LATIN METALS INC.

(An Exploration Stage Company – Prospect Generator)

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

For the years ended October 31, 2024 and 2023

Corporate Registered Office

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INDEPENDENT AUDITOR'S 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, 2024 and 2023;
- 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 material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2024 and 2023, 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 *Auditor's 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 $2,176,654 during the year ended October 31, 2024 and, as of that date, has an accumulated deficit of $14,487,002. 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, 2024. 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 other key audit matters to communicate in our auditor's report.

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 auditor's 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.

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the 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 auditor's 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 auditor's report is Karen Ka Yee Cheng.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
February 26, 2025

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LATIN METALS INC.

(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

		October 31, 2024		October 31, 2023
ASSETS				
Current				
Cash and cash equivalents	$	1,072,099	$	333,624
Receivables		18,340		54,217
Prepaid expenses		60,497		129,515
Investments (note 4)		180,334		-
		1,331,270		517,356
Investments (note 4)		-		811,526
Property and equipment (note 5)		54,864		135,538
Exploration and evaluation assets (note 6)		5,533,032		5,097,682
Total Assets	**$**	**6,919,166**	**$**	**6,562,102**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (notes 8 and 10)	$	324,688	$	259,581
Lease liabilities, current (note 7)		-		40,736
Short-term loans (note 8)		-		548,724
		324,688		849,041
Lease liabilities, long term (note 7)		-		33,254
		324,688		882,295
Shareholders' Equity				
Share capital (note 9)		17,963,869		15,187,295
Reserves (note 9)		3,117,611		2,802,860
Deficit		(14,487,002)		(12,310,348)
Total Shareholders' Equity		6,594,478		5,679,807
Total Liabilities and Shareholders' Equity	**$**	**6,919,166**	**$**	**6,562,102**

Approved on behalf of the Board of Directors on February 26, 2025 by:

"Keith Henderson" Director *"Felicia de la Paz"* 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

	2024	2023
Operating expenses (recoveries)		
Consulting fees (note 10)	$ 407,779	$ 499,427
Depreciation (note 5)	19,526	38,417
Impairment loss on VAT receivable and other	17,291	42,142
Investor relations and promotion	122,762	232,197
Office and general	98,187	124,743
Professional fees	244,313	175,476
Property investigation costs	84,941	40,359
Recoveries of exploration and evaluation assets (note 6)	(205,110)	(457,530)
Regulatory and transfer agent	55,371	63,340
Salaries, benefits, and directors' fees (note 10)	313,717	251,767
Share-based compensation (notes 9 and 10)	212,526	448,259
Travel	33,402	85,846
Loss from operations	(1,404,705)	(1,544,443)
Other items		
Fair value remeasurement of investments (note 4)	(631,192)	311,526
Finance costs (notes 7 and 8)	(108,852)	(25,962)
Foreign exchange gain	53,779	217,392
Impairment of exploration and evaluation assets (note 6)	(91,625)	(32,014)
Gain on lease termination (notes 6 and 7)	4,791	-
Other income (expense)	1,150	(1,903)
	(771,949)	469,039
Loss and comprehensive loss for the year	**$ (2,176,654)**	**$ (1,075,404)**
Basic and diluted loss per share	**$ (0.03)**	**$ (0.02)**
Weighted average number of common shares outstanding – basic and diluted	**81,492,736**	**71,126,085**

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, 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**
Shares issued for cash:					
Private placement at $0.07 per unit, net of share issuance costs	10,000,000	662,568	8,522	-	671,090
Private placement at $0.08 per unit, net of share issuance costs	25,000,000	1,810,029	96,977	-	1,907,006
Warrants exercise	500,000	53,274	(3,274)	-	50,000
Shares issued for non-cash:					
Property acquisition – option payment	2,725,033	250,703	-	-	250,703
Share-based compensation expense	-	-	212,526	-	215,526
Net loss for the year	-	-	-	(2,176,654)	(2,176,654)
Balance, October 31, 2024	**109,701,284**	**$ 17,963,869**	**$ 3,117,611**	**$ (14,487,002)**	**$ 6,594,478**

