INTERRA COPPER CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2023

(Expressed in Canadian Dollars)

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditor.

The accompanying unaudited condensed consolidated condensed consolidated interim financial statements of Interra Copper Corp. for the nine months ended September 30, 2023 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

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Interra Copper Corp.

Condensed Consolidated Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

As at	Note(s)	September 30, 2023 $	December 31, 2022 $
ASSETS			
Current assets			
Cash		525,577	58,252
Amounts receivable		56,283	16,876
Prepaid expenses	4	400,131	16,130
		981,991	**91,258**
Non-current assets			
Value-added tax receivable		105,865	-
Reclamation deposits		25,000	25,000
Equipment		846	-
Exploration and evaluation assets	5	13,571,145	5,966,547
		13,702,856	**5,991,547**
TOTAL ASSETS		**14,684,847**	**6,082,805**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6, 8	483,479	41,066
TOTAL LIABILITIES		**483,479**	**41,066**
SHAREHOLDERS' EQUITY			
Share capital	7	16,023,638	7,616,158
Reserves	7	5,486,730	4,207,821
Accumulated deficit		(7,146,305)	(5,782,240)
Accumulated other comprehensive loss		(162,695)	-
TOTAL SHAREHOLDERS' EQUITY		**14,201,368**	**6,041,739**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**14,684,847**	**6,082,805**

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These unaudited condensed consolidated interim financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Rick Gittleman Director **/s/ Jason Nickel Director**

Interra Copper Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)
(Expressed in Canadian Dollars)

		For the three months ended		For the nine months ended	
	Note(s)	September 30, 2023 $	September 30, 2022 $	September 30, 2023 $	September 30, 2022 $
Expenses					
Consulting fees	8	520	11,200	31,114	15,700
Depreciation		336	-	854	-
General and administrative expenses		19,062	4,249	47,446	12,766
Management and directors' fees	8	92,398	44,447	253,024	154,330
Marketing expenses		279,807	-	641,136	68,916
Professional fees		57,257	16,349	111,422	100,493
Share-based payments (recovery)	7, 8	85,334	(35,143)	219,371	(149,444)
Shareholder information and investor relations		13,990	21,001	54,865	41,271
Transfer agent, regulatory and filing fees		9,685	6,683	34,613	42,807
Travel		-	-	2,860	-
Total expenses		**(558,389)**	**(68,786)**	**(1,396,705)**	**(286,839)**
Other income					
Finance income		10	-	13,285	-
Foreign exchange gain		18,805	-	19,355	-
Total other income		**18,815**	**-**	**32,640**	**-**
Net loss		**(539,574)**	**(68,786)**	**(1,364,065)**	**(286,839)**
Other comprehensive income (loss)					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		(137,000)	-	(162,695)	-
Loss and comprehensive loss		**(676,574)**	**(68,786)**	**(1,526,760)**	**(286,839)**
Basic and diluted loss per share for the period attributable to common shareholders ($ per common share)		**(0.02)**	**(0.01)**	**(0.08)**	**(0.03)**
Weighted average number of common shares outstanding - basic and diluted		**22,388,752**	**8,576,467**	**17,893,132**	**8,451,922**

Interra Copper Corp.

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Note(s)	Share capital #	Share capital $	Reserves $	Accumulated deficit $	Accumulated other comprehensive loss $	TOTAL $
Balance as of December 31, 2022		**8,643,424**	**7,616,158**	**4,207,821**	**(5,782,240)**	**-**	**6,041,739**
Shares issued for cash - private placement	7	7,766,722	2,365,764	922,097	-	-	**3,287,861**
Share issue costs	7	-	(294,647)	136,923	-	-	**(157,724)**
Shares issued for finders' fees	7	57,520	46,016	-	-	-	**46,016**
Shares issued for acquisition	3, 7	7,862,934	6,290,347	-	-	-	**6,290,347**
Fair value of warrants issued for acquisition	3, 7	-	-	518	-	-	**518**
Share-based payments	7	-	-	219,371	-	-	**219,371**
Loss and comprehensive loss		-	-	-	(1,364,065)	(162,695)	**(1,526,760)**
Balance as of September 30, 2023		**24,330,600**	**16,023,638**	**5,486,730**	**(7,146,305)**	**(162,695)**	**14,201,368**

	Note(s)	Share capital #	Share capital $	Reserves $	Accumulated deficit $	Accumulated other comprehensive loss $	TOTAL $
Balance as of December 31, 2021		**8,388,424**	**7,487,958**	**4,357,265**	**(5,421,265)**	**-**	**6,423,958**
Shares issued for cash - private placement	7	220,000	110,000	-	-	-	**110,000**
Shares issued for exploration and evaluation assets	7	35,000	18,200	-	-	-	**18,200**
Share-based payments (recovery)	7	-	-	(149,444)	-	-	**(149,444)**
Loss and comprehensive loss		-	-	-	(286,839)	-	**(286,839)**
Balance as of September 30, 2022		**8,643,424**	**7,616,158**	**4,207,821**	**(5,708,104)**	**-**	**6,115,875**

Interra Copper Corp.

