 - $5,439 and $10,879) was recognized in the unaudited condensed consolidated interim statement of loss, and a total of $9,913 and $19,826 depreciation and amortization was capitalized to mineral property and interest (three and six months ended June 30, 2023 – $9,915 and $19,827).

Tincorp Metals Inc.

(Formerly Whitehorse Gold Corp.)

Notes to Unaudited Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars except numbers for share or otherwise stated)

4. MINERAL PROPERTY INTERESTS

The continuity schedule of mineral property interests is summarized as follows:

Cost	Skukum	SF	Porvenir	Total
Balance, January 1, 2023	$ 23,465,003	$ 2,258,211	$ 1,144,771	$ 26,867,985
Capitalized exploration expenditures				
Acquisition	—	—	1,016,639	1,016,639
Drilling & assaying	1,400	1,180	459,896	462,476
Camp service	28,366	—	—	28,366
Environmental monitoring	165,736	—	—	165,736
Permitting & claims	—	21,924	—	21,924
Geology study	5,100	16,070	330,006	351,176
Project management and support	61,573	212,795	810,373	1,084,741
Value added tax not claimed	—	950	103,621	104,571
Impairment - mineral rights and properties	—	(2,525,691)	—	(2,525,691)
Foreign currency impact	—	14,561	(72,990)	(58,429)
Balance, December 31, 2023	**$ 23,727,178**	**$ —**	**$ 3,792,316**	**$ 27,519,494**
Capitalized exploration expenditures				
Environmental monitoring	5,943	—	—	5,943
Project management and support	21,326	—	125,033	146,359
Foreign currency impact	—	—	53,791	52,906
Balance, June 30, 2024	**$ 23,754,447**	**$ —**	**$ 3,971,140**	**$ 27,725,587**

(i) Skukum Project

Skukum Project covering an area of 170.3 square kilometers, is located approximately 55 km south of Whitehorse, Yukon Territory, Canada, and consists of 1,051 mining claims hosting three identified gold and gold-silver mineral deposits: Skukum Creek, Goddell and Mount Skukum.

For the three and six months ended June 30, 2024, the Company carried out a water monitoring program to maintain the project in good standing, and incurred and capitalized a total of $13,913 and $27,269 (three and six months ended June 30, 2023 - $44,212 and $127,451), were capitalized under the Skukum Project.

(ii) Porvenir Project

In August 2022, the Company, through its wholly owned subsidiary, Stannum Metals Corp, entered into a Capital Quotas' Purchase Agreement (the "Porvenir Agreement") to acquire a 100% interest in Minera San Genaro S.R.L ("San Genaro") from its shareholders (the "Porvenir Vendors"). San Genaro's primary asset is one tin-zinc-silver-lead polymetallic mineral project (the "Porvenir Project"), or ATE (Temporary Special Authorization), located in the Oruro Department of Bolivia. The transaction was entered into based on normal market conditions at the amount agreed on by the parties.

The total consideration to acquire 100% interest in the Porvenir Project is US$1,750,000 and the payment schedule is summarized as follow:

- US$750,000 upon the signing of the Porvenir Agreement for 51% interest of San Genaro (paid);
- US$750,000 upon the first anniversary of signing of the Porvenir Agreement for the remaining 49% interest in San Genaro (paid); and
- US$250,000 on the second anniversary of signing the Porvenir Agreement.

Pursuant to the Porvenir Agreement, the Company has a right to forfeit unpaid consideration at any time prior to the completion of the payment schedule as stated above. If the Company exercises such right, the Company will return all interests received in San Genaro until that moment to the Porvenir Vendors, and the Porvenir Vendors are not required to repay the payments received to that date.

Upon signing the Porvenir Agreement in August 2022, the Company paid $973,946 (US$750,000) to the Porvenir Vendors and incurred a total of $17,325 transaction costs. In August 2023, the Company paid $1,016,639 (US$750,000) to the Porvenir Vendors and now owns 100% interest in San Genaro. The acquisition was accounted for an acquisition of assets as the purchase price was concentrated on a single asset. The purchase price, including transaction costs, was solely allocated to mineral property interest.

For the three and six months ended June 30, 2024, total expenditures of $28,640 and $125,033 (three and six months ended June 30, 2023 - $513,798 and $768,475), were capitalized under the project.

(iii) SF Project

In August 2022, the Company, through its wholly owned subsidiary, Stannum Metals Corp. (“Stannum”), entered into a confirmation drilling agreement with the shareholders of Sucesorespardo LTDA (the “Sucesorespardo”) to conduct a confirmation drill program at a tin-zinc-silver-lead polymetallic mineral project (the “SF Project”), or ATE, located in the Oruro Department of Bolivia, to validate its historical drill hold data for a confirmation drilling payment of US$100,000.

