Tincorp Metals Inc.

TSXV: TIN

OTCQX: TINFF

(Formerly Whitehorse Gold Corp.)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

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

The unaudited condensed consolidated interim financial statements of Tincorp Metals Inc. (the "Company") for the three and nine months ended September 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		September 30, 2024		December 31, 2023
ASSETS	**Notes**				
Current Assets					
Cash		$	**335,102**	$	105,428
Other receivables			**4,065**		14,548
Deposits and prepayments			**44,877**		102,570
			384,044		222,546
Non-current Assets					
Reclamation deposit			**15,075**		15,075
Property and equipment	3		**590,961**		650,830
Mineral property interests	4		**30,687,896**		27,519,494
TOTAL ASSETS		$	**31,677,976**	$	28,407,945
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable and accrued liabilities		$	**831,302**	$	1,239,340
Payables due to a related party	5		**1,507,141**		204,192
			2,338,443		1,443,532
Environmental rehabilitation liabilities	6		**2,938,138**		—
Total liabilities		$	**5,276,581**	$	1,443,532
EQUITY					
Share capital	7	$	**26,475,144**		26,370,144
Reserves	7		**1,550,960**		1,386,847
Accumulated other comprehensive Income (loss)			**(21,017)**		(12,927)
Deficit			**(1,603,692)**		(779,651)
Total Equity			**26,401,395**		26,964,413
TOTAL LIABILITIES AND EQUITY		$	**31,677,976**	$	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 and Comprehensive Loss

(Expressed in Canadian dollars except numbers for share)

		Three months ended September 30,		Nine months ended September 30,	
	Notes	**2024**	2023	**2024**	2023
Operating expenses					
Salaries and benefits		**$ 50,586**	$ 92,369	**$ 133,777**	$ 355,225
Project investigation and evaluation		**3,597**	—	**68,386**	—
Investor relations		**2,202**	60,735	**27,441**	213,572
Filing and continuous listing		**27,253**	17,918	**89,324**	86,343
Professional fees		**51,514**	73,226	**164,863**	196,921
Office and administration		**62,699**	55,534	**68,456**	171,981
Depreciation	3	**10,298**	7,123	**26,015**	18,002
Share-based compensation	7(b)	**136,069**	150,815	**164,113**	422,757
		344,218	457,720	**742,375**	1,464,801
Other expenses (income)					
Interest income		**(3,789)**	(9,086)	**(11,825)**	(39,186)
Financing cost	5(a)	**—**	—	**105,000**	—
Foreign exchange loss		**(19,592)**	10,231	**(11,509)**	22,221
		(23,381)	1,145	**81,666**	(16,965)
Net loss		**$ 320,837**	$ 458,865	**$ 824,041**	$ 1,447,836
Other comprehensive loss, net of taxes:					
Currency translation adjustments		**36,973**	(51,489)	**8,090**	24,895
Other comprehensive (income) loss		**36,973**	(51,489)	**8,090**	24,895
Total Comprehensive loss		**$ 357,810**	$ 407,376	**$ 832,131**	$ 1,472,731
Loss per common share - basic and diluted		**$ —**	$ 0.01	**$ 0.01**	$ 0.02
Weighted average number of common shares - basic and diluted		**66,907,423**	66,557,423	**66,680,512**	66,271,123

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 September 30,		Nine months ended September 30,	
	Notes	**2024**	2023	**2024**	2023
Operating activities					
Net loss for the year		**$ (320,837)**	$ (458,865)	**$ (824,041)**	$ (1,447,836)
Add (deduct) items not affecting cash:					
Financing cost	5(a)	**—**	—	**105,000**	—
Depreciation	3	**10,298**	7,123	**26,015**	18,002
Share based compensation	7(b)	**136,069**	150,815	**164,113**	422,757
Foreign exchange loss		**(8,083)**	10,231	**—**	22,221
Changes in non-cash operating working capital	11	**44,812**	(20,283)	**(158,034)**	(109,648)
Net cash used in operating activities		**(137,741)**	(310,979)	**(686,947)**	(1,094,504)
Investing activities					
Mineral property interest					
Capital expenditures	4,11	**(169,731)**	(624,801)	**(416,745)**	(1,294,660)
Acquisition		**(40,773)**	(1,016,639)	**(40,773)**	(1,016,639)
Property and equipment					
Additions		**—**	(45,786)	**—**	(51,882)
Net cash used in investing activities		**(210,504)**	(1,687,226)	**(457,518)**	(2,363,181)
Financing activities					
Equity financing, net of issuance costs		**—**	—	**—**	1,937,662
Loans from a related party	5(a)	**—**	—	**1,351,500**	—
Net cash provided by financing activities		**—**	—	**1,351,500**	1,937,662
Effect of exchange rate changes on cash		**57,506**	(23,130)	**22,639**	(28,177)
(Decrease) increase in cash		**(290,739)**	(2,021,335)	**229,674**	(1,548,200)
Cash, beginning of the period		**625,841**	2,534,323	**105,428**	2,061,188
Cash, end of the period		**$ 335,105**	$ 512,988	**$ 335,105**	$ 512,988

