LATIN METALS INC.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

For the years ended October 31, 2023 and 2022

<u>Corporate Registered Office</u>

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF LATIN METALS INC.

Opinion

We have audited the consolidated financial statements of Latin Metals Inc. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at October 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2023 and 2022, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $1,075,404 during the year ended October 31, 2023 and has a working capital deficiency of $331,685 and an accumulated deficit of $12,310,348 as of that date. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended October 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

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Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Karen Ka Yee Cheng.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
February 26, 2024

LATIN METALS INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

		October 31, 2023		October 31, 2022
ASSETS				
Current				
Cash and cash equivalents	$	333,624	$	1,136,196
Receivables		54,217		62,348
Prepaid expenses		129,515		49,838
		517,356		1,248,382
Investments (note 4)		811,526		-
Property and equipment (note 5)		135,538		89,202
Exploration and evaluation assets (note 6)		5,097,682		4,905,314
Total Assets	**$**	**6,562,102**	**$**	**6,242,898**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (note 10)	$	259,581	$	224,155
Lease liabilities, current (note 7)		40,736		22,174
Short-term loans (note 8)		548,724		-
		849,041		246,329
Lease liabilities, long term (note 7)		33,254		55,324
		882,295		301,653
Shareholders' Equity				
Share capital (note 9)		15,187,295		14,905,151
Reserves (note 9)		2,802,860		2,271,038
Deficit		(12,310,348)		(11,234,944)
Total Shareholders' Equity		5,679,807		5,941,245
Total Liabilities and Shareholders' Equity	**$**	**6,562,102**	**$**	**6,242,898**

Approved on behalf of the Board of Directors on February 26, 2024

"Keith Henderson" Director *"David Cass"* Director

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

LATIN METALS INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

Years ended October 31

	2023	2022
Operating expenses (recoveries)		
Consulting fees (note 10)	$ 499,427	$ 315,016
Depreciation (note 5)	38,417	8,648
Impairment loss on VAT receivable and other	42,142	10,398
Investor relations and promotion	232,197	206,521
Office and general	124,743	91,632
Professional fees	175,476	151,159
Property investigation costs	40,359	66,484
Recoveries of exploration and evaluation assets (note 6)	(457,530)	(265,837)
Regulatory and transfer agent	63,340	51,414
Salaries, benefits, and directors' fees (note 10)	251,767	216,026
Share-based compensation (notes 9 and 10)	448,259	-
Travel	85,846	44,766
Loss from operations	(1,544,443)	(896,227)
Other items		
Fair value gain, investments (note 4)	311,526	-
Finance costs (notes 7 and 8)	(25,962)	(3,518)
Foreign exchange gain	217,392	143,377
Impairment of exploration and evaluation assets (note 6)	(32,014)	(320,971)
Other expense	(1,903)	-
	469,039	(181,112)
Loss and comprehensive loss for the year	**$ (1,075,404)**	**$ (1,077,339)**
Basic and diluted loss per share	**$ (0.02)**	**$ (0.02)**
Weighted average number of common shares outstanding – basic and diluted	**71,126,085**	**57,669,627**

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

LATIN METALS INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

	Share Capital		Reserves	Deficit	Total Shareholders' Equity
	Shares	Amount			
Balance, October 31, 2021	**57,295,641**	**$ 13,661,888**	**$ 2,271,038**	**$ (10,157,605)**	**$ 5,775,321**
Shares issued for cash:					
Private placement	12,276,117	1,227,612	-	-	1,227,612
Share issue costs	-	(37,087)	-	-	(37,087)
Shares issued for non-cash:					
Property acquisition – finders' fees	390,656	52,738	-	-	52,738
Net loss for the year	-	-	-	(1,077,339)	(1,077,339)
Balance, October 31, 2022	**69,962,414**	**$ 14,905,151**	**$ 2,271,038**	**$ (11,234,944)**	**$ 5,941,245**
Shares issued for cash:					
Stock options exercise	45,000	4,320	(1,620)	-	2,700
Shares issued for non-cash:					
Property acquisition – option payment	757,437	181,785	-	-	181,785
Property acquisition – finders' fees	711,400	96,039	-	-	96,039
Equity portion of loan, warrants	-	-	35,720	-	35,720
Share-based compensation expense	-	-	497,722	-	497,722
Net loss for the year	-	-	-	(1,075,404)	(1,075,404)
Balance, October 31, 2023	**71,476,251**	**$ 15,187,295**	**$ 2,802,860**	**$ (12,310,348)**	**$ 5,679,807**

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

LATIN METALS INC.

(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
Years ended October 31

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (1,075,404)	$ (1,077,339)
Items not affecting cash:		
Depreciation	38,417	8,648
Fair value remeasurement of investments	(311,526)	-
Finance costs	25,962	3,518
Impairment of exploration and evaluation assets	32,014	320,971
Recovery of exploration and evaluation assets	(457,530)	(265,837)
Share-based compensation	448,259	-
Changes in non-cash working capital items:		
Receivables	8,131	(47,382)
Prepaid expenses	(79,677)	915
Accounts payable and accrued liabilities	(31,865)	91,536
Net cash used in operating activities	(1,403,219)	(964,970)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment	(66,227)	-
Option proceeds and proceeds from sale of exploration and evaluation assets	1,387,090	922,743
Expenditures on exploration and evaluation assets	(1,258,897)	(861,299)
Net cash provided by investing activities	61,966	61,444
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement, net of share issue costs	-	1,190,525
Proceeds from issuance of shares – stock options exercise	2,700	-
Proceeds from issuance of short-term loans, net	583,690	-
Payment of lease liability	(47,709)	(9,000)
Net cash provided by financing activities	538,681	1,181,525
Change in cash and cash equivalents for the year	(802,572)	277,999
Cash and cash equivalents, beginning of the year	1,136,196	858,197
Cash and cash equivalents, end of the year	$ 333,624	$ 1,136,196

Supplemental disclosure with respect to cash flows (note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Latin Metals Inc. (the "Company" or "Latin Metals") was incorporated under the laws of the Province of British Columbia, Canada on January 9, 2006. The Company's principal business activity is the acquisition, exploration and evaluation of mineral properties located in South America. The Company operates with a Prospect Generator model focusing on the acquisition of prospective exploration properties at a low cost, completing initial evaluation through cost-effective exploration to establish drill targets, and ultimately securing joint venture partners to fund drilling and advanced exploration. Shareholders are exposed to the upside of a significant discovery without the dilution associated with funding the highest-risk drill-based exploration. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "LMS" as well as on the OTCQB Venture Market under the symbol "LMSQF".

The mailing address of the Company is Suite 890 – 999 West Hastings Street, Vancouver, BC, V6C 2W2, Canada. The registered and records offices of the Company are located at Suite 1170 – 1040 West Georgia Street, Vancouver, BC, V6E 4H1, Canada.

As at October 31, 2023, the Company has working capital deficiency of $331,685 (2022 - working capital of $1,002,053) and an accumulated deficit of $12,310,348 (2022 - $11,234,944). The Company recorded a net loss of $1,075,404 for the year ended October 31, 2023 (2022 - $1,077,339). Subsequent to October 31, 2023, the Company closed a private placement for gross proceeds of $700,000 (Note 15).

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or proceeds from the disposition thereof.

These consolidated financial statements have been prepared under the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have financial resources to sustain operations in the long term. The ability to continue as a going concern remains dependent upon the Company's ability to obtain the financing necessary to continue to fund its operations. There is no assurance, however, that future financings will be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

These audited consolidated financial statements do not reflect the adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The Board of Directors approved the consolidated financial statements on February 26, 2024.

