Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

Highlander Silver Corp. ("**Highlander**" or the "**Company**")
#605 – 130 Brew Street
Port Moody, BC V3H 0E3

1.2 Executive Officer

For further information, please contact:

David Fincham
President and CEO
Telephone: (604) 283-7630

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

On May 22, 2024, the Company completed the acquisition (the "**Acquisition**") of the San Luis gold-silver project located in the Ancash Department of central Peru, pursuant to a share purchase agreement (the "**Agreement**") dated November 29, 2023, as amended, between the Company and SSR Mining Inc. ("**SSR Mining**"). Pursuant to the Agreement, the Company acquired a 100% interest in the San Luis project through the purchase of SSR Mining's direct and indirect shareholdings of four subsidiary companies, in consideration for an initial payment of US$5,000,000 in cash.

The shares the Company purchased are: (i) 176,419,888.40 common shares of Reliant Ventures S.A.C. ("**Reliant**"); (ii) 1,001 ordinary shares of San Luis Resource (BVI) Inc. ("**San Luis Resource**"); and (iii) 3,000 ordinary shares of Silver Standard Peru (BVI) Inc. ("**Silver Standard**"). San Luis Resource has one wholly-owned subsidiary, San Luis Minerals (BVI) Inc. ("**San Luis Minerals**"). Reliant holds 100% of the interest in the San Luis project, and Silver Standard and San Luis Minerals hold 0.142% and 1.481% of the shares of Reliant, respectively.

The Company may pay up to an additional US$37,500,000 in cash to SSR Mining as contingent consideration (the "**Contingent Consideration**") upon completion of certain milestones in relation to the San Luis Project. The Contingent Consideration is only accrued and payable if and when the following milestones are achieved:

(a) $2,500,000, after the commencement of an initial drilling program at the San Luis project;
(b) $5,000,000 after the completion of a feasibility study on any portion of the San Luis project;
(c) $10,000,000 after the beginning of commercial production;
(d) $10,000,000 after the first anniversary of commercial production; and
(e) $10,000,000 after the second anniversary of commercial production.

A 4% net smelter returns royalty (the "**Royalty**") on the San Luis project was granted to SSR Mining prior to closing of the transaction. At any time before the commencement of mine construction on the San Luis project, the Company may buy back half of the Royalty for US$15,000,000, which if, exercised, would reduce SSR Mining's royalty interest to 2%.

Further information can be found in the Agreement and the Company's news releases dated November 30, 2023, March 28, 2024, and May 23, 2024, which documents are available on the Company's SEDAR+ profile at www.sedarplus.ca.

2.2 Acquisition Date

May 22, 2024.

2.3 Consideration

The Company paid an initial US$5,000,000 in cash in consideration for the Acquisition of the San Luis project. The Company completed a non-brokered equity financing of 20,514,222 common shares of the Company at a price of $0.45 per share for gross proceeds of $9,231,400 to finance the Acquisition.

2.4 Effect on Financial Position

Upon completion of the Acquisition, Reliant Ventures S.A.C., San Luis Resource (BVI) Inc., and Silver Standard Peru (BVI) Inc. became wholly-owned subsidiaries of Highlander. The assets and liabilities associated with these subsidiaries, including the San Luis gold-silver project, have been consolidated with those of Highlander. Other than the conduct of business in the ordinary course and the continued exploration of the San Luis project, the Company does not currently have any plans or proposals for material changes in its business or the acquired businesses that may significantly affect its financial performance or position. This includes any proposals to liquidate, sell, lease, or exchange all or a substantial part of the acquired businesses or to make any material changes to the Company's business operations or structure.

2.5 Prior Valuations

To the knowledge of Highlander, there has been no valuation opinion obtained within the last 12 months by Highlander or SSR Mining required by securities legislation or a Canadian exchange or market to support the consideration paid by Highlander in connection with the Acquisition.

2.6 Parties to Transaction

Highlander, SSR Mining, Reliant, San Luis Resource, and Silver Standard were parties to the Acquisition.

2.7 Date of Report

August 2, 2024

Item 3 Financial Statements and Other Information

The following financial statements, together with the notes thereto, are included as schedules to this Report, pursuant to Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

1. The audited annual financial statements of Reliant for the years ended December 31, 2023 and 2022, together with the auditors report thereon, are included as Schedule “A” hereto; and

2. The unaudited interim financial statements of Reliant for the three-month period ended March 31, 2024 are included as Schedule “B” hereto.

Pursuant to an order issued to the Company by the British Columbia Securities Commission (citation 2024 BCSECCOM 136), financial statements of San Luis Resource, Silver Standard, and San Luis Minerals are not required to be included in this Report.

Schedule "A"

Audited Annual Financial Statements of Reliant Ventures S.A.C. for the years ended December 31, 2023 and December 31, 2022

[*Attached*]

RELIANT VENTURES S.A.C.

FINANCIAL AUDIT REPORT

FROM THE EXAM TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023 AND 2022

RELIANT VENTURES S.A.C.

Financial Statements

As of December 31, 2023 and 2022

Along with the independent auditors' opinion

Content

US$ = US dollar

S/ = PEN

Independent auditors' opinion

Messrs. Shareholders of Reliant Ventures S.A.C.

Opinion

We have audited the attached financial statements of Reliant Ventures S.A.C (the company), comprising the balance sheet as of December 31, 2023, as well as the corresponding statements of comprehensive income, changes in equity and cash flow statements for the years completed on that day, as well as the summary of significant accounting policies and other explanatory notes attached to the financial statements.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, its results of operations and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and approved for application in Peru by the Peruvian Accounting Standards Board (CNC).

Foundation for our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as adopted for application in Peru by the Board of Deans of the Peruvian Associations of Public Accountants. Our responsibilities under those standards are described in more detail in the Auditor's Responsibilities for the Audit of Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in Peru, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Highlights of a situation

Without modifying our audit opinion, we draw attention to what is mentioned in note 15 to the attached financial statements, where it is indicated that on May 22, 2024, the Company's shareholders approved through a General Shareholders' Meeting the transfer of 158,779,864 shares of SSR Mining INC. in favor of Highlander Silver Corporation, as can be evidenced in the record of the share registration book and in the corresponding public records.

Key audit issues

Key audit matters are those matters that, in our professional judgment, have been of most significance in our audit of the current period's financial statements.

These matters have been addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon; however, we do not express a separate opinion on these matters.

Intangible assets, recognition and measurement

Intangible assets consist of mining concessions and cost of exploitation, which represent a significant portion of the Company's total assets. For the year ended December 31, 2023, disbursements have been made in the amount of US $ 2,461,032, for the exploration and evaluation of mineral resources, which amounted to US $ 60,203,434 at that date.

For this reason, the Company reviews and evaluates the recognition and measurement of intangible assets to determine whether the recoverable amount is lower than the carrying amount at the reporting date.

Our audit procedures have consisted of the following:

- We have obtained an understanding of the nature of the expenditures made by the Company in connection with the valuation and recognition of intangible assets.

- We have obtained supporting documentation regarding the existence of the disbursements in the intangible assets line item as of December 31, 2023, which comprise, among others, the Company's most recent financial information for proper recording in the accounting books.

- We have obtained an understanding of the valuation process and estimation of possible impairment losses on intangible assets.

- We obtained and evaluated the Company's documentation on the analysis of internal and external indicators of impairment in mining concessions.

- We evaluated the adequacy of the information disclosed in the notes to financial statements with respect to this matter.

Responsibilities of management and those in charge of governance of the Company in relation to the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those in charge of the Company's governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibility in relation to the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an audit opinion that includes our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs approved for application in Peru will always detect material misstatements, when they exist. Errors can arise from fraud or error that are considered material if, individually or in the aggregate, they could reasonably influence the economic decisions that users make based on the financial statements. As part of an audit in accordance with ISAs approved for application in Peru, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the 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 error resulting from fraud is higher than not detecting one arising from an error, since fraud may involve collusion, forgery, intentional omissions, intentional misstatements or the breach of internal control.

- We obtained 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.

- We evaluated the adequacy of the accounting policies applied and the reasonableness of accounting estimates and related disclosures made by management.

- We concluded on the adequacy of management's use of the going concern basis of accounting and, based on the audit evidence obtained, concluded on whether or not 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 audit opinion to the related financial statement disclosures or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our audit opinion. However, future events or conditions could result in the Company no longer being able to continue as a going concern.

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

We communicated with those in charge of the governance regarding, among other things, the planned scope and timing of the audit and significant audit findings, as well as any significant deficiencies in internal control that we identify in the course of our audit.

We also provided those in charge of governance of the Company with a statement that we have complied with applicable ethical requirements regarding our independence and have disclosed to them all relationships and other matters that could reasonably be expected to affect our independence and, as appropriate, including the respective safeguards.

In the matters communicated to those charged with governance of the Company, we determined those matters that were of most significance in the audit of the current period's financial statements and are, therefore, the key audit matters.

We have described these matters in our audit opinion unless applicable laws and regulations prohibit public disclosure about the matter or when, in extremely unusual circumstances, we determine that a matter should not be communicated in our opinion because the adverse consequences of doing so could reasonably be expected to outweigh the public interest benefits of such communication.

Endorsed by:

Martínez, Rodríguez y Asociados S. Civil de R.L.
AGN International member firm

/s/ Raul Martinez Torres

Raúl Martínez Torres (Partner)
Certified Public Accountant
Registration No. 5410

June 26, 2024
Lima, Perú

RELIANT VENTURES S.A.C.
Balance Sheet
As of December 31, 2023 and 2022

	As of December 31,			As of December 31,	
Assets	**2023**	**2022**	**Liabilities and Equity**	**2023**	**2022**
	US $	US $		US $	US $
Current assets			**Current liabilities**		
Cash and cash equivalent (note 4)	102,679	161,014	Trade accounts payable	57,541	28,397
Other accounts receivable (note 5)	132,183	133,533	Other accounts payable	65,263	49,734
Prepaid expenses	23,367	19,086	**Total current liabilities**	122,804	78,131
Total current assets	258,229	313,633	**Non-current liabilities**		
			Environmental remediation provision (note 9)	567,349	567,349
			Deferred income tax liabilities (nota 10)	1,704,223	1,704,223
			Total non-current liabilities	2,271,572	2,271,572
			Total liabilities	2,394,376	2,349,703
Non-current assets			**Equity (note 11)**		
Recoverable tax credits (note 6)	3,841,747	3,628,216	Share capital	66,462,680	63,774,967
Intangible assets, net (note 7)	60,203,434	57,742,402	Capitalizations in process	-	166,108
Facilities, machines and equipment (note 8)	451,572	468,161	Legal reserve	22,398	22,398
Total non-current assets	64,496,753	61,838,779	Retained earnings	(4,124,472)	(4,160,764)
			Total equity	62,360,606	59,802,709
Total assets	**64,754,982**	**62,152,412**	**Total liabilities and equity**	**64,754,982**	**62,152,412**

The attached notes to the financial statements are an integral part of this statement

RELIANT VENTURES S.A.C.
Statement of comprehensive income
For years completed on December 31, 2023 and 2022

	2023	2022
	US $	US $
Operating expense		
Management expenses (nota 12)	(53,082)	(57,426)
Net income (expenses)	11,777	138
(Loss) of operation	(41,305)	(57,288)
Net gain due to exchange rate (nota 3.1)	77,597	130,493
Profit before income tax	36,292	73,205
Income tax (nota 13)	-	-
Period's profit	36,292	73,205
Other comprehensive results	-	-
Period´s comprenhensive results	**36,292**	**73,205**

The attached notes are part of the financial statements.

RELIANT VENTURES S.A.C.
Statement of Changes in Shareholders' Equity
For years completed on December 31, 2023 and 2022

	Shareholders' Equity	Additional income	Legal Reserve	Retained earnings	Total
	US $	US $	US $	US $	US $
Balances as of January 1, 2022	**61,227,508**	**163,418**	**22,398**	**(4,233,699)**	**57,179,625**
Income of the year	-	-	-	73,205	73,205
Capitalization in process	-	2,690	-	-	2,690
Shareholders' contributions (note 11.1)	2,408,724	-	-	-	2,408,724
Capitalization of accounts receivable (note 11.1)	138,735	-	-	-	138,735
Other increases or decreases in equity items	-	-	-	(270)	(270)
Balances as of December 31, 2022	**63,774,967**	**166,108**	**22,398**	**(4,160,764)**	**59,802,709**
Income of the year	-	-	-	36,292	36,292
Transfer of capitalizations in process (note 11.1)	166,108	(166,108)	-	-	-
Shareholders' contributions (note 11.1)	2,487,076	-	-	-	2,487,076
Capitalization of accounts receivable (note 11.1)	34,529	-	-	-	34,529
Other increases or decreases in equity items	-	-	-	-	-
Balances as of December 31, 2023	**66,462,680**	**-**	**22,398**	**(4,124,472)**	**62,360,606**

The attached notes are part of the financial statements.