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (2,176,654)	$ (1,075,404)
Items not affecting cash:		
Depreciation	19,526	38,417
Fair value remeasurement of investments	631,192	(311,526)
Finance costs	108,852	25,962
Foreign exchange	(510)	-
Gain on lease termination	(4,791)	-
Impairment of exploration and evaluation assets	91,625	32,014
Recovery of exploration and evaluation assets	(205,110)	(457,530)
Share-based compensation	212,526	448,259
Changes in non-cash working capital items:		
Receivables	35,877	8,131
Prepaid expenses	69,018	(79,677)
Accounts payable and accrued liabilities	123,286	(31,865)
Net cash used by operating activities	(1,095,163)	(1,403,219)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment	(4,757)	(66,227)
Option proceeds and proceeds from sale of exploration and evaluation assets	684,260	1,387,090
Expenditures on exploration and evaluation assets	(797,231)	(1,258,897)
Net cash (used by) provided by investing activities	(117,728)	61,966
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements, net of share issue costs	2,578,096	-
Proceeds from issuance of shares – warrants exercise	50,000	2,700
Proceeds from issuance of short-term loans, net	239,145	583,690
Repayment of short-term loans	(903,362)	-
Payment of lease liability	(12,513)	(47,709)
Net cash provided by financing activities	1,951,366	538,681
Change in cash and cash equivalents for the year	738,475	(802,572)
Cash and cash equivalents, beginning of the year	333,624	1,136,196
Cash and cash equivalents, end of the year	$ 1,072,099	$ 333,624

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 880 – 320 Granville Street, Vancouver, BC, V6C 1S9, Canada.

As at October 31, 2024, the Company has working capital of $1,006,582 (2023 - working capital deficiency of $331,685) and an accumulated deficit of $14,487,002 (2023 - $12,310,348). The Company recorded a net loss of $2,176,654 for the year ended October 31, 2024 (2023 - $1,075,404).

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, 2025.

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

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. All intercompany transactions and balances are eliminated on consolidation.

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 in equity instrument

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, prior to its public listing on May 17, 2024, was determined based on assumptions considered to be reasonable and consistent with those that would be applied by a market participant.

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. MATERIAL 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

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

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.

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 non-financial 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 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.

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

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.

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.

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

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, vested forfeited 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.

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

Financial Assets

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.

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

Financial instruments *(Cont'd…)*

Financial Assets *(Cont'd…)*

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.

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.

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

Financial instruments *(Cont'd…)*

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.

(Expressed in Canadian dollars)

4. INVESTMENTS

The Company's investments consist of common shares and share purchase warrants issued to the Company by 1477445 B.C. Ltd (formerly South American Lithium Corp.) ("SALi"), as part of the purchase price of El Quemado project (Note 6(b)). SALi was a privately held company until May 17, 2024, when, following a reverse acquisition ("RTO"), it commenced trading on the Canadian Securities Exchange ("CSE") under the symbol SALI.

	Common shares	Warrants	Total
Balance, October 31, 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**
Changes in fair value	(360,000)	(271,192)	(631,192)
Balance, October 31, 2024	**$ 140,000**	**$ 40,334**	**$ 180,334**

As at October 31, 2024 and 2023, the Company held 1,000,000 of SALi's common shares and 1,000,000 SALi's share purchase warrants, each warrant entitling the Company to purchase one common share of SALi at $1.00 until March 10, 2028.

As at October 31, 2024, SALi's common shares were measured using Level 1 of the fair value hierarchy inputs - quoted price available on the CSE. As at October 31, 2023, the SALi common shares were 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.

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, 2024**	**October 31, 2023**
Risk-free interest rate	2.99%	4.18%
Expected life of options	3.4	4.4
Annualized volatility	100%	100%
Dividend rate	0%	0%
Share price (fair value)	$0.14	$0.50

(Expressed in Canadian dollars)

5. PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost and at October 31, 2024 and 2023 was comprised as follows:

	Computers & software	Right-of-use asset	Field Equipment	Total
Cost				
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**
Additions	-	-	4,757	4,757
Office lease termination	-	(112,070)	-	(112,070)
Balance, October 31, 2024	**$ 33,619**	**$ -**	**$ 66,099**	**$ 99,718**
Accumulated depreciation				
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**
Depreciation	9,578	9,948	6,218	25,744
Office lease termination	-	(52,383)	-	(52,383)
Balance, October 31, 2024	**$ 28,072**	**$ -**	**$ 16,782**	**$ 44,854**
Carrying amounts				
At October 31, 2023	$ 15,125	$ 69,635	$ 50,778	$ 135,538
At October 31, 2024	**$ 5,547**	**$ -**	**$ 49,317**	**$ 54,864**

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%. Office lease agreement was terminated effective January 31, 2024.

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.

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

(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.

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

During the year ended October 31, 2023, the Company completed the 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.

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.

(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…)*

The terms of the Option are as follows:

Date (on or before)	Payments in cash to Latin Metals (US$)		Expenditures commitments (US$)	
June 17, 2022	$	275,000 (received)	$	-
June 2, 2023		100,000 (received)		-
June 2, 2024		150,000 (received)		2,000,000 (incurred)
June 2, 2025		200,000		-
June 2, 2026		850,000		4,000,000
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%.

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.

(Expressed in Canadian dollars)

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

(d) Esperanza and Huachi – Argentina

Esperanza property

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, as amended, 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.

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 (paid)	-
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.

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, 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).