2. BASIS OF PREPARATION *(Cont'd…)*

Basis of presentation *(Cont'd…)*

These consolidated financial statements have been prepared on the historical cost basis, except for financial assets and liabilities recorded at fair value, and include the accounts of the Company and its wholly owned subsidiaries outlined under principles of consolidation. These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries as follows:

Subsidiary	Proportion of Ownership Interest	Country of Incorporation	Principle Activity
Cardero Argentina S.A.	100%	Argentina	Exploration
Asterion S.A.	100%	Argentina	Exploration
Acrux S.A.	100%	Argentina	Exploration
Zafiro Mining S.A.C.	100%	Peru	Exploration
1377269 B.C. Ltd.	100%	Canada	Holding
1377258 B.C. Ltd.	100%	Canada	Holding
1054749 B.C. Ltd.	100%	Canada	Holding

The Company established its subsidiary 1377269 B.C. Ltd. and 1377258 B.C. Ltd. in 2022, and through them acquired 100% of Asterion S.A. and Acrux S.A. respectively in 2023. The acquisitions were accounted for as asset acquisitions as neither entity met the definition of a business as defined in IFRS 3.

The Company consolidates its subsidiaries on the basis that it controls the subsidiary through its ability to govern its financial and operating activities. All intercompany transactions and balances are eliminated on consolidation.

Management consolidates all subsidiaries and entities which it is determined that the Company controls. Control is evaluated on the ability of the Company to direct the activities of the subsidiary or entity to derive variable returns and management uses judgment in determining whether control exists. Judgment is exercised in the evaluation of the variable returns and in determining the extent to which the Company has the ability to exercise its power to generate variable returns.

Reporting and functional currency

The consolidated financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries.

2. BASIS OF PREPARATION *(Cont'd…)*

Significant accounting judgments, estimates and assumptions

Estimates and judgments are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are continuously evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the consolidated financial statements.

Exploration and evaluation assets impairment

At the end of each reporting period, the Company assesses each of its exploration and evaluation assets or cash-generating units ("CGUs") to determine whether any indication of impairment exists. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Company has used geographical proximity, geological similarities, analysis of shared infrastructure, commodity type, assessment of exposure to market risks and materiality to define its CGUs.

Judgment is required in determining whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted or planned and results of exploration and evaluation activities on the exploration and evaluation assets. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short- and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Fair value of investments

Where the fair value of equity instruments cannot be derived from transactions in active markets, they are determined using appropriate valuation techniques for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for the Company's investment in equity instruments of a private company is determined based on assumptions considered to be reasonable and consistent with those that would be applied by a market participant. Management applied judgment in the fair value measurement of shares and warrants received as a consideration on sale of a mineral property.

2. BASIS OF PREPARATION *(Cont'd…)*

Significant accounting judgments, estimates and assumptions *(Cont'd…)*

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on estimated fair values of all share-based awards at the date of grant and are expensed to net loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option/warrant. Changes in these input assumptions can significantly affect the fair value estimate.

Leases

Management applies judgment to determine whether a contract is, or contains, a lease from both a lessee and lessor perspective. This assessment is based on whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Key judgments include whether a contract identifies an asset (a portion of an asset may be identified), whether the lessee obtains substantially all of the economic benefits of the asset over the contract term, and whether the lessee has the right to direct the asset's use. Judgment is also applied in determining the rate used to discount the lease payments.

Interest rates

The Company estimates a market interest rate in determining the fair value of the liability component of its loans. The determination of market interest rate is subjective and could materially affect the fair value estimate.

3. SIGNIFICANT ACCOUNTING POLICIES

Property and equipment

Property and equipment are recorded at cost less depreciation and accumulated impairment losses, if any. Where significant components of buildings and equipment have different useful lives, the components are accounted for as separate items. Expenditures incurred to replace a component that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Directly attributable expenses incurred for major capital projects are capitalized until the asset is brought to a working condition for its intended use.

These costs include dismantling and site restoration costs to the extent these are recognized as a provision. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of normal overhead. The costs of day-to-day servicing are recognized in expenses as incurred, as "maintenance and repairs."

The Company depreciates its assets, less their estimated residual values, as follows:

Category	Method	Useful life
Field equipment	Straight-line	3-5 years
Computers and software	Straight-line	1-3 years
Right-of-use asset	Straight-line	Earlier of useful life or term of lease

Exploration and evaluation assets

Costs directly related to the acquisition of exploration and evaluation assets, and exploration and evaluation expenditures are capitalized. Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option. Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued. Option payments received net of costs incurred are treated as a reduction in the carrying value of the related acquisition costs of the exploration and evaluation asset until the payments are in excess of acquisition costs, at which time they are credited to profit or loss.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that an impairment may exist. Examples of such facts and circumstances are as follows:

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

3. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd…)*

Exploration and evaluation assets *(Cont'd…)*

After technical feasibility and commercial viability of extracting a mineral resource is demonstrable, and the Company's board of directors have approved a construction decision, exploration and evaluation assets attributable to that area of interest are first tested for impairment and the capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset and is classified as a component of property, plant and equipment.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is determined as the amount that would be obtained from the sale of the asset price received to sell an asset in an orderly transaction between market participants. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the CGU to which the asset belongs.

Restoration and environmental obligations

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. A pre-tax discount rate that reflects the time value of money is used to calculate the net present value The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company does not have any significant rehabilitation obligations as at and for the years presented.

Leases

The Company assesses whether a contract is, or contains, a lease, at the inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets, which are included in property and equipment, are recognized at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs and decommissioning and restoration costs, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd…)*

Leases *(Cont'd…)*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise of the following:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

A lease modification is accounted for as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Company remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Company accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded as share-based compensation expense, with the offset to reserves. The fair value of options is determined using a Black-Scholes option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. For those unexercised options and share purchase warrants that expired, the recorded value remains in reserves.

Loss per share

Basic loss per share is calculated using the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average number of shares outstanding is increased to include additional shares from the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and the proceeds from such exercises were used to acquire shares of common stock at the average market price during the reporting period. The Company has included total escrow shares in the calculation as they are subject to a timed release. In the Company's case, diluted loss per share presented is the same as basic loss per share as the effect of outstanding options and warrants in the diluted loss per common share calculation would be anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd…)*

Unit bifurcation

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as part of units. The residual value method first allocates value to common shares issued in the private placements at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded in reserves.

Financial instruments

The Company recognizes financial asset and financial liabilities when it becomes a party to the contractual provisions creating the asset or the liability.

<u>Financial Assets</u>

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income, or measured at fair value through profit or loss.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Assessment and decision on the business model approach used is an accounting judgment.

Financial assets measured at amortized costs

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost:

- The Company's business model for such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if applicable. The Company's accounts receivable, net of input tax credits are measured at amortized cost.

Financial assets measured at fair value through other comprehensive income ("FVTOCI")

A financial asset measured at fair value through other comprehensive income ("FVTOCI") is initially recognized at fair value plus transaction costs directly attributable to the asset, with all subsequent changes in fair value being recognized in other comprehensive income. Under the FVTOCI category, fair value changes are recognized in OCI while dividends are recognized in profit or loss.

For financial assets that are not held for trading, the Company can make an irrevocable election at initial recognition to classify the instruments at FVTOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. This election is available for each separate investment. The Company does not have any financial assets designated as FTVOCI.

3. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd…)*

Financial instruments *(Cont'd…)*

Financial Assets *(Cont'd…)*

Financial assets measured at fair value through profit or loss ("FVTPL")

A financial asset measured at FVTPL is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises. Cash and cash equivalents and investments are designated as FVTPL.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company to account for expected credit losses ("ECL") and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Financial Liabilities

Financial liabilities are classified at initial recognition as either: measured at amortized cost or FVTPL. On initial recognition, all financial liabilities are recorded by the Company at fair value, plus attributable transaction costs, except for financial liabilities classified as FVTPL for which transaction costs are expensed in the period in which they are incurred. Accounts payable, short-term loans and lease liabilities are measured at amortized cost.

A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Fair value

The Company classifies and discloses fair value measurements based on a three-level hierarchy:

- Level 1 – inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability are not based on observable market data.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the consolidated statement of financial position.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd…)*

Income taxes *(Cont'd…)*

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the excess.

4. INVESTMENTS

The Company's investments consist of 1,000,000 common shares and 1,000,000 share purchase warrants issued to the Company by South American Lithium Corp. ("SALi"), a privately held corporation, as part of the purchase price of El Quemado project (Note 6(b)).

