



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

FORTE MINERALS CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited – expressed in Canadian Dollars)

AS AT

	September 30, 2024	December 31, 2023
ASSETS		
Current		
Cash	\$ 1,452,237	\$ 154,062
Accounts receivable	20,062	10,014
Prepaid expenses	<u>38,273</u>	<u>101,278</u>
	1,510,572	265,354
Exploration and evaluation assets (Note 5)	<u>982,658</u>	<u>948,798</u>
Total assets	<u>\$ 2,493,230</u>	<u>\$ 1,214,152</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 7)	\$ <u>124,710</u>	\$ <u>51,470</u>
	<u>124,710</u>	<u>51,470</u>
Shareholders' equity		
Share capital (Note 6)	8,609,644	6,518,564
Accumulated other comprehensive income (loss)	(27,627)	(28,972)
Reserves	430,063	388,926
Deficit	<u>(6,643,560)</u>	<u>(5,715,836)</u>
	2,368,520	1,162,682
Total liabilities and shareholders' equity	<u>\$ 2,493,230</u>	<u>\$ 1,214,152</u>

Nature of operations and going concern (Note 1)

Subsequent events (Note 10)

Approved and authorized by the Board on November 29, 2024.

"Patrick Elliott" Director "Douglas Turnbull" Director

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

FORTE MINERALS CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited – expressed in Canadian Dollars)

FOR THE

	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
EXPENSES				
Consulting (Note 7)	\$ 10,500	\$ 10,500	\$ 31,500	\$ 31,500
Corporate development	-	7,500	-	26,000
Directors' fees (Note 7)	16,000	16,000	48,000	48,000
Exploration and evaluation expenditures (Notes 5 and 7)	170,990	121,868	353,603	333,268
Foreign exchange	(1,771)	(8,572)	(2,616)	(8,546)
Investor relations (Note 7)	29,884	21,118	99,829	50,375
Listing expenses	8,361	7,677	24,782	23,397
Management fees (Note 7)	33,750	33,750	101,250	101,250
Marketing (Note 7)	21,348	55,078	131,166	82,281
Office and administration (Note 7)	14,250	12,876	37,094	43,405
Professional fees	(3,821)	19,792	74,943	95,193
Transfer agent and filing fees	8,253	7,756	27,063	28,555
Travel	<u>5,917</u>	<u>1,323</u>	<u>10,696</u>	<u>12,628</u>
Total expenses	(313,661)	(306,666)	(937,310)	(867,306)
Other income				
Interest income (write-off) Note 4	<u>9,127</u>	<u>(2,630)</u>	<u>9,586</u>	<u>16,891</u>
	9,127	(2,630)	9,586	16,891
Net loss	<u>(304,534)</u>	<u>(309,296)</u>	<u>(927,724)</u>	<u>(850,415)</u>
Other comprehensive loss				
Foreign exchange on translation	<u>2,200</u>	<u>(11,816)</u>	<u>1,345</u>	<u>(14,928)</u>
Comprehensive loss for the period	\$ (302,334)	\$ (321,112)	\$ (926,379)	\$ (865,343)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding basic and diluted				
	<u>47,056,647</u>	<u>36,158,658</u>	<u>30,122,830</u>	<u>36,558,662</u>

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

FORTE MINERALS CORP**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30,

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	\$ (927,724)	\$ (850,415)
Items not involving the use of cash		
Unrealized foreign exchange	11	651
Interest (income) write-off	-	5,143
Changes in working capital items		
Accounts receivable	(9,971)	(17,979)
Accounts payable and accrued liabilities	128,840	41,848
Prepaid expenses	<u>29,145</u>	<u>(87,934)</u>
Net cash used in operating activities	<u>(779,699)</u>	<u>(908,686)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement	1,790,600	-
Share issuance costs	(101,453)	-
Proceeds from exercise of warrants	387,500	-
Repayment of notes receivable (Note 4)	<u>-</u>	<u>30,000</u>
Net cash provided by financing activities	<u>2,076,647</u>	<u>30,000</u>
Effect of foreign exchange on cash	<u>1,227</u>	<u>(15,533)</u>
Change in cash for the period	<u>(1,298,175)</u>	<u>(894,219)</u>
Cash, beginning of period	<u>154,062</u>	<u>1,346,218</u>
Cash, end of period	<u>\$ 1,452,237</u>	<u>\$ 451,999</u>
Non-cash investing and financing activities:		
Reclassification on expiry of stock options	\$ -	\$ 20,534
Shares returned to treasury on expiry of notes receivable	\$ -	\$ 90,000
Share issuance costs in accounts payable	\$ 1,030	\$ -
Issuance of broker warrants	\$ 41,137	\$ -
Shares issued for debts	<u>\$ 56,600</u>	<u>\$ -</u>

