Sierra Grande Minerals Inc.

Consolidated Financial Statements

For the Year Ended December 31, 2024, and 2023

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Sierra Grande Minerals Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sierra Grande Minerals Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and December 31, 2023, and the consolidated statements of income and comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 1 to the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

We draw attention to Note 3 and Note 4 of the consolidated financial statements related to E&E Assets.

We identified the assessment of impairment indicators of E&E Assets as a key audit matter since this matter represented an area of higher assessed risk of material misstatement given the judgement required in management's assessment relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgement, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgements made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

The primary procedures we performed to address this key audit matter included the following:

- Obtained an understanding of the key controls associated with evaluating the E&E Assets for indicators of impairment. Evaluated management's assessment of indicators of impairment.
- Evaluated the intent for the E&E Assets through discussion and communication with management.

- Reviewed the Company’s recent expenditure activity and expenditure budgets for future periods.
- Performed procedures over title to ensure mineral rights underlying the E&E Assets are in good standing.

Information other than the Consolidated Financial Statements and the Auditor’s Report thereon

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor’s report thereon, included in Management's Discussion and Analysis report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis report prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

  Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Junaid Hassam.

Buckley Dodds

Buckley Dodds CPA
Chartered Professional Accountants

Vancouver, British Columbia
April 23, 2025

SIERRA GRANDE MINERALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at December 31,		**2024**	**2023**
	Notes	**$**	**$**
ASSETS			
Current Assets			
Cash		782,661	877,735
Amounts receivable	7	138,837	29,911
Marketable Securities	11	-	-
Note receivable	7,9	-	-
		921,498	907,646
Exploration and evaluation assets	4	1,577,433	1,256,880
TOTAL ASSETS		2,498,931	2,164,526
LIABILITIES			
Current Liabilities			
Trade payables and accrued liabilities	5,7	48,870	23,623
TOTAL LIABILITIES		48,870	23,623
SHAREHOLDERS' EQUITY			
Share capital	6	14,497,939	14,497,939
Reserves	6	4,728,197	4,728,197
Deficit		(16,776,075)	(17,085,233)
TOTAL EQUITY		2,450,061	2,140,903
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,498,931	2,164,526

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

Nature and continuance of operations	1
Contingency	10

Approved on Behalf of the Board

"Sonny Janda"
Sonny Janda, Director

"Shaun Dykes"
Shaun Dykes, Director

SIERRA GRANDE MINERALS INC.
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Expressed in Canadian dollars)

Year Ended December 31,		**2024**	**2023**
	Notes	**$**	**$**
Operating expenses			
Advertising and promotion		7,300	6,918
Filing and transfer fees		46,686	39,136
Foreign exchange loss (gain)		(38,346)	6,419
Management and consulting	7	281,232	318,937
Office and miscellaneous	7	50,307	53,282
Professional fees		135,921	107,925
Share-based compensation		-	110,554
		483,100	643,171
Other income (expenses)			
Interest Income	7,9	805	3,875
Loss on debt settlement	7	-	(1,223)
Realized gain on marketable securities	11	5,773	-
Unrealized gain (loss) on marketable securities	11	(100)	-
Other income	4	785,780	265,464
Net income (loss) and comprehensive income (loss)		$309,158	$(375,055)
Basic and diluted income (loss) per share		$0.01	$(0.01)
Weighted average number of shares outstanding- Basic and Diluted		29,311,215	28,516,694

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

SIERRA GRANDE MINERALS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars, except share number)

	Share Capital					
	Number	**Amount**	**Option**	**Warrant**	**Deficit**	**Total**
		$	$	$	$	$
Balance at December 31, 2022	24,311,215	14,196,272	3,162,893	1,454,750	(16,710,178)	2,103,737
Shares issued for cash (Note 6)	4,916,667	295,000	-	-	-	295,000
Shares issued to settle debt (Note 6, 7)	83,333	6,667	-	-	-	6,667
Share-based compensation	-	-	110,554	-	-	110,554
Net loss	-	-	-	-	(375,055)	(375,055)
Balance at December 31, 2023	29,311,215	14,497,939	3,273,447	1,454,750	(17,085,233)	2,140,903
Net income	-	-	-	-	309,158	309,158
Balance at December 31, 2024	29,311,215	14,497,939	3,273,447	1,454,750	(16,776,075)	2,450,061