	Common shares	Warrants	Total
Balance, October 31, 2021 and 2022	$ -	$ -	$ -
Fair value on recognition	500,000	-	500,000
Changes in fair value	-	311,526	311,526
Balance, October 31, 2023	**$ 500,000**	**$ 311,526**	**$ 811,526**

The common shares are measured at fair value through profit and loss, using Level 3 of the fair value hierarchy inputs. Changes in fair value are recorded in the consolidated statements of loss and comprehensive loss. As at October 31, 2023, the Company held 1,000,000 of SALi's common shares.

The warrants are measured at fair value through profit and loss, with the changes in fair value recorded in the consolidated statements of loss and comprehensive loss. The Company used the Black-Scholes option pricing model to calculate the fair value of the SALi's warrants subsequent to initial recognition. The Company used the following weighted average assumptions to fair value the warrants:

SALi warrants fair value assumptions	October 31, 2023
Risk-free interest rate	4.18%
Expected life of options	4.4
Annualized volatility	100%
Dividend rate	0%

As at October 31, 2023, the Company held 1,000,000 of SALi's share purchase warrants, each warrant entitling the Company to purchase one common share of SALi at $1.00 until March 10, 2028.

(Expressed in Canadian dollars)

5. PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost and at October 31, 2023 and 2022 was comprised as follows:

	Computers & software	Right-of-use asset	Field Equipment	Total
Cost				
Balance, October 31, 2021	**$ 28,734**	**$ -**	**$ -**	**$ 28,734**
Additions	-	82,980	-	82,980
Balance, October 31, 2022	**$ 28,734**	**$ 82,980**	**$ -**	**$ 111,714**
Additions	4,885	29,090	61,342	95,317
Balance, October 31, 2023	**$ 33,619**	**$ 112,070**	**$ 61,342**	**$ 207,031**
Accumulated depreciation				
Balance, October 31, 2021	**$ 13,864**	**$ -**	**$ -**	**$ 13,864**
Depreciation	1,733	6,915	-	8,648
Balance, October 31, 2022	**$ 15,597**	**$ 6,915**	**$ -**	**$ 22,512**
Depreciation	2,897	35,520	10,564	48,981
Balance, October 31, 2023	**$ 18,494**	**$ 42,435**	**$ 10,564**	**$ 71,493**
Carrying amounts				
At October 31, 2022	$ 13,137	$ 76,065	$ -	$ 89,202
At October 31, 2023	**$ 15,125**	**$ 69,635**	**$ 50,778**	**$ 135,538**

During the year ended October 31, 2022, the Company recognized a right-of-use ("ROU") asset for a three-year lease of office space that commenced on August 1, 2022 and modified on March 1, 2023 to reflect rent increase (Notes 7 and 10). The rent increase was not accounted for as a separate lease, and the right-of-use asset and lease obligation were measured at the present value of the amended lease payments and discounted using an incremental borrowing rate of 18%.

6. EXPLORATION AND EVALUATION ASSETS

Title to Mineral Property Interests

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfer and may be affected by undetected defects.

(a) Mina Angela Property – Argentina

The Company entered into an acquisition agreement in April 2004, pursuant to which and in consideration of aggregate cash payments to the vendor of US$400,000, the Company acquired a 100% interest in mineral concessions, known as Mina Angela, in Chubut Province, Argentina, subject to a 1% NSR Royalty to the vendor.

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(a) Mina Angela Property – Argentina *(Cont'd…)*

In 2021, Patagonia Gold Corp. ("Patagonia") fulfilled the terms and exercised the option it had with the Company to acquire a 100 % interest in the Mina Angela property. The Company is entitled to receive a 1.25% NSR Royalty on any future production from the Mina Angela property, half of which royalty can be repurchased by Patagonia from the Company at any time for cash consideration of US$1,000,000. In addition, the Company is entitled to receive US$500,000 from Patagonia within thirty days of verification, to Patagonia's satisfaction, that the legal restrictions preventing development of mining activity in the Chubut Province and at the Mina Angela property have been lifted.

(b) El Quemado – Argentina

On September 18, 2018, the Company met all of the requirements to exercise the option to acquire 100% interest in El Quemado by issuing an aggregate amount of 625,000 common shares over a period of two years and has earned a 100% legal and beneficial interest in the El Quemado project, subject to a 2% NSR Royalty to be granted to the vendor. During the year ended October 31, 2022, the Company and the vendor agreed to extinguish the 2% NSR Royalty for a cash payment of 1,500,000 Argentinian pesos ($16,207) made by the Company to the vendor. As at October 31, 2022 the El Quemado project is free of any NSR Royalty.

During the year ended October 31, 2022, the Company received an exclusivity payment of US$50,000 pursuant to a non-binding agreement for El Quemado.

On March 3, 2023, the Company announced sale of a 100% interest in the El Quemado project to SALi. The consideration consisted of $400,000 in cash and $500,000 in units of SALi at a fair value of $0.50 per unit. Each unit consists of 1,000,000 common shares and 1,000,000 share purchase warrants exercisable at $1.00 for a period of five years (Note 4).

The Company retains a 2% NSR Royalty on the project. One half of the 2% NSR Royalty can be purchased at any time prior to production by SALi from the Company for US$3,000,000 cash payment.

(c) Salta Properties – Argentina

Salta Properties include three distinctive projects, namely, Organullo property, Ana Maria property, and Trigal property, in which the Company owns 100% interest. The Company acquired 100% interest in the Organullo property from a private vendor in consideration of the issuance of 70,000 common shares in 2004. Ana Maria and Trigal properties were acquired through direct staking in 2015.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(c) Salta Properties – Argentina *(Cont'd…)*

Binding option agreement with AngloGold Ashanti

May 27, 2022, the Company entered into a binding option agreement with AngloGold Argentina Exploraciones S.A. ("AngloGold"), a wholly owned subsidiary of AngloGold Ashanti Ltd. Subsequently, AngloGold provided notice that all conditions precedent have been satisfied, and as a result the Option Agreement's commencement date has been established as June 2, 2022. Under the terms of the Option Agreement, the Company granted to AngloGold the option to earn up to an 80% interest in the Company's Organullo, Ana Maria, and Trigal gold projects located in Salta Province, northwestern Argentina.

Under the terms of the option agreement, AngloGold has been granted the option to earn an initial 75% interest in the Salta Properties by making cash payments to the Company in the aggregate amount of US$2,575,000 and spending an aggregate amount of US$10,000,000 on exploration expenditures related to the Salta Properties within five years of the commencement date.

The terms of the Option are as follows:

Date		Payments in cash to Latin Metals (US$)		Expenditures commitments (US$)
On or before June 17, 2022	$	275,000 (received)	$	-
On or before June 2, 2023		100,000 (received)		-
On or before June 2, 2024		150,000		2,000,000
On or before June 2, 2025		200,000		-
On or before June 2, 2026		850,000		4,000,000
On or before June 2, 2027		1,000,000		4,000,000
Total	**$**	**2,575,000**	**$**	**10,000,000**

Upon the fulfilment of the payment obligations and exploration expenditures set forth above, and the delivery by AngloGold to the Company of a notice of exercise of the option and subject to the exercise of Top-Up Right (as defined below), AngloGold and the Company will be deemed to have formed a joint venture (the "Joint Venture") for the continued exploration, development and, if warranted, commercialization of the Salta Properties, in respect of which the initial participating interests of the parties will be, AngloGold as to 75% and the Company as to 25%.

Upon the exercise of the option, AngloGold may give notice to the Company of its intention to increase its interest in the Salta Properties to 80% (the "Top-Up Right"). The Top-Up Right may be exercised within 150 days of the option exercise date by AngloGold:

- Preparing and delivering to the Company an independent Measured and Indicated Mineral Resource estimate prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") on one or more deposits contained within the Projects; and
- Paying to the Company an amount of US$4.65 per gold equivalent ounce contained within the Measured and Indicated Mineral Resource estimate.