Condensed Consolidated Interim Statements of Cash Flows (unaudited)
(Expressed in Canadian Dollars)

	Note(s)	For the nine months ended September 30, 2023 $	September 30, 2022 $
Cash flow from (used in)			
OPERATING ACTIVITIES			
Net loss		(1,364,065)	(286,839)
Depreciation		854	-
Share-based payments (recovery)	7	219,371	(149,444)
Net changes in non-cash working capital items:			
Amounts receivable		(10,378)	111,865
Prepaid expenses		(376,694)	55,416
Accounts payable and accrued liabilities		(225,276)	(76,279)
Cash flow used in operating activities		**(1,756,188)**	**(345,281)**
INVESTING ACTIVITIES			
Exploration and evaluation assets	5	(765,740)	(79,074)
Cash paid on acquisition	3	(94,198)	-
Value-added tax receivable		(92,065)	-
Cash flow used in investing activities		**(952,003)**	**(79,074)**
FINANCING ACTIVITIES			
Proceeds on issuance of common shares, net of cash share issue costs	7	3,176,153	110,000
Cash flow provided by financing activities		**3,176,153**	**110,000**
Effects of exchange rate changes on cash		(637)	-
Increase (decrease) in cash		**467,325**	**(314,355)**
Cash, beginning of period		**58,252**	**490,825**
Cash, end of period		**525,577**	**176,470**
Supplemental cash flow information			
Exploration and evaluation assets included in accounts payable and accrued liabilities		-	20,000
Fair value of finders' warrants	7	136,923	-
Fair value of warrants issued for acquisition	3, 7	518	-
Shares issued for acquisition	3, 7	6,290,347	-
Shares issued for exploration and evaluation assets		-	18,200
Cash paid for income taxes		-	-
Cash paid for interest		-	-

1) CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Interra Copper Corp. (the "Company" or "Interra") was incorporated under the laws of British Columbia on August 30, 2018, for the purposes of a plan of arrangement with Chemesis International Inc., a publicly traded company.

The Company is a junior mineral exploration company engaged in the acquisition, exploration, and evaluation of natural resource properties in British Columbia, Canada and Chile. The Company currently has the Tres Marías and Zenaida mineral exploration copper projects located in the Antofagasta Region of Chile, the Pitbull Copper Property located in the Tarapaca region of Chile, the Chuck Creek Property located in central British Columbia, Canada and the Thane Property located in north-central British Columbia, Canada.
(Note 5).

The Company's registered and records office is located at 1008 - 550 Burrard Street, Bentall 5, Vancouver, British Columbia, V6C 2B5. On September 23, 2019, the common shares of the Company were approved for listing on the Canadian Securities Exchange (the "CSE") and commenced trading on September 24, 2019, under the symbol "IMCX". On March 3, 2020, the common shares of the Company were listed on the Frankfurt Stock Exchange under the symbol "3MX". On February 26, 2021, the common shares of the Company were quoted on the OTCQB Marketplace under the symbol "IMIMF" in the United States.

As of the date of these unaudited condensed consolidated interim financial statements, the Company has not identified a known body of commercial grade mineral on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

These unaudited condensed consolidated interim financial statements have been prepared assuming the Company will continue on a going-concern basis., meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As of September 30, 2023, the Company had working capital of $498,512 (December 31, 2022 – working capital of $50,192), had not advanced its mineral properties to commercial production and is not able to finance day-to-day activities through operations. The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreements, results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses.

1) CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (CONTINUED)

Acquisition of Alto Verde Copper Inc. ("Alto Verde")

On March 8, 2023, the Company entered into a definitive business combination agreement (the "Definitive Agreement") with Alto Verde Copper Inc. ("Alto Verde") and 1000465623 Ontario Inc. ("Interra Subco"), a wholly owned subsidiary of the Company, pursuant to which the Company acquired all of the issued and outstanding shares in the capital of Alto Verde (the "Transaction").