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

SIERRA GRANDE MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

Year ended December 31,	**2024**	**2023**
	$	**$**
Operating activities		
Net income (loss)	309,158	(375,055)
Adjustments for non-cash items		
Loss on payable settlement	-	1,223
Share-based compensation	-	110,554
Realized gain on marketable securities	(5,773)	-
Unrealized loss on marketable securities	100	-
Changes in non-cash working capital items		
Receivables	(3,253)	(9,149)
Trade payables and accrued liabilities	25,247	(94,290)
Net cash flows from (used in) operating activities	325,479	(366,717)
Investing activities		
Exploration and evaluation assets	(320,553)	(331,250)
Purchase of marketable securities	(100,000)	-
Proceeds from sale of marketable securities	-	-
Note receivable	-	50,000
Net cash flows used in investing activities	(420,553)	(281,250)
Financing activities		
Proceeds from issuance of common shares	-	295,000
Net cash flows from financing activities	-	295,000
Change in cash during the period	(95,074)	(352,967)
Cash, beginning of period	877,735	1,230,702
Cash, end of period	782,661	877,735

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Sierra Grande Minerals Inc. (the "Company") was incorporated under the laws of the province of Ontario on November 17, 1994. On June 19, 2009, the Company completed a continuance of business from Ontario to British Columbia.

The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol "SGRO" as well as on the Berlin and Frankfurt stock exchanges in Germany under the symbol "F91Q". Commencing June 18, 2021, the Company's shares began to trade on the OTCQB Venture Market ("OTCQB") in the United States under the symbol "SIERF".

The head office, principal address and records office of the Company are 9648-128th Street, Suite 210, Surrey, BC V3T 2X9.

These financial statements have been prepared on the assumptions that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations as at December 31, 2024. The Company has not advanced its mining properties to commercial production and has incurred operating losses since inception of its business. The Company's continuation as a going concern is dependent upon the successful results from its exploration, its ability to attain profitable operations and generate funds from equity, and debt financing to meet its obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with private placements and debt financing from related parties. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumptions inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements were approved and authorized for issuance by the Company's Board of Directors on April 23, 2025.

Basis of Preparation

These consolidated financial statements have been prepared on historical cost basis except for financial instruments classified as and measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The consolidated financial statements are presented in Canadian dollars, which is also the Company's and all its subsidiaries' functional currency, unless otherwise indicated. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

		Percentage Owned	
	Country of Incorporation	**December 31, 2024**	**December 31, 2023**
Minera Grenville S.A.C.	Peru	100%	100%
Sierra Capital Inc.[i]	Nevada, USA	100%	100%
1202745 BC Ltd.	BC, Canada	100%	100%

[i]Sierra Capital, Inc. is a dormant subsidiary to hold the title of the Company's mineral interests located in the USA.

Inter-company balances and transactions are eliminated on consolidation.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained and are deconsolidated from the date that control ceases.

2. BASIS OF PRESENTATION (Continued)

Functional Currency

These consolidated financial statements are presented in Canadian dollars, which is also the Company's and all its subsidiaries' functional currency, unless otherwise indicated. The functional currency of each entity is measured using the currency of the primary economic environment in which the entity operates.

Significant Judgements and Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are adjusted for prospectively in the period in which the estimates are raised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the following:

- exploration and evaluation asset impairment assessment;
- recognition and measurement of deferred tax assets and liabilities; and
- share-based payments.

The most significant judgments in applying the Company's consolidated financial statements include the following:

- assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- determination of functional currency of the Company and its subsidiaries.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Foreign Currency Translation

Foreign currency translations are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate of the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values are determined.

Exchange differences arising on the translation of the monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exploration and Evaluation Assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Exploration and evaluation expenditures including the costs of acquiring licenses and costs associated with exploration and evaluation activities are capitalized by property. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are reviewed for impairment if facts or circumstances indicate that impairment exists considering the following:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and test that asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Although the Company has taken steps that it considers adequate to verify title to exploration and evaluation assets in which it has an interest, however these procedures do not guarantee the Company's title. Title to exploration and evaluation assets in foreign jurisdictions is subject to uncertainty and consequently, such properties may be subject to prior undetected agreements or transfers and title may be affected by such instances.