Upon the exercise of the Top-Up Right, the parties' interests in the Joint Venture will be adjusted such that the participating interests of the parties will be AngloGold as to 80% and the Company as to 20%.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(c) Salta Properties – Argentina *(Cont'd…)*

Binding option agreement with AngloGold Ashanti (Cont'd…)

If and when the parties form the Joint Venture, the provisions of the agreement governing the Joint Venture will be negotiated and settled by the parties and will provide, among other things, that if the participating interest of either party falls below 10%, the interest of such party shall be converted to a 2% net smelter returns royalty ("NSR Royalty"), half of which (being 1%) can be purchased by the other party for US$5,000,000 at any time until the date that is three (3) months after a production decision concerning one or more of the Salta Properties has been made.

(d) Esperanza – Argentina

On July 9, 2018, the Company entered into a definitive property option agreement, as amended on June 15, 2019, to acquire a 100% interest in the Esperanza copper-gold porphyry deposit located in the San Juan Province, Argentina.

Under the definitive property option agreement, the Company has the right to earn a 100% interest in the project through the payment of US$2,306,000 and the issuance of common shares in the Company valued at US$500,000 at the time of issuance to the vendor. The definitive property option agreement was amended on May 13, 2021, whereby all cash and share payments after June 14, 2021 are conditional on the granting of a drill permit by the authorities of the Government of the Province of San Juan. On October 19, 2022, the agreement was further amended to state that the permit grant date shall be deemed to be December 31, 2022, unless the permit grant date occurs on or prior to December 1, 2022. As at October 31, 2023 the total amount of cash payments made pursuant to the option agreement was US$1,073,000 (2022 - US$623,000).

On December 14, 2023, the Company and the underlying optionor renegotiated the terms of the definitive property option agreement for the Company to acquire a 100% interest in Esperanza and had entered into an amending agreement. The amending agreement postpones the December 31, 2023 cash payment until May 5, 2024, and reduces the amount of the payment to US$100,000 (which payment is an irrevocable commitment). The revised payment schedule is as follows:

Date	Payments in cash (US$)	Payments in shares (US$)
Payments made as at October 31, 2021 and 2022	$ 623,000 (paid)	-
January 10, 2023	200,000 (paid)	-
June 30, 2023	250,000 (paid)	-
May 5, 2024	100,000	-
30 days following receipt of a drilling permit [(1)]	250,000	-
12 months following receipt of a drilling permit	250,000	-
18 months following receipt of a drilling permit	250,000	250,000
24 months following a receipt of a drilling permit	383,000	250,000
Total	**$ 2,306,000**	**$ 500,000**

(1) If a drill permit for Esperanza is not secured by the Company on or prior to July 31, 2025, the underlying optionor has the right to terminate the definitive option agreement.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(d) Esperanza – Argentina *(Cont'd…)*

Upon completion of the option payments and share issuances, the Company will be deemed to have exercised the option and will have earned an undivided 100% legal and beneficial interest in and to the project, subject to a 2% NSR Royalty to be granted to the vendor. The Company will have a right to buy back 0.5% of the NSR Royalty for US$1,000,000, at which time the NSR Royalty payable to the vendor shall be 1.5%.

In connection with Esperanza property option agreement, a finder's fee in the amount of US$172,800 was payable in common shares of the Company over six years. During the year ended October 31, 2022, the Company issued 390,656 common shares fair valued at $52,738 (US$41,260) for finder's fees. During the year ended October 31, 2023, the Company issued 711,400 common shares fair valued at $96,039 (US$70,820) as a final payment of the finder's fee (Note 9).

<u>*Earn-in agreement with Libero Copper and Gold Corporation*</u>

On January 20, 2021, the Company signed a binding letter agreement with Libero Copper and Gold Corporation ("Libero"), pursuant to which the Company granted Libero an option to acquire a 70% interest in the Esperanza copper -gold project ("Libero earn-in agreement"). On May 26, 2021, and September 28, 2022, the Company and Libero amended the letter agreement to align the schedule of payments with the amended option agreement with the underlying owners and modify the timing of exploration expenditure commitments accordingly.

The amended agreement terms are outlined below:

Date	Cash payments to Latin Metals pursuant to underlying option agreement (US$)	Cash payments to Latin Metals (US$)	Exploration expenditures (US$)
June 14, 2021	$ 220,000 (received)	$ -	$ -
December 15, 2021	-	250,000 (received)	-
December 10, 2022	200,000 (received)	-	-
June 20, 2023	250,000 (received)	-	-
December 6, 2023	350,000	250,000	1,000,000
June 6, 2024	433,000	-	-
December 6, 2024	450,000	-	1,000,000
Total	**$ 1,903,000**	**$ 500,000**	**$ 2,000,000**

Upon the exercise of the option, Libero and the Company will be deemed to have formed a joint venture for the continued exploration and development of the Esperanza project, in respect of which the initial participating interests of the parties shall be Libero as to 70%, and the Company as to 30%.

During the term of the letter agreement before the exercise of the option, if either Libero or the Company acquires an interest in a property located within or partially within the Esperanza project or a 10 km area of interest extending from the outermost exterior boundaries of the project, the non-acquiring party may elect that such additional property be included in the project, in which case the non-acquiring party would be required to reimburse the acquiring party for 70% (Libero) or 30% (the Company) of the acquisition costs of such additional property, as applicable.

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(d) Esperanza – Argentina *(Cont'd…)*

On December 21, 2023, the Company announced that it had terminated the Libero earn-in agreement on the basis of Libero's failure to make a payment in the amount of US$350,000 on or before December 6, 2023.

(e) Tres Cerros - Argentina

On February 7, 2019, the Company entered into three definitive option agreements, as amended, pursuant to which the Company was granted options to acquire a 100 % interest, subject to certain royalty conditions, in eight properties as follows:

1) Property group 1: the Cerro Bayo, Cerro Bayo Sur and Flora Este properties;
2) Property group 2: the Aylen, Aylen Oeste and Pedro properties; and
3) Property group 3: the Fiorentina & Fiorentina Norte properties.

The Company can earn an initial 80% interest in each property group (the "First Option"), followed by the remaining 20% interest (the "Second Option"), by making staged cash and common shares payments.

On March 23, 2022, the Company terminated its options regarding Property group 2 and Property group 3. The Company considers each property group a separate CGU, and accordingly, in connection with the termination of the option agreements for these two property groups, an impairment loss of $320,971 was recognized. The Company used Level 3 fair value hierarchy inputs in estimating the impairment of the exploration and evaluation assets.

The exploration and evaluation assets balance within Tres Cerros disclosure as at October 31, 2022 reflects the Company's retained interest in Property group 1: the Cerro Bayo, Cerro Bayo Sur, and Flora Este properties.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(e) Tres Cerros – Argentina *(Cont'd…)*

Details on the consideration the Company is required to pay and issue shares in respect to the Cerro Bayo, Cerro Bayo Sur and Flora Este properties (Property group 1) is as follows:

Date	Payments in cash (US$)	Shares	Payments in shares or cash (US$)	Cumulative earned interest
April 8, 2019	$ 12,500 (paid)	-	$ -	-
May 1, 2020	7,500 (paid)	175,000 (issued)	-	-
November 1, 2020	8,750 (paid)	175,000 (issued)	-	
May 5, 2021	58,750 (paid)	450,000 (issued)	-	-
May 10, 2022[(1)]	75,000 (paid)	-	77,334 (issued)	35%
May 10, 2023[(2)]	100,000 (paid)	-	133,577 (issued)	51%
May 10, 2024	200,000	-	182,789	71%
May 10, 2025	500,000	-	253,032	80%
Total	**$ 962,500**	**800,000**	**$ 646,732**	**80%**

(1) Total of US$152,334 were paid directly to the underlying owner of the properties by Barrick Gold Corporation pursuant to an earn-in agreement with the Company (see disclosure under section "Earn-in agreement with Barrick Gold Corporation").

(2) Barrick Gold Corporation paid US$100,000 directly to the underlying owner of the properties. The Company issued 757,437 common shares with a fair value of US$133,577 ($181,785) to the underlying owner of the properties as per the terms of the underlying option agreement. The fair value per share was based on the listed market price of the Company's common shares at the date of issuance (Note 9).