RELIANT VENTURES S.A.C.
Statement of Cash Flows
For the years ended on December 31, 2023 and 2022

	2023	2022
	US $	US $
Operating activities		
Other collections related to the activity	-	21,200
Less:		
Payments to suppliers of goods and services	(38,963)	(86,527)
Taxes payment	(211,524)	(5,520)
Increase (decrease) in cash flows from operating activities	(250,487)	(70,847)
Investment activities		
Acquisition of intangible assets	(2,461,032)	(2,301,476)
Increase (decrease) in cash flows from investing activities	(2,461,032)	(2,301,476)
Financing activities		
Shareholder contributions	2,653,184	2,408,724
Increase (decrease) in cash flows from financing activities	2,653,184	2,408,724
Increase (decrease) in cash and cash equivalents	(58,335)	36,401
Cash balance at the beginning of the period	161,014	124,613
Cash balance at the end of the period (note 4)	**102,679**	**161,014**

Reconciliation of the net profit or loss of operating activities

	2023	2022
Net (loss) profit of the period	36,292	73,205
Plus (less)		
Depreciation	59,830	64,366
Amoritzation	-	-
Deferred income tax	-	-
Other net provisions	(388,351)	(160,033)
Charges and credits for net changes in assets and liabilities		
Other accounts receivable	1,350	(9,623)
Prepaid expenses	(4,281)	460
Trade accounts payable	29,144	(32,261)
Other accounts payable	15,529	(6,961)
	(250,487)	**(70,847)**

The attached notes are part of the financial statement.

1. Identification and economic activity

1.1 Identification

RELIANT VENTURES S.A.C. (hereinafter the Company) is a closely-held corporation established in Peru, and a subsidiary of SSR Mining INC, domiciled in Canada, which at December 31, 2023 and 2022 owns 98.69% and 98.49%, respectively, of the Company's shareholders equity. The Company was incorporated on October 24, 2002, in the city of Lima-Peru.

The Company's legal domicile is located at Calle Monte Rosa No. 280 interior 402 Urbanization Chacarilla del Estanque, Santiago de Surco.

1.2 Economic activity

According to its incorporation, the Company's corporate purpose is to engage in all kinds of mining exploration and exploitation activities; such operations are carried out in the thirty-one (31) mining units called San Luis Project, located in the district of Shupluy and Cochabamba, province of Yungay and Huaraz, department of Ancash-Peru (As of December 31, 2022 thirty-one (31) mining units).

For the current years 2023 and 2022, the San Luis Project had the objective of making the following investments to obtain authorization from the Cochabamba Campesino community for the development of a drilling campaign in the Bonita Project and to establish a relationship with the Campesino Community of Ecash to allow the development of informative meetings and mining training in the 34 sectors that make up the Community in order to adapt the existing expectations about the exploitation Project of the Ayelen Vein in San Luis.

The activities to be carried out are the following:

- Geological services (tilling)
- Surveying services (survey of road coordinates and soundings)
- Laboratory tests (Chemical tests of geological samples)
- Services related to environmental protection (development and exploration stage)
- Technical advisory and consulting services (solid and industrial waste management)
- Industrial security service (protection equipment)
- Construction services (tunnel, roadway, roads and platforms)
- Community Relations Services

1.3 Exploration investment contract with the Peruvian government

On February 28, 2008, the Company signed with the Peruvian State through the Ministry of Energy and Mines (MEM), the exploration investment contract under the provisions of Law No. 27623 and its regulations approved by the DS No. 082-200-EF in which the Company agrees to invest the amount of US $ 8,796,100, this contract has been amended with 5 addenda whose final investment was US $ 34,315,560 (for the period from February 2008 to December 2013).

On March 31, 2014, the Company signed a new contract with the Peruvian government through the Ministry of Energy and Mines (MEM) in which the Company commits to invest the amount of US $ 2,453,021.62 in a period of 10 months from March 2014.

As of December 31, 2023 the Company has signed addenda to the Exploration Investment contract with the Peruvian State as follows:

First Amendment: On April 29, 2015, the extension of the contract term and the investment modification were approved, being the new investment amount US $ 4,496,861.58.
Second Amendment: On June 21, 2016, the extension of the contract term and the investment modification were approved, being the new investment amount US $ 4,231,883.30.
Third Amendment: On February 21, 2017, the extension of the contract term, the modification of investment and the number of concessions were approved as follows: Investment US $ 4,365,522.83 and number of concessions 26.
Fourth Amendment: On March 07, 2018, the extension of the contract term was approved, the investment modification, being the new investment amount US $ 4,733,633.45.
Fifth Amendment: On February 26, 2019, the extension of the contract term was approved, the investment modification being the new investment amount US $ 4,841,438.56, executable from March 2014 to December 2019.
Sixth Amendment: On March 5, 2020, the extension of the term of the contract was approved, and the modification of the investment was approved, with a new investment amount of US $ 5,000,862.05, to be executed from March 2014 to December 2020.
Seventh Amendment: On April 19, 2021, the extension of the contract term was approved, the investment modification being the new investment amount US $ 5,198,791.00, executable from March 2014 to December 2021.
Eighth Amendment: On May 5, 2022, the extension of the contract term was approved, the investment modification being the new investment amount US $ 4,458,194.24, executable from March 2014 to December 2022.
Ninth Amendment: On May 5, 2023, the extension of the contract term was approved, the investment modification being the new investment amount US $ 6,422,108.26, executable from March 2014 to December 2023.
Tenth Amendment: On April 16, 2024, the extension of the contract term was approved, the investment modification being the new investment amount US $ 5,973,718.66, executable from March 2014 to December 2024.

1.4. Going concern

During the years 2023 and 2022, the Company has generated net earnings in the amounts of US $ 36,292 and US $ 73,205 respectively. During these years the Company's management has focused on reducing and optimizing costs, as well as establishing a renewed basis for the operational management of the mining units in terms of prospecting and exploration activities that will allow a long-term recovery of the investment.

In the opinion of management and its shareholders, as of December 31, 2023 and 2022, the activities in the mining units do not present significant uncertainties that could call into question the normal operation of the Company during the next 12 months, taking into consideration the current financial and economic situation and its cash flow generation expectations for the following year; nor do they present any issues of non-compliance with the "going concern" principle.

1.5 Approval of financial statements

The financial statements for the year completed as of December 31, 2023, have been issued with the authorization of the Company's Management and will be presented for approval and then submitted for consideration at the Annual Shareholders' Meeting for final approval within the legal deadlines. The Company's Management believes that the financial statements for the year ended December 31, 2023 prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, which are included in this report will be approved by the Shareholders without modifications.

The financial statements for the year ended on December 31, 2022, were approved by the General Shareholders' Meeting held on March 31, 2023.

2. Main accounting principles and summary of significant accounting policies

2.1. Basis of preparation of the financial statements

Compliance statement. -

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board (ASB), effective as of December 31, 2023 and 2022, respectively.

The information contained in these financial statements is the responsibility of the Company's management, who expressly state that the principles and criteria included in the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board (ASB), in effect at the dates of the financial statements, have been have been fully implemented.

Accountability of the information. -

The information contained in these financial statements is the accountability of the Company's Management, which expressly confirms that all the principles and criteria contemplated in the GAAP in effect at the end of each fiscal year have been applied in their preparation.

Basis of measurement. -

The financial statements have been prepared on the basis of the Company's accounting records and in accordance with the cost principle as of December 31, 2023 and 2022.

Functional and presentation currency. -

The financial statements are presented in American Dollars (US $), which is the Company's functional and presentation currency, except when a different monetary expression is indicated.

Use of estimates and judgments. -

The preparation of financial statements also requires management to make estimates and judgments in determining the reported amounts of assets and liabilities, revenues and expenses, the amo. -unt of contingencies and the disclosure of significant events in the notes to the financial statements. The use of reasonable estimates is an essential part of the preparation of financial statements and does not undermine their reliability. The estimates and judgments determined by the Company are continually evaluated and are based on historical experience and all information considered relevant.

If these estimates and judgments should change in the future as a result of changes in the assumptions underlying them, the related financial statement balances will be adjusted at the date on which the change in estimates and judgments occurs.

The estimates and assumptions that have a risk of causing adjustments to reported asset and liability balances and critical judgments in the application of accounting policies are presented below:

- Useful life and recoverable value of plant, machinery and equipment.
- Determination of ore reserves and resources.
- Provision of remediation and closure of mining unit.
- Recovery and application of deferred income tax assets and liabilities.

2.2. International Financial Reporting Standards

Standards, amendments and interpretations in effect as of January 1, 2023, applicable to the Company and adopted as of that date

The following are the main amendments to existing standards and the inclusion of a new standard, effective January 1, 2023 or later periods, which have been adopted by the Company:

Statement	Concept
Amendments to IAS 1 and Statement of Practice 2	Disclosure of accounting policies The amendments are effective for annual periods beginning on or after January 1, 2023, with an option for earlier application.
Amendments to IAS 8	Definition of accounting estimates The amendments replace the definition of a change in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in the financial statements that are subject to measurement uncertainty". The amendments are effective for annual periods beginning on January 1, 2023, with an option for earlier application.
Amendments to IAS 12	Deferred taxes related to assets and liabilities arising from single transactions The amendments are effective for annual periods beginning on January 1, 2023, with an option for earlier application.
Amendments to IAS 12	International Tax Reform Second Pillar Model Rules Annual periods beginning on or after January 1, 2023.
IFRS 17	Insurance Contracts Issued on May 18, 2017, this Standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform presentation and measurement approach for all insurance contracts. These requirements are designed to generate consistent and principles-based accounting. The standard applies to annual periods beginning on or after January 1, 2023, with early application permitted provided that IFRS 15, "Revenue from Contracts with Customers" and IFRS 9, "Financial Instruments" are applied.
IFRS 17 and IFRS 9	Initial application of IFRS 17 and IFRS 9 Annual periods beginning on or after January 1, 2023.

The amendments to the standards and the new standard issued have had no impact on the Company's financial statements in the current year; likewise, they are not expected to have a relevant impact on the financial statements of next years.

Standards, amendments and interpretations that will be effective for annual financial statements beginning on or after January 1, 2024 and that have not been early adopted

Certain standards and amendments to standards have been published that are mandatorily applicable for the year 2024 or later and have not been early adopted by the Company and are explained below:

Statement	Concept
Changes to IAS 1	Classification of liabilities as current or non-current The amendments are effective retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.
Amendments to IAS 1	Non-current liabilities with covenants Mandatory application for annual periods beginning on or after January 1, 2024.

Amendments to IFRS 10 and IAS 28	Sale or contributions of assets between an investor and its associate or joint venture The effective date of the amendments has not yet been set by the IASB; however, early application is permitted.
Changes to IAS 7 and IFRS 7	Supplier finance arrangements Mandatory application for annual periods beginning on or after January 1, 2024.
Changes to IAS 21	Lack of exchangeability Sets forth the guidelines to be followed in order to determine the exchange rate to be used in situations of lack of convertibility. Mandatory application for annual periods beginning on or after January 1, 2025. Early adoption is allowed.
Amendments to IFRS 16	Lease liabilities in a sale and leaseback Mandatory application for annual periods beginning on or after January 1, 2024.

The Company is currently evaluating the impact that the amendments may have on current practice. No other standards have been identified and are not yet effective that could be expected to have a significant impact on the Company in current or future reporting periods and foreseeable future transactions.

Sustainability pronouncements not yet in force and whose application is not yet mandatory. No early adoption has been made

Statement	Concept
IFRS S1	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information Annual periods beginning on or after January 1, 2024. Annual periods beginning on or after January 1, 2024. Early adoption is permitted with the joint application of IFRS S2.
IFRS S2	Climate-related Disclosures Annual periods beginning on or after January 1, 2024. Early adoption is permitted, with the application in conjunction with IFRS S1 general requirements for sustainability disclosures related to financial information.

2.3. Financial Instruments

Initial recognition and measurement

Trade accounts receivable, loan portfolio and debt instruments issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, in the case of an item not measured at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Upon initial recognition, a financial asset is classified at amortized cost (debt instrument), at fair value through other comprehensive income (debt instruments or equity instruments) or at fair value through profit or loss (debt instruments or equity instruments).

Assets based on a business model of holding them to obtain contractual cash flows are subsequently measured at amortized cost using the effective interest rate method.

Financial liabilities – Other financial liabilities

The Company includes in this category trade and other accounts payable (excluding taxes and provisions). Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. A financial liability is classified at fair value through profit or loss if it is classified as held for trading, is a derivative or is designated as such on initial recognition.

Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest income and foreign currency exchange gains and losses are recognized in profit or loss. Any gain or loss upon derecognition is also recognized in profit or loss.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or a part of The Company of similar financial assets) is derecognized when:

(i) the rights to receive cash flows from the asset have terminated; or (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay all of the cash flows received immediately to a third party under a pass through arrangement; and (iii) the Company has transferred substantially all the risks and rewards of the asset or, if it has neither transferred nor retained substantially all the risks and rewards of the asset, it has transferred control of the asset.

Financial liabilities

A financial liability is derecognized when the payment obligation is terminated, cancelled or expires. When an existing financial liability is replaced by another from the same borrower on significantly different terms, or the terms are significantly modified, such replacement or modification is treated as a derecognition of the original liability and the recognition of a new liability, with the difference between the two being recognized in profit or loss for the period.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a current legal right to offset the recognized amounts and if there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Impairment of financial assets

The initial recognition of financial assets is at their nominal value and includes interest (as appropriate to the type of portfolio), which is carried at amortized cost, using the effective interest rate method less the allowance for doubtful accounts. The amortized cost is calculated considering any discount or premium incurred in the acquisition, commissions and costs, which constitute an integral part of the effective interest rate. Losses arising from impairment are recognized in the statement of comprehensive income in the allowance for doubtful accounts.

The method used for impairment is the simplified method, considering that most of the Company's accounts receivable do not have a financing component, are in judicial or past due status, the simplified method of estimating impairment will respond to the expected credit losses during the life of the account, both in the initial recognition and in subsequent periods; using this method the Company has no significant impact on the statement of income.

2.4. Fair value measurement

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or liability is measured using the assumptions that market participants would use in valuing the asset or liability, assuming that market participants are acting in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which it has sufficient information available to measure fair value, maximizing the use of relevant observable inputs and reducing the use of non-observable inputs.