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

(d) Esperanza and Huachi – Argentina *(Cont'd…)*

Huachi property

On March 13, 2024, the Company announced that it has entered into a binding letter agreement with Golden Arrow Resources Corp. ("Golden Arrow") to earn up to a 100% interest in the 3,500-hectare Huachi property. Huachi is contiguous with the Company's Esperanza project, located in San Juan Province, Argentina. Under the terms of the letter agreement, the Company has been granted the option to earn an initial 75% interest in the Huachi property by incurring exploration expenditures totaling US$1,000,000 and making cash payments of US$1,000,000 to Golden Arrow over a four-year period from the date that the environmental permit for the project is approved and is in force to allow reasonable exploration activities, including drilling. The grant of the permit is still pending.

The Company shall have a top-up right, within 90 days following the exercise of the option, whereby it can purchase the remaining 25% interest in the Huachi property (aggregate 100%) by paying US$2,000,000 cash to Golden Arrow. Upon completion of the acquisition, Golden Arrow's interest shall be reduced to a 1% NSR royalty.

Earn-in agreement with Libero Copper and Gold Corporation (terminated)

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"). In order to fulfil the option, Libero had to pay to the Company US$2,403,000 over 4.5 years and incur an aggregate of US$2,000,000 of exploration expenditures on the project.

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. For the duration of the agreement, Libero had paid to the Company US$920,000, of which US$450,000 was paid during the year ended October 31, 2023.

Earn-in agreement with Atlantic Metals Limited

On October 7, 2024, the Company signed a binding letter agreement with Atlantic Metals Limited ("Atlantic"), a wholly owned subsidiary of Moxico Resources plc., a private copper mining company. Under the terms of the letter agreement, the Company granted Atlantic an option to earn a 75% interest in the Esperanza and Huachi copper exploration projects ("Atlantic earn-in agreement").

In order to fulfil the option, Atlantic is required to:

- Make staged cash payments to the Company in the aggregate amount of US$2,775,000;
- Complete at least 65,000 meters of drilling on the projects;
- Deliver independent NI 43-101 compliant technical reports to Latin Metals on the Projects setting out an initial mineral resource estimate, preliminary economic assessment and a bankable feasibility study;
- Assume the outstanding cash payment obligations of the Company to the underlying owners of Esperanza and Huachi projects; and
- Assume the work expenditure commitments at the Huachi project.

(Expressed in Canadian dollars)

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

(d) Esperanza and Huachi – Argentina *(Cont'd…)*

Earn-in agreement with Atlantic Metals Limited *(Cont'd…)*

The tables below detail the Atlantic earn-in requirements:

Date [1] (on or before)	**Payments in cash to Latin Metals (US$)**	**Drilling[2] (meters)**	**NI 43-101 Compliant Technical reports[2]**
October 7, 2024	350,000 (received)	-	-
October 7, 2025	150,000[3]	5,000[4]	-
October 7, 2026	150,000	10,000	-
October 7, 2027	225,000	20,000	Mineral resource estimate
October 7, 2028	350,000	15,000	Prelim. Economic Assessment
October 7, 2029	500,000	15,000	Bankable Feasibility Study
October 7, 2030	1,050,000	-	-
Total	**2,775,000**	**65,000**	

(1) Milestone dates shall be automatically extended in respect to drilling and technical reports requirements until receipt of the Esperanza drilling permit or the Huachi drilling permit.

(2) The drilling commitments and technical report commitments can be satisfied on either the Esperanza or the Huachi projects. However, a portion of the drilling shall be conducted on the Huachi project to ensure compliance with the underlying option agreement for Huachi, which requires exploration expenditures of US$1,000,000.

(3) Firm commitment; provided that (i) amount shall be reduced by US$100,000 (i.e., to US$50,000) if the Esperanza drilling permit is not received by June 30, 2025, and (ii) payment shall no longer be a firm commitment if the Esperanza drilling permit is not received by December 31, 2025.

(4) Firm commitment, subject to receipt of the Esperanza drilling permit or the Huachi drilling permit.

Requirements under the option agreements with the underlying owners of Esperanza and Huachi:

Esperanza **Date (on or before)**	**Assumed Cash payments (US$)[1]**
30 days following receipt of a drilling permit	250,000
12 months following receipt of a drilling permit	250,000
18 months following receipt of a drilling permit	500,000[2]
24 months following a receipt of a drilling permit	633,000[3]
Total	**1,633,000**

(1) The assumed cash payments due under the underlying Esperanza option agreement shall be made by Atlantic to, or to the direction of the Company at least 15 business days prior to the date for the payment of same set out above, which payments shall then be forwarded by the Company to the underlying owners of Esperanza project.

(2) Payment comprised of US$250,000 assumed payment and US$250,000 deemed cash price of the Company's common shares being issued to the underlying Esperanza as per the terms of the underlying Esperanza option agreement.