As part of the earn-in commitment, the Company is required to deliver a technical report in accordance with NI 43-101, with the subject property being the more advanced of the properties.

For a period of 120 days after the exercise of the First Option, the Company will have the Second Option to acquire the remaining 20% (aggregate 100%) interest in Property group 1, by making a payment of US$400,000 cash and a payment of US$400,000 payable in common shares of the Company, or in cash (at the Company's option) to the underlying owners. Acquisition of 100% is subject to a 0.75% NSR Royalty, of which two-thirds of the royalty (0.5%) can be purchased at any time for US$1,000,000.

Earn-in agreement with Barrick

Effective February 25, 2022, the Company and Barrick Gold Corporation ("Barrick") entered into an earn-in agreement whereby Barrick has the right to acquire up to an 85% interest in the Company's Property group 1: Cerro Bayo, Cerro Bayo Sur and Flora Este. Barrick's earn-in right consists of an initial option (the "Barrick First Option") to acquire a 70% interest in the properties and a second option (the "Barrick Second Option") to acquire an additional 15% (aggregate 85%) interest.

The properties are currently subject to an underlying option agreement dated February 7, 2019, as amended, pursuant to which the Company has the right to acquire an ultimate 100% interest in the properties.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(e) Tres Cerros – Argentina *(Cont'd…)*

Earn-in agreement with Barrick Gold Corporation (Cont'd…)

The earn-in terms for the Barrick First Option (70% interest) and Barrick Second Option (15%) for an aggregate of 85% interest in Property group 1: Cerro Bayo, Cerro Bayo Sur and Flora Este are as follows:

Date	**Payments in cash to Latin Metals (US$)**	**Exploration expenditures (US$)**	**Technical report requirement[(2)]**
Barrick First Option			
February 25, 2022	$ 150,000 (received)	$ -	-
On or before February 25, 2023	50,000 (received)	-	-
On or before February 25, 2024	50,000	1,000,000[(1)]	-
On or before February 25, 2025	50,000	-	-
On or before February 25, 2026	75,000	-	-
On or before February 25, 2027	100,000	2,000,000	-
On or before February 25, 2028	125,000	-	-
On or before February 25, 2029	150,000	2,000,000	Preliminary Economic Assessment[(2)]
	750,000	**5,000,000**	
Barrick Second Option			
On or before February 25, 2030	175,000	-	-
On or before February 25, 2031	250,000	-	Prefeasibility Study[(2)]
	$ 1,175,000	**$ 5,000,000**	

(1) US$1,000,000 is a binding commitment (work or cash in lieu)
(2) Preliminary Economic Assessment and Prefeasibility Study prepared in accordance with NI 43-101

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(e) Tres Cerros – Argentina *(Cont'd…)*

Earn-in agreement with Barrick Gold Corporation *(Cont'd…)*

The table below represents the payments due under the underlying option agreement for Property group 1, assumed by Barrick:

Date[(1)(2)]	**Assumed payments due under underlying option agreement (US$)**[(3)]
April 20, 2022[(4)]	$ 152,334 (received)
April 20, 2023[(5)]	233,577 (received)
April 20, 2024	382,789
April 20, 2025	753,093
Upon the exercise of Company's Second Option with the underlying owners	800,000
Total	**$ 2,321,793**

(1) Subject to Barrick's right to accelerate and customary force majeure provisions.

(2) Amended on August 10, 2022 to adjust cash payment deadlines to May 5th if payment is made directly to Tres Cerros.

(3) Under the terms of the Underlying Option Agreement, payments may be made in cash and/or shares of Latin Metals, at the discretion of Latin Metals. If Latin Metals elects to satisfy a portion of these payments by the issuance of shares to the underlying owner, then the cash value of such issued shares will be paid by Barrick to Latin Metals and the amount to paid to the underlying owner will be reduced by a corresponding amount.

(4) Total of US$152,334 were paid by Barrick directly to the underlying owner of the properties on behalf of the Company.

(5) Barrick paid US$100,000 directly to the underlying owner of the properties and US$133,577 ($181,785) to the Company. The Company issued 757,437 common shares with a fair value of US$133,577 ($181,785) to the underlying owner of the properties as per the terms of the underlying option agreement. The fair value per share was based on the listed market price of the Company's common shares at the date of issuance.

Barrick may at any time during the term of the earn-in agreement accelerate the timing for payment of any or all cash payments to the Company and the underlying owner of the properties, delivery of technical studies, and incurring exploration expenditures.

Upon the exercise of the Barrick First Option, the Company and Barrick will form a joint venture for the continued exploration, development and, if warranted, mining of Property group 1. The initial participating interests of the parties in the joint venture will be Barrick – 70% and the Company – 30%. If Barrick exercises the Barrick Second Option, the interests of the participants will be Barrick – 85% and the Company – 15%. The party with the majority participating interest will be the operator of Property group 1. Funding of the joint venture's operations will be based on each party's proportionate participating interest, from time to time. Dilution of a party's participating interest will apply in the case of funding shortfalls by either party. If a party's participating interest in the joint venture falls to below 5%, it will be converted into a 1.5% NSR Royalty. The transfer of the NSR Royalty shall be subject to a right of first refusal in favour of the non-diluting party.

On October 27, 2023, the Company announced that Barrick had provided notice to the Company of their intention to relinquish the option to acquire up to 85% in Tres Cerros project and terminate the earn-in agreement, effective January 25, 2024.

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(f) Mirador – Argentina

The Company acquired Mirador sedimentary copper property by staking. The property consists of up to 99,000 hectares and is located approximately 110 km by road from Salta, Argentina. Mirador projects is adjacent to the Company's Solaris and Ventana projects.

(g) Solario – Argentina

The Company acquired a 100% interest in Solario copper project from a private company. The project covers approximately up to 171,000 hectares in Salta and is adjacent to the Company's Mirador project and Ventana Project.

(h) Ventana – Argentina

The Company acquired a 100% interest in Ventana copper project from a private company. The project covers approximately up to 176,500 hectares in Salta and are adjacent to the Company's Mirador project and Solario project.

(i) Lacsha Property – Peru

The Company acquired the Lacsha copper property by staking. The 100% owned property consists of 4,000 hectares and is located in the northern Lima-Ica portion of the Coastal Copper Blet, 110 km from Lima, Peru.

(j) Auquis Property – Peru

The Company acquired the Auquis copper property by staking. The 100% owned property consists of 3,600 hectares and is located in the northern Lima-Ica portion of the Coastal Copper Blet, 377 km south of Lima Peru.

(k) Jacha Property – Peru

The Company acquired the Jacha copper property by staking. The 100% owned property consists of 2,200 hectares and is located 150 km from Cuzco.

(l) Yanba Property – Peru

The Company acquired the Yanba copper property by staking. The 100% owned property consists of 4,000 hectares and is located and is located 91 km north of Lima and 20 km north-west form Lacsha property. During the year ended October 31, 2023 indicators of impairment were noted as the Company has no future plans for the property. The property's recoverable value was determined to be $nil, leading to an impairment write-down of $32,014, in accordance with Level 3 of the fair value hierarchy.