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	Retained earnings (deficit)	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		—	—	430,642	—	—	—	430,642
Share issuance in private placement, net of share issue costs		4,885,000	1,817,662	—	—	—	—	1,817,662
Net loss and comprehensive loss		—	—	—	—	(24,895)	(1,447,836)	(1,472,731)
Balance, September 30, 2023		66,557,423	$ 26,370,144	$ 1,103,892	$ 165,023	$ 20,207	$ 2,221,416	$ 29,880,682
Share-based compensation		—	—	117,932	—	—	—	117,932
Net loss and comprehensive loss		—	—	—	—	(33,134)	(3,001,067)	(3,034,201)
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	7(b)	—	—	164,113	—	—	—	164,113
Share issued for credit facility	5(a)	350,000	105,000	—	—	—	—	105,000
Net loss and comprehensive loss		—	—	—	—	(8,090)	(824,041)	(832,131)
Balance, September 30, 2024		**66,907,423**	**$ 26,475,144**	**$ 1,385,937**	**$ 165,023**	**$ (21,017)**	**$ (1,603,692)**	**$ 26,401,395**

See accompanying notes to the unaudited condensed consolidated interim financial statements

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

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 amendment noted below.

These consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors dated November 20, 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 is 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 $320,837 and $824,041 during the three and nine months ended September 30, 2024 (three and nine months ended September 30, 2023 - $458,865 and $1,447,836) and, as of the date, the Company's current liabilities exceeded its current assets by $1,954,399. 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 September 30, 2024, 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**	**September 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")

3. PROPERTY AND EQUIPMENT

Cost	**Building**	**Office equipment**	**Computer software**	**Equipment and furniture**	**Machinery**	**Motor vehicle**	**Construction in process**	**Total**
As at December 31, 2022	$ 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)
As at December 31, 2023	**$ 439,118**	**$ 27,118**	**$ 23,800**	**$ 66,803**	**$ 88,436**	**$ 44,714**	**$ 119,721**	**$ 809,710**
Reclassification of asset groups	119,721	—	—	—	—	—	(119,721)	—
Foreign currency translation impact	—	(1,537)	—	90	—	924	—	(524)
As at September 30, 2024	**$ 558,839**	**$ 25,581**	**$ 23,800**	**$ 66,893**	**$ 88,436**	**$ 45,638**	**$ —**	**$ 809,186**
Accumulated depreciation and amortization								
As at December 31, 2022	$ (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
As at December 31, 2023	**$ (52,935)**	**$ (11,014)**	**$ (16,331)**	**$ (34,550)**	**$ (42,532)**	**$ (1,518)**	$ —	**$ (158,880)**
Impairment loss	—	—	—	—	—	—	—	—
Depreciation and amortization	(20,105)	(5,555)	(3,850)	(9,703)	(13,267)	(6,906)	—	(59,386)
Foreign currency translation impact	—	19	—	(2)	—	23	—	40
As at September 30, 2024	**$ (73,040)**	**$ (16,550)**	**$ (20,181)**	**$ (44,254)**	**$ (55,799)**	**$ (8,401)**	$ —	**$ (218,226)**
Carrying amounts								
As at December 31, 2023	$ 386,183	$ 16,104	$ 7,469	$ 32,253	$ 45,904	$ 43,196	$ 119,721	$ 650,830
As at September 30, 2024	**$ 485,799**	**$ 9,030**	**$ 3,619**	**$ 22,639**	**$ 32,637**	**$ 37,237**	**$ —**	**$ 590,961**

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

During the three and nine months ended September 30, 2024, a total of $10,298 and $26,015, respectively, depreciation and amortization (three and nine months ended September 30, 2023 - $7,123 and $18,002) was recognized in the unaudited condensed consolidated interim statement of loss, and a total of $13,545 and $33,371 depreciation and amortization was capitalized to mineral property and interest (three and nine months ended September 30, 2023 – $9,913 and $29,740).

