
MOGOTES METALS INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE AND SIX MONTHS ENDED
MAY 31, 2025
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Mogotes Metals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Mogotes Metals Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at May 31, 2025	As at November 30, 2024
ASSETS		
Current assets		
Cash	\$ 5,310,588	\$ 10,037,610
Amounts receivable	16,657	136,878
Prepaid expenses	270,038	327,313
Marketable securities (note 4)	612,362	-
Total current assets	6,209,645	10,501,801
Non-current assets		
VAT recoverable	879,094	824,552
Total assets	\$ 7,088,739	\$ 11,326,353
SHAREHOLDERS' EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 11)	\$ 185,436	\$ 458,852
Total liabilities	185,436	458,852
Shareholders' equity		
Share capital (note 5)	24,334,349	21,444,651
Share-based payments (notes 7 and 8)	792,553	648,960
Warrants (note 9)	4,653,760	4,773,677
Accumulated other comprehensive loss	(339,391)	(315,419)
Deficit	(22,537,968)	(15,684,368)
Total shareholders' equity	6,903,303	10,867,501
Total shareholders' equity and liabilities	\$ 7,088,739	\$ 11,326,353

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

Nature of operations and going concern (note 1)

Commitments and contingencies (notes 10 and 15)

Subsequent events (note 16)

Mogotes Metals Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended May 31, 2025	Three Months Ended May 31, 2024	Six Months Ended May 31, 2025	Six Months Ended May 31, 2024
Expenses				
Exploration and evaluation expenditures (notes 10 and 11)	\$ 2,655,841	\$ 3,152,336	\$ 5,858,089	\$ 3,962,865
Professional fees (note 11)	83,578	200,217	170,571	251,989
Consulting (note 11)	38,008	49,999	196,492	119,146
General and administrative	171,483	187,804	357,373	303,872
Regulatory fees	34,369	96,446	90,987	131,706
Share-based payments (notes 7, 8 and 11)	67,364	185,654	143,593	185,654
Investor relations	188,745	31,250	253,515	62,500
Directors' fees (note 11)	30,000	-	60,000	-
	(3,269,388)	(3,903,706)	(7,130,620)	(5,017,732)
Other income				
Foreign exchange (loss) gain	(502,715)	171,380	(105,201)	266,559
Interest income	42,721	88,944	100,826	107,662
Fair value changes in marketable securities (note 4)	162,362	-	162,362	-
Net loss for the period	(3,567,020)	(3,643,382)	(6,972,633)	(4,643,511)
Other comprehensive income (loss)				
Items that will be reclassified subsequently to income				
Currency translation	276,774	(40,589)	(23,972)	(60,640)
Total comprehensive loss for the period	\$ (3,290,246)	\$ (3,683,971)	\$ (6,996,605)	\$ (4,704,151)
Basic and diluted net loss per share	\$ (0.01)	\$ (0.03)	\$ (0.03)	\$ (0.04)
Weighted average number of common shares outstanding	255,158,353	120,737,656	247,544,274	118,162,148

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

Mogotes Metals Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

	Six Months Ended May 31, 2025	Six Months Ended May 31, 2024
Operating activities		
Net loss for the period	\$ (6,972,633)	\$ (4,643,511)
Adjustments for:		
Share-based payments	143,593	185,654
Fair value changes in marketable securities	(162,362)	-
Shares issued for property acquisition	2,887,134	-
Changes in non-cash working capital items:		
Amounts receivable	120,221	11,424
Prepaid expenses	57,275	(12,751)
VAT recoverable	(54,542)	(116,147)
Accounts payable and accrued liabilities	(273,416)	(267,032)
Net cash used in operating activities	(4,254,730)	(4,842,363)
Investing activities		
Marketable securities purchased	(450,000)	-
Net cash used in investing activities	(450,000)	-
Financing activities		
Special warrants issued for cash	-	12,465,836
Special warrants issue costs	-	(546,621)
Warrants exercised	1,680	-
Net cash provided by financing activities	1,680	11,919,215
Net change in cash	(4,703,050)	7,076,852
Net effect of currency translation	(23,972)	(60,640)
Cash, beginning of period	10,037,610	1,398,254
Cash, end of period	\$ 5,310,588	\$ 8,414,466
Supplemental cash flow information		
Broker warrants	\$ -	\$ 157,168
Shares issued for debt settlements	\$ -	\$ 179,608
Taxes paid in cash	\$ -	\$ -