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

FORTE MINERALS CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited – expressed in Canadian Dollars)

	<u>Share Capital</u>		Accumulated Other Comprehensive Loss	Reserves	Deficit	Total Shareholders' Equity
	Number	Amount				
Balance, December 31, 2022	36,761,919	\$ 6,608,564	\$ (15,222)	\$ 543,629	\$ (4,723,837)	\$ 2,413,134
Shares returned to treasury	(750,000)	(90,000)	-	-	-	(90,000)
Reclassification on expiry of stock options	-	-	-	20,534	(20,534)	-
Comprehensive loss for the period	-	-	(14,928)	-	(850,415)	(865,343)
Balance, September 30, 2023	36,011,919	6,518,564	(30,150)	564,163	(5,594,786)	1,457,791
Reclassification on expiry of stock options	-	-	-	(66,735)	66,735	-
Reclassification on expiry of broker warrants	-	-	-	(108,502)	108,502	-
Comprehensive loss for the period	-	-	1,178	-	(296,287)	(295,109)
Balance, December 31, 2023	36,011,919	6,518,564	(28,972)	388,926	(5,715,836)	1,162,682
Private placement	8,953,000	1,790,600	-	-	-	1,790,600
Share issuance costs	-	(143,620)	-	41,137	-	(102,483)
Shares issued on exercise of warrants	1,937,500	387,500	-	-	-	387,500
Shares issued for debt	283,000	56,600	-	-	-	56,600
Comprehensive loss for the period	-	-	1,345	-	(927,724)	(926,379)
Balance, September 30, 2024	47,185,419	\$ 8,609,644	\$ (27,627)	\$ 430,063	\$ (6,643,560)	\$ 2,368,520

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

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

1. NATURE OF OPERATIONS AND GOING CONCERN

Forte Minerals Corp. (with its subsidiaries, collectively, the “Company” or “Forte”) is a mining exploration company focused on copper and gold in Peru. Forte was incorporated under the *Company Act* (British Columbia) on March 1, 2011. The Company name was changed from Plan B Minerals Corp. to Forte Copper Corp. on April 20, 2018. On April 27, 2021, the Company changed its name to Forte Minerals Corp. The Company maintains its registered office at 2080 – 777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1S4. The Company’s principal place of business is 1005 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company is listed on the Canadian Securities Exchange (“CSE”) under the symbol “CUAU”, the OTCQB under the symbol “FOMNF”, and the Frankfurt Stock Exchange under the symbol “2OA”.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company had an accumulated deficit of \$6,643,560 as at September 30, 2024 (December 31, 2023 - \$5,715,836) and reported a net loss of \$927,724 for the nine months ended. The Company’s ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company’s business financial condition and results of operations may be negatively affected by economic and other consequences from the recent conflict in the Gaza region. The Company has not experienced any direct impact of the war in Gaza to date and expects any direct impacts to the business to be limited. The indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position, and cash flows in the future.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Accordingly, these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes. These financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2023, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of consolidation and presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed consolidated interim financial statements include the accounts of the Company and its 100% controlled entities, Forte Cobre S.A.C. (a Peruvian corporation) (“Forte Cobre”), Amaru Resources S.A.C. (a Peruvian corporation) (“Amaru”), and Cordillera Resources Peru S.A.C. (a Peruvian Corporation) (“Cordillera”). The functional currency of the parent company is the Canadian dollar and the Peruvian sol for its subsidiaries.

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

2. BASIS OF PREPARATION (cont'd...)

Basis of consolidation and presentation (cont'd...)