All assets and liabilities for which fair values are determined or disclosed in the financial statements are classified within the fair value hierarchy, described below, based on the lowest level of inputs used that are significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Valuation techniques by which the lowest level of information that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques by which the lowest level of inputs that are significant to the fair value measurement are not observable.

For assets and liabilities that are recognized at fair value in the financial statements on a recurring basis, the Company determines whether transfers between the different levels within the hierarchy have occurred by reviewing the categorization at the end of each reporting period.

For purposes of fair value disclosures, the Company has determined the classes of assets and liabilities based on their nature, characteristics and risks and the level of the fair value hierarchy as explained above.

In the opinion of the Company's management, as of December 31, 2023 and 2022, the fair value of its financial instruments is not significantly different from their respective carrying amounts and, therefore, the disclosure of such information has no effect on the financial statements as of those dates.

2.5. Foreign currency transactions

The Company has determined that its functional and presentation currency is the U.S. dollar because it reflects the nature of economic events and circumstances relevant to the Company.

Transactions and balances in foreign currency

Transactions in foreign currency are considered to be those carried out in a currency other than the functional currency. Transactions in foreign currency are initially recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently adjusted to the functional currency using the exchange rate in effect at the date of settlement of the transactions or of the balance sheet. Exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities in foreign currencies at the date of the balance sheet are recognized under the caption "Exchange differences, net" in the statement of comprehensive income. Non-monetary assets and liabilities are recorded in the functional currency at the exchange rate prevailing at the date of the transaction.

2.6. Cash and cash equivalents

Cash comprises cash funds held by the Company, as well as balances in current accounts in banks, which are highly liquid and are readily convertible into known amounts of cash, are not subject to a significant risk of change in value and have an original maturity of less than three months.

2.7. Facilities, machinery and equipment

The initial cost of facilities, machinery and equipment comprises their purchase price and any directly attributable costs to place and put the asset in working condition. The cost of facilities and machinery includes the higher attributed value made on the basis of appraisals performed by independent appraisers. These assets are stated at fair value determined at the date of the appraisal less accumulated depreciation and accumulated impairment losses.

Assets under construction are capitalized as a separate component and are presented as work in progress. Upon completion, the cost of these assets is transferred to their definitive category. Work in progress is not depreciated.

Disbursements for maintenance and repair are expensed as incurred. Subsequent expenditures for components of facilities, machinery and equipment are only recognized when it is probable that future economic benefits will flow to the Company and the cost of the asset can be measured reliably.

The cost and accumulated depreciation of assets retired or sold are eliminated from the respective accounts and the resulting gain or loss is charged or credited to income for the year in which it occurs.

Depreciation of facilities, machinery and equipment is calculated using the straight-line method based on the following estimated useful lives:

Categories:	**Years**
Facilities and buildings	10
Machinery	12.5
Furniture and fixtures	5
Miscellaneous equipment	2 - 12.5

Residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at the end of each year.

2.8. Impairment of long-lived assets

The Company reviews and evaluates the impairment of its long-lived assets when events or economic changes indicate that the value of an asset may not be recoverable.

An impairment loss is the amount by which the carrying amount of long-lived assets exceeds the higher of net selling price or value in use. The net selling price is the amount that can be realized on the sale of an asset in an open market, while the value in use is the present value of estimated future cash flows from the continuing use of an asset and its disposal at the end of its useful life. An impairment loss recognized in prior years is reversed if there is a change in the estimates that were used when the loss was last recognized. Such reversal is recognized in the statement of comprehensive income.

2.9. Intangible assets

Mining concessions

Mining concessions represent the Company's ownership of exploration and exploitation rights over mining properties with acquired mineral reserves. Mining concessions are stated at cost and are not amortized until mining commences using proven and probable reserves as a basis. In the event that the Company abandons such concessions, the associated costs are written off in the statement of comprehensive income.

Exploration cost

Correspond to disbursements made for the exploration and evaluation of mineral resources are recognized at cost and will be amortized from the beginning of the exploitation of any of the deposits within the San Luis Project, during its estimated useful life.

2.10. Provisions

General

A provision is recognized only when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed periodically and adjusted to reflect the best estimate at the date of the balance sheet.

The expense related to a provision is shown in the statement of comprehensive income. Provisions are discounted to their present value using a rate that reflects, where appropriate, the specific risks related to the liability. When the discount is made, the increase in the provision for the passage of time is recognized as a financial expense in the statement of comprehensive income.

Provision for environmental remediation

The Company recognizes a provision for environmental restoration and for the closure of its mining units corresponding to its legal obligation to restore the environment at the end of its operations. At the date of initial recognition of the liability arising from this obligation, measured at the estimated future value discounted to its present value, the same amount is simultaneously charged to the intangible assets account in the balance sheet.

Any reduction in this provision and, therefore, any reduction in the carrying amount of the intangible asset to which such provision relates, if exceeded, is recognized in the statement of comprehensive income.

2.11. Contingencies

Contingent liabilities are recorded in the financial statements when it is considered probable that they will be confirmed in time and can be reasonably quantified; otherwise, the contingency is only disclosed in the notes to the financial statements.

Contingent assets are not recorded in the financial statements, but are disclosed in the notes when their degree of contingency is probable.

2.12. Issued income

Common shares are classified as equity and are recognized at their par value.

2.13. Cost and expense recognition

Costs and expenses are recognized as they accrue, regardless of when they are paid, and are recorded in the periods to which they relate.

Finance costs are expensed as incurred and include interest charges and other costs incurred in connection with borrowings. Unearned finance costs are presented as a reduction of the liability giving rise to them.

2.14. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered or paid to the Tax Authority.

The taxable rates and tax laws used to compute such amount are those that have been approved or whose approval process is nearing completion as of the end of the reporting period. Current income tax that relates to items that are recognized directly in equity is also recognized in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in tax returns with respect to situations where the applicable tax rules are subject to interpretation, and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the tax bases of assets and liabilities and their respective carrying amounts at the date of the balance sheet. Deferred income tax liabilities are recognized for all taxable temporary differences except:

When the deferred tax liability arises from the initial recognition of goodwill, or of an asset or liability in a transaction that does not constitute a business combination and that, at the time of the transaction, affected neither accounting profit nor taxable profit or loss; or

When the timing of the reversal of temporary differences related to investments in subsidiaries and associates can be controlled and it is probable that such temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and for the future offset of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profits will be available against which such unused tax credits or unused tax losses can be utilized, except for those tax credits or unused tax losses:

When the deferred income tax asset related to the temporary difference arises from the initial recognition of an asset or liability in a transaction that does not constitute a business combination and that, at the time of the transaction, affected neither accounting profit nor taxable profit or loss;

Deferred income tax assets are recognized only to the extent that it is probable that the temporary differences related to investments in subsidiaries and associates will be reversed in the foreseeable future and that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow the recovery of such assets.

Income tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that were enacted or substantively enacted at the date of the balance sheet or whose enactment is nearing completion.

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

General Sales Tax

Revenues from ordinary activities, expenses and assets are recognized excluding the amount of general sales tax, except:

When the general sales tax (IGV) incurred on an acquisition of assets or services is not recoverable from the tax authority, in which case the IGV is recognized as part of the acquisition cost of the asset or as part of the expense item, as appropriate.

Accounts receivable and payable that are already expressed with the amount of (IGV) included. The net amount of IGV recoverable from or payable to the tax authority is included as part of accounts receivable or payable in the balance sheet.

2.15. Employee benefits

Bonuses

The Company recognizes the expense for bonuses and the corresponding liability on the basis of the legal provisions in force in Peru. Bonuses correspond to two annual remunerations paid in July and December of each year, respectively.

Compensation for service time

The compensation for workers' (employees') time of service of the Company corresponds to their compensation rights calculated in accordance with current legislation, which must be deposited in the bank accounts designated by the workers in the months of May and November of each year. The compensation for workers' (employees') time of service is equivalent to a remuneration in force at the date of its deposit.

The Company has no additional payment obligations once it makes the annual deposits of the funds to which the employee is entitled.

Vacations

Annual leave of the staff (employees) is recognized on an accrual basis. The provision for estimated annual leave obligations is recognized at each date of preparation of the balance sheet.

2.16. Classification of Assets and Liabilities as Current or Non-current

The Company presents assets and liabilities in the balance sheet classified as current and non-current.

An asset is classified as current when the entity:

- It expects to realize the asset or intends to sell or consume it in its normal operating cycle;
- Holds the asset primarily for trading purposes;
- Expects to realize the asset within twelve months after the reporting period;
- The asset is cash or a cash equivalent, unless it is restricted and cannot be exchanged or used to settle a liability, for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when the entity:

- Expects to settle the liability in its normal operating cycle;
- Maintains the liability primarily for trading purposes.

2.17. Subsequent events

Events subsequent to year-end that provide additional information about the Company at the date of the balance sheet (adjusting events) are included in the financial statements.

2.18. Reclassifications

Certain reclassifications have been incorporated in the 2022 financial statements in order to allow comparison with the financial statements as of December 31, 2023.

3. Financial risk management and income management

3.1. Financial risk factors

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates, credit and liquidity.

The Company's risk management program seeks to minimize potential adverse effects on its financial performance.

The Company's management is aware of the existing market conditions and, based on its knowledge and experience, controls liquidity, currency and credit risks, following the policies approved by the shareholders.

The most important aspects for the management of these risks are as follows:

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market prices comprise three types of risk: interest rate risk, exchange rate risk and equity risk.

In the case of the Company, financial instruments affected by market risks include deposits and loans, which are exposed to currency and interest rate risk.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Management believes that future fluctuations in interest rates will not significantly affect the Company's future results of operations because its financial liabilities have been obtained with fixed interest rates.

iii. Exchange rate risk

Foreign exchange risk is the risk that the fair value or future cash flows of a primary financial instrument will fluctuate due to changes in exchange rates. The Company's exposure to foreign exchange rates relates primarily to operating activities. The current foreign currency position comprises assets and liabilities that are stated at the exchange rate at the date of the balance sheet. Any devaluation/revaluation of the foreign currency would affect the statement of comprehensive income.

Management believes that future fluctuations in the exchange rate of the Peruvian currency against the US dollar will not significantly affect future results of operations.

The Company does not use derivative financial instruments to hedge its exposure to foreign exchange risk, however, it aims to keep its net position reasonable so as not to be exposed to any significant variation in the exchange rate.

As of December 31, 2023 and 2022, the Company had the following assets and liabilities in soles (PEN):

	As of December 31	
	2023	2022
	S/	S/
Assets:		
Cash and cash equivalents	91,543	72,669
Other accounts receivable	14,702,193	14,307,851
Total monetary assets	14,793,736	14,380,520
Liability:		
Trade accounts payable	(6,545)	(5,813)
Other accounts payable	(231,373)	(189,984)
Total monetary liabilities	(237,918)	(195,797)
Net (passive) asset position	14,555,818	14,184,723

These balances have been expressed in soles at the following free market exchange rates established by the Superintendency of Banking, Insurance, and Private Pension Fund Administrators of Peru (hereinafter the SBS) in effect as of December 31, as follows:

	As of December 31	
	2023	2022
	US$	US$
1 S/ - Exchange rate - purchase (asset)	0.2699	0.2626
1 S/ - Exchange rate - sale (liability)	0.2693	0.2618

As of December 31, 2023 and 2022, the Company's management has decided to assume the exchange risk generated by this position, and therefore has not carried out hedging operations with derivative products. During 2023, the Company has recorded a net exchange profit of US $ 77,597 (net profit of US $ 130,493 during 2022) which is shown in the statement of comprehensive income.

iv. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or commercial contract, resulting in a financial loss. The Company is exposed to credit risk from its operating activities (in particular trade debtors) and its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

- Financial instruments and bank deposits

The credit risk of the bank balance is managed by the Finance Management in accordance with the Company's policies. Counterparty credit limits are reviewed by Management. The limits are established to minimize the concentration of risk and, consequently, mitigate financial losses arising from potential counterparty defaults. In Management's opinion, as of December 31, 2023 and 2022, the Company does not consider such concentrations to pose unusual risks to its operations.

v. Liquidity risk

The Company's objective is to maintain a balance between continuity and flexibility of financing through the use of overdrafts in bank checking accounts. The Company maintains adequate cash levels.

The following tables summarize the maturity profile of the Company's financial liabilities based on the undiscounted payments provided for in the respective contracts:

	From 3 to 12 months	Between 1 and 5 years	Total
As of December 31, 2023	US$	US$	US$
Trade accounts payable	57,541	-	57,541
Other accounts payable	65,263	-	65,263
Provision for environmental remediation	-	567,349	567,349
Deferred income tax liability	-	1,704,223	1,704,223
Total liabilities	122,804	2,271,572	2,394,376

	From 3 to 12 months	Between 1 and 5 years	Total
As of December 31, 2022	US $	US $	US $
Trade accounts payable	28,397	-	28,397
Other accounts payable	49,734	-	49,734
Provision for environmental remediation	-	567,349	567,349
Deferred income tax liability	-	1,704,223	1,704,223
Total liabilities	78,131	2,271,572	2,349,703

3.2. Income management

The Company's objectives in managing the income are to safeguard its ability to continue as a going concern in order to generate returns to its shareholders, profits and maintain an optimal income structure to reduce the cost of the income.

In order to maintain a level of income, the Company receives funds to finance its operations with income contributions from its shareholders, and is not significantly leveraged in those periods, to make exploration investments in the San Luis Project.