The Transaction was completed on March 31, 2023.

See Note 3 for details.

Financial Reporting and Disclosure during Economic Uncertainty

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic; the Company has not been significantly impacted by the spread of COVID-19. However, the ongoing COVID-19 pandemic, inflationary pressures, rising interest rates, the global financial climate and the conflict in Ukraine are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to raise funds at this time.

These unaudited condensed consolidated interim financial statements of the Company for the nine months ended September 30, 2023 were approved by the Board of Directors on November 20, 2023.

2) SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting.

Basis of presentation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2022.

New accounting standards

There were no new or amended IFRS pronouncements effective January 1, 2023 that impacted these condensed consolidated interim financial statements.

(Expressed in Canadian Dollars)

3) ACQUISITION OF ALTO VERDE COPPER INC.

On March 31, 2023 (the "Date of Acquisition"), the Company completed the Transaction with Alto Verde, pursuant to which the Company acquired all of the issued and outstanding shares of Alto Verde. Alto Verde is a private mining company focused on its portfolio of prospective exploration assets located in the Central Volcanic Zone, within the prolific Chilean Copper belt.

Pursuant to the terms of the Definitive Agreement, the Transaction was effected by way of a three-cornered amalgamation, in which: (a) Interra Subco amalgamated with Alto Verde to form an amalgamated company ("Amalco"); (b) all issued and outstanding common shares of Alto Verde were exchanged for the Company's common shares; (c) all outstanding convertible equity securities to purchase Alto Verde common shares were exchanged for warrants with similar/equivalent terms; and (d) Amalco became a wholly-owned subsidiary of the Company.

As a result, the Company issued to the shareholders of Alto Verde 7,441,763 common shares (the "Consideration Shares") with a fair value of $0.80 per share on the Date of Acquisition, for an aggregate fair value of $5,953,410.

The common shares issued pursuant to the Transaction are subject to a voluntary hold period from the date of issuance pursuant to which:

i. 20% of the Consideration Shares will be released 120 days after the Date of Acquisition;
ii. 20% of the Consideration Shares will be released 240 days after the Date of Acquisition;
iii. 20% of the Consideration Shares will be released 365 days after the Date of Acquisition;
iv. 20% of the Consideration Shares will be released 456 days after the Date of Acquisition; and
v. 20% of the Consideration Shares will be released 547 days after the Date of Acquisition.

Additionally, 11,729 compensation options of Alto Verde were exchanged for 2,946 replacement warrants of the Company with fair value of $518. Each replacement warrant entitles the holder to purchase one common share of the Company at an exercise price of $1.79 per share and has an expiry date of October 23, 2023.

The Company estimated the grant date fair value of the replacement warrants and replacement options, using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	3.78%
Expected annual volatility	151%
Expected life	0.56 years
Expected dividend yield	nil
Share price at grant date	$0.80

In connection with the Transaction, the Company entered into a finder's fee agreement as compensation for introducing the Company and Alto Verde. The Company issued to the finder 421,171 common shares with a fair value of $0.80 per share for an aggregate fair value of $336,937, which was considered as transition costs.

In connection with the Transaction, the Company incurred additional transaction costs of $123,457.

In addition, the Company had commitments under 11 marketing consulting agreements totaling $1,012,800 which were settled subsequent to the Date of Acquisition.

The Acquisition constitutes an asset acquisition as Alto Verde does not meet the definition of a business, as defined in IFRS 3, "Business Combinations" and is accounted for in accordance with guidance provided IFRS 2, "Share-Based Payment".

(Expressed in Canadian Dollars)

3) ACQUISITION OF ALTO VERDE COPPER INC. (CONTINUED)

The total consideration of $6,414,322 including transaction costs of $123,457 associated with the Transaction has been allocated as follows:

	$
Cash	29,259
Amounts receivable	29,029
Prepaid expenses	8,065
Value-added tax receivable	26,391
Equipment	1,700
Exploration and evaluation assets	6,990,520
Accounts payable and accrued liabilities	(670,642)
Fair value of net assets acquired	**6,414,322**
Consideration comprised of:	
Fair value of common shares issued	5,953,410
Finder's fees	336,937
Fair value of replacement warrants issued	518
Transaction costs	123,457
	6,414,322

4) PREPAID EXPENSES

As discussed in Note 3, in connection with the Transaction, the Company assumed 11 marketing agreements totalling $1,012,800. These amounts were initially recorded as prepaid expenses and amortized over the service period. As of September 30, 2023, the unamortized amount that remained in prepaid expenses was $375,187.