Share-Based Payments

The Company operates a stock option plan. Share-based payments to employees are measured at the fair value of the stock options granted and recognized over the vesting periods. Share-based payments to non-employees are measured at fair value of goods or services received or the fair value of the equity instruments issued, if it is determined using the Black-Scholes option pricing model, taking into account the terms and conditions upon which stock options are granted. At each reporting date, the amount recognized as expense is adjusted to reflect the actual number of stock options that are expected to vest.

Loss per Share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options and warrants outstanding that may add to the total number of common shares. As at December 31, 2024 the Company's diluted loss per share was the same as the basic loss per share.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial Instruments

Financial Instruments are accounted for in accordance with IFRS 9 Financial instruments: Classification and Measurement. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The following table shows the classification under IFRS 9:

Financial assets/liabilities	**Classification**
Cash	FVTPL
Amounts receivable	Amortized cost
Marketable securities	FVTPL
Note receivable	Amortized cost
Trade payables	Amortized cost

Financial Assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL

<u>Impairment of Financial Assets</u>

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

An ‘expected credit loss’ impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial Liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable is classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Unit Issuance

Proceeds from the issuance of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to common shares based on the fair value of a common share at the announcement date of the unit offering and any residual remaining is allocated to common share purchase warrants.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the period are measured at the amount expected to be recovered from and paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Current income tax relating to items recognized directly in other comprehensive loss or equity is recognized in other comprehensive loss or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax
Deferred tax is recorded by providing for temporary differences at each reporting date between the tax bases of assets and liabilities and their carrying amounts. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes related to the same taxable entity and the same taxation authority.

Standards Issued But Not Yet Effective

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing IFRS standards have been published but are not yet effective and have not been adopted early by the Company.

IFRS 18, Presentation and Disclosure in Financial Statements, was issued by the IASB in April 2024 and will replace the standards and interpretations in IAS 1, Presentation of Financial Statements. IFRS 18 will streamline the requirements for the presentation and disclosure of information in general purpose financial statements to help ensure that they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 will be applied to an annual reporting period beginning on or after January 1, 2027. The Company has not early adopted this new standard.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

Continuity of the Company's exploration and evaluation assets are as follow:

	Glitra/Sat	B&C Springs	Betty East	Total
	$	$	$	$
Balance, December 31, 2022	371,878	423,760	129,992	925,630
Acquisition – option payments	107,424	123,041	58,082	288,547
Deferred exploration cost:				
Field Expenses	2,635	2,728	2,728	8,092
Geophysical analysis	11,399	12,272	5,131	28,801
Surveying	-	5,810	-	5,810
Balance, December 31, 2023	$493,336	$567,611	$195,933	$1,256,880
Acquisition – option payments	68,408	54,727	-	123,135
Acquisition - claim fees	36,398	114,734	9,260	160,392
Deferred exploration cost:				
Field Expenses	473	473	-	946
Geological Consulting	1,575	1,575	-	3,150
Geophysical analysis	-	293	-	293
Surveying	-	32,637	-	32,637
Balance December 31, 2024	$600,190	$772,050	$205,193	$1,577,433

During the year ended December 31, 2021, the Company entered into definitive mining lease-purchase agreements with Primus Resources (the "Primus Agreements"), a Nevada-based privately held company, whereby the Company has secured the rights to earn a 100% interest in 3 epithermal gold, silver, copper and molybdenum properties (Glitra/Sat; B&C Springs/Mildred; Betty East) in the State of Nevada, U.S.A (collectively the "Properties").

Giltra/Sat Property

The terms of the lease payments and work commitments are as follows:

Term	Cash Payments USD$	Work Commitments USD$	Share Payments
At closing (paid)	$40,000	-	-
March 1, 2022 (paid)	$40,000	-	-
March 1, 2023 (paid)	$50,000	$75,000	100,000 shares
March 1, 2024 (paid)	The greater of $50,000 and 29 ounces of gold	$150,000	-
March 1, 2025	The greater of $50,000 and 29 ounces of gold	$225,000	200,000 shares
March 1, 2026	The greater of $50,000 and 29 ounces of gold	$350,000	100,000 shares

The Company has an option to buy the 100% interest in the Giltra/Sat project with all the annual lease payments including cash and share payments plus the greater of USD$395,000 and 232 ounces of gold.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (Continued)

As of the date of these statements the Company has not issued the share payments and is currently working on an amended earn in option agreement with the Optionor to amend certain terms of the agreement. During this period the Company has made its cash payments and remains in good standing with the option agreement.