(3) Payment comprised of US$383,000 assumed payment and US$250,000 deemed cash price of the Company's common shares being issued to the underlying Esperanza as per the terms of the underlying Esperanza option agreement.

(Expressed in Canadian dollars)

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

(d) Esperanza and Huachi – Argentina *(Cont'd…)*

Earn-in agreement with Atlantic Metals Limited *(Cont'd…)*

Huachi **Date (on or before)**	**Assumed Cash payments (US$)[(1)]**
12 months following receipt of an environmental permit	100,000
24 months following receipt of an environmental permit	150,000
36 months following receipt of an environmental permit	250,000
48 months following a receipt of an environmental permit	2,500,000[(2)]
Total	**3,000,000**

(1) Assumed cash payments due under the underlying Huachi option agreement shall be made by Atlantic to, or to the direction of the Company at least 10 business days prior to the date for the payment of same set out above, which payments shall then be forwarded by the Company to the underlying owner of Huachi project.

(2) Payment comprised of US$500,000 assumed payment and US$2,000,000 Huachi top-up payment as per the terms of the underlying Huachi option agreement.

Upon the exercise of the option, Atlantic can elect within 60 days of the option exercise date to purchase the remaining 25% interest in the projects for an aggregate 100% interest (top-up right) by making a cash payment to the Company equal to the greater of (i) US$10,000,000 or (ii) an amount equal to US$0.02/lb multiplied by the quantity (in pounds) of copper equivalent in the measured and indicated resource categories. If the top-up right is exercised, the Company's interest in the projects shall be converted to a 2% net smelter returns ("NSR") royalty.

If the top-up right is not exercised, Atlantic and the Company will be deemed to have formed a joint venture for the continued exploration, development and, if warranted, commercialization of the Esperanza and Huachi projects, in respect of which the initial participating interests of the parties will be, Atlantic as to 75% and the Company as to 25%.

(e) Tres Cerros - Argentina

On February 7, 2019, the Company entered into a definitive option agreement, as amended, pursuant to which the Company was granted options to acquire a 100 % interest, subject to certain royalty conditions, in a group of properties, referred to as Tres Cerros: the Cerro Bayo, Cerro Bayo Sur and Flora Este properties.

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

On May 6, 2024, the Company and the underlying vendor further amended the agreement to change the schedule of the May 10, 2024 payment of US$200,000 payable in cash to three smaller payments throughout 2024, and to extend the payment of US$182,789 payable in cash or shares to August 15, 2024.

(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 Tres Cerros is as follows:

Date (on or before)	Cash payments (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	75,000 (paid)	-	77,334 (paid)	35%
May 10, 2023[(1)]	100,000 (paid)	-	133,577(issued)	51%
May 30, 2024	25,000 (paid)	-	-	51%
July 15, 2024	75,000 (paid)	-	-	51%
August 15, 2024[(2)]	-	-	182,789(issued)	51%
November 15, 2024	100,000 (paid)	-	-	71%
May 10, 2025	500,000	-	253,032	80%
Total	**$ 962,500**	**800,000**	**$ 646,732**	**80%**

[(1)]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).

[(2)]The Company issued 2,725,033 common shares fair-valued at $0.092 per share for a total of $250,703 (US$182,789) (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 Gold Corporation (terminated)

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 Tres Cerros project: 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, by fulfilling certain requirements.

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.

(Expressed in Canadian dollars)

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

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

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

During the period of the earn-in agreement Barick paid the following amounts towards fulfilment of the requirements of the agreement:

Date	Payments in cash to Latin Metals (US$)	Assumed payments due under underlying option agreement (US$)
February 25, 2022	$ 150,000	$ -
On or before February 25, 2023	50,000	-
On or before April 20, 2022	-	152,334
On or before April 20, 2023[1]	-	233,577
	$ 200,000	**$ 385,911**

[1] 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.

(f) Mirador – Argentina

The Company acquired Mirador sedimentary copper property by staking. The property is located approximately 110 km by road from Salta, Argentina. The Mirador project is adjacent to the Company's Solario and Ventana projects.

(g) Solario – Argentina

The Company acquired a 100% interest in Solario copper project from a private company. The project is located 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 is located in Salta and is adjacent to the Company's Mirador project and Solario project.

(i) Terraza – Argentina

The Company acquired a 100% interest in Terraza sedimentary copper project by staking. The project is located in Jujuy Province, Argentina.

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

(j) 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 belt, 110 km from Lima, Peru.

(k) 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 belt, 377 km south of Lima, Peru.

(l) 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. During the year ended October 31, 2024 indicators of impairment were noted as the Company has not renewed a significant portion of the claim position for the property. The property's recoverable value was determined to be $nil, leading to an impairment write-down of $91,625, 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.