5) EXPLORATION AND EVALUATION ASSETS

	Tres Marías Copper Project $	**Pitbull Copper Project** $	**Zenaida Copper Project** $	**Chuck Creek Copper Gold Property** $	**Thane Copper Project** $	**TOTAL** $
Balance as of December 31, 2022	-	-	-	49,204	5,917,343	**5,966,547**
Acquisition costs	3,382,510	2,706,008	902,002	20,000	-	**7,010,520**
Exploration costs (see below)	675,604	35,068	35,068	-	-	**745,740**
Effect of movements in exchange rate	(106,558)	(31,957)	(13,147)	-	-	**(151,662)**
Balance as of September 30, 2023	**3,951,556**	**2,709,119**	**923,923**	**69,204**	**5,917,343**	**13,571,145**

(Expressed in Canadian Dollars)

5) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Exploration costs incurred during the nine months ended September 30, 2023

	Tres Marías Copper Project $	Pitbull Copper Project $	Zenaida Copper Project $	TOTAL $
Assaying	66,683	-	-	**66,683**
Camp costs	23,166	247	247	**23,660**
Consulting	27,886	16,231	16,231	**60,348**
Drilling and ancillary costs	472,808	10,669	10,669	**494,146**
Equipment rental	17,284	-	-	**17,284**
Field technicians	63,917	7,921	7,921	**79,759**
Travel	3,860	-	-	**3,860**
	675,604	**35,068**	**35,068**	**745,740**

- **Tres Marías Copper Project**

  In connection with the Transaction (Note 3), the Company acquired the Tres Marías Copper Project through a wholly owned subsidiary of Alto Verde, Minera Tres Marías Spa ("MTM"), from Minera Freeport-McMoRan South America Limitada ("MFMSA"), a wholly owned subsidiary of Freeport-McMoRan Inc. ("FCX").

  Pursuant to the amended terms and conditions of the Tres Marías Agreement, the Company has an obligation to spend US$5,000,000 in qualifying exploration expenditures no later than October 20, 2026, including a minimum of US$400,000 of drilling and ancillary expenditures by December 31, 2023 (the "Tres Marías Exploration Commitment"). Upon satisfying the Tres Marías Exploration Commitment, MFMSA will have a Repurchase Right and option to:

  (i) acquire a 51% interest in MTM's share capital for US$12.5 million, or [1]
  (ii) acquire a 49% interest in MTM's share capital for US$250, or [1]
  (iii) not acquire any interest in MTM.

  ____

  (1) collectively the "TM Purchase Option".

  If MFMSA exercises the TM Purchase Option to acquire a 51% interest in MTM's share capital, the Company will be granted a 0.5% Net Smelter Return ("NSR") over the Tres Marías Property.

  If MFMSA exercises the Purchase Option to acquire a 49% interest in MTM's share capital, MFMSA will be granted a 1.0% NSR royalty over the Tres Marías Property.

  IF MFMSA elects not acquire any interest in MTM, MFMSA will be granted a 1.0% NSR royalty over the Tres Marías Property.

(Expressed in Canadian Dollars)

5) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

- **Pitbull Copper Project**
  In connection with the Transaction (Note 3), the Company acquired the Pitbull Copper Project which was acquired by Minera Alto Verde Chile Spa ("MAVC"), a wholly owned subsidiary of Alto Verde, from MFMSA, who retain a 1% NSR on Pitbull.

- **Zenaida Copper Project**
  In connection with the Transaction (Note 3), the Company acquired the Zenaida Copper Project was acquired by MAVC from MFMSA, who retain a 1% NSR on Zenaida.

- **Chuck Creek Copper-Gold Property**
  The Chuck Creek Property covers 8,293 acres (33.57 sq. kilometers) and is situated in central British Columbia.

  On June 6, 2022 (the "CCP Effective Date"), the Company entered into an option agreement to purchase all rights, title, and interest in the Chuck Creek Property from two former directors of the Company (the "Optionors"). Pursuant to the option agreement, the Company shall issue to the Optionors an aggregate of 35,000 common shares and make cash payments to the Optionors in the amount of $30,000 as follows with 50% as to each Optionor:

- Within 5 days of the CCP Effective Date	$10,000 cash (paid) 35,000 common shares (issued).
- The Earliest of: the Company's next equity financing, or 12 months from the CPP Effective Date	$20,000 cash (paid)

  Upon exercise of the option agreement, the Company shall grant a 1% net smelter royalty to the Optionors, of which 0.5% may be repurchased by the Company for $500,000.