4. Cash and cash equivalents

This item comprises:

	As of December 31	
	2023	2022
	US$	US$
Fixed fund	200	525
Current accounts (*)	60,645	119,972
Time deposit (**)	41,834	40,517
Total	102,679	161,014

Current accounts correspond to balances in local banks, in soles and U.S. dollars, do not accrue interest and are freely available (*)

As of December 31, 2023 and 2022, the term deposits guarantee the final closure of the camp approved in the environmental impact study, detailed by the "San Luis Exploration Project". (**)

5. Others accounts receivable

This item includes:

	As of December 31	
	2023	2022
	US$	US$
Claims to third parties (*)	120,637	117,086
Security deposits	4,902	4,883
Deliveries to be rendered	1,844	9
Advance payments to suppliers	4,517	4,942
Miscellaneous	283	6,613
Total	132,183	133,533

Claims to third parties mainly include the acceptance of the complaint by the Superior Court of Justice of Lima of the Twenty-Second Contentious Administrative Court with Tax and Customs Sub-Specialty in favor of the Company against the Tax Court and the National Superintendency of Customs and Tax Administration (Sunat), according to the subject matter of the lawsuit Nullity of Resolution referring to file No. 02685-2024-0-1899-JR-CA-22. (*) See note 14.

6. Recoverable tax credit

As of December 31, 2023 and 2022, the balance of the credit to be recovered corresponds to the General Sales Tax (IGV) equivalent to US$ 3,841,747 and US$ 3,628,216 respectively, which have been generated by the Company's initial activities and are expected to be recovered when generating future revenues from the mining activity.

As of the date of the statement of financial position, the Company has requested the definitive refund of the (IGV) for the Mining Exploration Stage to the Tax Administration (Sunat) for the period 2022, an amount that rises to the sum of S/ 231,464.07, which has been approved by means of resolutions of intendancy and endorsed by report of the Ministry of Energy and Mines. This refund request has been paid in favor of the Company by means of non-negotiable checks, during the second two-month period of the year 2024, in the amount of S/ 205,054.

7. Intangible assets

The changes in intangible assets for the year ended December 31, 2023 were as follows:

Cost:	Balance as of 12.31.2022	Additions	Deductions	Balance as of 12.31.2023
	US $	US $	US $	US $
Concessions	3,786,972	525,751	-	4,312,723
Licenses	95,395	-	-	95,395
Exploration cost (*)	53,860,035	1,935,281		55,795,316
Total	57,742,402	2,461,032	-	60,203,434
Amortization:	-	-	-	-
Total	-	-	-	-
Cost, net	57,742,402			60,203,434

On July 21, 2023, the Company has signed an agreement with the Cochabamba Campesino Community located in the province of Huaraz, Ancash-Peru, which granted the authorization of mining use on the areas of activity and mapping for the execution of mining exploration activities, as well as the implementation of complementary and auxiliary facilities necessary for the development of mining activity. The term of the agreement will be for a period of 5 years. This term expressly includes the period necessary to implement and conclude all the activities and closure measures that the Company must carry out according to the applicable legislation.

As of December 31, 2022, the mining concessions located in the district of Shupluy, province of Yungay, department of Ancash, of the Ayelen vein, which has an approved Environmental Impact Assessment (EIA), but which to date is in Stand-by, due to the suspension of exploration work and geological mapping service, however, to date a new negotiation with the community of Ecash has been started.

To date there is no agreement in place for mine construction and subsequent exploitation. There are plans to first increase resources in 2024 by drilling in the Bonita Economic Unit in the Cochabamba Community.

Exploration costs are comprised of geological services (sample storage), environmental protection services, industrial safety services, administration and community relations services (*).

8. Facilities, machinery, and equipment

The changes in the plant, machinery and equipment account and the related accumulated depreciation for the years ended December 31, 2023 and 2022 are as follows:

Costo:	Balance as of 12.31.2022	Additions	Deductions	Balance as of 12.31.2023
	US $	US $	US $	US $
Facilities	852,300	16,266	-	868,566
Machinery	248,680	-	-	248,680
Furniture and fixtures	77,686	479	-	78,165
Various equipment	522,355	26,496	-	548,851
Transport units	150,131	-	-	150,131
Works in progress	311,746	-	-	311,746
Total	2,162,898	43,241	-	2,206,139
(-) Depreciation:				
Facilities	(838,882)	(3,563)	-	(842,445)
Machinery	(212,829)	(8,778)	-	(221,607)
Furniture and fixtures	(75,813)	(551)	-	(76,364)
Various equipment	(466,947)	(19,351)	-	(486,298)
Transport units	(100,266)	(27,587)	-	(127,853)
Total	(1,694,737)	(59,830)	-	(1,754,567)
Cost, net	468,161			451,572

As of December 31, 2023 and 2022, the Company holds insurance on its facilities, machinery and equipment, in accordance with the policies established by management.

Work in progress as of December 31, 2023 and 2022, corresponds mainly to the work at the Ecash camps and facilities, which are pending completion for the reasons described in note 7.

9. Provision for environmental remediation

These are all expected closure costs to be incurred from the beginning of the mine's operation. The estimated costs for the provision for remediation are based on studies prepared by the parent company, which should be carried out for the purpose of restoring those areas that have been affected by mining and/or exploration activities.

As of December 31, 2023 and 2022, the Company, in the opinion of its management, has considered that the provision for environmental remediation at that date is US $ 567,349.

10. Deferred income tax assets (liabilities)

The changes in deferred income tax assets and liabilities and the description of the temporary differences arising therefrom are as follows:

Asset:	Balance as of 12.31.2022	Additions	Deductions	Balance as of 12.31.2023
	US $	US $	US $	US $
Environmental provision	-	-	-	-
Non accrued services	-	-	-	-
Vacation allowance (SSR)	-	-	-	-
Provision for depreciation (SSR)	-	-	-	-
Total	-	-	-	-
(-) Liability:				
DC for intangible assets	(1,655,640)	-	-	(1,655,640)
Donations (rate adjustment)	(48,583)	-	-	(48,583)
Total	(1,704,223)	-	-	(1,704,223)

In management's opinion, the deferred tax assets and liabilities recognized will be applied in future years against future taxable income to be generated by the Company based on its projected revenues and cash flow from the business.

11. Equity

11.1. Issued share income. –

The Company's income as of December 31, 2023 and 2022 is represented by 189,345,703 and 179,332,244 common shares, respectively, with a par value of S/ 1.00 each, which are fully issued and paid.

As of December 31, 2023 and 2022, the Company's corporate structure is as follows:

Percentage of individual equity interest 2023	Shareholders No.	Participation %
From 0.00 to 1.00	1	0.11
From 1.01 to 50.00	1	1.20
From 50.01 to 100.00	1	98.69
Total	3	100.00

On December 28, 2023, the General Shareholders' Meeting agreed to approve an increase in income stock from US $ 63,774,967 to US $ 66,462,680, through cash remittances of US $ 2,653,184 and capitalization of credits of US $ 34,529, both registered in the Public Registry.

At the General Shareholders' Meeting held on December 28, 2022, it was agreed to approve an increase in capital stock from US $ 61,227,508 to US $ 63,774,967, through cash remittances of US $ 2,408,724 and capitalization of debts of US $ 138,735, both registered in the Public Registry.

11.2. Legal reserve. –

In accordance with the General Corporations Law, the legal reserve is constituted with the transfer of 10% of annual net income until it reaches an amount equivalent to 20% of paid-in capital. In the absence of retained earnings or unrestricted reserves, the legal reserve may be applied to offset losses and must be replenished with the profits of subsequent years. This reserve may be capitalized and must also be replenished.

As of December 31, 2023 and 2022, no legal reserve has been recorded due to the results obtained to date by the Company.

11.3. Accrued results. -

Accrued results may be capitalized or distributed as dividends, in accordance with the Company's dividend policy, which is subject to Article 230 of the General Corporation Law.

Dividends in favor of shareholders other than domiciled legal entities are subject to the 5% income tax rate payable by these shareholders, effective as of December 31, 2023 and 2022.

12. Administrative expenses

This item comprises:

	As of December 31	
	2023	2022
	US $	US $
Services rendered by third parties	47,774	51,906
Taxes	3,101	4,907
Miscellaneous management charges	2,207	613
Total	53,082	57,426

13. Tax status

Determination of income tax. -

The Company is subject to the Peruvian tax regime. As of December 31, 2023 and 2022, the income tax rate was 29.5 percent of taxable income. Legal entities not domiciled in Peru and individuals are subject to an additional withholding tax on dividends collected. In this regard, pursuant to Legislative Decree No. 1261, the additional tax on profits generated is 5 percent.

Management considers that it has determined the taxable income, under the general income tax regime, in accordance with current tax legislation, which requires adding and deducting from the income shown in the financial statements, those items that the referred legislation recognizes as taxable and non-taxable, respectively.

As of December 31, 2023 and 2022, in the management's opinion and that of its legal advisors, it was considered that there is no taxable income to determine income tax, since the Company maintains tax losses, due to the fact that it does not generate future taxable income.

In accordance with the provisions of the Income Tax Law and its amendments, entities established in Peru that establish tax loss carryforwards have the option to choose between one of the following two methods for carryforward.

- The tax loss can be used up to four years from the year in which the taxable profits are generated.

- The tax loss may be offset against future taxable income year by year until its final extinction, applying such loss up to 50 percent of its taxable income.

As of December 31, 2023 and 2022, the Company has an uncompensated tax loss carryforward amounted to S/ 1,172,655 and S/ 1,014,854 respectively. In relation to this tax loss, the Company has not recognized a deferred income tax asset as of December 31, 2023.

The Company has applied the tax loss carryforward method (system B). Through this system, the total third category net loss of Peruvian source recorded in a taxable year may be offset against fifty percent (50%) of the third category net income obtained in the immediately following years, until the amount is exhausted.

<u>Tax on financial transactions</u>. -

For fiscal years 2023 and 2022, the tax rate on financial transactions has been set at 0.005% and is applicable on charges and credits to bank accounts or movements of funds through the financial system, unless exempted.

<u>Transfer pricing</u>. -

For income tax purposes, the transfer prices of transactions with related companies and with companies resident in territories with low or no taxation, must be supported with documentation and information on the valuation methods used and the criteria considered for their determination. Based on the analysis of the Company's operations, Management and its legal advisors are of the opinion that, as a result of the application of these standards, no significant contingencies will arise for the Company as of December 31, 2023 and 2022.

<u>Subject Without Operational Capacity</u>. –

Legislative Decree No. 1532 includes the concept of Subject without Operative Capacity (SSCO), being that SUNAT, based on the procedure regulated for its attribution, may attribute the status of SSCO to those companies that although they are listed as issuers of payment vouchers, do not have staff, assets or capacity to be able to develop operations for the issuance of such documents. The effect of this is that all payment vouchers issued since that date will not be able to support expenses or costs for Income Tax purposes, nor IGV tax credit as from January 1, 2023, the date on which this regulation came into force.

Tax review by the tax authority. -

The income tax returns for the years 2020 to 2022 and the one filed for the year 2023 are pending review by the tax authorities. Any higher or lower expense on the provisions made to cover tax obligations, according to their materiality, will be charged to the statement of income on the date they are finally determined.

The Company's management, in conjunction with its legal advisors, is of the opinion that there will be no significant variations affecting the financial statements as of December 31, 2023 and 2022.

Major tax changes effective as of January 1, 2021.-

Depreciation of assets

By means of Legislative Decree No. 1488 Special Depreciation and Modification Regime, the depreciation percentages of assets acquired during 2020 and 2021 are increased in order to promote private investment and grant greater liquidity given the current economic situation due to the effects of COVID-19.

Undercapitalization

As from January 1, 2021, financial expenses will be deductible up to the limit of 30% of the taxable EBITDA (Net Income - Compensation of Losses + Net Interest + Depreciation + Amortization) of the previous year. There are some exceptions to the application of this limitation in the case of banks, taxpayers with income not exceeding 2,500 UITs, infrastructure, public utilities, among others.

Supreme Decree No. 402-2021, published on December 30, effective as of December 31, 2021, amended the Income Tax Law Regulations governing the calculation of taxable EBITDA for purposes of the debt interest limit. For fiscal years 2019 and 2020 the financial expense generated by indebtedness both between independent and related parties is subject to the undercapitalization limit of (3:1 Debt-Equity Ratio) calculated at the close of the previous fiscal year.

Major tax changes effective as of January 1, 2019.-

New regulatory concept of legal accruals

Legislative Decree No. 1425 introduced the definition of legal accrual for income tax purposes establishing that income in the case of: a) transfer of goods occurs when: i) the change of control occurs (according to IFRS 15); or ii) the transfer of risk to the acquirer occurs (Risk Theory established in the Civil Code), whichever occurs first; and b) in the case of rendering of services, the degree of performance of the service has been established. The new legal concept of accrual is applicable to landlords for the purpose of establishing the tax treatment of the expense associated with lease contracts regulated by IFRS 16 (i.e. operating lease for tax purposes). The concept in question will not be applicable to those entities that accrue their income or expenses for income tax purposes according to tax provisions that establish a special (sectorial) accrual regime.

Deduction of expenses or costs incurred in transactions with non-domiciled parties

Legislative Decree No. 1369 requires that costs and/or expenses (including outbound interest) incurred with non-domiciled counterparties must have been effectively paid in order to be deducted in the year in which they were incurred up to the deadline for filing the annual tax return. Otherwise, their impact on the determination of net income will be deferred to the year in which they are effectively paid, at which time the corresponding withholding will be applied.

This regulation eliminated the obligation to pay the amount equivalent to the withholding on the amount recorded as cost and/or expense.

Measures for the application of the General Anti-Elusion Clause contained in the Sixteenth Rule of the Labor Code.