(n) 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.

(Expressed in Canadian dollars)

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

(o) Exploration and evaluation assets continuity

	ARGENTINA	PERU	TOTAL
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**
Acquisition costs			
Shares issued for option payment, fair value	250,703	-	**250,703**
Option payments	411,340	-	**411,340**
Option proceeds	(684,260)	-	**(684,260)**
Claim maintenance and legal fees	96,968	59,904	**156,872**
Total acquisition costs (proceeds) for the year	74,751	59,904	**134,655**
Exploration costs			
Community relations	-	15,435	**15,435**
Field expenses, incl. support contractors	26,868	54,047	**80,915**
Geological consultants and contractors	86,694	4,166	**90,860**
Total exploration costs for the year	113,562	73,648	**187,210**
Recoveries	205,110	-	**205,110**
Impairment	-	(91,625)	**(91,625)**
Balance, October 31, 2024	**$ 3,932,369**	**$ 1,600,663**	**$ 5,533,032**

(Expressed in Canadian dollars)

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

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

ARGENTINIAN EXPLORATION PROPERTIES	El Quemado	Salta Properties	Esperanza	Tres Cerros	Mirador	Solario	Ventana	Terraza	TOTAL Argentina
Balance, October 31, 2022	**$ 565,485**	**$ -**	**$ 3,042,653**	**$ 255,188**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 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)	(603,690)	(249,650)	-	-	-	-	**(987,090)**
Sale proceeds	(900,000)	-	-	-	-	-	-	-	**(900,000)**
Claim maintenance and legal fees	10,735	-	16,381	16,127	125,643	12,107	11,944	-	**192,937**
Total acquisition costs (proceeds) for the year	(889,265)	(133,750)	112,697	(51,738)	144,913	17,698	17,535	-	**(781,910)**
Recovery	323,780	133,750	-	-	-	-	-	-	**457,530**
Balance, October 31, 2023	**$ -**	**$ -**	**$ 3,155,350**	**$ 203,450**	**$ 144,913**	**$ 17,698**	**$ 17,535**	**$ -**	**$ 3,538,946**
Acquisition costs									
Shares issued for option payment, fair value	-	-	-	250,703	-	-	-	-	**250,703**
Option payments	-	-	136,980	274,360	-	-	-	-	**411,340**
Option proceeds	-	(205,110)	(479,150)	-	-	-	-	-	**(684,260)**
Claim maintenance and legal fees	-	-	72,663	12,986	5,878	154	75	5,212	**96,968**
Total acquisition costs (proceeds) for the year	-	(205,110)	(269,507)	538,049	5,878	154	75	5,212	**74,751**
Exploration costs									
Field expenses, incl. support contractors	-	-	11,814	15,054	-	-	-	-	**26,868**
Geological consultants and contractors	-	-	86,694	-	-	-	-	-	**86,694**
Total exploration costs for the year	-	-	98,508	15,054	-	-	-	-	**113,562**
Recoveries	-	**205,110**	-	-	-	-	-	-	**205,110**
Balance, October 31, 2024	**$ -**	**$ -**	**$ 2,984,351**	**$ 756,553**	**$ 150,791**	**$ 17,852**	**$ 17,610**	**$ 5,212**	**$ 3,932,369**

(Expressed in Canadian dollars)

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

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

PERUVIAN EXPLORATION PROPERTIES	Lacsha	Auquis	Jacha	Loli	Tilo	Para	Yanba	Total Peru
Balance, October 31, 2022	**$ 699,356**	**$ 238,129**	**$ 55,566**	**$ 4,125**	**$ 14,573**	**$ 12,627**	**$ 17,612**	**$ 1,041,988**
Acquisition costs								
Claim maintenance and legal fees	7,742	2,493	-	3,965	7,929	5,391	811	**28,331**
Exploration costs								
Community relations	15,383	7,018	4,113	-	2,298	764	296	**29,872**
Field expenses, incl. support contractors	37,282	41,955	6,668	-	12,210	20,379	50	**118,544**
Geological consulting	26,644	20,396	4,312	1,974	18,229	10,895	13,245	**95,695**
Geochemical	-	426	-	-	12,427	4,362	-	**17,215**
Geophysical	-	88,669	664	-	33,665	16,045	-	**139,043**
Salaries	-	7,554	8,727	9,083	8,518	8,518	-	**42,400**
Share-based compensation	24,732	24,731	-	-	-	-	-	**49,463**
IVA non-refundable	-	16,078	120	-	8,318	3,683	-	**28,199**
Total exploration costs for the year	104,041	206,827	24,604	11,057	95,665	64,646	13,591	**520,431**
Impairment	-	-	-	-	-	-	(32,014)	**(32,014)**
Balance, October 31, 2023	**$ 811,139**	**$ 447,449**	**$ 80,170**	**$ 19,147**	**$ 118,167**	**$ 82,664**	**$ -**	**$ 1,558,736**
Acquisition costs								
Claim maintenance and legal fees	24,583	18,833	4,122	4,122	8,244	-	-	**59,904**
Exploration costs								
Community relations	15,435	-	-	-	-	-	-	**15,435**
Field expenses, incl. support contractors	21,868	17,551	7,333	-	2,295	5,000	-	**54,047**
Geological consulting	2,935	897	-	-	334	-	-	**4,166**
Total exploration costs for the year	**40,238**	**18,448**	**7,333**	**-**	**2,629**	**5,000**	**-**	**73,648**
Impairment	-	-	(91,625)	-	-	-	-	**(91,625)**
Balance, October 31, 2024	**$ 875,960**	**$ 484,730**	**$ -**	**$ 23,269**	**$ 129,040**	**$ 87,664**	**$ -**	**$ 1,600,663**