- **Thane Copper-Gold Project**
  The Thane Project comprises 50,904 acres (206 sq. kilometers) of contiguous claims located in the Quesnel Terrane of north-central British Columbia. The northern part of the Quesnel Terrane extends from south of the Mt. Milligan Mine northward to the Kemess Mine, with the Thane Project located midway between these two copper-gold porphyry deposits. This property includes several highly prospective mineralized areas identified to date, including the "Cathedral Area" on which the Company's exploration is currently focused.

(Expressed in Canadian Dollars)

5) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

- **Rip Copper Project**

On September 19, 2023, the Company entered into a non-binding letter of intent ("LOI") with ArcWest Exploration Inc. (TSXV: AWX) ("ArcWest") to earn up to an 80% ownership interest in the Rip Project, a copper-molybdenum project located in central British Columbia.

Under the terms of the LOI, the Company has a two-stage option to earn up to an 80% ownership interest in the Rip Project.

During the first stage (the "First Tier Earn-In"), the Company may earn up to a 60% ownership interest in the Rip Project by:

- Incur exploration expenditures of $2,000,000 (the "First Tier Earn-in Expenditures") as follows:

	First Tier Earn-in Expenditures ($)	
By December 31, 2024	300,000	(1)(2)
By December 31, 2025	500,000	
By December 31, 2026	500,000	
By December 31, 2027	700,000	

(1) A minimum of $25,000 is required to be incurred by December 31, 2023.
(2) The $300,000 is a mandatory expenditure.

- Make a total cash payment of $100,000 and issue 1,050,000 common shares of the Company (collectively the "First Tier Payments") as follows:

	Cash ($)	Common Shares (#)
By December 31, 2024	25,000	125,000
By December 31, 2025	25,000	175,000
By December 31, 2026	25,000	250,000
By December 31, 2027	25,000	300,000

During the second stage (the "Second Tier Earn-In"), the Company may acquire an additional 20% ownership interest in the Rip Project by incurring $2,00,000 exploration expenditures (the "Second Tier Earn-In Expenditures") from January 1, 2028, to December 31, 2031 (the "Second Tier Earn-In Period").

During the Second Tier Earn-In Period, the Company is required to make an annual payment of $250,000 (the "Second Tier Cash Payments") to ArcWest.

The Company has the option to extend the Second Tier Earn-In Period for three years (the "Extended Second Tier Earn-In Period"). In any event, if the Company exercises this option, the Company is required to pay ArcWest an additional $100,000 per year during the Extended Second Tier Earn-In Period.

(Expressed in Canadian Dollars)

6) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023 $	December 31, 2022 $
Trade payables	341,166	897
Accrued liabilities	96,670	39,257
Others	45,643	912
	483,479	**41,066**

7) SHARE CAPITAL

Authorized share capital
Unlimited number of common shares without par value.

Issued share capital
As of September 30, 2023, the Company had 24,330,600 common shares issued and outstanding (December 31, 2022 – 8,643,424) with a value of $16,023,638 (December 31, 2022 – $7,616,158).

During the nine months ended September 30, 2023

- As discussed in Note 3, the Company issued 7,441,763 Consideration Shares with fair value of $5,953,410 for the Transaction. In connection with the Transaction, the Company issued 427,171 common shares with a fair value of $336,937 pursuant to the finder's fee agreement.

- In connection with the Transaction, prior to closing, the Company issued 5,781,722 subscription receipts at a price of $0.50 per subscription receipt for gross proceeds of $2,890,861. On March 31, 2023, the subscription receipts automatically converted into units of the Company. Each unit comprised one common share and one-half share purchase warrant.

  Each whole warrant entitles its holder to purchase one additional common share at an exercise price of $0.75 at any time prior to March 31, 2026. The warrants are subject to an acceleration provision allowing the Company to accelerate the expiration date with a thirty-day notice period to warrant-holders in the event the common shares trade on the CSE for ten consecutive days at $1.25 or higher.

  For accounting purposes, the Company estimated the grant date fair value of warrants issued with the units, using the Black-Scholes option pricing model, assuming a risk-free interest rate of 3.12%, an expected life of 3 years, an expected volatility of 116% and an expected dividend yield of 0%, which totaled $757,993, and recorded this value in warrants reserve. The value attributed to the warrants was based on their relative fair value as compared to the fair value of the common shares. The remaining balance of $2,132,868 was recorded as common shares.