Legislative Decree No. 1422 has established the procedure for the application of the General Anti-Circumvention Clause (CAG), which basically states that: (i) it is applicable only in definitive audit procedures in which acts, facts or situations produced since July 19, 2012 are reviewed; (ii) for its application there must be prior favorable opinion of a review committee integrated by officials of SUNAT itself, such opinion not being appealable; (iv) the definitive audit procedures in which the (CAG) is applied are not subject to the one (1) year term to require information to the auditees.

On May 6, 2019, Supreme Decree No. 145-2019-EF was published in the Official Gazette El Peruano, whereby the substantive and formal parameters for the application of the general anti-avoidance rule contained in the Sixteenth Rule of the Tax Code ("TC") were approved; with which the requirement to lift the suspension established by Law 30230 for the application of such rule is understood to be fulfilled. Likewise, SUNAT's Regulations for Tax Procedures have been adapted for such purpose. By means of Superintendence Resolution No. 000184-2021/SUNAT published on December 13, 2021, the members of the Review Committee of the National Superintendence of Customs and Tax Administration - SUNAT referred to in Article 62-C of the Single Ordered Text of the Tax Code were appointed, which states that when applying the Anti-elusive Rule in an audit procedure, a report must be sent together with the audit file to the Review Committee.

Joint and several liability of legal representatives and directors of companies

As of September 14, 2018, it has been established, through Legislative Decree No. 1422, that when an audited subject is subject to the General Anti-Circumvention Clause (CAG), it is automatically considered that there is fraud, gross negligence or abuse of powers with respect to its legal representatives, unless there is evidence to the contrary. The aforementioned joint and several liability shall be attributed to such representatives whenever they have collaborated with the design or approval or execution of acts, situations or economic relations with an elusive purpose.

The aforementioned regulation also involves the members of the Board of Directors of companies, by stating that it is the responsibility of these individuals to define the tax strategy of the companies in which they are directors, and that they must decide whether or not to approve acts, situations or economic relations to be carried out within the framework of tax planning, this attribution being non-delegable - according to the regulation in commentary - to the directors.

The members of the Board of Directors of domiciled companies were granted a term that expires on March 29, 2019 to ratify or modify the acts, situations or economic relationships carried out within the framework of tax planning, and implemented as of September 14, 2018 that continue to have tax effect up to the present time. Notwithstanding the aforementioned maximum term indicated for compliance with said formal obligation, and considering the aforementioned joint and several liability attributable to both legal representatives and directors, as well as the lack of definition of the term tax planning it will be critical to review any act, situation or economic relationship that has (i) increased tax attributes; and/or, (ii) generated a lower payment of taxes for the aforementioned years, in order to avoid the attribution of joint and several tax liability, both at an administrative and even criminal level, depending on the criteria of the tax agent, in the event that the CAG is applied to the company that is subject to a tax audit by SUNAT.

Information related to final beneficiaries

Within the framework of the rules to strengthen the fight against tax evasion and avoidance as well as against money laundering and financing of terrorism, as of August 3, 2018, the provisions introduced through Legislative Decree No. 1372 are in force, which oblige to provide the competent authorities, through a sworn statement of beneficial owners, information related to such subjects, that is, to disclose through such statement who are the natural persons who effectively have ownership or control in persons or legal entities. Thus, it will be mandatory to inform aspects such as (i) identification of the beneficiary; (ii) the chain of title with the respective supporting documentation; (iii) identification of the third parties that have such information, if applicable. It is also stated that the information related to the identification of the beneficiary of natural persons and legal entities provided to the competent authorities within the framework of these rules does not constitute a violation of professional secrecy nor is it subject to the restrictions on disclosure of information resulting from the confidentiality imposed by contract or by any legal or regulatory provision.

It should be taken into consideration that, in case of failure to file the informative affidavit containing the information related to the beneficiary, the legal representatives of the entity that failed to file such affidavit will be jointly and severally liable.

As of December 31, 2023, in the opinion of the Company's legal advisors, the Company is not required to present such information related to final beneficiaries.

14. Contingencies and commitments

Contingencies

In the opinion of the Company's Management and according to the confirmations of its Legal Advisors, there is a process before the Tax Court coming from SSR Peru S.A., in 2016 SUNAT started a partial audit of income tax year 2015, on May 3, 2017, SUNAT extends the procedure for a definitive audit.

After being given all the documentation required by SUNAT for the substantiation of the expenses of the year 2015, year in which the investment made by SSR Peru S.A. in the company Sociedad Minera Berenguela S.A. for an amount of S/ 5,063,353 was sent to the expense under the contract of Option of sale of minerals and its addendums, signed on March 31, 2004 and with final expiration on December 31, 2015. SUNAT determined that the expense of the investment made for the mineral purchase option should have been expensed in 2009, arguing that the mineral purchase option contract can only be signed for 5 years.

On April 09, 2019 we paid 30% of the amount of the fine plus interest, for a total amount of S/ 328,652 accepting what SUNAT determined and after coordination with the SUNAT auditor if they were going to allow us to change the tax carryforward from 2009 to 2015. After the payment was made SUNAT indicated that we could not change the carryforward because the year 2009 was a prescribed year, which affected the income tax of 2016, it was decided to initiate the claim by paying 40% of the amount of the fine, by writing filed on 06/30/2019. On 12/30/2019 SUNAT notified us with RI 0260140182568/SUNAT that our claim had been declared unfounded. On 01/20/2020 we submitted our appeal to SUNAT to be elevated to the Tax Court. On 02/10/2020 we received letter 219-2020/SUNAT/7E7400 dated January 31, 2020, where SUNAT confirms the elevation of the appeal to the Tax Court.

On February 29, 2024, the Company filed a lawsuit before the Superior Court of Justice of Lima of the Twenty-Second Contentious-Administrative Court with Tax and Customs Sub-Specialty; according to file No. 02685-2024-0-1899-JR-CA-22, for the nullity of the resolution or administrative act against Resolution of the Tax Court No. 09235-13-2023, to the defendants, which are the Tax Court and the National Superintendency of Customs and Tax Administration (Sunat).

The Company has no material unsettled lawsuits and events or other contingencies against it, except for the above paragraph as of December 31, 2023 and 2022.

Compromises

As of December 31, 2023, according to the Scotiabank financial institution's report, the Company maintains a joint and several, irrevocable, unconditional, indivisible, self-performing bond against the Ministry of Energy and Mines for US $ 41,833.72, guaranteeing the final closure and post-closure of the camp approved in the detailed environmental impact study of the San Luis exploration project.

15. Events after the date of the financial statements

Between January 1, 2024 and the date of issuance of this report, the following significant event has occurred:

Transfer of Shares in favor of Highlander Silver Corporation

On May 22, 2024, the General Shareholders' Meeting unanimously approved the waiver of any preferential acquisition right that may eventually correspond to the company in the transfer of shares that SSR Mining INC; whose shareholding is 98.69%, intends to make in favor of Highlander Silver Corporation. According to the minutes of the same date, the transfer of shares of SSR Mining INC for 158,779,864 of its property with voting rights, with a nominal value of S/. 1 each, fully subscribed and fully paid in favor of Highlander Silver Corporation, has been registered in the share registration book.

In accordance with the above and as a consequence of the transfer of shares; the majority shareholder SSR Mining INC has entered into a "Share Purchase Agreement" dated November 29, 2023, which establishes with Highlander Silver Corporation, the conditions of the purchase and sale of shares, purchase price, payment of the purchase price and purchase price adjustments related to taxes, as well as the seller's representations and warranties.

In addition to this event, no additional material facts or events have occurred that would require adjustment or disclosure in the Company's financial statements as of December 31, 2023.

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Schedule “B”

Unaudited Interim Financial Statements of Reliant Ventures S.A.C. for the 3 months ended March 31, 2024

[*Attached*]

RELIANT VENTURES S.A.C.

FINANCIAL STATEMENTS
AS OF MARCH 31, 2024 AND DECEMBER 31, 2023 (AUDITED)

RELIANT VENTURES S.A.C.

Financial Statements

As of March 31, 2024 and December 31, 2023 (Audited)

Content

US$ = US dollar

S/ = PEN

RELIANT VENTURES S.A.C.

Balance Sheet

As of March 31, 2024 and December 31, 2023 (Audited)

Assets	As of March 31 2024	As of December 31 2023
	US $	US $
Current Assets		
Cash and cash equivalent (note 4)	149,527	102,679
Other accounts receivable (note 5)	139,682	132,183
Expenses contracted in advance	13,959	23,367
Total current assets	303,168	258,229
Non-current assets		
Tax credits to be recovered (note 6)	3,843,823	3,841,747
Intangible assets, net (note 7)	60,608,417	60,203,434
Facilities, machinery and equipment, net (note 8)	436,585	451,572
Total non-current assets	64,888,825	64,496,753
Total assets	**65,191,993**	**64,754,982**

Liabilities and Equity	As of March 31 2024	As of December 31 2023
	US $	US $
Current liabilities		
Trade accounts payable	55,491	57,541
Other accounts payable	151,336	65,263
Total current liabilities	206,827	122,804
Non-current liabilities		
Provision for environmental remediation (note 9)	567,349	567,349
Deferred income tax liabilities (note 10)	1,704,223	1,704,223
Total non-current liabilities	2,271,572	2,271,572
Total liabilities	2,478,399	2,394,376
Equity (note 11)		
Capital stock	66,462,680	66,462,680
Additional capital	389,901	-
Legal reserve	22,398	22,398
Accrued results	(4,161,385)	(4,124,472)
Total equity	62,713,594	62,360,606
Total liabilities and equity	**65,191,993**	**64,754,982**

The attached notes to the financial statements are an integral part of this statement.

RELIANT VENTURES S.A.C.

Statement of comprehensive income

For the three-month periods ended March 31, 2024 and 2023

	2024	2023
	US $	US $
Operating expense		
Administration expenses (note 12)	(12,850)	(7,820)
Net income (expenses)	-	11,949
(Loss) Operating profit	(12,850)	4,129
(Loss) Net gain due to exchange difference (note 3.1)	(22,178)	47,701
(Loss) Profit before income tax	(35,028)	51,830
Income tax (note 13)	-	-
(Loss) Profit for the period	(35,028)	51,830
Other comprehensive income	-	-
Comprehensive result of the period	**(35,028)**	**51,830**

The attached notes form part of the financial statements.

RELIANT VENTURES S.A.C.

Statement of changes in shareholders' equity
For the three-month periods ended March 31, 2024 and 2023

	Capital stock	Additional capital	Legal reserve	Accrued results	Total
	US $	US $	US $	US $	US $
Balances as of January 1, 2023	63,774,967	166,108	22,398	(4,160,764)	59,802,709
Income for the period	-	-	-	51,830	51,830
Balances as of March 31, 2023	**63,774,967**	**166,108**	**22,398**	**(4,108,934)**	**59,854,539**
Balances as of January 1, 2024	66,462,680	-	22,398	(4,124,472)	62,360,606
(Loss) for the period	-	-	-	(35,028)	(35,028)
Capitalizations in progress	-	389,901	-	-	389,901
Other (decreases) in equity items	-	-	-	(1,885)	(1,885)
Balances as of March 31, 2024	**66,462,680**	**389,901**	**22,398**	**(4,161,385)**	**62,713,594**

The attached notes form part of the financial statements.

RELIANT VENTURES S.A.C.
Cash Flow Statement
For the three-month periods ended March 31, 2024 and 2023

	2024	2023
	US $	US $
Operating activities		
Other receipts related to the activity	-	11,949
Less:		
Payments to suppliers of goods and services	(73,381)	(31,699)
Payment of taxes	(2,208)	-
Other payments related to the activity	(9,575)	(82,997)
Increase (decrease) in cash flows from operating activities	(85,164)	(102,747)
Investing activities		
Acquisition of intangibles	(404,983)	(405,530)
Increase (decrease) in cash flows from investing activities	(404,983)	(405,530)
Financing activities		
Shareholder contributions	536,995	515,002
Increase (decrease) in cash flows from financing activities	536,995	515,002
Increase (decrease) in cash and cash equivalents	46,848	6,725
Cash balance at beginning of period	102,679	161,014
Cash balance at end of period (note 4)	**149,527**	**167,739**

Reconciliation of net cash provided by operating activities

	2024	2023
(Loss) Profit for the period	(35,028)	51,830
Plus (minus)		
Depreciation	14,987	15,236
Amortization	-	-
Deferred income tax	-	-
Other provisions, net	(151,055)	(198,332)
Charges and credits for net changes in assets and liabilities		
Other accounts receivable	(7,499)	(10,418)
Prepaid expenses	9,408	(582)
Trade accounts payable	(2,050)	(25,061)
Other accounts payable	86,073	64,580
	(85,164)	**(102,747)**

The notes to the financial statements attached are an integral part of this statement.

1. Economic activity and identification

1.1. Identification

RELIANT VENTURES S.A.C. (hereinafter the Company), is a closely-held corporation established in Peru, and a subsidiary of SSR Mining INC, domiciled in Canada, which as of March 31, 2024 and December 31, 2023, owns 98.69% of shares representing the capital. social. The Company was incorporated on October 24, 2002, in the city of Lima-Peru.

The Company's legal domicile is located at Calle Monte Rosa No. 280 interior 402 Urbanización Chacarilla del Estanque, Santiago de Surco.

1.2. Economic activity

According to its incorporation, the Company's corporate purpose is to engage in all kinds of mining exploration and exploitation activities; such operations are carried out in the thirty-one (31) mining units called San Luis Project, located in the district of Shupluy and Cochabamba, province of Yungay and Huaraz, department of Ancash-Peru (As of December 31, 2023 thirty-one (31) mining units).