4. MINERAL PROPERTY INTERESTS

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

Cost	Skukum	SF	Porvenir	Total
As at December 31, 2022	$ 23,465,003	$ 2,258,211	$ 1,144,771	$ 26,867,985
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)
As at December 31, 2023	**$ 23,727,178**	**$ —**	**$ 3,792,316**	**$ 27,519,494**
Acquisition	—	—	40,773	40,773
Environmental monitoring	19,294	—	—	19,294
Project management and support	41,771	—	125,033	166,804
Revaluation of environmental rehabilitation liabilities	2,938,138	—	—	2,938,138
Foreign currency impact	—	—	3,393	3,393
As at September 30, 2024	**$ 26,726,381**	**$ —**	**$ 3,961,515**	**$ 30,687,896**

(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.

In August 2024, the Department of Energy, Mines and Resources of the Government of Yukon (the "Yukon Government") determined that undiscounted closure cost for the Skukum Project is $3,301,278 and the discounted cost is $2,938,138 at a discount rate of 6%. The Yukon Government also demands the Company to furnish an additional financial security of $2,930,732. The estimated discounted cost of $2,938,138 was recorded as environmental rehabilitation liabilities on the unaudited condensed consolidated interim statements of financial position with the corresponding amount debited to the carrying value of the Skukum Project. The Company has not yet made the financial security to the Yukon Government.

For the three and nine months ended September 30, 2024, the Company carried out a water monitoring program to maintain the project in good standing, and incurred and capitalized a total of $33,796 and $61,065 (three and nine months ended September 30, 2023 - $89,909 and $217,360), 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.

In August 202, the Company and the Porvenir Vendors reached an agreement to reduce the payment on the second anniversary of signing the Porvenir Agreement to $30,000, which was paid in September 2024.

For the three and nine months ended September 30, 2024, total expenditures of $nil and $125,033 (three and nine months ended September 30, 2023 - $683,027 and $1,413,870), 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.

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

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; 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 nine months ended September 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 nine months ended September 30, 2023, a total of $188,648 and $323,653 were capitalized under the project.

5. 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

		September 30, 2024		December 31, 2023
Payables to Silvercorp	**$**	**1,507,141**	$	204,192

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

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 the Silvercorp on behalf of the Company for the three and nine months ended September 30, 2024 was $24,000 and $115,207 (three and nine months ended September 30, 2023 - $59,815 and $270,159).

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 nine months ended September 30, 2024. In April 2024, the Company drew down the remaining $682,900 (US$500,000) from the Facility.

(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 nine months ended September 30, 2024 and 2023 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Share-based compensation	**$ 82,557**	$ 223,101	**$ 71,162**	$ 345,137
Salaries and fees	**39,173**	63,180	**133,536**	204,532
	$ 121,730	$ 286,281	**$ 204,698**	$ 549,669

6. ENVIRONMENTAL REHABILITATION LIABILITIES

In August 2024, the Department of Energy, Mines and Resources of the Government of Yukon (the "Yukon Government") determined that undiscounted closure cost for the Skukum Project is $3,301,278 and the discounted cost is $2,938,138 at a discount rate of 6%.

7. SHARE CAPITAL

(a) Share Capital - authorized share capital

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

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

(b) Share-based compensation

The Company has a share-based compensation plan (the "Plan") which allows for the maximum number of common shares to be reserved for issuance on stock options to be a rolling 10% of the issued and outstanding common shares from time to time.

During the three and nine months ended September 30, 2024, the Company granted 2,440,000 and 2,440,000 stock options an exercise price of $0.25 (three and nine month ended September 30, 2023 - nil and 2,480,000 options at an exercise price of $0.47) to certain directors, officers and employees. The options have a term of five years, and vest over a three-year period in 1/6 increments.