  In connection with the private placement, the Company paid finder's fees of $91,640 and issued 57,520 common shares with fair value of $46,016 and 240,800 finder's warrants (the "Finder's Warrants") with fair value of $136,923 (collectively the "Finder's Fees"). The Finders' Fees of $274,579 were recorded as share issuance costs.

  Each Finder's Warrant entitles its holder to purchase one additional common share at an exercise price of $0.75 at any time prior to March 31, 2026.

(Expressed in Canadian Dollars)

7) SHARE CAPITAL (CONTINUED)

Issued share capital (continued)

During the nine months ended September 30, 2023 (continued)

The Company estimated the fair value of finders' warrants using the Black-Scholes options pricing model, assuming a risk-free interest rate of 3.12%, an expected life of 3 years, an expected volatility of 116% and an expected dividend yield of 0%.

In addition, the Company incurred $20,068 share issuance costs.

- On September 29, 2023, the Company completed a non-brokered private placement of 1,985,000 units at a price of $0.20 for gross proceeds of $397,000. Each unit consists of one common share and one common share purchase warrant. Each whole warrant entitles its holder to purchase one additional common share at an exercise price of $0.25 at any time prior to September 29, 2026.

  For accounting purposes, the Company estimated the grant date fair value of warrants issued with the units, using the Black-Scholes option pricing model, assuming a risk-free interest rate of 3.78%, an expected life of 3 years, an expected volatility of 113% and an expected dividend yield of 0%, which totaled $164,104, and recorded this value in warrants reserve. The value attributed to the warrants was based on their relative fair value as compared to the fair value of the common shares. The remaining balance of $232,896 was recorded as common shares.

During the nine months ended September 30, 2022

- On June 29, 2022, the Company issued 35,000 common shares at a fair value of $0.52 per share for an acquisition payment for the Chuck Creek Property.

- On July 28, 2022, the Company closed a non-brokered private placement financing comprising 220,000 common shares for gross proceeds of $110,000.

Warrants

The changes in warrants during the nine months ended September 30, 2023 as follows:

	Number outstanding	Weighted average exercise price ($)
Balance, opening	1,849,061	2.67
Issued	5,119,607	0.56
Expired	(1,734,061)	2.67
Balance, closing	**5,234,607**	**0.60**

During the nine months ended September 30, 2023, 1,734,061 warrants expired unexercised.

During the nine months ended September 30, 2022, 921,795 warrants expired unexercised.

(Expressed in Canadian Dollars)

7) SHARE CAPITAL (CONTINUED)

Warrants (continued)

The following summarizes information about warrants outstanding at September 30, 2023:

Expiry date	Exercise price ($)	Warrants outstanding	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
March 31, 2026	0.75	3,131,661	894,913	2.50
October 23, 2023	1.79	2,946	518	0.06
October 28, 2023	2.70	115,000	56,961	0.08
September 29, 2026	0.25	1,985,000	164,105	3.00
		5,234,607	**1,116,497**	**2.64**
Weighted average exercise price ($)		**0.60**		

Stock options

On July 12, 2019, the Company adopted an equity incentive plan (the "Plan") whereby up to 20% of the outstanding shares of the Company as of the date of grant have been reserved for the grant and issuance to its employees, officers, directors, and consultants. Awards that may be granted under the Plan to eligible persons include stock options, restricted share rights and deferred share units. With respect to stock options, the exercise price of any stock option may not be set at less than the minimum price permitted by the CSE. The aggregate number of options granted to any one individual during any twelve-month period may not exceed 5% of the issued shares of the Company, or 2% in the case of consultants and investor relations representatives.

Stock options are typically exercisable for a period of five years from the date of grant. However, the board of directors of the Company (the "Board") may determine in their discretion any exercise period of up to a maximum of ten years from the date of grant. The Board determines the vesting period of stock options; however, stock options granted to any person engaged in investor relations activities will vest over a period of not less than 12 months with no more than 25% of the stock options vesting in any three-month period.

The changes in stock options during the nine months ended September 30, 2023 as follows:

	Number outstanding	Weighted average exercise price ($)
Balance, opening	138,889	2.47
Granted	2,865,000	0.34
Expired	(5,556)	4.50
Cancelled	(78,750)	0.80
Forfeited	(236,250)	0.80
Balance, closing	**2,683,333**	**0.39**

(Expressed in Canadian Dollars)

7) SHARE CAPITAL (CONTINUED)

Stock options (continued)

During the nine months ended September 30, 2023

- On March 31, 2023, the Company granted 465,000 stock options with an exercise price of $0.80 to certain directors, officers, and consultants of the Company. The options are exercisable for a period of five years. One-fourth vest on date of grant and one-fourth will vest every six months thereafter.