For the current ended March 31, 2024 and 2023, the San Luis Project had the objective of making the following investments to obtain authorization from the Cochabamba Campesino community for the development of a drilling campaign in the Bonita Project and to establish a relationship with the Campesino Community of Ecash to allow the development of informative meetings and mining training in the 34 sectors that make up the Community in order to adapt the existing expectations about the exploitation Project of the Ayelen Vein in San Luis.

The activities to be carried out are the following:

- Geological services (tilling)
- Surveying services (survey of road coordinates and soundings)
- Laboratory tests (Chemical tests of geological samples)
- Services related to environmental protection (development and exploration stage)
- Technical advisory and consulting services (solid and industrial waste management)
- Industrial security service (protective equipment)
- Construction services (tunnel, roadway, roads and platforms)
- Community Relations Services

1.3. Exploration investment contract with the Peruvian government

On February 28, 2008, the Company signed with the Peruvian State through the Ministry of Energy and Mines (MEM), the exploration investment contract under the provisions of Law No. 27623 and its regulations approved by the DS. No. 082-200-EF in which the Company undertakes to invest the sum of US $ 8,796,100, said contract has been modified with 5 addendums whose final investment was US $ 34,315,560 (for the period from February 2008 to December 2013).

On March 31, 2014, the Company signed a new contract with the Peruvian State through the Ministry of Energy and Mines (MEM) in which the Company undertakes to invest the sum of US$2,453,021.62 within a period of 10 months from March 2014.

As of March 31, 2024, the Company has signed addendums to the Exploration Investment contract with the Peruvian State, which are detailed below:

First Amendment. - On April 29, 2015, the extension of the contract term and the investment modification were approved, with the new investment amount being US$ 4,496,861.58.
Second Amendment. - On June 21, 2016, the extension of the contract term and the investment modification were approved, with the new investment amount being US$ 4,231,883.30.
Third Amendment. - On February 21, 2017, the extension of the contract term, the modification of investment and the number of concessions were approved, remaining as follows: Investment US $ 4,365,522.83 and number of concessions 26.
Fourth Amendment. - On March 7, 2018, the extension of the contract term and the investment modification were approved, with the new investment amount being US$ 4,733,633.45.
Fifth Amendment. - On February 26, 2019, the extension of the contract term was approved, the investment modification being the new investment amount $ 4,841,438.56, executable from March 2014 to December 2019.
Sixth Amendment. - On March 5, 2020, the extension of the contract term was approved, the investment modification being the new investment amount $ 5,000,862.05, executable from March 2014 to December 2020.
Seventh Amendment. - On April 19, 2021, the extension of the contract term was approved, the investment modification being the new investment amount $ 5,198,791.00, executable from March 2014 to December 2021.
Eighth Amendment. - On May 5, 2022, the extension of the contract term was approved, the investment modification being the new investment amount $ 4,458,194.24, executable from March 2014 to December 2022.
Ninth Amendment. - On May 5, 2023, the extension of the contract term was approved, the investment modification being the new investment amount $ 6,422,108.26, executable from March 2014 to December 2023.
Tenth Amendment. - On April 16, 2024, the extension of the contract term was approved, the investment modification being the new investment amount $ 5,973,718.66, executable from March 2014 to December 2024.

1.4. Going concern

During the periods ended March 31, 2024 and 2023, the Company has generated net earnings in the amounts of US $ (35,028) and US $ 51,830 respectively. During these years the Company's management has focused on reducing and optimizing costs, as well as establishing a renewed basis for the operational management of the mining units in terms of prospecting and exploration activities that will allow a long-term recovery of the investment.

In the opinion of management and its shareholders, as of December 31, 2024 and December 31, 2023, the activities in the mining units do not present significant uncertainties that could call into question the normal operation of the Company during the next 12 months, taking into consideration the current financial and economic situation and its cash flow generation expectations for the following year; nor do they present any issues of non-compliance with the "going concern" principle.

1.5. Approval of financial statements

The financial statements for the period ended March 31, 2024, have been issued with authorization of the Company's Management on April 30, 2024.

The financial statements for the year ended December 31, 2023, were approved by the General Shareholders' Meeting on May 31, 2024.

2. Main principles and summary of significant accounting policies

2.1. Basis of preparation of the financial statements

Compliance statement. -

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board (CNC), effective as of March 31, 2024 and December 31, 2023, respectively. The financial statements for the three months ended March 31, 2024, have been prepared following the criteria contained in International Accounting Standard 34 – Interim Financial Reporting.

The information contained in these financial statements is the responsibility of the Company's management, who expressly state that the principles and criteria included in the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board (ASB), in effect at the dates of the financial statements, have been have been fully implemented.

Accountability of the information. -

The information contained in these financial statements is the accountability of the Company's Management, which expressly states that the principles and criteria included in the (IFRS) issued by the (IASB), in force at the end of each fiscal year, have been fully applied.

Basis of measurement. -

The Company's financial statements arise from accounting records, which have been prepared in accordance with the historical cost principle as of March 31, 2024 and December 31, 2023.

Functional and presentation currency. -

The financial statements are presented in American Dollars (US $), which is the Company's functional and presentation currency, except when a different monetary expression is indicated.

Use of estimates and judgments. -

The preparation of financial statements also requires management to make estimates and judgments in determining the reported amounts of assets and liabilities, revenues and expenses, the amount of contingencies and the disclosure of significant events in the notes to the financial statements. The use of reasonable estimates is an essential part of the preparation of financial statements and does not undermine their reliability. The estimates and judgments determined by the Company are continually evaluated and are based on historical experience and all information considered relevant.

If these estimates and judgments should change in the future as a result of changes in the assumptions underlying them, the related financial statement balances will be adjusted at the date on which the change in estimates and judgments occurs.

The estimates and assumptions that have a risk of causing adjustments to reported asset and liability balances and critical judgments in the application of accounting policies are presented below:

- Useful life and recoverable value of plant, machinery and equipment.
- Determination of ore reserves and resources.
- Provision of remediation and closure of mining unit.
- Recovery and application of deferred income tax assets and liabilities.

2.2. International Financial Reporting Standards

Standards, amendments and interpretations that will be effective for annual financial statements beginning on or after January 1, 2024 and that have not been early adopted

Certain standards and modifications to standards have been published that are mandatory for the year 2024 or later and have not been adopted in advance by the Company and are explained below:

Statement	Concept
Amendments to IAS 1	Classification of liabilities as current or non-current The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.
Amendment to IAS 1	Non-current liabilities with covenants Mandatory application in annual periods beginning on or after January 1, 2024.

Amendment to IFRS 10 and IAS 28	Sale or contributions of assets between an investor and its associate or joint business The effective date of the amendments has not yet been set by the IASB; however, early application is permitted.
Amendments to IAS 7 and IFRS 7	Supplier financing agreements Mandatory application in annual periods beginning on or after January 1, 2024.
Amendment to IAS 21	Absence of convertibility Establishes the guidelines to follow to determine the exchange rate to be used in situations of lack of convertibility. Mandatory application in annual periods beginning on or after January 1, 2025. Early adoption permitted.
Amendments to IFRS 16	Lease Liabilities on Sales and Leasebacks Mandatory application in Annual Periods beginning on or after January 1, 2024.

The Company is currently evaluating the impact the amendments may have on current practice. No other standards have been identified that are not yet effective and which could be expected to have a significant impact on the Company in current or future reporting periods, and in foreseeable future transactions.

Sustainability regulatory pronouncements not yet in force, whose application is not yet mandatory, for which early adoption has not been made.

Amendment	Concept
IFRS S1	General requirements for sustainability disclosures related to financial reporting Annual periods beginning on or after January 1, 2024. Annual periods beginning on or after January 1, 2024. Early adoption is permitted with the joint application of IFRS S2.
IFRS S2	Climate-related disclosures Annual periods beginning on or after January 1, 2024. Early adoption is permitted, with the joint application of IFRS S1 general requirements for disclosures on sustainability related to financial information.

2.3. Financial instruments

Initial measurement and recognition

Trade accounts receivable, loan portfolio and debt instruments issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, in the case of an item not measured at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets. -

Upon initial recognition, a financial asset is classified at amortized cost (debt instrument), at fair value through other comprehensive income (debt instruments or equity instruments) or at fair value through profit or loss (debt instruments or equity instruments).

Assets based on a business model of holding them to obtain contractual cash flows are subsequently measured at amortized cost using the effective interest rate method.

Financial liabilities – Other financial liabilities. -

The Company includes in this category trade and other accounts payable (excluding taxes and provisions). Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. A financial liability is classified at fair value through profit or loss if it is classified as held for trading, is a derivative or is designated as such on initial recognition.

Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest income and foreign currency exchange gains and losses are recognized in profit or loss. Any gain or loss upon derecognition is also recognized in profit or loss.

Derecognition of financial assets and liabilities

Financial assets. -

A financial asset (or, where applicable a part of a financial asset or a part of The Company of similar financial assets) is derecognized when:

(i) the rights to receive cash flows from the asset have terminated; or (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay all of the cash flows received immediately to a third party under a pass through arrangement; and (iii) the Company has transferred substantially all the risks and rewards of the asset or, if it has neither transferred nor retained substantially all the risks and rewards of the asset, it has transferred control of the asset.

Financial liabilities. -

A financial liability is derecognized when the payment obligation is terminated, cancelled or expires. When an existing financial liability is replaced by another from the same borrower on significantly different terms, or the terms are significantly modified, such replacement or modification is treated as a derecognition of the original liability and the recognition of a new liability, with the difference between the two being recognized in profit or loss for the period.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a current legal right to offset the recognized amounts and if there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Impairment of financial assets

The initial recognition of financial assets is at their nominal value and includes interest (as appropriate to the type of portfolio), which is carried at amortized cost, using the effective interest rate method less the allowance for doubtful accounts. The amortized cost is calculated considering any discount or premium incurred in the acquisition, commissions and costs, which constitute an integral part of the effective interest rate. Losses arising from impairment are recognized in the statement of comprehensive income in the allowance for doubtful accounts.

The method used for impairment is the simplified method, considering that most of the Company's accounts receivable do not have a financing component, are in judicial or past due status, the simplified method of estimating impairment will respond to the expected credit losses during the life of the account, both in the initial recognition and in subsequent periods; using this method the Company has no significant impact on the statement of income.

2.4. Fair value measurement

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or liability is measured using the assumptions that market participants would use in valuing the asset or liability, assuming that market participants are acting in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which it has sufficient information available to measure fair value, maximizing the use of relevant observable inputs and reducing the use of non-observable inputs.

All assets and liabilities for which fair values are determined or disclosed in the financial statements are classified within the fair value hierarchy, described below, based on the lowest level of inputs used that are significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Valuation techniques by which the lowest level of information that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques by which the lowest level of inputs that are significant to the fair value measurement are not observable.

For assets and liabilities that are recognized at fair value in the financial statements on a recurring basis, the Company determines whether transfers between the different levels within the hierarchy have occurred by reviewing the categorization at the end of each reporting period.

For purposes of fair value disclosures, the Company has determined the classes of assets and liabilities based on their nature, characteristics and risks and the level of the fair value hierarchy as explained above.

In the opinion of the Company's management, as of March 31, 2024 and December 31, 2023, the fair value of its financial instruments is not significantly different from their respective carrying amounts and, therefore, the disclosure of such information has no effect on the financial statements as of those dates.

2.5. Foreign currency transactions

The Company has determined that its functional and presentation currency is the U.S. dollar because it reflects the nature of economic events and circumstances relevant to the Company.

Transactions and balances in foreign currency. -

Transactions in foreign currency are considered to be those carried out in a currency other than the functional currency. Transactions in foreign currency are initially recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently adjusted to the functional currency using the exchange rate in effect at the date of settlement of the transactions or of the balance sheet. Exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities in foreign currencies at the date of the balance sheet are recognized under the caption "Exchange differences, net" in the statement of comprehensive income. Non-monetary assets and liabilities are recorded in the functional currency at the exchange rate prevailing at the date of the transaction.

2.6. Cash and cash equivalents

Cash comprises cash funds held by the Company, as well as balances in current accounts in banks, which are highly liquid and are readily convertible into known amounts of cash, are not subject to a significant risk of change in value and have an original maturity of less than three months.

2.7. Facilities, machinery and equipment

The initial cost of facilities, machinery and equipment comprises their purchase price and any directly attributable costs to place and put the asset in working condition. The cost of facilities and machinery includes the higher attributed value made on the basis of appraisals performed by independent appraisers. These assets are stated at fair value determined at the date of the appraisal less accumulated depreciation and accumulated impairment losses.

Assets under construction are capitalized as a separate component and are presented as work in progress. Upon completion, the cost of these assets is transferred to their definitive category. Work in progress is not depreciated.

Disbursements for maintenance and repair are expensed as incurred. Subsequent expenditures for components of facilities, machinery and equipment are only recognized when it is probable that future economic benefits will flow to the Company and the cost of the asset can be measured reliably.

The cost and accumulated depreciation of assets retired or sold are eliminated from the respective accounts and the resulting gain or loss is charged or credited to income for the year in which it occurs.

Depreciation of facilities, machinery and equipment is calculated using the straight-line method based on the following estimated useful lives:

Category:	**Years**
Facilities and buildings	10
Machinery	12.5
Furniture and fixtures	5
Miscellaneous equipment	2 - 12.5

Residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at the end of each year.

2.8. Impairment of long-lived assets

The Company reviews and evaluates the impairment of its long-lived assets when events or economic changes indicate that the value of an asset may not be recoverable.