(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. The Company and the lessor agreed to terminate the office lease agreement, effective February 1, 2024, without incurring any penalties for early termination.

Lease liabilities	**October 31, 2024**	**October 31, 2023**
Opening balance	$ 73,990	$ 77,498
Additions – lease modification (note 5)	-	29,090
Lease payments	(12,513)	(47,709)
Lease interest	3,001	15,111
	64,478	$ 73,990
Lease termination	(64,478)	-
Ending balance	$ -	$ 73,990
Current portion	$ -	$ 40,736
Long-term portion	-	33,254
	-	$ 73,990

Lease liabilities *Contractual undiscounted cash flows:*	**October 31, 2024**	**October 31, 2023**
Less than one year	$ -	$ 50,051
One+ to five years	-	37,538
Total undiscounted lease liabilities	$ -	$ 87,589

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 9) and $200,000 from arm's length parties (the "2023 Loans"). The 2023 Loans have a one-year term (maturity date: September 27, 2024) and bear interest at the rate of 10% per annum compounded annually, payable on the maturity date. In connection with the 2023 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 until September 27, 2024 at an exercise price of $0.10 per share.

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 2023 Loans is as follows:

		October 31, 2024		October 31, 2023
Balance, beginning of year	$	548,724	$	-
Loan proceeds received		-		600,000
Equity component of loans		-		(35,720)
Transaction costs		-		(16,310)
Accretion to face value of the Loans – finance costs		51,276		754
Repayment		(600,000)		-
Balance, end of year	$	-	$	548,724

During the year ended October 31, 2024, the Company recorded interest expense in connection with the Loans in the amount of $54,575 (2023 - $10,097), of which $36,384 (2023- $7,097) is interest expense in relation to the related parties 2023 Loans (Note 10). Accrued and/or paid interest expense is presented as part of finance costs in the consolidated statements of loss and comprehensive loss. As at October 31, 2024, accrued interest on the 2023 Loans of $nil (October 31, 2023 - $10,097) is included within accounts payable and accrued liabilities.

On April 28, 2024, the Company secured a non-interest-bearing, unsecured loan ("2024 Loan- April") in the amount of US$100,000 ($136,890), payable on demand, from a company controlled by a director of the Company (Note 10). On July 8, 2024, the Company secured a non-interest-bearing, unsecured loan ("2024 Loan- July") in the amount of US$75,000 ($102,255), payable on demand, from a company controlled by the same director of the Company (Note 10). The short-term non-interest bearing loans were fully repaid as at October 31, 2024.

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, 2024

On September 26, 2024, the Company closed a private placement ("September 2024 private placement") for aggregate gross proceeds of $2,000,000 through the issuance of 25,000,000 units at a subscription price of $0.08 per unit. Each unit consists of one common share in the capital of the Company 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 until September 26, 2026.

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

Share issuances *(Cont'd…)*

The Company attributed $1,937,500 of the September 2024 private placement gross proceeds to share capital and a residual value of $62,500 to the warrants issued.

In connection with the September 2024 private placement, the Company paid finder's fees consisting of a $70,350 cash commission and issued 879,375 finder's warrants, fair-valued at $34,477 using the Black-Scholes option model. Each finder's warrant entitles the holder to purchase one share at a price of $0.08 per share until September 26, 2025. In addition, the Company incurred an aggregate of $22,644 in legal and regulatory fees in connection with the non-brokered financing.

On February 6, 2024, the Company completed a non-brokered private placement ("February 2024 private placement") issuing 10,000,000 units at $0.07 per unit 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 until February 6, 2026.

In connection with the financing the Company paid finder's fees in the amount of $17,640 and issued 251,999 finders warrants, fair-valued at $8,522 using the Black-Scholes option model. 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. In addition, the Company incurred an aggregate of $11,270 in legal and regulatory fees in connection with the non-brokered financing.