- On September 25, 2023, the Company granted 2,400,000 stock options with an exercise price of $0.25 to certain directors, officers, and consultants of the Company. The options are exercisable for a period of five years. One-fourth vest on date of grant and one-fourth will vest every anniversary thereafter.

During the nine months ended September 30, 2022, 342,500, 1,667 and 597,222 stock options were cancelled, expired, and forfeited, respectively.

The estimated grant date fair value of the options granted during the nine months ended September 30, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Number of options granted	2,865,000
Risk-free interest rate	3.89%
Expected annual volatility	98%
Expected life (in years)	5
Expected dividend yield	-
Grant date fair value per option ($)	0.24
Share price at grant date ($)	0.33

During the nine months ended September 30, 2023, the Company recognized share-based payments expense arising from stock options of $219,371 (September 30, 2022 – a recovery of $149,444).

The following summarizes information about stock options outstanding and exercisable at September 30, 2023:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
September 24, 2024	1.44	33,333	33,333	37,858	0.99
July 3, 2025	2.70	100,000	100,000	207,000	1.76
March 31, 2028	0.80	150,000	75,000	90,472	4.50
September 25, 2028	0.25	2,400,000	600,000	420,612	4.99
		2,683,333	**808,333**	**755,942**	**4.79**
Weighted average exercise price ($)		**0.39**	**0.65**		

(Expressed in Canadian Dollars)

8) RELATED PARTY TRANSACTIONS AND BALANCES

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

The following table discloses the total compensation incurred to the Company's key management personnel during the nine months ended September 30, 2023 and 2022:

	For the nine months ended	
	September 30, 2023	**September 30, 2022**
	$	**$**
Rick Gittleman, President and Interim CEO (1)		
Management fees	12,500	-
Share-based payments	17,965	-
	30,465	**-**
Paul Robertson, CFO (2)		
Management fees	29,900	-
Share-based payments	4,491	-
	34,391	**-**
Jason Nickel, COO, Director and Former CEO (3)		
Management fees	56,125	45,905
Share-based payments (recovery)	56,416	(19,553)
	112,541	**26,352**
Dr. Thomas Hawkins, Former VP of Exploration and Director		
Director fees	1,933	2,258
Consulting fees	2,000	-
Share-based payments	14,325	-
	18,258	**2,258**
Mike Ciricillo, Director		
Share-based payments	10,105	-
	10,105	**-**
Dr. Mark Cruise, Director		
Share-based payments	10,105	-
	10,105	**-**
Rick Leveille, Director		
Share-based payments	10,105	-
	10,105	**-**
Chris Buncic, CEO, President and Director		
Management fees	83,333	-
	83,333	**-**

(Expressed in Canadian Dollars)

8) RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	For the nine months ended	
	September 30, 2023	September 30, 2022
	$	$
Oliver Foeste, Former CFO (4)		
Management fees	60,325	51,327
Share-based payments (recovery)	7,207	(19,553)
	67,532	**31,774**
David McAdam, Former Director (5)		
Director fees	5,042	8,840
Consulting fees	8,500	-
Share-based payments (recovery)	28,824	(19,553)
	42,366	**(10,713)**
Scott Young, Former Director		
Director fees	3,866	2,258
Share-based payments	27,384	-
	31,250	**2,258**
Janet Francis, Former Corporate Secretary (6)		
Professional fees	14,710	-
Management fees	-	27,000
	14,710	**27,000**
Christopher Naas, Former COO (7)		
Management fees	-	2,000
Exploration expenditures	-	58,027
General and administrative expenses	-	1,122
Share-based payments (recovery)	-	(16,013)
	-	**45,136**
David McMillan, Former Director		
Director fees	-	768
Share-based payments (recovery)	-	(17,006)
	-	**(16,238)**
Gordon Neal, Former Director		
Director fees	-	3,872
Share-based payments (recovery)	-	(16,188)
	-	**(12,316)**

(Expressed in Canadian Dollars)

8) RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	For the nine months ended	
	September 30, 2023 $	September 30, 2022 $
Greg Hawkins, Former Director		
Director fees	-	5,051
	-	**5,051**
Samir Patel, Former Director		
Director fees	-	5,051
	-	**5,051**