An impairment loss is the amount by which the carrying amount of long-lived assets exceeds the higher of net selling price or value in use. The net selling price is the amount that can be realized on the sale of an asset in an open market, while the value in use is the present value of estimated future cash flows from the continuing use of an asset and its disposal at the end of its useful life. An impairment loss recognized in prior years is reversed if there is a change in the estimates that were used when the loss was last recognized. Such reversal is recognized in the statement of comprehensive income.

2.9. Intangible assets

Mining concessions. -

Mining concessions represent the Company's ownership of exploration and exploitation rights over mining properties with acquired mineral reserves. Mining concessions are stated at cost and are not amortized until mining commences using proven and probable reserves as a basis. In the event that the Company abandons such concessions, the associated costs are written off in the statement of comprehensive income.

Exploration cost. -

Correspond to disbursements made for the exploration and evaluation of mineral resources are recognized at cost and will be amortized from the beginning of the exploitation of any of the deposits within the San Luis Project, during its estimated useful life.

2.10. Provisions

General. -

A provision is recognized only when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed periodically and adjusted to reflect the best estimate at the date of the balance sheet.

The expense related to a provision is shown in the statement of comprehensive income. Provisions are discounted to their present value using a rate that reflects, where appropriate, the specific risks related to the liability. When the discount is made, the increase in the provision for the passage of time is recognized as a financial expense in the statement of comprehensive income.

Provision for environmental remediation. -

The Company recognizes a provision for environmental restoration and for the closure of its mining units corresponding to its legal obligation to restore the environment at the end of its operations. At the date of initial recognition of the liability arising from this obligation, measured at the estimated future value discounted to its present value, the same amount is simultaneously charged to the intangible assets account in the balance sheet.

Any reduction in this provision and, therefore, any reduction in the carrying amount of the intangible asset to which such provision relates, if exceeded, is recognized in the statement of comprehensive income.

2.11. Contingencies

Contingent liabilities are recorded in the financial statements when it is considered probable that they will be confirmed in time and can be reasonably quantified; otherwise, the contingency is only disclosed in the notes to the financial statements.

Contingent assets are not recorded in the financial statements, but are disclosed in the notes when their degree of contingency is probable.

2.12. Issued income

Common shares are classified as equity and are recognized at their par value.

2.13. Cost and expense recognition

Costs and expenses are recognized as they accrue, regardless of when they are paid, and are recorded in the periods to which they relate.

Finance costs are expensed as incurred and include interest charges and other costs incurred in connection with borrowings. Unearned finance costs are presented as a reduction of the liability giving rise to them.

2.14. Income Tax

The income tax expense for the period includes current and deferred income tax. The tax is recognized in the statement of comprehensive income, except when it relates to items recognized directly in the statement of other comprehensive income or in equity. In this case, the tax is also recognized in the statement of other comprehensive income or directly in equity, respectively.

The deferred income tax is calculated using the liability method on the temporary differences that arise between the tax bases of assets and liabilities and their respective values shown in the financial statements. However, the deferred income tax that arises from the initial recognition of an asset or liability in a transaction that does not correspond to a business combination that at the time of the transaction does not affect either the accounting or taxable profit or loss , it is not registered. Deferred income tax is determined using the tax laws and rates that have been enacted or substantially enacted as of the date of the balance sheet of the country in which the Company operates and generates taxable income, and that are expected to be applicable when the deferred income tax asset is realized or the income tax liability is paid.

Deductible temporary differences and accumulated tax losses generate deferred tax assets to the extent that the tax benefit can be used against income tax in future taxable years. The carrying amount of deferred income tax assets is reviewed as of the date of each balance sheet and is reduced to the extent that it is determined that sufficient taxable income is unlikely to be generated against which the deferred asset can be offset. Deferred income tax assets that have not been recognized in the financial statements are reevaluated at the date of each balance sheet.

2.15. Employee benefits

Bonuses. -

The Company recognizes the expense for bonuses and the corresponding liability on the basis of the legal provisions in force in Peru. Bonuses correspond to two annual remunerations paid in July and December of each year, respectively.

Compensation for service time. -

The compensation for workers' (employees') time of service of the Company corresponds to their compensation rights calculated in accordance with current legislation, which must be deposited in the bank accounts designated by the workers in the months of May and November of each year. The compensation for workers' (employees') time of service is equivalent to a remuneration in force at the date of its deposit.

The Company has no additional payment obligations once it makes the annual deposits of the funds to which the employee is entitled.

Vacations. -

Annual leave of the staff (employees) is recognized on an accrual basis. The provision for estimated annual leave obligations is recognized at each date of preparation of the balance sheet.

2.16. Classification of Assets and Liabilities as Current or Non-current

The Company presents assets and liabilities in the balance sheet classified as current and non-current.

An asset is classified as current when the entity:

- It expects to realize the asset or intends to sell or consume it in its normal operating cycle;
- Holds the asset primarily for trading purposes;
- Expects to realize the asset within twelve months after the reporting period;
- The asset is cash or a cash equivalent, unless it is restricted and cannot be exchanged or used to settle a liability, for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when the entity:

- Expects to settle the liability in its normal operating cycle;
- Maintains liabilities primarily for trading purposes.

2.17. Subsequent events

Events after the year-end that provide additional information about the Company's balance sheet as of the date of the balance sheet (adjustment events) are included in the financial statements.

3. Financial risk management and capital management

3.1. Financial risk factors. -

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates, credit and liquidity.

The Company's risk management program seeks to minimize potential adverse effects on its financial performance.

The Company's management is aware of the existing market conditions and, based on its knowledge and experience, controls liquidity, currency and credit risks, following the policies approved by the shareholders.

The most important aspects for the management of these risks are as follows:

i. Market risk. -

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market prices comprise three types of risk: interest rate risk, exchange rate risk and equity risk.

In the case of the Company, financial instruments affected by market risks include deposits and loans, which are exposed to currency and interest rate risk.

ii. Interest rate risk. -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Management believes that future fluctuations in interest rates will not significantly affect the Company's future results of operations because its financial liabilities have been obtained with fixed interest rates.

iii. Exchange rate risk. -

Foreign exchange risk is the risk that the fair value or future cash flows of a primary financial instrument will fluctuate due to changes in exchange rates. The Company's exposure to foreign exchange rates relates primarily to operating activities. The current foreign currency position comprises assets and liabilities that are stated at the exchange rate at the date of the balance sheet. Any devaluation/revaluation of the foreign currency would affect the statement of comprehensive income.

Management believes that future fluctuations in the exchange rate of the Peruvian currency against the US dollar will not significantly affect future results of operations.

The Company does not use derivative financial instruments to hedge its exposure to foreign exchange risk, however, it aims to keep its net position reasonable so as not to be exposed to any significant variation in the exchange rate.

As of March 31, 2024 and December 31, 2023, the Company had the following assets and liabilities in soles (PEN):

	As of March 31	As of December 31
	2024	2023
	S/	S/
Assets:		
Cash and cash equivalents	51,257	91,543
Other accounts receivable	14,772,802	14,702,193
Total monetary assets	14,824,059	14,793,736
Liabilities:		
Trade accounts payable	(2,300)	(6,545)
Other accounts payable	(524,761)	(231,373)
Total monetary liabilities	(527,061)	(237,918)
Net (liabilities) position	14,296,998	14,555,818

These balances have been expressed in soles at the following free market exchange rates established by the Superintendency of Banking, Insurance and AFP (hereinafter the SBS) in effect as of March 31, 2024 and December 31, 2023, as follows:

	As of March 31 2024	As of December 31 2023
	US $	US $
1 S/ - Exchange rate – purchase (assets)	0.2693	0.2699
1 S/ - Exchange rate – sale (liabilities)	0.2687	0.2693

As of March 31, 2024 and December 31, 2023, the Company's Management has decided to assume the exchange risk generated by this position, and therefore has not carried out hedging operations with derivative products. For the periods ended March 31, 2024 and 2023, the Company has recorded a net exchange difference (loss) and gain of US$ (22,178) and US$ 47,701, respectively, as shown in the statement of comprehensive income.

iv. Credit risk. -

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or commercial contract, resulting in a financial loss. The Company is exposed to credit risk from its operating activities (in particular trade debtors) and its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

- Financial instruments and bank deposits. -

  The credit risk of the balance in banks is managed by the Finance Department in accordance with the Company's policies. Counterparty credit limits are reviewed by Management. The limits are established to minimize risk concentration and, consequently, mitigate financial losses arising from potential counterparty defaults.

  In the opinion of Management, as of March 31, 2024 and December 31, 2023, the Company does not consider that such concentrations imply unusual risks for its operations.

v. Liquidity risk. -

The Company's objective is to maintain a balance between continuity and flexibility of financing through the use of overdrafts in bank checking accounts. The Company maintains adequate cash levels.

The following tables summarize the maturity profile of the Company's financial liabilities based on the undiscounted payments provided for in the respective contracts:

As of March 31, 2024	From 3 to 12 months	Between 1 and 5 years	Total
	US $	US $	US $
Trade accounts payable	55,491	-	55,491
Other accounts payable	151,336	-	151,336
Provision for environmental remediation	-	567,349	567,349
Deferred income tax liability	-	1,704,223	1,704,223
Total liabilities	206,827	2,271,572	2,478,399

As of December 31, 2023	From 3 to 12 months	Between 1 and 5 years	Total
	US $	US $	US $
Trade accounts payable	57,541	-	57,541
Other accounts payable	65,263	-	65,263
Provision for environmental remediation	-	567,349	567,349
Deferred income tax liability	-	1,704,223	1,704,223
Total liabilities	122,804	2,271,572	2,394,376

3.2. Income management. -

The Company's objectives in managing the income are to safeguard its ability to continue as a going concern in order to generate returns to its shareholders, profits and maintain an optimal income structure to reduce the cost of the income.

In order to maintain a level of income, the Company receives funds to finance its operations with income contributions from its shareholders, and is not significantly leveraged in those periods, to make exploration investments in the San Luis Project.

4. Cash and cash equivalents

This item comprises:

	As of March 31 2024	As of December 31 2023
	US $	US $
Fixed fund	4,709	200
Current accounts (*)	101,834	60,645
Time deposit (**)	42,984	41,834
Total	149,527	102,679

Current accounts correspond to balances in local banks, in soles and U.S. dollars, do not accrue interest and are freely available (*)

As of December 31, 2023 and 2022, the term deposits guarantee the final closure of the camp approved in the environmental impact study, detailed by the "San Luis Exploration Project". (**)

5. Others accounts receivable

This item includes:

	As of March 31 2024	As of December 31 2023
	US $	US $
Claims to third parties (*)	120,049	120,637
Security deposits	4,900	4,902
Deliveries to be rendered	1,846	1,844
Advance payments to suppliers	12,605	4,517
Miscellaneous	282	283
Total	139,682	132,183

Claims to third parties mainly include the acceptance of the complaint by the Superior Court of Justice of Lima of the Twenty-Second Contentious Administrative Court with Tax and Customs Sub-Specialty in favor of the Company against the Tax Court and the National Superintendency of Customs and Tax Administration (Sunat), according to the subject matter of the lawsuit Nullity of Resolution referring to file No. 02685-2024-0-1899-JR-CA-22. (*) See note 14.

6. Recoverable tax credit

As of March 31, 2024 and December 31, 2023, the balance of the credit to be recovered corresponds to the General Sales Tax (IGV) equivalent to US $ 3,843,823 and US $ 3,841,747 respectively, which have been generated by the Company's initial activities, and are expected to be recovered when generating future revenues from the mining activity.

As of the date of the balance sheet, the Company has requested the definitive refund of the (IGV) for the Mining Exploration Stage to the Tax Administration (Sunat) for the period 2022, an amount amounting to the sum of S/ 231,464.07; which has been approved by means of intendant resolutions and endorsed by a report from the Ministry of Energy and Mines. This refund request has been paid in favor of the Company by means of non-negotiable checks, during the second two-month period of the year 2024, in the amount of S/ 205,054.

7. Intangible assets

The changes in intangible assets for the year ended March 31, 2024, were as follows:

Cost:	Balances as of 12.31.2023	Additions	Deductions	Balances as of 03.31.2024
	US $	US $	US $	US $
Concessions	4,312,723	-	-	4,312,723
Licenses	95,395	-	-	95,395
Exploration cost (*)	55,795,316	404,983		56,200,299
Total	60,203,434	404,983	-	60,608,417
(-) Amortization:	-	-	-	-
Total	-	-	-	-
Cost, net	60,203,434			60,608,417

On July 21, 2023, the Company has signed an agreement with the Cochabamba Campesino Community located in the province of Huaraz, Ancash-Peru, which granted the authorization of mining use on the areas of activity and mapping for the execution of mining exploration activities, as well as the implementation of complementary and auxiliary facilities necessary for the development of mining activity. The term of the agreement will be for a period of 5 years. This term expressly includes the period necessary to implement and conclude all the activities and closure measures that the Company must carry out according to the applicable legislation.

To date there is no agreement in place for mine construction and subsequent exploitation. There are plans to first increase resources in 2024 by drilling in the Bonita Economic Unit in the Cochabamba Community.

Exploration costs are comprised of geological services (sample storage), environmental protection services, industrial safety services, administration and community relations services (*).