B&C Springs/Mildred Property

The terms of the lease payments and work commitments are as follows:

Term	Cash Payments USD$	Work Commitments USD$	Share Payments
At closing (paid)	$15,000	-	-
March 1, 2022 (paid)	$20,000	-	-
March 1, 2023 (paid)	$30,000	$100,000	100,000 shares
March 1, 2024 (paid)	The greater of $40,000 and 24 ounces of gold	$150,000	-
March 1, 2025	The greater of $50,000 and 29 ounces of gold	$250,000	200,000 shares
March 1, 2026	The greater of $50,000 and 29 ounces of gold	-	100,000 shares

The Company has an option to buy the 100% interest in the B&C Springs/Mildred project with all the annual lease payments including cash and share payments plus the greater of USD$295,000 and 174 ounces of gold.

As of the date of these statements the Company has not issued the share payments and is currently working on an amended earn in option agreement with the Optionor to amend certain terms of the agreement. During this period the Company has made its cash payments and remains in good standing with the option agreement.

Betty East Property

The terms of the lease payments and work commitments are follows:

Term	Cash Payments USD$	Work Commitments USD$	Share Payments
At closing (paid)	$20,000	-	-
March 1, 2022 (paid)	$25,000	-	-
March 1, 2023 (paid)	$30,000	$75,000	100,000 shares
March 1, 2024	The greater of $50,000 and 29 ounces of gold	$150,000	-
March 1, 2025	The greater of $50,000 and 29 ounces of gold	$225,000	200,000 shares
March 1, 2026	The greater of $50,000 and 29 ounces of gold	$300,000	100,000 shares

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (Continued)

The Company has an option to buy the 100% interest in the Betty East project with all the annual lease payments including cash and share payments plus the greater of USD$275,000 and 162 ounces of gold.

As of the date of these statements the Company has not issued the share payments and is currently working on an amended earn in option agreement with the Optionor to amend certain terms of the agreement. During this period the Company has made its payments to the Bureau of Land Management to keep the claims in good standing while it renegotiate the terms of the option agreement. As at December 31, 2024, the Company remains in good standing with the option agreement.

Silveria Property

During the year ended December 31, 2020, the Company entered into an agreement with Consorcio De Ingenieros Ejecutores Mineros S.A., a private Peruvian company ("CIEMSA") and sold its Silveria mining concessions located in Peru to CIEMSA.

On February 20, 2023, the Company entered into an amended agreement with CIEMSA. The original and amended terms of the option agreement are outlined as follows:

Option Agreement (Silveria)

August 21, 2020 Original Agreement		**February 20, 2023 Modified Agreement**	
Net Smelter Royalty - 1%		Net Smelter Royalty 1%	
Amount	**Date**	**Amount**	**Date**
USD$		**USD$**	
200,000	Upon Registration (Paid)	200,000	Credit from original agreement
100,000	12 months thereon	82,527	Upon Execution (paid)
450,000	24 months thereon	82,527	December 29, 2023 (paid)
250,000	36 months thereon	165,000	June 28, 2024 (paid)
		165,108	December 30, 2024 (paid)
		250,000	Court Confirmation (paid)
1,000,000		**945,162**	

During the year ended December 31, 2024, the Company received USD606,117(CAD785,780) (2023 – USD194,620(CAD260,464)) and recorded the amount as other income.

(Expressed in Canadian dollars)

5. TRADE PAYABLES AND ACCRUED LIABILITIES

	December 31, 2024	December 31, 2023
	$	$
Accounts payable	20,610	5,623
Accrued liabilities	28,260	18,000
	48,870	23,623

6. SHARE CAPITAL

Authorized share capital: An unlimited number of common and preferred shares without par value

During the year ended December 31, 2024 the Company had no share issuances.

On February 27, 2023, The Company completed a non-brokered private placement with issuance of 4,916,667 units for gross proceeds of $295,000 and settled $5,444 (USD4,000) in debt through the issuance of 83,333 units with a deemed fair market value of $6,667. Each unit consists of one common share in the equity of the company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the company at a price of eight cents per common share, expiring on February 27, 2025. As no premium was paid for the units the warrants were valued at $Nil based on the residual valuation method.