(m) Loli, Tilo, Para Properties – Peru

The Company acquired the three copper exploration projects by staking. The 100% owned projects cover 5,000 hectares and are located in the Coastal Copper Belt, Peru. The projects are located approximately 130 km southwest of the Company's Lacsha copper project.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(n) Exploration and evaluation assets continuity

	ARGENTINA	PERU	TOTAL
Balance, October 31, 2021	**$ 4,536,533**	**$ 443,220**	**$ 4,979,753**
Acquisition costs			
Shares issued for finder's fees, fair value	52,738	-	**52,738**
Option proceeds	(922,743)	-	**(922,743)**
Claim maintenance and legal fees	242,995	26,073	**269,068**
Total acquisition costs (proceeds) for the year	(627,010)	26,073	**(600,937)**
Exploration costs			
Community relations	-	40,651	**40,651**
Field expenses, incl. support contractors	-	158,608	**158,608**
Geological consulting	8,937	270,442	**279,379**
Geochemical	-	40,111	**40,111**
Geophysical	-	62,883	**62,883**
Total exploration costs for the year	8,937	572,695	**581,632**
Recovery	265,837	-	**265,837**
Impairment	(320,971)	-	**(320,971)**
Balance, October 31, 2022	**$ 3,863,326**	**$ 1,041,988**	**$ 4,905,314**
Acquisition costs			
Shares issued for option payment, fair value	181,785	-	**181,785**
Shares issued for finder's fees, fair value	96,039	-	**96,039**
Option payments and claim staking	634,419	-	**634,419**
Option proceeds	(987,090)	-	**(987,090)**
Sale proceeds	(900,000)	-	**(900,000)**
Claim maintenance and legal fees	192,937	28,331	**221,268**
Total acquisition costs(proceeds) for the year	(781,910)	28,331	**(753,579)**
Exploration costs			
Community relations	-	29,872	**29,872**
Field expenses, incl. support contractors	-	118,544	**118,544**
Geological consultants and contractors	-	95,695	**95,695**
Geochemical	-	17,215	**17,215**
Geophysical	-	139,043	**139,043**
Salaries	-	42,400	**42,400**
Share-based compensation	-	49,463	**49,463**
IVA non-refundable	-	28,199	**28,199**
Total exploration costs for the year	-	520,431	**520,431**
Recovery	457,530	-	**457,530**
Impairment	-	(32,014)	**(32,014)**
Balance, October 31, 2023	**$ 3,538,946**	**$ 1,558,736**	**$ 5,097,682**

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (Cont'd…)

(n) Exploration and evaluation assets continuity *(Cont'd…)*

ARGENTINIAN EXPLORATION PROPERTIES	Salta Properties	Tres Cerros	Esperanza	El Quemado	Mirador	Solario	Ventana	TOTAL Argentina
Balance, October 31, 2021	**$ 36,309**	**$ 602,996**	**$ 3,296,305**	**$ 600,923**	**$ -**	**$ -**	**$ -**	**$ 4,536,533**
Acquisition costs								
Shares issued for finder's fees, fair value	-	-	52,738	-	-	-	-	**52,738**
Option proceeds	(345,510)	(191,205)	(317,850)	(68,178)	-	-	-	**(922,743)**
Claim maintenance and legal fees	43,364	155,431	11,460	32,740	-	-	-	**242,995**
Total acquisition costs (proceeds) for the year	(302,146)	(35,774)	(253,652)	(35,438)	-	-	-	**(627,010)**
Exploration costs								
Geological consulting	-	8,937	-	-	-	-	-	**8,937**
Total exploration costs for the year	-	8,937	-	-	-	-	-	**8,937**
Recovery	265,837	-	-	-	-	-	-	**265,837**
Impairment	-	(320,971)	-	-	-	-	-	**(320,971)**
Balance, October 31, 2022	**$ -**	**$ 255,188**	**$ 3,042,653**	**$ 565,485**	**$ -**	**$ -**	**$ -**	**$ 3,863,326**
Acquisition costs								
Shares issued for option payment, fair value	-	181,785	-	-	-	-	-	**181,785**
Shares issued for finder's fees, fair value	-	-	96,039	-	-	-	-	**96,039**
Option payments and claims staking	-	-	603,967	-	19,270	5,591	5,591	**634,419**
Option proceeds	(133,750)	(249,650)	(603,690)	-	-	-	-	**(987,090)**
Sale proceeds	-	-	-	(900,000)	-	-	-	**(900,000)**
Claim maintenance and legal fees	-	16,127	16,381	10,735	125,643	12,107	11,944	**192,937**
Total acquisition costs (proceeds) for the year	(133,750)	(51,738)	112,697	(889,265)	144,913	17,698	17,535	**(781,910)**
Recovery	133,750	-	-	323,780	-	-	-	**457,530**
Balance, October 31, 2023	**$ -**	**$ 203,450**	**$ 3,155,350**	**$ -**	**$ 144,913**	**$ 17,698**	**$ 17,535**	**$ 3,538,946**

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

(n) Exploration and evaluation assets continuity *(Cont'd…)*

PERUVIAN EXPLORATION PROPERTIES	Lacsha	Auquis	Jacha	Yanba	Para	Tilo	Loli	Total Peru
Balance, October 31, 2021	**$ 286,120**	**$ 75,184**	**$ 46,027**	**$ 15,996**	**$ 7,686**	**$ 8,082**	**$ 4,125**	**$ 443,220**
Acquisition costs								
Claim maintenance and legal fees	7,547	13,585	-	-	4,941	-	-	**26,073**
Total acquisition costs for the year	7,547	13,585	-	-	4,941	-	-	**26,073**
Exploration costs								
Community relations	38,631	2,020	-	-	-	-	-	**40,651**
Field expenses	110,051	43,372	3,892	1,214	-	80	-	**158,609**
Geological consulting	173,086	84,895	5,647	402	-	6,411	-	**270,441**
Geochemical	21,038	19,073	-	-	-	-	-	**40,111**
Geophysical	62,883	-	-	-	-	-	-	**62,883**
Total exploration costs for the year	405,689	149,360	9,539	1,616	-	6,491	-	**572,695**
Balance, October 31, 2022	**$ 699,356**	**$ 238,129**	**$ 55,566**	**$ 17,612**	**$ 12,627**	**$ 14,573**	**$ 4,125**	**$ 1,041,988**
Acquisition costs								
Claim maintenance and legal fees	7,742	2,493	-	811	5,391	7,929	3,965	**28,331**
Total acquisition costs for the year	7,742	2,493	-	811	5,391	7,929	3,965	**28,331**
Exploration costs								
Community relations	15,383	7,018	4,113	296	764	2,298	-	**29,872**
Field expenses, incl. support contractors	37,282	41,955	6,668	50	20,379	12,210	-	**118,544**
Geological consulting	26,644	20,396	4,312	13,245	10,895	18,229	1,974	**95,695**
Geochemical	-	426	-	-	4,362	12,427	-	**17,215**
Geophysical	-	88,669	664	-	16,045	33,665	-	**139,043**
Salaries	-	7,554	8,727	-	8,518	8,518	9,083	**42,400**
Share-based compensation	24,732	24,731	-	-	-	-	-	**49,463**
IVA non-refundable	-	16,078	120	-	3,683	8,318	-	**28,199**
Total exploration costs for the year	104,041	206,827	24,604	13,591	64,646	95,665	11,057	**520,431**
Impairment	-	-	-	(32,014)	-	-	-	**(32,014)**
Balance, October 31, 2023	**$ 811,139**	**$ 447,449**	**$ 80,170**	**$ -**	**$ 82,664**	**$ 118,167**	**$ 19,147**	**$ 1,558,736**

(Expressed in Canadian dollars)

7. LEASE LIABILITY

The Company recognized ROU assets in respect to long-term office lease (Notes 5 and 10). The Company is utilizing an incremental borrowing rate of 18% for calculating office lease liabilities and ROU assets.

Lease liabilities	**October 31, 2023**	**October 31, 2022**
Opening balance	$ 77,498	$ -
Additions – lease modification (note 5)	29,090	82,980
Lease payments	(47,709)	(9,000)
Lease interest	15,111	3,518
Ending balance	73,990	$ 77,498
Current portion	40,736	$ 22,174
Long-term portion	33,254	55,324
	73,990	$ 77,498

Lease liabilities *Contractual undiscounted cash flows:*	**October 31, 2023**	**October 31, 2022**
Less than one year	$ 50,051	$ 36,000
One+ to five years	37,538	63,000
Total undiscounted lease liabilities	$ 87,589	$ 99,000

Subsequent to October 31, 2023, the Company negotiated termination of the office lease agreement with the lessor, effective February 1, 2024, without incurring any penalties for early termination.

8. SHORT-TERM LOANS

During the year ended October 31, 2023, the Company secured loans in the aggregate amount of $600,000, of which $400,000 are from related parties (Note 10) and $200,000 from arm's length parties (the "Loans"). The Loans have a one-year term and bear interest at the rate of 10% per annum compounded annually, payable on the maturity date. In connection with the Loans, the Company issued 6,000,000 common share purchase warrants to the lenders. Each warrant entitles the holder to purchase one common share of the Company for a period of one year at an exercise price of $0.10 per share (Note 9).