During the year ended October 31, 2024, the Company issued 2,725,033 common shares fair-valued at $0.092 per share for a total of $250,703 (US$182,789) for option payment on Tres Cerros property (note 6(e) - Tres Ceros–Argentina).

During the year ended October 31, 2024, the Company issued 500,000 shares pursuant to the exercise of 500,000 warrants at an exercise price of $0.10 for gross proceeds of $50,000. The Company transferred $3,274 from equity reserves to share capital upon the exercise of the warrants.

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).

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).

(Expressed in Canadian dollars)

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

Stock options

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, 2024 and 2023 are summarized as follows:

	October 31, 2024		**October 31, 2023**	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of the year	6,135,000	$ 0.13	5,470,000	$ 0.13
Granted	2,720,000	$ 0.10	5,030,000	$ 0.13
Exercised	-	$ -	(45,000)	$ 0.06
Expired	(1,105,000)	$ 0.15	(4,320,000)	$ 0.13
Forfeited	(550,000)	$ 0.13	-	$ -
Options outstanding and exercisable, end of the year	7,200,000	$ 0.12	6,135,000	$ 0.13

As at October 31, 2024, 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
1,550,000	$0.13	November 14, 2025	1.0
2,930,000	$0.13	December 8, 2025	1.1
950,000	$0.10	July 10, 2027	2.7
1,470,000	$0.10	October 16, 2027	3.0
300,000	$0.12	October 24, 2027	3.0
7,200,000	$0.12		1.8

The weighted average remaining contractual life of options outstanding at October 31, 2024 was 1.8 years (2023 - 1.9 years).

Share-based compensation expense for the year ended October 31, 2024 was $212,526 (2023 - $497,722), of which $nil was allocated to exploration and evaluation assets (2023 - $49,463).

(Expressed in Canadian dollars)

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

Stock options *(Cont'd…)*

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 years ended October 31, 2024 and 2023:

Stock options fair value assumptions	October 31, 2024	October 31, 2023
Risk-free interest rate	3.30%	3.62%
Expected life of options	3	3
Annualized volatility	119%	114%
Dividend rate	0%	0%
Forfeiture rate	0%	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.

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, 2024 and 2023 are summarized as follows:

	October 31, 2024		October 31, 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning of the year	18,276,117	$ 0.17	16,609,450	$ 0.21
Issued (note 8 and 9)	18,631,373	$ 0.15	6,000,000	$ 0.10
Exercised	(500,000)	$ 0.10	-	-
Expired	(5,500,000)	$ 0.10	(4,333,333)	$ 0.25
Warrants outstanding, end of the year	30,907,490	$ 0.17	18,276,117	$ 0.17

(Expressed in Canadian dollars)

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

Warrants *(Cont'd…)*

Warrants outstanding as at October 31, 2024 are as follows:

Number of Warrants	Exercise Price	Expiry Date	Remaining life in years
12,276,117	$ 0.20	October 31, 2025	1.0
4,999,999	$ 0.15	February 6, 2026	1.3
251,999	$ 0.07	February 6, 2025	0.3
12,500,000	$ 0.15	September 26, 2026	1.9
879,375	$ 0.08	September 26, 2025	0.9
30,907,490	$ 0.17		1.4

The weighted average remaining contractual life of warrants outstanding at October 31, 2023 was 1.4 years (2023 - 1.6 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:

		2024		2023
Directors' fees, salaries and benefits	$	263,251	$	233,750
Consulting fees[(1)]		104,580		92,680
Share-based compensation		78,012		336,476
	$	**445,843**	**$**	**662,906**

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

As at October 31, 2024, the Company had amounts payable to key management personnel of $nil included in accounts payable and accrued liabilities (2023 - $41,706).

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, 2024 and 2023.

(Expressed in Canadian dollars)

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

Loans from related parties

During the year ended October 31, 2023, the Company secured short-term loans totaling $400,000 from directors and an officer of the Company ("2023 RP Loans") (Note 8). In connection with the 2023 RP Loans, the Company issued 4,000,000 common share purchase warrants in aggregate to the related parties (Note 9).

During the year ended October 31, 2024, the Company recorded interest expense in the amount of $36,384 (2023 - $7,097) in connection with the 2023 RP Loans. As of October 31, 2024, 2023 RP Loans were fully repaid.

As at October 31, 2024, the Company accrued interest of $nil, included in accounts payable and accrued liabilities, payable to related parties in respect of the 2023 Loans (October 31, 2023 - $7,097).

During the year ended October 31, 2024, the Company secured two non-interest-bearing, unsecured loans, payable on demand, in the aggregate amount of US$175,000 from companies controlled by a director of the Company (Note 8). As of October 31, 2024 the loans were fully repaid.