In December 2022, Stannum entered into a Capital Quotas’ Purchase Agreement (the “SF Agreement”) with the shareholders of Sucesorespardo (the “SF Vendors”) to acquire a 100% interest in Sucesorespardo, which primary asset is the SF Project.

The total consideration, including the confirmation drilling payment, to acquire 100% interest in the SF Project is US$3,500,000 and the payment schedule is summarized as follows:

- US$100,000 to conduct the confirmation drill program (paid);
- US$1,000,000 upon signing of the SF Agreement for a 100% interest of Sucesorespardo (paid);
- US$1,000,000 on the first anniversary of signing of the SF Agreement; and

- US$1,400,000 on the second anniversary of signing of the SF Agreement.

The Company paid $1,477,476 (US$1,100,000) to the shareholders of Sucesorespardo and acquired 100% interest in Sucesorespardo in December 2022. The payments, together with the transaction costs of $376,378, were capitalized as the acquisition costs of the SF Project as Sucesorespardo's primary asset is the SF Project.

Pursuant to the SF Agreement, if the Company fails to pay the SF Vendors as per the payment terms and schedule as described above, the Company is required to return all interests in the SF Project to the SF Vendors and the SF Vendors are not required to return the payment received. As a result, the Company decided to fully impair the carrying value of the SF Project and an impairment charge of $2,525,691 was recorded in 2023.

On May 17, 2024, the Company reached an agreement with the SF Vendors to amend the payment amount and terms of the SF Agreement as follows:

- US$100,000 payment to the SF Vendors in December 2024;
- US$2,085,000 payment to the SF Vendors in December 2025;
- Regiment Metals Corp., a wholly owned subsidiary of the Company replaced Stannum holding a 100% interest of the SF Project; and,
- no further claims in relation to the SF Vendors' non-compliance on the social matters related to the SF Project.

During the three and six months ended June 30, 2024, the Company did not carry any exploration activities at the SF Project and has not yet formalized any plan to continue to develop the SF Project, and therefore, the impairment charges against the SF Project has not yet been reversed. For the three and six months ended June 30, 2023, a total of $60,952 and $179,458 were capitalized under the project.

5. SHARE CAPITAL

(a) Share Capital - authorized share capital

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

(b) Share-based compensation

On June 21, 2024, the Company's Omnibus Plan was approved by the shareholders of the Company. The Omnibus plan replaces the Company's existing stock option plan and allows for the grant of options to purchase up to 10% of the total issued and outstanding common shares calculated on the date of the grant, and the grant of other forms of equity incentive securities to acquire up to 6,690,742 common shares.

(Expressed in Canadian dollars except numbers for share or otherwise stated)

For the three and six months ended June 30, 2024, a total of $67,737 and $28,044, respectively (three and six months ended June 30, 2023 were $154,726 and $271,942), were recorded as share-based compensation expenses.

The continuity schedule of stock options, as at June 30, 2024, is as follows:

	Number of options		Weighted average exercise price
Balance, January 1, 2023	3,220,000	$	0.55
Options granted	2,480,000		0.47
Options cancelled	(525,000)		0.44
Balance, December 31, 2023	5,175,000	$	0.52
Options forfeited	(1,325,000)		0.53
Balance, June 30, 2024	**3,850,000**	**$**	**0.52**

The following table summarizes information about stock options outstanding as at June 30, 2024:

	Exercise price	Number of options outstanding at June 30, 2024	Weighted average remaining contractual life (Years)	Weighted average exercise price for outstanding options		Number of options exercisable at June 30, 2024		Weighted average exercise price for exercisable options
$	0.5000	995,000	2.77	0.5000	$	497,500	$	0.5000
	0.4800	300,000	3.17	0.4800		100,000		0.4800
	0.4700	1,910,000	3.75	0.4700		318,332		0.4700
	0.3150	395,000	6.39	0.3150		395,000		0.3150
	1.3800	250,000	6.85	1.3800		208,333		1.3800
$ 0.315 to $1.380		**3,850,000**	**3.92**	**0.5217**	**$**	**1,519,165**	**$**	**0.5650**

Subsequent to June 30, 2024, a total of 2,440,000 stock options were granted to directors, officers and employees of the Company. The options are exercisable for a period of 5 years from the date of grant at price of $0.25 per share, and vest in six equal tranches over a period of three years.