8. Facilities, machinery and equipment

The changes in the plant, machinery and equipment account and the related accumulated depreciation for the periods ended March 31, 2024 and December 31, 2023, are as follows:

Cost:	Balances as of 12.31.2023	Additions	Deductions	Balances as of 03.31.2024
	US $	US $	US $	US $
Facilities	868,566	-	-	868,566
Machinery	248,680	-	-	248,680
Furniture and fixtures	78,165	-	-	78,165
Various equipment	548,851	-	-	548,851
Transport units	150,131	-	-	150,131
Works in progress	311,746	-	-	311,746
Total	2,206,139	-	-	2,206,139
(-) Depreciation:				
Facilities	(842,445)	(955)	-	(843,400)
Machinery	(221,607)	(2,194)	-	(223,801)
Furniture and fixtures	(76,364)	(127)	-	(76,491)
Various equipment	(486,298)	(4,813)	-	(491,111)
Transport units	(127,853)	(6,898)	-	(134,751)
Total	(1,754,567)	(14,987)	-	(1,769,554)
Cost, net	451,572			436,585

As of March 31, 2024 and December 31, 2023, the Company holds insurance on its facilities, machinery and equipment insured, in accordance with the policies established by management.

9. Provision for environmental remediation

These are all expected closure costs to be incurred from the beginning of the mine's operation. The estimated costs for the provision for remediation are based on studies prepared by the parent company, which should be carried out for the purpose of restoring those areas that have been affected by mining and/or exploration activities.

As of March 31, 2024 and December 31, 2023, the Company, in the opinion of its management, has considered that the provision for environmental remediation on that date is US $ 567,349.

10. Deferred income tax assets (liabilities)

The changes in deferred income tax assets and liabilities and the description of the temporary differences arising therefrom are as follows:

Asset:	Balance as of 12.31.2023	Additions	Deductions	Balances as of 03.31.2024
	US $	US $	US $	US $
Environmental provision	-	-	-	-
Non accrued services	-	-	-	-
Vacation allowance (SSR)	-	-	-	-
Provision for depreciation (SSR)	-	-	-	-
Total	-	-	-	-
(-) Liability:				
DC for intangible assets	(1,655,640)	-	-	(1,655,640)
Donations (rate adjustment)	(48,583)	-	-	(48,583)
Total	(1,704,223)	-	-	(1,704,223)

In management's opinion, the deferred tax assets and liabilities recognized will be applied in future years against future taxable income to be generated by the Company based on its projected revenues and cash flow from the business.

11. Equity

11.1. Issued share income. –

The Company's income as of March 31, 2024 and December 31, 2023, is represented by 189,345,703 common shares respectively, whose nominal value is S/ 1.00 each, which are fully issued and paid.

As of March 31, 2024 and December 31, 2023, the Company's corporate structure is as follows:

Individual shareholding percentage as of March 31, 2024	Shareholders N°	Participation %
From 0.00 to 1.00	1	0.11
From 1.01 to 50.00	1	1.20
From 50.01 to 100.00	1	98.69
Total	3	100.00

At the General Shareholders' Meeting held on December 28, 2023, it was agreed to approve an increase in capital stock from US $ 63,774,967 to US$66,462,680, through cash remittances of US $ 2,653,184 and capitalization of debts of US $ 34,529, both registered in Public Registry.

11.2. Legal reserve. –

In accordance with the General Corporations Law, the legal reserve is constituted with the transfer of 10% of annual net income until it reaches an amount equivalent to 20% of paid-in capital. In the absence of retained earnings or unrestricted reserves, the legal reserve may be applied to offset losses and must be replenished with the profits of subsequent years. This reserve may be capitalized and must also be replenished.

As of March 31, 2024 and December 31, 2023, no legal reserve has been made due to the results obtained to date by the Company.

11.3. Accrued results. -

Accrued results may be capitalized or distributed as dividends, in accordance with the Company's dividend policy, which is subject to Article 230 of the General Corporation Law.

Dividends in favor of shareholders other than domiciled legal entities are subject to the 5% income tax rate payable by these shareholders, effective as of March 31, 2024 and December 31, 2023.

12. Administrative expenses

This item comprises:

	As of March 31	
	2024	2023
	US $	US $
Services rendered by third parties	10,397	7,556
Taxes	2,208	-
Miscellaneous management charges	245	264
Total	12,850	7,820

13. Tax status

Determination of income tax. -

The Company is subject to the Peruvian tax regime. As of December 31, 2023 and 2022, the income tax rate was 29.5 percent of taxable income. Legal entities not domiciled in Peru and individuals are subject to an additional withholding tax on dividends collected. In this regard, pursuant to Legislative Decree No. 1261, the additional tax on profits generated is 5 percent.

Management considers that it has determined the taxable income, under the general income tax regime, in accordance with current tax legislation, which requires adding and deducting from the income shown in the financial statements, those items that the referred legislation recognizes as taxable and non-taxable, respectively.

Subject Without Operational Capacity. –

Legislative Decree No. 1532 includes the concept of Subject without Operative Capacity (SSCO), being that SUNAT, based on the procedure regulated for its attribution, may attribute the status of SSCO to those companies that although they are listed as issuers of payment vouchers, do not have staff, assets or capacity to be able to develop operations for the issuance of such documents. The effect of this is that all payment vouchers issued since that date will not be able to support expenses or costs for Income Tax purposes, nor IGV tax credit as from January 1, 2023, the date on which this regulation came into force.

Major tax changes effective as of January 1, 2021.-

Depreciation of assets

By means of Legislative Decree No. 1488 Special Depreciation and Modification Regime, the depreciation percentages of assets acquired during 2020 and 2021 are increased in order to promote private investment and grant greater liquidity given the current economic situation due to the effects of COVID-19.

Undercapitalization

As from January 1, 2021, financial expenses will be deductible up to the limit of 30% of the taxable EBITDA (Net Income - Compensation of Losses + Net Interest + Depreciation + Amortization) of the previous year. There are some exceptions to the application of this limitation in the case of banks, taxpayers with income not exceeding 2,500 UITs, infrastructure, public utilities, among others.

Supreme Decree No. 402-2021, published on December 30, effective as of December 31, 2021, amended the Income Tax Law Regulations governing the calculation of taxable EBITDA for purposes of the debt interest limit. For fiscal years 2019 and 2020 the financial expense generated by indebtedness both between independent and related parties is subject to the undercapitalization limit of (3:1 Debt-Equity Ratio) calculated at the close of the previous fiscal year.

Major tax changes effective as of January 1, 2019.-

New regulatory concept of legal accruals

Legislative Decree No. 1425 introduced the definition of legal accrual for income tax purposes establishing that income in the case of: a) transfer of goods occurs when: i) the change of control occurs (according to IFRS 15); or ii) the transfer of risk to the acquirer occurs (Risk Theory established in the Civil Code), whichever occurs first; and b) in the case of rendering of services, the degree of performance of the service has been established. The new legal concept of accrual is applicable to landlords for the purpose of establishing the tax treatment of the expense associated with lease contracts regulated by IFRS 16 (i.e. operating lease for tax purposes). The concept in question will not be applicable to those entities that accrue their income or expenses for income tax purposes according to tax provisions that establish a special (sectorial) accrual regime.

Deduction of expenses or costs incurred in transactions with non-domiciled parties

Legislative Decree No. 1369 requires that costs and/or expenses (including outbound interest) incurred with non-domiciled counterparties must have been effectively paid in order to be deducted in the year in which they were incurred up to the deadline for filing the annual tax return. Otherwise, their impact on the determination of net income will be deferred to the year in which they are effectively paid, at which time the corresponding withholding will be applied.

This regulation eliminated the obligation to pay the amount equivalent to the withholding on the amount recorded as cost and/or expense.

Measures for the application of the General Anti-Elusion Clause contained in the Sixteenth Rule of the Labor Code

Legislative Decree No. 1422 has established the procedure for the application of the General Anti-Circumvention Clause (CAG), which basically states that: (i) it is applicable only in definitive audit procedures in which acts, facts or situations produced since July 19, 2012 are reviewed; (ii) for its application there must be prior favorable opinion of a review committee integrated by officials of SUNAT itself, such opinion not being appealable; (iv) the definitive audit procedures in which the (CAG) is applied are not subject to the one (1) year term to require information to the auditees.

On May 6, 2019, Supreme Decree No. 145-2019-EF was published in the Official Gazette El Peruano, whereby the substantive and formal parameters for the application of the general anti-avoidance rule contained in the Sixteenth Rule of the Tax Code ("TC") were approved; with which the requirement to lift the suspension established by Law 30230 for the application of such rule is understood to be fulfilled. Likewise, SUNAT's Regulations for Tax Procedures have been adapted for such purpose. By means of Superintendence Resolution No. 000184-2021/SUNAT published on December 13, 2021, the members of the Review Committee of the National Superintendence of Customs and Tax Administration - SUNAT referred to in Article 62-C of the Single Ordered Text of the Tax Code were appointed, which states that when applying the Anti-elusive Rule in an audit procedure, a report must be sent together with the audit file to the Review Committee.

Joint and several liability of legal representatives and directors of companies

As of September 14, 2018, it has been established, through Legislative Decree No. 1422, that when an audited subject is subject to the General Anti-Circumvention Clause (CAG), it is automatically considered that there is fraud, gross negligence or abuse of powers with respect to its legal representatives, unless there is evidence to the contrary. The aforementioned joint and several liability shall be attributed to such representatives whenever they have collaborated with the design or approval or execution of acts, situations or economic relations with an elusive purpose.

The aforementioned regulation also involves the members of the Board of Directors of companies, by stating that it is the responsibility of these individuals to define the tax strategy of the companies in which they are directors, and that they must decide whether or not to approve acts, situations or economic relations to be carried out within the framework of tax planning, this attribution being non-delegable - according to the regulation in commentary - to the directors.

Members of the Board of Directors of domiciled companies were given a period ending on March 29, 2019 to ratify or modify the acts, situations or economic relationships carried out within the framework of tax planning and implemented as of September 14, 2018 that continue to have tax effect to date.

Notwithstanding the aforementioned maximum period indicated for compliance with said formal obligation, and considering the aforementioned joint liability attributable to both legal representatives and directors, as well as the lack of definition of the term tax planning, it will be critical to review every act, situation or economic relationship that has (i) increased tax attributes; and/or, (ii) generated a lower payment of taxes for the aforementioned years, in order to avoid the attribution of joint tax liability, both at the administrative and even criminal level, depending on the criteria of the auditing agent, in the event that the (CAG) is applied to the company that is the subject of a tax intervention by SUNAT.

Information related to final beneficiaries

Within the framework of the rules to strengthen the fight against tax evasion and avoidance as well as against money laundering and financing of terrorism, as of August 3, 2018, the provisions introduced through Legislative Decree No. 1372 are in force, which oblige to provide the competent authorities, through a sworn statement of beneficial owners, information related to such subjects, that is, to disclose through such statement who are the natural persons who effectively have ownership or control in persons or legal entities. Thus, it will be mandatory to inform aspects such as (i) identification of the beneficiary; (ii) the chain of title with the respective supporting documentation; (iii) identification of the third parties that have such information, if applicable. It is also stated that the information related to the identification of the beneficiary of natural persons and legal entities provided to the competent authorities within the framework of these rules does not constitute a violation of professional secrecy nor is it subject to the restrictions on disclosure of information resulting from the confidentiality imposed by contract or by any legal or regulatory provision.

It should be taken into consideration that, in case of failure to file the informative affidavit containing the information related to the beneficiary, the legal representatives of the entity that failed to file such affidavit will be jointly and severally liable.

14. Contingencies and commitments

Contingencies

In the opinion of the Company's Management and according to the confirmations of its Legal Advisors, there is a process before the Tax Court coming from SSR Peru S.A., in 2016 SUNAT started a partial audit of income tax year 2015, on May 3, 2017, SUNAT extends the procedure for a definitive audit.

After being given all the documentation required by SUNAT for the substantiation of the expenses of the year 2015, year in which the investment made by SSR Peru S.A. in the company Sociedad Minera Berenguela S.A. for an amount of S/ 5,063,353 was sent to the expense under the contract of Option of sale of minerals and its addendums, signed on March 31, 2004 and with final expiration on December 31, 2015. SUNAT determined that the expense of the investment made for the mineral purchase option should have been expensed in 2009, arguing that the mineral purchase option contract can only be signed for 5 years.

On April 9, 2019, payment was made of 30% of the amount of the fine plus interest, for a total amount of S/ 328,652, accepting what was determined by SUNAT and after coordination with the SUNAT auditor if they were going to allow us to change the tax carryforward from 2009 to 2015. After making the payment, SUNAT indicated that we could not change the carryforward because 2009 was a prescribed year, which affected the income tax for 2016, it was decided to start the claim by paying 40% of the amount of the fine, by means of a writing presented on 06/30/2019.

On 12/30/2019, SUNAT notified us with RI 0260140182568/SUNAT that our claim had been declared unfounded. On 01/20/2020, we submitted our appeal to SUNAT so that it could be elevated to the Tax Court. On 02/10/2020, we received letter 219-2020/SUNAT/7E7400 dated January 31, 2020, in which SUNAT confirmed the elevation of the appeal to the Tax Court.

On February 29, 2024, the Company filed the lawsuit before the Superior Court of Justice of Lima of the Twenty-Second Contentious Administrative Court with Tax and Customs Sub-Specialization; According to file No. 02685-2024-0-1899-JR-CA-22, for the annulment of the resolution or administrative act against Tax Court Resolution No. 09235-13-2023, to the defendants, which are the Tax Court and the National Superintendence of Customs and Tax Administration (Sunat).

Commitments

As of March 31, 2024 and December 31, 2023, according to the Scotiabank financial institution's report, the Company maintains a joint, irrevocable, unconditional, indivisible, self-realizing guarantee against the Ministry of Energy and Mines for US$ 42,984.15 and US$ 41,833.72, respectively, guaranteeing the final and post-closure closure of the camp approved in the detailed environmental impact study of the San Luis exploration project.

15. Events after the date of the financial statements

Between March 31, 2024 and the date of issuance of the financial statements by Management, no subsequent events have occurred that require disclosure in notes to the financial statements.

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