1) Paid and/or payable to RMG Minerals LLC which is controlled by Mr. Rick Gittleman.
2) Paid and/or payable to Quantum Advisory Partners LLP, an accounting firm in which Mr. Paul Robertson is an incorporated partner.
3) Paid and/or payable to JWolf Capital Corp. which is controlled by Mr. Jason Nickel.
4) Paid and/or payable to Invictus Accounting Group LLP which is controlled by Mr. Oliver Foeste.
5) Paid and/or payable to First Line Consultants Ltd. which is controlled by Mr. David McAdam.
6) Paid and/or payable to Keystone Corporate Services Inc. which is controlled by Ms. Janet Francis.
7) Paid and/or payable to CSN Enterprises Ltd. which is controlled by Christopher Naas.

As at September 30, 2023, $50,907 (December 31, 2022 – $nil) was included in accounts payable and accrued liabilities for amounts due to related parties. The amounts due are unsecured, due on demand and are non-interest bearing.

9) SEGMENTED INFORMATION

The Company operates in one reportable segment being the exploration and evaluation of mineral properties. The Company's non-current assets are located are as follows:

	September 30, 2023 $	Canada $	Chile $
Non-current assets			
Value-added tax receivable	105,865	-	105,865
Reclamation deposits	25,000	25,000	-
Equipment	846	846	-
Exploration and evaluation assets	13,571,145	5,986,547	7,584,598

	December 31, 2022 $	Canada $	Chile $
Non-current assets			
Reclamation deposits	25,000	25,000	-
Exploration and evaluation assets	5,966,547	5,966,547	-

(Expressed in Canadian Dollars)

10) CAPITAL MANAGEMENT

The Company defines its components of shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue business opportunities and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

The Company's investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. There have been no changes to the Company's approach to capital management at any time during the nine months ended September 30, 2023. The Company is not subject to externally imposed capital requirements.

11) FINANCIAL INSTRUMENTS

Fair value
Financial instruments are classified into one of the following categories: FVTPL, amortized cost and FVTOCI.

Set out below are the Company's financial assets and liabilities by category:

	September 30, 2023 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	525,577	-	525,577	-
Amounts receivable	56,283	-	56,283	-
Reclamation deposits	25,000	-	25,000	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(483,479)	-	(483,479)	-

	December 31, 2022 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	58,252	-	58,252	-
Amounts receivable	16,876	-	16,876	-
Reclamation deposits	25,000	-	25,000	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(41,066)	-	(41,066)	-

The carrying values of amounts receivable, accounts payable and accrued liabilities and loan payable approximate their fair values due to the relatively short period to maturity of those financial instruments. Reclamation deposits approximately their fair value due to their liquidity.

11) FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (continued)

As at September 30, 2023 and December 31, 2022, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 1, 2 and 3 in the fair value hierarchy above.

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3: Inputs that are not based on observable market data.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, amounts receivable and reclamation deposits.

The Company's cash is held at a large Canadian and Chilean financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk concentration with respect to these financial instruments is remote. Cash based in Canada and Chile are accessible. The Company's amounts receivable balance does not represent significant credit exposure as it is principally due from the Government of Canada.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As at September 30, 2023, the Company had cash of $525,577 and accounts payable and accrued liabilities of $483,479. All accounts payable and accrued liabilities are current.

11) FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (continued)

Market risk
The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk
Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is mainly held at a Canadian chartered bank. The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash. The Company is not exposed to significant interest rate risk relating to its cash.

Foreign Currency risk
The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars ("CA$"). The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's cash, amounts receivable, deposits and accounts payable and accrued liabilities are held in CA$, United States dollar ("US$") and Chilean Peso ("CLP"); therefore, US$ and CLP accounts are subject to fluctuation against the CA$.

The Company's financial instruments were denominated as follows as at September 30, 2023:

	CA$	**US$**	**CLP**
Cash	511,603	6,179	3,667,335
Amounts receivable	56,283	-	-
Reclamation deposits	25,000	-	-
Value-added tax receivable	-	-	69,516,973
Accounts payable and accrued liabilities	(453,393)	(3,399)	(16,726,124)
	139,493	**2,780**	**56,458,184**
Rate to convert to $1.00 CA$	1.00000	1.35782	0.00152
Equivalent to CA$	**139,493**	**3,775**	**85,978**

Based on the above net exposures as at September 30, 2023, and assuming that all other variables remain constant, a 10% change of the CA$ against the US$ and CLP would change profit or loss by approximately $9,000.

Commodity price risk
The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities. The Company is not exposed to significant other price risk.