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

Mogotes Metals Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

Unaudited

	Share capital	Special warrants	Share-based payments	Warrants	Accumulated other comprehensive loss	Deficit	Total
Balance, November 30, 2023	\$ 9,465,087	\$ -	\$ 136,788	\$ 671,021	\$ (29,312)	\$ (9,132,159)	\$ 1,111,425
Special warrants issued for cash	-	10,799,163	-	-	-	-	10,799,163
Special warrants issued for services	-	145,164	-	-	-	-	145,164
Special warrants issue costs	-	(688,789)	-	157,168	-	-	(531,621)
Allocation to special warrant reserve	-	(54,449)	54,449	-	-	-	-
Shares issued for debt settlement	179,608	-	-	-	-	-	179,608
Share-based payments	-	-	185,654	-	-	-	185,654
Comprehensive loss for the period	-	-	-	-	(60,640)	(4,643,511)	(4,704,151)
Balance, May 31, 2024	\$ 9,644,695	\$ 10,201,089	\$ 376,891	\$ 828,189	\$ (89,952)	\$ (13,775,670)	\$ 7,185,242
Balance, November 30, 2024	\$ 21,444,651	\$ -	\$ 648,960	\$ 4,773,677	\$ (315,419)	\$ (15,684,368)	\$ 10,867,501
Shares issued for property acquisition	2,887,134	-	-	-	-	-	2,887,134
Warrants exercised	2,564	-	-	(884)	-	-	1,680
Warrants expired	-	-	-	(119,033)	-	119,033	-
Share-based payments	-	-	143,593	-	-	-	143,593
Comprehensive loss for the period	-	-	-	-	(23,972)	(6,972,633)	(6,996,605)
Balance, May 31, 2025	\$ 24,334,349	\$ -	\$ 792,553	\$ 4,653,760	\$ (339,391)	\$ (22,537,968)	\$ 6,903,303

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

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

Mogotes Metals Inc. (the "Company" or "Mogotes") is a company incorporated under the *Business Corporations Act (Ontario)* on August 12, 2022 and is engaged in the business of locating and exploring mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. Its registered and head office is located at 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2. On June 12, 2024, the Company's common shares began trading on the TSX Venture Exchange ("TSX-V") under the symbol "MOG".

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business.

As at May 31, 2025, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business, all of which constitutes a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise future equity financing to fund its operations and advance the development of its business.

These unaudited condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. These adjustments could be material. Management is actively pursuing funding options, being financing and alternative funding options, required to meet the Company's requirements on an ongoing basis. To meet the challenges of the current climate in the financial markets, the Company is minimizing its expenditures.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of January 1, 2024. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the period ended November 30, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the period ending November 30, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements. These adjustments could be material.

The unaudited condensed interim consolidated financial statements were approved by the Board of Directors of the Company on July 28, 2025.

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

3. Critical accounting estimates and judgments

The preparation of the unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. The following are the critical assumptions and estimates that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern

The preparation of these unaudited condensed interim consolidated financial statements requires management to make estimates regarding the going concern of the Company, as discussed in note 1.

Share-based payments

The fair value of share-based payments including the grant of warrants are estimated using the Black-Scholes option pricing model. There are a number of estimates used in the calculation, such as forfeiture rates, expected life, and share price volatility which can vary from actual future events. The factors applied in the calculation are management's best estimates based on historical information and future forecasts.

4. Marketable securities

	May 31, 2025	November 30, 2024
Additions (i)	450,000	-
Unrealized gain	162,362	-
	\$ 612,362	\$ -

- (i) In March 2025, the Company purchased 9,000,000 units in Golden Arrow Resources Corp. pursuant to the terms of the amended Filo Sur Option Agreement. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.08 for a 3 year term. See note 10.

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

5. Share capital

(a) Authorized share capital

As at May 31, 2025, the authorized share capital of the Company is an unlimited number of shares, without par value.

(b) Common shares issued

	Number of common shares	Amount
Balance, November 30, 2023	113,063,832	\$ 9,465,087
Shares issued pursuant to an agreement (i)	2,500,000	-
Shares issued for debt settlement (ii)(iv)(v)	1,193,125	179,608
Shares issued for property acquisition ((iii) and note 10)	4,000,000	-
Balance, May 31, 2024	120,756,957	\$ 9,644,695
Balance, November 30, 2024	236,795,768	\$ 21,444,651
Shares issued for property acquisition (vi)(vii)	21,389,100	2,887,134
Warrants exercised	12,000	2,564
Balance, May 31, 2025	258,196,868	\$ 24,334,349