Stock Options

The Company has established a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of options. The term of the stock options granted is fixed by the Board of Directors and is not to exceed five years. The exercise prices of the stock options granted may not be less than the minimum then specified by the rules of the CSE. Vesting periods are determined by the Board. During the year ended December 31, 2024, the Company did not issue any stock options.

On December 1, 2023, the Company granted 1,350,000 incentive stock options to certain directors, officers and employees of the company pursuant to the company's stock option plan. The options are exercisable at $0.10 per share and expire five years from the date of grant. The stock options granted were valued at $110,554, which was recorded as share-based compensation, using the following inputs: volatility of 150%, expected life of 5 years, forfeiture rate of 0% and risk-free rate of 3.50%.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (Continued)

Stock Options

	Number of options	Weighted average exercise price
Outstanding at December 31, 2022	314,000	$ 1.25
Expired	(314,000)	1.25
Granted	1,350,000	0.10
Outstanding at December 31, 2023 and 2024	1,350,000	$ 0.10

The total options exercisable and outstanding as at December 31, 2024 are as follows:

Options Outstanding	Options Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Life (years)
1,350,000	1,350,000	$0.10	December 1, 2028	3.92

Warrants

Warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
Outstanding at December 31, 2022	16,089,799	$ 0.48
Issuance	5,000,000	0.08
Expired	(2,503,800)	2.00
Outstanding at December 31, 2023 and 2024	18,585,999	$ 0.07

On June 11, 2024, the Company amended the exercise price of 13,585,999 previously issued common share purchase warrants from 30 cents per share to six cents per share. The warrants were originally issued pursuant to the April 2022, non-brokered private placement of units by the company.

Below is a summary of warrants outstanding as of December 31, 2024:

Warrants Outstanding	Exercise Price	Expiry Date	Remaining Life (years)
3,632,665	0.06	April 21, 2025	0.30
9,953,334	0.06	April 27, 2025	0.32
5,000,000	0.08	February 27, 2025	0.16
18,585,999	$0.07		0.27

(Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The Company was charged the following fees by the Company's officers/ directors, and/or entities controlled by them:

Year Ended December 31,		**2024**	**2023**
		$	**$**
Chief Executive Officer	Consulting	154,600	112,000
Chief Financial Officer	Consulting	27,000	25,272
Former Chief Financial Officer	Consulting	-	2,200
Company related to Officers and Directors	Management services and office rent	70,984	169,240
Directors	Consulting	49,323	48,589
		$301,907	$357,301

During the year ended December 31, 2023, the Company issued 83,333 common shares to a director to settle outstanding debt of $5,444 (USD4,000) with a fair value of $6,667 and recorded a loss on settlement of $1,223.

As at December 31, 2024, there was an amount owing of $12,423 (December 31, 2023 - $2,388) due to related parties that was included in the Company's trade payables and accrued liabilities.

As at December 31, 2024, there was an amount of $105,673 (December 31, 2023 - $11,004) due from a related party that was included in the Company's amounts receivable.

As of December 31, 2024, the note receivable from related parties is $Nil (December 31, 2023 - $Nil) (Note 9). During the year ended December 31, 2023, the Company received repayment of the loans in full plus accrued interest of $3,875 and a loan fee of $5,000 recorded in other income.

8. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits and controlling and reporting structures.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is its cash held in bank accounts. Cash is deposited in bank accounts held with major banks in Canada and Peru. As most of the Company's cash is held by two banks, there is a concentration of credit risk. However, this risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient holdings of cash and cash equivalents to meet its short-term exploration and evaluation requirements and anticipated operating cash flows.

Historically the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign Exchange Risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's Peruvian subsidiaries are exposed to currency risk as they incur expenditures that are denominated in US dollars and the Peruvian Soles, and their functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

8. FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)

Interest Rate Risk

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have material financial assets or liabilities that are exposed to fluctuation of interest rate. As a result, the exposure to interest rate risk is not significant.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. In the management of capital, the Company includes components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest in are in the exploration stage; as such, the Company is dependent on external financing to fund activities. To carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the period.

Financial Instruments

The Company's financial instruments consist of cash, amounts receivables, notes receivable, and trade payables. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The following summarizes fair value hierarchy under which the Company's financial instruments are valued:
Level 1 – fair values based on unadjusted quoted prices in active markets for identified assets of liabilities;
Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

Cash is measured at fair value using Level 1 input.