The short-term loans with attached warrants meet the definition of compound financial instrument under IAS 32, requiring bifurcation between liability and equity components. On inception, the Company allocated the total proceeds received between the liability and equity components (warrants) using the residual method, based on a discount rate of 18%, which is the estimated cost at which the Company could borrow similar debt without any equity instruments attached. The liability component is measured at amortized cost and is accrued over the term to maturity using the effective interest method. The equity component is presented as a component of shareholders' equity.

(Expressed in Canadian dollars)

8. SHORT-TERM LOANS *(Cont'd…)*

The continuity of the Loans is as follows:

		October 31, 2023
Balance, October 31, 2021 and 2022	$	-
Loan proceeds received		600,000
Equity component of loans		(35,720)
Transaction costs		(16,310)
Accretion to face value of the Loans – finance costs		754
Balance, October 31, 2023	$	548,724

During the year ended October 31, 2023, the Company accrued interest expense in connection with the Loans in the amount of $10,097 (2022 - $nil), of which $7,097 is interest expense accrued in relation to the related parties Loans. Accrued interest expense is presented as part of finance costs in the consolidated statements of loss and comprehensive loss. As at October 31, 2023, accrued interest on the loan of $10,097 (2022 - $nil) is included within accounts payable and accrued liabilities.

9. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of voting common shares without nominal or par value.

Share issuances

Year ended October 31, 2023

On February 28, 2023, the Company issued 757,437 common shares fair-valued at $0.24 per share for a total of $181,785 (US$133,577) for option payment on Tres Cerros property (Note 6(e) - Tres Ceros – Argentina). The fair value per share was based on the listed market price of the Company's common shares at the date of issuance of the shares.

On February 17, 2023, the Company issued 45,000 shares pursuant to the exercise of 45,000 stock options at an exercise price of $0.06 for gross proceeds of $2,700. The Company transferred $1,620 from equity reserves to share capital upon the exercise of the stock options.

On December 15, 2022, the Company issued 711,400 common shares for the last tranche of a finders' fee on a property acquisition, fair-valued at $0.135 per share for a total of $96,039 (US$70,820) (Note 6(d) - Esperanza – Argentina). The fair value per share was based on the listed market price of the Company's common shares at the last trading date immediately preceding the date of issuance.

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES *(Cont'd…)*

Share issuances *(Cont'd…)*

Year ended October 31, 2022

On October 31, 2022, the Company closed its previously announced non-brokered private placement for aggregate gross proceeds of $1,227,612 through the issuance of 12,276,117 units at a subscription price of $0.10 per unit. Each unit consists of one common share in the capital of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one common share at a price of $0.20 per share until October 31, 2025.

In connection with the non-brokered private placement, the Company incurred share issuance costs in the amount of $37,087, of which $1,750 for cash commission and $35,337 for legal and regulatory fees.

In addition, the Company issued 390,656 common shares for a finders' fee on a property acquisition, fair-valued at $0.135 per share for a total of $52,738 (US$41,260) (Note 6(d) - Esperanza – Argentina). The fair value per share was based on the listed market price of the Company's common shares at the date of issuance.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may, from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Such options will be exercisable for a period of up to five years from the date of grant. Vesting of stock options is at the discretion of the Board of Directors.

Stock option transactions for the years ended October 31, 2023 and 2022 are summarized as follows:

	October 31, 2023		**October 31, 2022**	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of the year	5,470,000	$ 0.13	5,470,000	$ 0.13
Granted	5,030,000	$ 0.13	-	$ -
Exercised	(45,000)	$ 0.06	-	$ -
Expired	(4,320,000)	$ 0.13	-	$ -
Options outstanding and exercisable, end of the year	6,135,000	$ 0.13	5,470,000	$ 0.13

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES *(Cont'd…)*

Stock options *(Cont'd…)*

As at October 31, 2023, the Company had stock options outstanding and exercisable enabling the holder to acquire common shares as follows:

Number of shares	Exercise price per option	Expiry Date	Remaining life in years
150,000[1]	$0.16	January 13, 2024	0.2
955,000	$0.15	October 20, 2024	1.0
1,700,000	$0.13	November 14, 2025	2.0
3,330,000	$0.13	December 8, 2025	2.1
6,135,000	$0.13		1.9

[1] Expired unexercised subsequent to October 31, 2023.

The weighted average remaining contractual life of options outstanding at October 31, 2023 was 1.9 years (2022 - 0.4 year).

During the year ended October 31, 2023, the Company granted 5,030,000 stock options fair-valued at a weighted average fair value of $0.10 per option. No stock options have been granted during the year ended October 31, 2022.

Share-based compensation expense for the year ended October 31, 2023 was $497,722, of which $49,463 was allocated to exploration and evaluation assets.

During the year ended October 31, 2023, 45,000 stock options fair valued at $0.036 were exercised and the Company transferred $1,620 from equity reserves to share capital upon exercise of the stock options.

The Company uses the Black-Scholes option pricing model to fair-value stock options granted and compensatory warrants issued. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The following weighted average assumptions were used to fair-value stock options granted during the year ended October 31, 2023:

Stock options fair value assumptions	**October 31, 2023**
Risk-free interest rate	3.62%
Expected life of options	3
Annualized volatility	114%
Dividend rate	0%
Forfeiture rate	0%

The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected life of options is the average expected period to exercise. Volatility is based on available historical volatility of the Company's share price.

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES *(Cont'd…)*

Warrants

The following common share purchase warrants entitle the holders thereof to purchase one common share for each warrant.

Warrants transactions for the years ended October 31, 2023 and 2022 are summarized as follows:

	October 31, 2023		October 31, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning of the year	16,609,450	$ 0.21	4,605,679	$ 0.24
Issued (note 8 and 9)	6,000,000	$ 0.10	12,276,117	$ 0.20
Expired	(4,333,333)	$ 0.25	(272,346)	$ 0.15
Warrants outstanding, end of the year	18,276,117	$ 0.17	16,609,450	$ 0.21

Warrants outstanding as at October 31, 2023 are as follows:

Number of Warrants	Exercise Price	Expiry Date	Remaining life in years
12,276,117	$ 0.20	October 31, 2025	2.0
6,000,000	$ 0.10	September 27, 2024	0.9
18,276,117	$ 0.17		1.6

The weighted average remaining contractual life of warrants outstanding at October 31, 2023, was 1.6 years (2022 - 2.5 years).

10. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing, and have no specific terms of settlement, unless otherwise noted.

Key management personnel compensation

The Company's key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. The Company's key management personnel comprise officers and directors of the Company. Key management personnel compensation is as follows:

	2023	2022
Directors' fees, salaries and benefits	$ 233,750	$ 189,033
Consulting fees(1)	92,680	72,200
Share-based compensation	336,476	-
	$ 662,906	**$ 261,233**

(1) Fees paid to a private corporation for personnel that is acting as key management of the Company.

(Expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS *(Cont'd…)*

Key management personnel compensation *(Cont'd…)*

As at October 31, 2023 the Company had amounts payable to key management personnel of $41,706 included in accounts payable and accrued liabilities (2022 - $28,947).

No post-employment benefits, termination benefits, or other long-term benefits were paid to or recorded for key management personnel during the years ended October 31, 2023 and 2022.

Loans from related parties

During the year ended October 31, 2023, the Company secured short-term loans in the amount of $75,000 from the CEO and $325,000 from two directors of the Company, totalling $400,000. In connection with the Loans, the Company issued 4,000,000 common share purchase warrants in aggregate to the related parties (Note 8 and 9).

As at October 31, 2023, the Company accrued interest of $7,097 payable to related parties in respect of the Loans (2022 - $nil), included in accounts payable and accrued liabilities.

Office lease agreement

Effective August 1, 2022, the Company entered into an office sub-lease agreement with a term of three years, with Velocity Minerals Ltd. ("Velocity"). The Company and Velocity share a common officer and director. Prior to this agreement, the Company reimbursed Velocity for office rent on a month-to-month basis with no fixed term commitment.