Subsidiaries are all entities over which the Company has exposure to variable returns from its involvement and has the ability to use power over the investee to affect its returns. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully condensed consolidated interim from the date on which control is transferred to the Company until the date on which control ceases.

The accounts of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances, and unrealized gains or losses on transactions are eliminated upon consolidation.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these condensed consolidated interim financial statements are consistent with those of the most recent annual audited financial statements and are those the Company adopted in its financial statements for the year ended December 31, 2023. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited consolidated financial statements.

Use of judgments and estimates

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

In preparing these condensed consolidated interim financial statements, the judgments made by management in applying the Company's accounting policies and key sources of significant estimation uncertainty were the same as those applied to the audited consolidated financial statements for the year ended December 31, 2023.

New accounting standards

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective, and has determined that these updates are not applicable or consequential to the Company and have been excluded from discussion within these material accounting policies.

4. NOTES RECEIVABLE

On August 10, 2020, the Company received four (4) promissory notes ("Promissory Notes"). The Promissory Notes were provided as security against the purchase of 1,000,000 units ("Units") at \$0.12 per Unit for a total principal amount of \$120,000 and mature on July 10, 2023 ("Maturity Date"). Each unit was comprised of one common share ("Unit Share") and one-half purchase warrant. Each warrant entitled the holder to purchase a further common share at a price of \$0.20 per share until August 10, 2023 (extended to August 10, 2024 in the year ended December 31, 2023). The interest on the principal amount was at a rate of 2.00% per annum. The Promissory Notes were secured by the Unit Shares which were held in escrow, to be released proportionate to the principal balance of Promissory Notes repaid. If the Promissory Notes were not repaid in full by July 10, 2023, the remaining securities held in escrow would be cancelled.

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

4. NOTES RECEIVABLE (cont'd...)

The terms of each Promissory Note provided that the debtor (“Payor”) agree to pay any accrued interest owing under this Promissory Note to the Company on an annual basis on each anniversary date, commencing on July 10, 2021. The Payor could have elected to pay any accrued interest owing under this promissory note by adding such amount to the principal amount of this Promissory Note. On July 10, 2021 and July 10, 2022, the Payors elected to accrue interest owing to the Promissory Notes.

The Payor had the right, but not the obligation, to repay in increments of no less than \$10,000 the principal amount owing under the promissory note as follows:

- (1) After the first anniversary date of the Promissory Note on July 10, 2021, but before the second anniversary date of the Promissory Note on July 10, 2022, the Payor had the right to prepay up to a maximum aggregate amount of \$15,000 towards the principal amount owing under the Promissory Note. This right expired during the year ended December 31, 2022.
- (2) From and after the second anniversary date of the Promissory Note on July 10, 2022, but before the third anniversary date of the Promissory Note on July 10, 2023, the Payor had the right to prepay up to a maximum aggregate amount of \$15,000 towards the principal amount owing under the Promissory Note.

The Promissory Notes were due from the CEO, a Director, the Corporate Secretary, and a consultant.

During the year ended December 31, 2023, one Promissory Note was repaid in full and the remaining three Promissory Notes were cancelled, resulting in the return to treasury of 750,000 Units.

	Amount
Balance, December 31, 2022	\$ 126,979
Capitalized interest	-
Interest receivable	1,306
Note repaid	(30,000)
Note cancelled	(90,000)
Interest cancelled	(6,449)
Interest repaid	(1,836)
	<hr/>
Balance, December 31, 2023 and September 30, 2024	\$ -

5. EXPLORATION AND EVALUATION ASSETS

Mineral property titles

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties.