- (i) In connection with the Company's February 17, 2023 private placement, a certain shareholder entered into an agreement with the Company, whereby in the event the Company did not complete an initial public offering of at least \$5,000,000 gross proceeds or become listed on a recognized stock exchange by December 31, 2023, that the Company would issue an additional 2,500,000 common shares for \$nil consideration to the shareholder (issued in January 2024).
- (ii) On February 13, 2024, the Company issued 1,125,000 common shares (valued at \$168,750) for debt settlement with a company associated with the Company's director.
- (iii) On February 13, 2024, the Company issued 4,000,000 additional common shares for \$nil consideration pursuant to a downside protection clause in the Filo Sur Option Agreement as described in note 10.
- (iv) On March 12, 2024, the Company issued 36,186 common shares (valued at \$5,428) for debt settlement.
- (v) On April 11, 2024, the Company issued 31,939 common shares (valued at \$5,430) for debt settlement.
- (vi) On February 3, 2025, the Company issued 10,674,815 common shares (valued at \$1,547,848) in satisfaction of the CMP Option Agreement (see note 10).
- (vii) On March 20, 2025, the Company issued 10,714,285 common shares (valued at \$1,339,286) in satisfaction of the amended Filo Sur option agreement (see note 10).

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

6. Special warrants

	Number of special warrants	Amount
Balance, November 30, 2023	-	\$ -
Private placements (i)(ii)	71,994,417	10,799,163
Special warrants issued for finders' fees (i)	967,753	145,164
Special warrants issue costs (i)	-	(688,789)
Allocation to special warrant reserve (i)	-	(54,449)
Balance, May 31, 2024	72,962,170	\$ 10,201,089
Balance, November 30, 2024 and May 31, 2025	-	\$ -

- (i) On January 31, 2024, the Company closed a private placement pursuant to which it issued 71,875,017 special warrants (the "Special Warrants") at a price of \$0.15 per Special Warrant to raise gross proceeds of \$10,781,253. Each Special Warrant entitles the holder to acquire one unit upon the exchange of the Special Warrant. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share of the Company at an exercise price of \$0.30 per share and expires in 3 years from the closing date. In connection with the private placement, the Company issued 967,753 Special Warrants were issued to satisfy finders' fees in the amount of \$145,164 payable by the Company as partial commission in connection with the private placement.

The Company also issued 1,770,501 finders' warrants to the agents. Each finders' warrant is exercisable for 2 years after the listing date with exercise price of \$0.15 per share. The 1,770,501 finders' warrants were assigned a value of \$157,168 using the Black-Scholes valuation model using the assumptions: expected life of 2.5 years, expected volatility of 100%, risk-free rate of 4.0%, and expected dividend yield of 0%.

- (ii) On February 15, 2024, the Company closed a private placement pursuant to which it issued 119,400 Special Warrants at a price of \$0.15 per Special Warrant to raise gross proceeds of \$17,910.

The Special Warrants were converted to units on June 12, 2024.

The 36,481,085 warrants were assigned a value of \$2,952,531 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2.6 years, expected volatility of 99%, risk-free rate of 3.5%, and expected dividend yield of 0%.

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

7. Stock options

On August 12, 2022, the Company adopted a stock option plan that authorizes the Company to issue up to a maximum of 10% of its issued common shares. The term, exercise price, and vesting conditions of the options are fixed by the Company's Board of Directors at the time of grant.

	Number of stock options	Weighted average exercise price
Balance, November 30, 2023	600,000	\$ 0.30
Issued (i)	5,700,000	0.23
Balance, November 30, 2024 and May 31, 2025	6,300,000	\$ 0.24

During the three and six months ended May 31, 2025, the total share-based payments for the stock options amounted to \$28,296 and \$66,306, respectively (2024 - \$185,654 and \$185,654, respectively).

- (i) On May 6, 2024, the Company granted 5,700,000 stock options to directors, officers and consultants of the Company. Each stock option has an exercise price of \$0.23 per share and expire on May 6, 2026. The stock options vested 1/3 on the grant date, and 1/3 are vesting every six months thereafter. The stock options were assigned a value of \$462,454 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2 years, expected volatility of 102% based on comparable companies, risk-free rate of 4.15%, and expected dividend yield of 0%.

The following table reflects the stock options issued and outstanding as of May 31, 2025:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options exercisable
May 6, 2026	0.23	0.93	5,700,000	5,700,000
December 31, 2026	0.30	1.59	600,000	600,000
	0.24	0.99	6,300,000	6,300,000

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

8. Restricted Share Units ("RSUs")

On August 12, 2022, the Company adopted a RSU plan that authorizes the Company to issue up to a fixed maximum limit of 5,000,000 RSUs.