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. Effective February 1, 2024, the office sub-lease agreement was terminated by a mutual agreement of Velocity and the Company.

		2024		**2023**
Rent	$	11,931	$	47,709
	$	**11,931**	**$**	**47,709**

As at October 31, 2024 the Company had amounts payable to Velocity of $nil (2023 - $8,342).

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		2024		**2023**
Interest paid	$	64,672	$	-
Income taxes paid		-		-
Depreciation included in exploration and evaluation assets		6,218		10,564
Net change in accounts payable and accrued liabilities related to exploration and evaluation assets		(48,027)		(57,194)
Share-based compensation included in exploration and evaluation assets		-		49,463
Shares issued for finder's fees - mineral exploration properties, fair value		-		96,039
Shares issued for option payment - mineral exploration properties, fair value		250,703		181,785
Fair value of shares received on sale of El Quemado property		-		500,000
Fair value of finders' warrants in connection with private placements		42,999		-
Fair value of unit warrants, private placement		62,500		-

(Expressed in Canadian dollars)

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes for the years ended October 31, 2024 and 2023 is as follows:

	2024	2023
Loss for the year	($2,176,654)	($1,075,404)
Statutory income tax rate	27.00%	27.00%
Expected income tax recovery	(587,696)	(290,359)
Non-deductible, deductible and other items	57,437	(69,111)
Differences between Canadian and foreign tax rates	-	14,509
Change in timing differences	19,067	(7,570)
Effect of change in tax rates	(157,279)	(89,248)
Impact of foreign exchange on tax assets and liabilities	64,868	-
Under (over) provided in prior years	418,115	206,242
Unused tax losses and tax offsets	185,489	235,537
Income tax expense	$ -	$ -

Significant tax benefits and unused tax losses for which no deferred tax asset is recognized as of October 31, 2024 and 2023 are as follows:

	2024	2023
Deferred income tax asset from non-capital losses	$ 1,115,951	$ 1,340,591
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	(1,115,951)	(1,279,675)
Net deferred income tax assets	$ -	$ -

The significant components of the Company's unrecognized deferred income tax assets as at October 31, 2024 and 2023 are as follows:

	2024	2023
Non-capital losses carried forward	$ 1,918,310	$ 1,839,290
Investments	43,155	-
Property and equipment	12,948	-
Share issue costs	31,744	7,997
Capital losses carried forward	1,009,742	1,009,742
Net deferred income tax assets not recognized	$ 3,015,899	$ 2,857,029

At October 31, 2024, the Company has $10,516,206 in non-capital losses for Canadian tax purposes, $200,577 in non-capital losses for Peruvian tax purposes, and $542,505 in non-capital losses for Argentinean tax purposes. These losses, if not utilized, will expire between 2027 and 2044. 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, 2024 consist of cash and cash equivalents, receivables, net of input tax credits of $11,656 (2023 - $7,800), investments, accounts payable, and short-term loans.

Cash and cash equivalents and investments are designated as FVTPL. Receivables, accounts payable, 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.

During year ended October 31, 2024, the Company reclassified its investment in shares of SALi from Level 3 to Level 1 of the IFRS 13 fair value hierarchy (Note 4). Following an RTO, SALi began trading on the CSE on May 17, 2024, establishing an active market with observable quoted prices. As of this date, and as of October 31, 2024, the SALi shares' fair value is based on the quoted price available on the CSE. The fair value of the Company's investment in SALi's share purchase warrants is established based on Level 3 inputs, disclosed in Note 4.

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, 2024, the Company had working capital of $1,006,582 (2023 - working capital deficiency of $331,685).

At October 31, 2024, the Company had accounts payable and accrued liabilities of $324,688 (2023 - $259,581) due within 90 days, a short-term lease liability undiscounted balance of $nil (2023 - $50,051) (Note 7), and undiscounted short-term loans principal balance of $nil (2023 - $600,000) (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, 2024, a 10% change in exchange rates could result in a change in the net loss by approximately $13,600 (2023 - $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. 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…)*

Management of capital *(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, 2024 and 2023.

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, 2024			
	Canada	**Argentina**	**Peru**	**Total**
Investments	$ 180,334	$ -	$ -	$ 180,334
Exploration and evaluation assets	-	3,932,369	1,600,663	5,533,032
Property and equipment	2,106	-	52,758	54,864
Total long-term assets	**$ 182,440**	**$ 3,932,369**	**$ 1,653,421**	**$ 5,768,230**

	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**

15. SUBSEQUENT EVENTS

Subsequent to October 31, 2024, the Company issued 118,149 shares pursuant to the exercise of 118,149 warrants at an exercise price of $0.07 for gross proceeds of $8,270. 133,850 warrants at an exercise price of $0.07 expired on February 6, 2025.