		2023		**2022**
Rent	$	47,709	$	27,000
	$	**47,709**	**$**	**27,000**

As at October 31, 2023 the Company had amounts payable to Velocity of $8,342 (2022 - $783).

Subsequent to October 31, 2023, Velocity, as a head lessee, sublet the office to a third party, effective February 1, 2024. The Company and Velocity reached an agreement to terminate the office sub-lease agreement between the Company and Velocity effective February 1, 2024, without any penalties for the Company.

(Expressed in Canadian dollars)

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2023	2022
Interest paid	$ -	$ -
Income taxes paid	-	-
Depreciation included in exploration and evaluation assets	10,564	-
Net change in accounts payable and accrued liabilities included in exploration and evaluation assets	(57,194)	(10,600)
Share-based compensation included in exploration and evaluation assets	49,463	-
Shares issued for finder's fees - mineral exploration properties, fair value	96,039	52,738
Shares issued for option payment - mineral exploration properties, fair value	181,785	-
Fair value of shares received on sale of El Quemado property	500,000	-

(Expressed in Canadian dollars)

12. INCOME TAXES (DISCLOSURE OUTSTANDING)

A reconciliation of income taxes at statutory rates with the reported taxes for the years ended October 31, 2023 and 2022, is as follows:

	2023	**2022**
Loss for the year	($1,075,404)	$ (1,077,339)
Statutory income tax rate	27.00%	27.00%
Expected income tax recovery	(290,359)	(290,882)
Non-deductible, deductible and other items	(69,111)	24,463
Differences between Canadian and foreign tax rates	14,509	1,103
Change in timing differences	(7,570)	(125,274)
Effect of change in tax rates	(89,248)	-
Under (over) provided in prior years	206,242	-
Unused tax losses and tax offsets	235,537	390,590
Income tax expense	$ -	$ -

Significant tax benefits and unused tax losses for which no deferred tax asset is recognized as of October 31, 2023 and 2022 are as follows:

	2023	**2022**
Deferred income tax asset from non-capital losses	$ 1,340,591	$ 3,590,682
Deferred income tax liability from investments	(42,056)	-
Deferred income tax liability from property and equipment	(9,150)	-
Deferred income tax liability from short-term loans	(9,710)	-
Deferred income tax liability from exploration and evaluation assets	(1,279,675)	(3,590,682)
Net deferred income tax assets	$ -	$ -

The significant components of the Company's unrecognized deferred income tax assets as at October 31, 2023 and 2022 are as follows:

	2023	**2022**
Non-capital losses carried forward	$ 1,839,290	$ 1,576,290
Equipment	-	7,339
Share issue costs	7,997	19,031
Capital losses carried forward	1,009,742	1,009,742
Net deferred income tax assets not recognized	$ 2,857,029	$ 2,612,402

At October 31, 2023, the Company has $7,751,081 in non-capital losses for Canadian and Argentinean tax purposes. These losses, if not utilized, will expire between 2026 and 2043. Future tax benefits that may arise as a result of these non-capital losses have not been recognized in these consolidated financial statements due to the uncertainty of their realization.

13. FINANCIAL RISK MANAGEMENT AND MANAGEMENT OF CAPITAL

Fair value

The Company's financial instruments as at October 31, 2023 consist of cash and cash equivalents, receivables, net of input tax credits of $7,800, investments, accounts payable, lease liability and short-term loans.

Cash and cash equivalents and investments are designated as FVTPL. Receivables, accounts payable, lease liability and short-term loans are classified as amortized cost.

The fair values of the Company's receivables, net of input tax credits, and accounts payable and accrued liabilities approximate their carrying amounts due to their short-term nature.

Fair value hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash and cash equivalents have been fair valued using Level 1 of the fair value hierarchy.

The Company's investments in common shares and warrants of SALi (Note 4) have been fair valued using Level 3 inputs of the fair value hierarchy.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, and receivables. Cash and cash equivalents are maintained with financial institutions of reputable credit and are redeemable on demand.

The carrying amount of receivables, represents the maximum credit exposure.

13. FINANCIAL RISK MANAGEMENT AND MANAGEMENT OF CAPITAL *(Cont'd…)*

Financial risk management *(Cont'd…)*

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is engaged in ongoing evaluation of opportunities to improve its financial position which includes, but is not limited to, additional equity financings, obtaining exploration partners and/or the sale of assets. At October 31, 2023, the Company had working capital deficiency of $331,685 (2022 - working capital of $1,002,053).

At October 31, 2023, the Company had accounts payable and accrued liabilities of $259,581 (2022 - $224,155) due within 90 days, a short-term lease liability undiscounted balance of $50,051 (2022 - $36,000) (Note 7), and undiscounted short-term Loans principal balance of $600,000 (2022 - $nil) (Note 8).

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no outstanding debt subject to variable interest. Accordingly, the Company does not believe it is exposed to significant interest rate risk on its cash balances which are held in accounts subject to variable rates.

Foreign exchange risk
The Company operates in Canada, Argentina, and Peru and its expenses are incurred in CAD, USD, ARS, and PEN but funded primarily in Canadian dollars and US dollars. The Company is affected by currency transaction risk, which may affect the Company's operating results and may also affect the value of the Company's assets and liabilities as exchange rates fluctuate. Based on this exposure, as at October 31, 2023, a 5% change in exchange rates could result in a change in the net loss by approximately $18,000. The Company has not hedged its exposure to currency risk.

Price risk
Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investments in SALi, a private company. The maximum exposure to other price risk is the carrying value of the investment.

Management of capital

The Company's objectives in managing its capital (items included in shareholders' equity) are to fund acquisition, exploration and development of its exploration and evaluation assets and to meet its administrative and corporate activities to ensure that the Company continues as a going concern.

The Company is an exploration stage company and is currently unable to self-finance its operations. The Company has historically relied on equity financings to raise sufficient funds to carry out its exploration and acquisition activities and pay its administrative costs. Therefore, the Company intends to raise additional funds as required to carry out its planned activities**.**

(Expressed in Canadian dollars)

13. FINANCIAL RISK MANAGEMENT AND MANAGEMENT OF CAPITAL *(Cont'd…)*

Financial risk management *(Cont'd…)*

The Company manages the capital structure and makes appropriate adjustments to it based upon changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets. In order to manage its capital requirements management has put into place a planning and budgeting process.

The Company is not subject to any externally imposed capital requirements or restrictions, and there were no changes to the Company's approach to managing capital during the years ended October 31, 2023 and 2022.

14. SEGMENTED INFORMATION

The Company operates in one industry segment, the mineral resources industry, and in three geographical segments, Canada, Argentina, and Peru. The significant long-term asset categories identifiable with these geographical areas are as follows:

	October 31, 2023			
	Canada	**Argentina**	**Peru**	**Total**
Investments	$ 811,526	$ -	$ -	$ 811,526
Exploration and evaluation assets	-	3,538,946	1,558,736	5,097,682
Property and equipment	75,514	5,785	54,239	135,538
Total long-term assets	**$ 887,040**	**$ 3,544,731**	**$ 1,612,975**	**$ 6,044,746**

	October 31, 2022			
	Canada	**Argentina**	**Peru**	**Total**
Exploration and evaluation assets	$ -	$ 3,863,326	$ 1,041,988	$ 4,905,314
Property and equipment	79,886	5,804	3,512	89,202
Total long-term assets	**$ 79,886**	**$ 3,869,130**	**$ 1,045,500**	**$ 4,994,516**

15. SUBSEQUENT EVENT

Private placement

On February 6, 2024, the Company completed a non-brokered private placement issuing 10,000,000 units at $0.07 per units for gross proceeds of $700,000. Each unit consists of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share at a price of $0.15 per share for a period of 24 months from the closing of the private placement.

In connection with the financing the Company paid finder's fees in the amount of $17,640 and issued 251,999 finders warrants. Each finder's warrant entitles the holder to purchase one common share in the capital of the Company at a price of $0.07 per share until February 6, 2025.