The table below summarize the grant date fair value of options granted in 2024 and 2023 and the assumptions used for the valuation of the options:

	2024	2023
Risk free interest rate (%)	3.74	3.51
Expected life of the options (years)	3.75	2.74
Expected volatility (%)	86.48	86.26
Expected dividend yield (%)	—	—
Expected forfeiture rate (%)	3.65	10.00
Share price at the grade date ($)	0.25	0.47
Estimated weighted average fair value at the grant date ($)	0.15	0.25

For the three and nine months ended September 30, 2024, a total of $136,069 and $164,113, respectively (three and nine months ended September 30, 2023 were $150,815 and $422,757), were recorded as share-based compensation expenses.

The continuity schedule of stock options, as at September 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 granted	2,440,000		0.25
Options forfeited	(1,325,000)		0.53
Balance, September 30, 2024	**6,290,000**	**$**	**0.42**

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

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

Exercise price	Number of options outstanding at September 30, 2024	Weighted average remaining contractual life (Years)	Weighted average exercise price for outstanding options	Number of options exercisable at September 30, 2024	Weighted average exercise price for exercisable options
$0.500	995,000	2.51	$0.500	663,332	$0.500
$0.480	300,000	2.92	$0.480	200,000	$0.480
$0.470	1,910,000	3.50	$0.470	636,668	$0.470
$0.315	395,000	6.13	$0.315	395,000	$0.315
$1.380	250,000	6.60	$1.380	250,000	$1.380
$0.250	2,440,000	4.76	$0.250	—	—
	6,290,000	**4.09**	**$0.416**	**2,145,000**	**$0.558**

(c) Share purchase warrant

The continuity schedule of share purchase warrants, as at September 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 September 30, 2024	**16,337,075**	**$ 1.49**

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

	Exercise price	Number of warrants outstanding at September 30, 2024	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	

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

8. 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 September 30, 2024 and December 31, 2023. The fair value of financial instruments measured at amortized cost approximate their carrying amount as at September 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 September 30, 2024, the Company had a working capital deficit of $1,954,399. Excluding the amount of $1,507,141 due to Silvercorp, the adjusted working capital was in negative position of $447,258. 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	$	831,302
Payables due to a related party		1,507,141
	$	**2,338,443**

(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 ("CAD"). The functional currency of all intermediate holding companies and Bolivian companies is the United States dollar ("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:

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

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
USD	$ 83,718	$ —	$ —	$ (240,269)	$ (156,551)	$ (15,655)
Bolivianos	30,516	65	718	(470,902)	(439,603)	(43,960)
Total	$ 114,234	$ 65	$ 718	$ (711,171)	$ (596,154)	$ (59,615)

As at September 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of the USD against the CAD would have increased (decreased) net income by approximately $15,655.

As at September 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of the Bolivianos against the USD would have decreased (increased) net income by approximately $43,960.

(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 are held with major financial institutions. As at September 30, 2024, the Company had other receivables balance of $4,065 (December 31, 2023 - $14,548), which consist of sales taxes recoverable from governments in the jurisdictions in which the Company operates.

9. 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 is 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.

10. SEGMENT INFORMATION

The Company is a mineral exploration and development company, and all of the Company's operation are within the mineral exploration and development industry. 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

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

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 of September 30, 2024, the Company's significant operating segments include two exploration projects in Bolivia, one mineral project in Canada and a corporate administrative function which consists corporate assets and expenses not allocated to operating segments.

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

As at	**September 30, 2024**				
		Exploration and Development			
		Canada	**Bolivia**		
	Corporate	**Skukum**	**SF**	**Porvenir**	**Total**
Cash	**308,298**	**7,528**	**1,343**	**17,933**	**335,102**
Property and equipment	**65,328**	**521,384**	**—**	**4,249**	**590,961**
Mineral property interests	**—**	**26,726,381**	**—**	**3,961,515**	**30,687,896**
Other assets	**47,932**	**15,406**	**—**	**679**	**64,017**
Total Assets	**421,558**	**27,270,699**	**1,343**	**3,984,376**	**31,677,976**
Total Liabilities	**(1,944,753)**	**(2,944,753)**	**(104,301)**	**(282,774)**	**(5,276,581)**