(Expressed in Canadian dollars)

8. FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)

Classification of Financial Instruments

Financial assets and liabilities of the Company are as follows:

	Fair value measurement	Classification	December 31, 2024	December 31, 2023
			$	$
Financial assets:				
Amounts receivable		Amortized cost	138,837	29,911
Cash		Amortized cost	782,661	877,735
Investment in common shares of public companies	Level 1	FVTPL	-	-
Loan receivable		Amortized Cost	-	-
Financial liabilities:				
Trade payables and accrued liabilities		Amortized cost	48,870	23,623

9. NOTE RECEIVABLE

On January 25, 2024, the Company entered into a loan agreement with AAPKI Ventures Inc. whereby the Company agreed to lend $16,800 which is due on June 25, 2024. The loan carries an annual interest rate of 10%. During the year ended December 31, 2024 the Company received repayment of the principal and interest totaling $17,605.

On May 15, 2023, the Company entered into a loan agreement with Grand Peak Capital Corp. whereby the Company agreed to lend $60,000 which was due on demand. The loan carried an annual interest rate of 15%. During the year ended December 30, 2023, the loan was fully repaid. The Company received the principal and interest of $62,000.

On December 29, 2022, the Company entered into a loan agreement with PushFor Tech Inc. (“Borrower") whereby the Company agreed to lend $50,000 for a term of three months. The loan carried an annual interest rate of 15% and had a loan origination fee equal to 10% of the principal amount. As at December 31, 2022, the Company had recognized $nil in interest income. During the year ended December 31, 2023, the loan was fully repaid. The Company received the principal and interest of $51,875 and the loan origination fee of $5,000.

(Expressed in Canadian dollars)

10. CONTINGENCY

As at December 31, 2024, "CIEMSA", the buyer of the mining concession previously owned the Company's subsidiary Minera Grenville S.A.C. was named as a defendant of four administrative claims for $40,000 (Peru SOLES 108,456). The Company has presented the required defense to dismiss these claims but was unsuccessful at which point the Company applied for a suspension to the debt collection process. The Company has not yet received a response to the filing of the suspension request and did not receive any further correspondence from the ministry. The outcome of this claim cannot be reasonably determined at this time and the Company has not accrued any expenditure or liability as of the date of this report.

11. MARKETABLE SECURITIES

The Company's marketable securities comprises of an investment in common shares of a Canadian public company carrying out mineral exploration activities. The Company designates its investment in common shares as FVTPL.

	December 31, 2024	December 31, 2023
	$	$
Balance, beginning of year	-	-
Additions	100,000	-
Disposition	(105,673)	-
Change in fair value	5,673	-
Balance, end of year	**-**	**-**

The cost and fair values of the marketable securities are as follows:

	December 31, 2024	December 31, 2023
Cost	$ -	$ -
Fair value	$ -	$ -

Net investment income (loss) is comprised of the following:

	December 31, 2024	December 31, 2023
Net realized gain (loss) on disposal of marketable securities	$ 5,773	$ -
Net change in unrealized gain (loss) on marketable securities	$ (100)	$ -

(Expressed in Canadian dollars)

12. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	2024	**2023**
	$	**$**
Net loss for the year	309,158	(375,055)
Enacted statutory tax rate	27%	27%
Expected income tax recovery	83,000	(101,000)
Permanent differences and other	-	30,000
Effect of difference in statutory rate applicable to foreign subsidiaries and other	(50,000)	(177,000)
Effect of adjustment to prior year tax provision	-	-
Change in unrecognized deferred tax assets	(33,000)	248,000
	-	-

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	December 31, 2024	**December 31, 2023**
	$	**$**
Deferred Tax Assets		
Non-capital losses	3,321,000	3,442,000
Share issuance costs	-	1,000
Equipment	12,000	12,000
Exploration and evaluation assets	429,000	339,000
	3,762,000	3,794,000
Deferred Tax Liabilities		
Allowable capital losses	(1,000)	-
Unrecognized deferred tax assets	(3,761,000)	(3,794,000)
	-	-

As at December 31, 2024, the Company had non-capital losses of approximately $8,572,000 which expire from 2026 to 2044 available to carry forward to offset future taxable income. The Company had losses in Peru of approximately $3,414,000 to carry forward which expire in 2027.