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**5. EXPLORATION AND EVALUATION ASSETS (cont'd...)****Mineral Property Interests**

Details of mineral property balances are as follows:

Exploration and evaluation assets	September 30, 2024	December 31, 2023
Don Gregorio, Peru	\$ 126,510	\$ 126,510
Esperanza Project, Peru	374,606	374,606
Pucarini Project, Peru	447,682	447,682
Alto Ruri, Peru	33,860	-
Total	\$ 982,658	\$ 948,798

Don Gregorio, Peru

The Company has an option to acquire a 60% interest on the Don Gregorio project from Alta Copper Corp. (“Alta Copper”, formerly Candente Copper Corp.). The property is a gold and copper prospect in northern Peru. To maintain the option on the property, the Company has paid US\$98,500 and must:

- a) Make payments as follows:
 - a. US\$100,000 on or before 30 days of receipt of a drilling permit (“First Drill Permit”);
 - b. US\$100,000 within 30 days of completing a first phase drill program (“First Phase Drill Program”); and
 - c. US\$200,000 within 60 days of completing a second phase drill program (“Second Phase Drill Program”).
- b) Carry out the First Phase Drill Program of 5,000 meters upon the issuance of the First Drill Permit, which First Phase Drill Program shall be completed within two years of the First Drill Permit, or in lieu of completing the First Phase Drill Program, the Company may elect to pay to Alta Copper US\$100 per meter for each of the 5,000 meters not drilled as part of the First Phase Drill Program, up to a maximum amount of US\$500,000, and such payment shall be made prior to the second anniversary of the First Drill Permit.
- c) Carry out the Second Drill Program of a further 5,000 meters prior to the earlier of the third anniversary of the First Drill Permit and the first anniversary of a permit received to complete the Second Drill Program.

Following completion of the option, Alta Copper and the Company will form a joint venture of 40% and 60% participating interest respectively.

As at September 30, 2024, the Company has submitted and is awaiting results on the application for the First Drill Permit.

Esperanza and Pucarini, Peru

On July 27, 2020, the Company entered into a share purchase agreement (“SPA”) with GlobeTrotters Resource Group Inc. (“Globetrotters”), a private company under the laws of British Columbia and a related party. Pursuant to the SPA, the Company purchased the outstanding common shares of Amaru and Cordillera which are Peruvian entities. The Company paid \$150,000 and issued 5,000,000 common shares valued at \$600,000 as consideration for the SPA.

FORTE MINERALS CORP.**NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS**

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**5. EXPLORATION AND EVALUATION ASSETS (cont'd...)****Esperanza and Pucarini, Peru (cont'd...)**

Amaru owns the Esperanza copper project. The claims are 100% owned. The project is subject to a 1% net smelter royalty (“NSR”).

Cordillera owns the Pucarini gold project. The claims are 100% owned. The project is subject to a 1% NSR.

During the year ended December 31, 2023, the Company acquired an additional 300 hectares of concession, contiguous to the north of the existing Esperanza concessions, from Compañía Minera Ares S.A.C. in exchange for a 0.5% NSR and subject to a US\$500,000 buyback. The Company also staked an additional 1,000-hectare block of claims to the northeast and contiguous with the main Esperanza property.

Alto Ruri

During the nine months ended September 30, 2024, the Company completed the acquisition of the Alto Ruri and Cerro Quillo prospects, located in Peru, from Globetrotters. These prospects were transferred to Cordillera in exchange for a one-time cash payment of US\$25,000 (\$33,860 included in prepaid expenses at December 31, 2023). The concessions are subject to a 1.0% NSR royalty held by Compañía Minera Ares S.A.C.

Exploration expenditures

The Company expended the following exploration and evaluation expenditures:

For the nine months ended September 30, 2024	Esperanza, Peru	Pucarini, Peru	Don Gregorio, Peru	Alto Ruri, Peru	Property Evaluation, Peru	Total
Assay	\$ -	\$ -	\$ -	\$ -	\$ 5,195	\$ 5,195
Camp	3,601	10,427	-	1,523	11,347	26,898
Community relations	12,833	32,223	5,777	7,480	644	58,957
Field office and wages	11,628	29,421	16,614	10,259	18,765	86,687
Geological	127	7,993	-	2,575	28,720	39,415
Property fee	15,023	41,829	33,765	19,497	13,850	123,964
Transportation	1,284	6,938	1,347	1,193	1,725	12,487
Total, September 30, 2024	\$ 44,496	\$ 128,831	\$ 57,503	\$ 42,527	\$ 80,246	\$ 353,603