As at	December 31, 2023				
		Exploration and Development			
		Canada	Bolivia		
	Corporate	Skukum	SF	Porvenir	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 September 30, 2024				
		Exploration and Development			
		Canada	Bolivia		
	Corporate	**Skukum**	**SF**	**Porvenir**	**Total**
Salaries and benefits	**$ 2,909**	**$ —**	**$ 7,151**	**$ 40,526**	**$ 50,586**
Project evaluation and corporate development	**3,597**	**—**	**—**	**—**	**3,597**
Share-based compensation	**136,069**	**—**	**—**	**—**	**136,069**
Other operating expenses	**127,574**	**1,755**	**(2)**	**24,639**	**153,966**
Total operating expense	**270,149**	**1,755**	**7,149**	**65,165**	**344,218**
Interest income	**(3,789)**	**—**	**—**	**—**	**(3,789)**
Foreign exchange gain	**(1,288)**	**—**	**—**	**(18,304)**	**(19,592)**
Net loss	**$ 265,072**	**$ 1,755**	**$ 7,149**	**$ 46,861**	**$ 320,837**

	Three months ended September 30, 2023				
		Exploration and Development			
		Canada	Bolivia		
	Corporate	Skukum	SF	Porviner	Total
Salaries and benefits	$ 92,369	$ —	$ —	$ —	$ 92,369
Share-based compensation	150,815	—	—	—	150,815
Other operating expenses	182,408	1,272	2,243	28,613	214,536
Total operating expense	$ 425,592	$ 1,272	$ 2,243	$ 28,613	$ 457,720
Interest income	$ (9,086)	$ —	$ —	$ —	$ (9,086)
Foreign exchange loss	9,322	144	—	765	10,231
Net loss	$ 425,828	$ 1416	$ 2243	$ 29,378	$ 458,865

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

	Nine months ended September 30, 2024				
		Exploration and Development			
		Canada	Bolivia		
	Corporate	**Skukum**	**SF**	**Porvenir**	**Total**
Salaries and benefits	**$ 84,134**	**$ —**	**$ 7,446**	**$ 42,197**	**$ 133,777**
Project evaluation and corporate development	**68,386**	**—**	**—**	**—**	**68,386**
Share-based compensation	**164,113**	**—**	**—**	**—**	**164,113**
Other operating expenses	**345,879**	**2,835**	**239**	**27,146**	**376,099**
Total operating expense	**662,512**	**2,835**	**7,685**	**69,343**	**742,375**
Interest income	**(11,825)**	**—**	**—**	**—**	**(11,825)**
Financing cost	**105,000**	**—**	**—**	**—**	**105,000**
Foreign exchange (gain) loss	**9,350**	**—**	**—**	**(20,859)**	**(11,509)**
Net loss	**$ 765,037**	**$ 2,835**	**$ 7,685**	**$ 48,484**	**$ 824,041**

	Nine months ended September 30, 2023				
		Exploration and Development			
		Canada	Bolivia		
	Corporate	Skukum	SF	Porviner	Total
Salaries and benefits	$ 355,225	$ —	$ —	$ —	$ 355,225
Share-based compensation	422,757	—	—	—	422,757
Other operating expenses	649,964	3,255	3,291	30,309	686,819
Total operating expense	1,427,946	3,255	3,291	30,309	1,464,801
Interest income	(39,186)	—	—	—	(39,186)
Foreign exchange (gain) loss	22,233	(12)	—	—	22,221
Net loss	$ 1,410,993	$ 3,243	$ 3,291	$ 30,309	$ 1,447,836

11. SUPPLEMENTARY CASH FLOW INFORMATION

The following table summarizes changes in working capital items related to operating activities:

	Three months ended September 30,		Nine months ended September 30,	
Changes in non-cash operating working capital:	**2024**	2023	**2024**	2023
Other receivables	**$ 642**	$ (36,200)	**10,483**	$ (72,689)
Deposits and prepayments	**14,922**	19,376	**70,567**	6,082
Accounts payable and accrued liabilities	**4,048**	(41,195)	**(190,533)**	(73,615)
Payables due to a related party	**25,200**	37,736	**(48,551)**	30,574
	$ 44,812	$ (20,283)	**$ (158,034)**	$ (109,648)

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

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

	Three months ended September 30,		Nine months ended September 30,	
Changes in working capital related to capital expenditures and acquisition:	**2024**	2023	**2024**	2023
Deposits and prepayments	**$ —**	$ 27,182	**$ (12,874)**	$ 27,182
Accounts payable and accrued liabilities	**(115,841)**	215,394	**(217,505)**	595,338
	$ (115,841)	$ 242,576	**$ (230,379)**	$ 622,520