(c) Share purchase warrant

The continuity schedule of share purchase warrants, as at June 30, 2024, is as follows:

	Number of warrants		Weighted average exercise price
Balance, December 31, 2022	14,186,824	$	1.65
Warrants granted	2,442,500		0.65
Warrants expired	(292,249)		2.00
Balance, December 31, 2023 and June 30, 2024	**16,337,075**	**$**	**1.49**

(Expressed in Canadian dollars except numbers for share or otherwise stated)

The following table summarizes information about share purchase warrants outstanding as at June 30, 2024:

		Exercise price	Number of warrants outstanding at	Expiry date
Warrant granted in 2021 private placement	$	2.00	6,287,300	May 14, 2026
Flow-through warrant granted in 2021 private placement		2.10	3,646,025	May 14, 2026
Warrant granted in 2022 Private Placement		0.65	3,961,250	December 15, 2024
Warrant granted in 2022 Private Placement		0.65	2,442,500	January 15, 2025
			16,337,075	

6. RELATED PARTY TRANSACTIONS

Related party transactions are made on terms agreed upon by the related parties. The balances with related parties are unsecured, non-interest bearing, and due on demand. Related party transactions not disclosed elsewhere in the consolidated financial statements are as follows:

(a) Due from a related party

		June 30, 2024		December 31, 2023
Payables to Silvercorp	**$**	**1,481,941**	$	204,192

Silvercorp is the largest shareholder of the Company and currently owns approximately 29.69% interest in the Company, on a non-diluted basis. Silvercorp and the Company share office space and Silvercorp provides various general and administrative services at cost to the Company. Expenses in services rendered and incurred by Silvercorp on behalf of the Company for the three and six months ended June 30, 2024 were $43,323 and $91,207 (three and six months ended June 30, 2023 - $105,354 and $210,344).

In January 2024, the Company entered into an interest-free unsecured credit facility agreement with no conversion features (the “Agreement”) with Silvercorp for a credit facility of US$1,000,000 (the “Facility”). Under the terms of the Agreement, the Company is entitled to draw down up to US$1,000,000 at any time. The Facility has a maturity date of January 31, 2025, and contains a voluntary prepayment option, allowing the Company to prepay the Facility at any time without penalty. In January 2024, the Company drew down $668,600 (US$500,000) and issued 350,000 shares of the Company (the “Bonus Shares”) to Silvercorp upon receipt of final approval from the TSX Venture Exchange. The fair value of the Bonus shares was $105,000, which was recorded as finance cost on the unaudited condensed consolidated interim statements of loss for the six months ended June 30, 2024. In April 2024, the Company drew down the remaining $682,900 (US$500,000) from the Facility.

(Expressed in Canadian dollars except numbers for share or otherwise stated)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management personnel, who are those having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, for the three and six months ended June 30, 2024 and 2023 were as follows:

	Three months ended June 30		**Six months ended June 30**	
	2024	2023	**2024**	2023
Directors' share-based compensation	**$ 47,899**	$ 21,663	**$ 107,810**	$ 92,445
Key management's salaries and benefits	**30,465**	65,381	**68,349**	141,352
Key management's share-based compensation	**2,985**	(3,918)	**(119,205)**	29,591
	$ 81,349	$ 83,126	**$ 56,954**	$ 263,388

7. FINANCIAL INSTRUMENTS

The Company manages its exposure to financial risks, including liquidity risk and credit risk in accordance with its risk management framework. The Company's Board has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

(a) Fair Value

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of inputs used in making the measurements as defined in IFRS 13 – *Fair Value Measurement* ("IFRS 13").

Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs which are supported by little or no market activity.

The Company does not have any financial instruments that are measured at fair value on a recurring basis as at June 30, 2024 and December 31, 2023. Fair value of financial instruments measured at amortized cost approximate their carrying amount as at June 30, 2024 and December 31, 2023.

(b) Liquidity Risk

The Company has no operating revenues. Liquidity risk is the risk that the Company will not be able to meet its short-term business requirements. As at June 30, 2024, the Company had working capital deficit of $1,734,688. Excluding the amount of $1,481,941 due to Silvercorp, the adjusted working capital was in negative position of

(Expressed in Canadian dollars except numbers for share or otherwise stated)

$252,747. The Company's ability to continue operations in the normal course of business is dependent on the Company's ability to secure additional financing.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following summarizes the remaining contractual maturities of the Company's financial liabilities:

		Due within a year
Accounts payable and accrued liabilities	$	943,094
Payables due to a related party		1,481,941
	$	**2,425,035**

(c) Foreign Exchange Risk

The Company is exposed to foreign exchange risk when it undertakes transactions and holds assets and liabilities denominated in foreign currencies other than its functional currencies. The functional currency of the Company's Canadian entities is Canadian dollar. The functional currency of all intermediate holding companies and Bolivian companies is USD. The Company currently does not engage in foreign exchange currency hedging. The Company's exposure to foreign exchange risk that could affect net income is summarized as follows:

Financial instruments denominated in foreign currencies other than relevant functional currency.