For the nine months ended September 30, 2023	Esperanza, Peru	Pucarini, Peru	Don Gregorio, Peru	Total
Assay	\$ -	\$ 30,499	\$ -	\$ 30,499
Camp	2,188	6,380	-	8,568
Community relations	22,419	51,992	48,781	123,192
Field office and wages	30,588	46,283	19,172	96,043
Geological	-	4,447	-	4,447
Property costs	23,886	25,141	-	49,027
Transportation	4,682	1,017	15,793	21,492
Total, September 30, 2023	\$ 83,763	\$ 165,759	\$ 83,746	\$ 333,268

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**6. SHARE CAPITAL**

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

Period ended September 30, 2024

On July 9, 2024, the Company issued 283,000 common shares to settle aggregate debt of \$56,600 at a price of \$0.20 per common share. This settlement includes \$34,000 owed to officers and directors of the Company and \$22,600 owed to an arm's length party.

On June 26, 2024, the Company completed a non-brokered private placement, issuing 8,953,000 units at a price of \$0.20 per unit for total proceeds of \$1,790,600. Each unit consisted of one common share and one-half of a common share purchase warrant. Each warrant is exercisable at a price of \$0.30 per share until June 26, 2026. The Company paid cash finder's fees totaling \$86,736 and issued 433,680 finder's warrants, having the same terms as the investor warrants and a fair value of \$41,137.

During the nine months ended September 30, 2024, the Company issued 1,937,500 common shares upon the exercise of warrants at a price of \$0.20 per share, for total gross proceeds of \$387,500.

Year ended December 31, 2023

The Company did not complete any private placements in the year ended December 31, 2023.

c) Stock options

In May 2021, the Company adopted a stock option plan (the "Plan") which reserves for issuance 10% of the issued and outstanding common shares of the Company at the time of grant. The Plan follows the policies of the Canadian Securities Exchange. The term of an option shall not exceed 10 years from the date of grant.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2022	3,925,000	\$ 0.14
Granted	(450,000)	0.12
Balance, December 31, 2023	3,475,000	\$ 0.14
Expired	(825,000)	0.18
Balance outstanding and exercisable, September 30, 2024	2,650,000	\$ 0.13

Stock options outstanding as at September 30, 2024:

	Number	Exercise price	Expiry date
Stock Options	2,400,000	\$ 0.12	July 31, 2025
	<u>250,000</u>	\$ 0.20	December 1, 2027
	2,650,000		

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**6. SHARE CAPITAL (cont'd...)**

d) Share-based payments

The Company did not grant any stock options during the nine months ended September 30, 2024 and year ended December 31, 2023.

e) Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2022	16,328,638	\$ 0.35
Issued	(931,713)	0.23
Balance, December 31, 2023	15,396,925	\$ 0.38
Issued	4,910,680	0.30
Exercised	(1,937,500)	0.20
Expired	(3,826,093)	0.20
Balance outstanding and exercisable, September 30, 2024	14,543,512	\$ 0.43

Warrants outstanding as at September 30, 2024:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years
9,633,332	\$ 0.50	January 23, 2025	0.32
4,910,680	\$ 0.30	June 26, 2026	1.74
14,543,512			0.80

f) Escrow Shares

The Company had the following securities in escrow as at September 30, 2024:

- 1,037,921 common shares
- 87,500 warrants
- 195,000 stock options

Securities subject to the Escrow Agreement will be released pro rata to the holders as to 10% on January 24, 2022 and as to the remainder in six equal tranches of 15% every nine months thereafter for a period of 36 months, provided that securities also subject to the Management Escrow Agreement will only be released on the later of the date permitted by the Escrow Agreement or the Management Escrow Agreement. Shares subject to the Management Escrow Agreements will not be released until the Promissory Notes issued in favor of the Company are repaid in full (Note 4).

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

6. SHARE CAPITAL (cont'd...)

f) Escrow Shares (cont'd...)

During the year ended December 31, 2023, 750,000 common shares and 375,000 share purchase warrants remaining in escrow were returned to treasury and cancelled pursuant to the cancellation of Promissory Notes (Note 4).

During the nine months ended September 30, 2024, a further 2,075,832 common shares, 175,000 warrants, and 390,000 stock options were released from escrow.

7. RELATED PARTY TRANSACTIONS

Key management personnel comprise of the CEO, CFO, Corporate Secretary, and directors of the Company. The remuneration of the key management personnel is as follows:

Payments to key management personnel	For the nine months ended	
	September 30, 2024	September 30, 2023
Administration, marketing, and investor relations	\$ 45,000	\$ 29,000
Consulting fees	\$ 31,500	\$ 31,500
Directors' fees	\$ 48,000	\$ 48,000
Exploration and evaluation expenditures	\$ 119,474	\$ 97,003
Management fees	\$ 101,250	\$ 101,250

The Company had certain Promissory Notes due from related parties which were settled during the year ended December 31, 2023 (Note 4).

As at September 30, 2024, included in accounts payable and accrued liabilities are \$69,082 (December 31, 2023 - \$nil) owing to a company controlled by a common director, \$12,200 (December 31, 2023 - \$4,000) owing to directors, \$nil (December 31, 2023 - \$6,134) owing to the CEO, and \$3,728 (December 31, 2023 - \$3,728) owing to a company in which the CFO is an associate. The balances owing are non-interest bearing, unsecured, and payable on demand.

As at September 30, 2024, the Company owed \$4,600 included in accounts payable and accrued liabilities (December 31, 2023 - \$4,600) to Lords & Company Worldwide Holdings Inc. (formerly Pac Roots Cannabis Corp.), a company in which the CEO is a former officer. The balance owing is non-interest bearing, unsecured, and payable on demand.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, accounts receivable, and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value.

FORTE MINERALS CORP.

NOTES TO CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL STATEMENTS

(Unaudited – expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Financial risk factors

Credit risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash and accounts receivable, excluding GST receivables of \$5,702 (December 31, 2023 - \$6,206), amounting to \$1,466,597 at September 30, 2024 (December 31, 2023- \$177,172). As the Company's policy is to limit cash holdings to instruments issued by major Canadian and Peruvian banks, the credit risk is considered by management to be negligible. The Company considers the credit risk with respect to these amounts to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at September 30, 2024, the Company had a working capital of \$1,385,862 (December 31, 2023 – \$213,884). The Company's financial obligations are limited to accounts payable and accrued liabilities of which have contractual maturities of less than 90 days.

Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. Management believes the risk of further increases in interest rates is considered low after the significant interest rate escalation observed during the period. As at September 30, 2024, the Company maintained all of its cash balance on deposit with a major Canadian and a major Peruvian bank.

Foreign currency risk

The Company has engaged a number of vendors in the pursuit of mineral exploration activities in Peru. As such, the Company is exposed to some foreign currency risk. Fluctuations in the exchange rate between the Canadian dollar, United States dollar and the Peruvian sol may have an adverse effect on the Company's business and costs to proceed with preferred vendors. The Company does not enter into any foreign exchange hedging contracts. Cash held in the Peruvian entities is generally held in US dollars and converted to soles as required. As at September 30, 2024, the Company held foreign cash of US\$31,687 and S/117,834. A 10% movement in foreign exchange rates would have impacted the net loss by approximately \$2,881. Foreign currency risk will have an impact on the Company's net loss and net financial instruments.

9. CAPITAL MANAGEMENT

The Company's capital management objective is to maintain financial capacity that is strong to sustain the future development of the business.

The Company's capital structure includes shareholders' equity of \$2,368,520 (December 31, 2023 - \$1,162,682). The Company manages its capital structure to maximize its financial flexibility to adjust to changes in economic conditions. 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 ended September 30, 2024.

10. SUBSEQUENT EVENTS

Acquisition of Miscanthus Property

Subsequent to the nine months ended September 30, 2024, the Company acquired the Miscanthus property from GlobeTrotters by making a one-time cash payment of US\$27,000, issuing 3,000,000 common shares at a deemed price of \$0.23 per share, and granted a 1.0% NSR royalty to Globetrotters.

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(Unaudited – expressed in Canadian Dollars)

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10. SUBSEQUENT EVENTS (cont'd...)

Stock Option Grant

Subsequent to the nine months ended September 30, 2024, the Company granted an aggregate of 1,617,000 stock options to certain officers, directors, and consultants, exercisable for a period of five years from the date of grant at a price of \$0.25 per share.