		Cash		Other receivables		Deposits and prepayments		Accounts payable and accrued liabilities		Net financial liabilities exposure		Effect of +/- 10% change in currency
United States dollars	$	39,896	$	—	$	—	$	(287,794)	$	(247,898)	$	(24,790)
Bolivianos		13,737		—		356		(581,748)		(567,655)		(56,766)
Total	**$**	**53,633**	**$**	**—**	**$**	**356**	**$**	**(869,542)**	**$**	**(815,553)**	**$**	**(81,556)**

As at June 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of the USD against the CAD would have increased (decreased) net income by approximately $24,790.

As at June 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of the Bolivianos against the USD would have decreased (increased) net income by approximately $56,766.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is primarily associated with cash, receivables, and deposits and prepayments. The carrying amount of financial assets included on the unaudited condensed consolidated interim statement of financial position represents the maximum credit exposure.

The Company has deposits of cash that meet minimum requirements for quality and liquidity as stipulated by the Board. Management believes the risk of loss to be remote, as the majority of its cash is held with major financial institutions. As at June 30, 2024, the Company had other receivable which consists of sales taxes recoverable from governments in the jurisdictions in which the Company operates.

8. CAPITAL MANAGEMENT

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal exploration and operating requirement on an ongoing basis, continue the investment in high quality assets along with safeguarding the value of its development and exploration mineral properties, and support any expansionary plans.

The capital of the Company consists of the items included in equity less cash. Risk and capital management are primarily the responsibility of the Company's corporate finance function and are monitored by the Board of Directors. The Company manages the capital structure and makes adjustments depending on economic conditions. Significant risks are monitored, and actions are taken, when necessary, according to the Company's approved policies.

9. SEGMENT INFORMATION

The Company's reportable operating segments are components of the Company where separate financial information is available that is evaluated regularly by the Company's Chief Executive Officer who is the Chief Operating Decision Maker ("CODM"). The operational segments are determined based on the Company's management and internal reporting structure.

As at and for the three and six months ended June 30, 2024, the Company operates in four reportable operating segments, one being the corporate segment; the other three being the exploration and development segments based on the mineral properties in Canada and Bolivia.

(Expressed in Canadian dollars except numbers for share or otherwise stated)

(a) Segmented information for assets and liabilities is as follows:

As at	**June 30, 2024**				
		Exploration and Development			
	Corporate (Canada and BVI)	**Skukum (Canada)**	**SF (Bolivia)**	**Porvenir (Bolivia)**	**Total**
Cash	**$ 614,205**	**$ 2,188**	**$ 1,362**	**$ 8,086**	**$ 625,841**
Property and equipment	**73,153**	**535,425**	**—**	**8,584**	**617,162**
Mineral property interests	**—**	**23,754,447**	**—**	**3,971,140**	**27,725,587**
Other assets	**64,266**	**15,075**	**—**	**240**	**79,581**
Total Assets	**$ 751,624**	**$ 24,307,135**	**$ 1,362**	**$ 3,988,050**	**$ 29,048,171**
Total Liabilities	**$ (1,948,252)**	**$ —**	**$ —**	**$ (476,783)**	**$ (2,425,035)**

As at	December 31, 2023				
		Exploration and Development			
	Corporate (Canada and BVI)	Skukum (Canada)	SF (Bolivia)	Porvenir (Bolivia)	Total
Cash	$ 72,970	$ 2,430	$ 1,598	$ 28,430	$ 105,428
Property and equipment	86,078	556,243	—	8,509	650,830
Mineral property interests	—	23,727,178	—	3,792,316	27,519,494
Other assets	97,402	16,836	—	17,955	132,193
Total Assets	$ 256,450	$ 24,302,687	$ 1,598	$ 3,847,210	$ 28,407,945
Total Liabilities	$ (789,794)	$ (11,472)	$ —	$ (642,266)	$ (1,443,532)

(Expressed in Canadian dollars except numbers for share or otherwise stated)

(b) Segmented information for operating results is as follows:

	Three months ended June 30, 2024				
		Exploration and Development			
	Corporate (Canada and BVI)	**Skukum (Canada)**	**SF (Bolivia)**	**Porvenir (Bolivia)**	**Total**
Salaries and benefits	**$ 55,020**	**$ —**	**$ 295**	**$ 1,671**	**$ 56,986**
Project evaluation and corporate development	**64,789**	**—**	**—**	**—**	**64,789**
Share-based compensation	**67,737**	**—**	**—**	**—**	**67,737**
Other operating expenses	**152,904**	**521**	**3**	**419**	**153,847**
Total operating expense	**$ 340,450**	**$ 521**	**$ 298**	**$ 2,090**	**$ 343,359**
Interest income	**$ (3,938)**	**$ —**	**$ —**	**$ —**	**$ (3,938)**
Foreign exchange loss (gain)	**6,098**	**—**	**—**	**(1,416)**	**4,682**
Net loss	**$ 342,610**	**$ 521**	**$ 298**	**$ 674**	**$ 344,103**

	Three months ended June 30, 2023				
		Exploration and Development			
	Corporate (Canada and BVI)	Skukum (Canada)	SF (Bolivia)	Porvenir (Bolivia)	Total
Salaries and benefits	$ 126,008	$ —	$ —	$ —	$ 126,008
Share-based compensation	154,726	—	—	—	154,726
Other operating expenses	259,754	434	563	104	260,855
Total operating expense	$ 540,488	$ 434	$ 563	$ 104	$ 541,589
Interest income, net	$ (20,637)	$ —	$ —	$ —	$ (20,637)
Foreign exchange (gain) loss	10,828	(150)	—	(765)	9,913
Net loss	$ 530,679	$ 284	$ 563	$ (661)	$ 530,865

(Expressed in Canadian dollars except numbers for share or otherwise stated)

Six months ended June 30, 2024

	Corporate (Canada and BVI)	Exploration and Development: Skukum (Canada)	Exploration and Development: SF (Bolivia)	Exploration and Development: Porvenir (Bolivia)	Total
Salaries and benefits	**$ 81,225**	**$ —**	**$ 295**	**$ 1,671**	**$ 83,191**
Project evaluation and corporate development	**64,789**	**—**	**—**	**—**	**64,789**
Share-based compensation	**28,044**	**—**	**—**	**—**	**28,044**
Other operating expenses	**218,305**	**1,080**	**241**	**2,507**	**222,133**
Total operating expense	**392,363**	**1,080**	**536**	**4,178**	**398,157**
Interest income	**(8,036)**	**—**	**—**	**—**	**(8,036)**
Financing cost	**105,000**	**—**	**—**	**—**	**105,000**
Foreign exchange (gain) loss	**10,638**	**—**	**—**	**(2,555)**	**8,083**
Net loss	**$ 499,965**	**$ 1,080**	**$ 536**	**$ 1,623**	**$ 503,204**

Six months ended June 30, 2023

	Corporate (Canada and BVI)	Exploration and Development: Skukum (Canada)	Exploration and Development: SF (Bolivia)	Exploration and Development: Porvenir (Bolivia)	Total
Salaries and benefits	$ 262,856	$ —	$ —	$ —	$ 262,856
Share-based compensation	271,942	—	—	—	271,942
Other operating expenses	467,556	1,983	1,048	1,696	472,283
Total operating expense	1,002,354	1,983	1,048	1,696	1,007,081
Interest income	(30,100)	—	—	—	(30,100)
Foreign exchange (gain) loss	12,911	(156)	—	(765)	11,990
Net loss	$ 985,165	$ 1,827	$ 1,048	$ 931	$ 988,971

(Expressed in Canadian dollars except numbers for share or otherwise stated)

10. SUPPLEMENTARY CASH FLOW INFORMATION

The following table summarizes adjustments for changes in working capital items and significant non-cash items:

	Three months ended June 30,		Six months ended June 30,	
Changes in non-cash operating working capital:	**2024**	2023	**2024**	2023
Other receivables	**$ (2,212)**	$ (30,018)	**$ 9,841**	$ (36,489)
Deposits and prepayments	**41,065**	(17,033)	**55,645**	(13,294)
Accounts payable and accrued liabilities	**(42,814)**	19,734	**(194,581)**	(31,397)
Payables due to a related party	**44,381**	(25,813)	**(73,751)**	(7,162)
	$ 40,420	$ (53,130)	**$ (202,846)**	$ (88,342)

The following table summarizes other adjustments for changes in working capital items related to capital expenditures and acquisition transactions:

	Three months ended June 30,		Six months ended June 30,	
Changes in working capital related to capital expenditures and acquisition:	**2024**	2023	**2024**	2023
Deposits and prepayments	**$ (12,567)**	$ —	**$ (12,874)**	$ —
Accounts payable and accrued liabilities	**(25,382)**	826,409	**(101,664)**	379,944
	$ (37,949)	$ 826,409	**$ (114,538)**	$ 379,944