	RSUs outstanding
Balance, November 30, 2023 and May 31, 2024	-
Balance, November 30, 2024 and May 31, 2025	1,000,000

During the three and six months ended May 31, 2025, the total share-based payments for the RSUs amounted to \$39,068 and \$77,288, respectively (2024 - \$nil and \$nil, respectively).

9. Warrants

	Number of warrants	Weighted average exercise price
Balance, November 30, 2023	14,898,676	\$ 0.11
Issued	1,770,501	0.15
Balance, May 31, 2024	16,669,177	0.11
Balance, November 30, 2024	63,957,177	\$ 0.28
Expired	(798,676)	0.30
Exercised	(12,000)	0.14
Balance, May 31, 2025	63,146,501	\$ 0.28

The following table reflects the warrants outstanding as of May 31, 2025:

Expiry date	Exercise price (\$)	Number of warrants outstanding
June 12, 2026	0.15	1,770,501
June 12, 2026	0.17	682,598
March 26, 2026	0.14	24,000
January 31, 2027	0.30	54,669,402
October 7, 2027	0.10	6,000,000
	0.28	63,146,501

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

10. Exploration and evaluation expenditures

	Three Months Ended May 31, 2025	Three Months Ended May 31, 2024	Six Months Ended May 31, 2025	Six Months Ended May 31, 2024
Filo Sur Project				
Acquisition and claims maintenance	\$ 1,983,978	\$ 45,883	\$ 3,992,102	\$ 60,010
Geologists and consulting	213,193	468,657	492,309	637,542
Logistics and field assistants	148,823	249,649	352,893	317,108
Land access	27,100	-	137,528	-
Camp - Services, equipment and consumables	65,896	203,380	201,953	310,410
Rental and buildings	41,177	54,959	98,624	89,773
Camp infrastructure	26,554	92,214	249,474	162,361
Vehicle hire	86,035	104,382	152,027	212,674
Travel and accommodation	117	4,732	6,595	18,845
Geochemical and other analysis	54,854	5,414	108,533	9,243
Drilling	-	1,264,133	-	1,408,629
Geophysics	2,022	657,765	17,035	714,886
Environmental	6,092	1,168	49,016	21,384
	\$ 2,655,841	\$ 3,152,336	\$ 5,858,089	\$ 3,962,865

Filo Sur Project

The Company's principal property is the Filo Sur Project. The Filo Sur Project consists various claims located in the Province of San Juan, Argentina and in Chile. The Filo Sur Project is adjacent to the international border between Chile and Argentina and the Atacama region in Northern Chile.

Golden Argentina Properties

In September 2022, the Company entered into an agreement (the "Filo Sur Option Agreement") to earn up to 85% interest in the Filo Sur Project, located in the Province of San Juan, Argentina and in Chile.

Pursuant to the terms of the Filo Sur Option Agreement in order to earn an 80% interest the Filo Sur Project, the Company is required to:

- Issue 4,000,000 common shares Make a cash payment of \$150,000 and incur a sum of \$300,000 of expenditures on the property on or before May 4, 2023 (completed);
- Make a cash payment of \$250,000 and incur a further sum of \$500,000 of expenditures on the property on or before May 4, 2024 (completed);
- Make a cash payment of \$350,000 and incur a further sum of \$1,000,000 of expenditures on the property on or before May 4, 2025 (completed);
- Make a cash payment of \$450,000 and incur a further sum of \$1,500,000 of expenditures on the property on or before May 4, 2026 (completed); and
- Make a cash payment of \$550,000 and incur a further sum of \$1,700,000 of expenditures on the property on or before May 4, 2027.

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

10. Exploration and evaluation expenditures (continued)

Upon the Company exercising the Filo Sur option, a joint venture company ("JVco") will be incorporated, with 80% of JVco shares held by the Company and the remaining 20% to be held by the vendors. The Company may increase its interest to 85%, through the issue of additional shares of JVco to the Company at no cost to the Company, in the event that the board of directors of JVco determines to commence the development of a mine on the property in accordance with a feasibility study.

On April 19, 2023, the Company issued 4,000,000 common shares with a fair value of \$1,200,000 in satisfaction of the Filo Sur option payments due on or before May 4, 2023, 2024, 2025 and 2026 as per the amended option agreement.

The amended option agreement also contains a price adjustment clause, where in the event the company completes an initial public offering at a price per share less than \$0.30, then the company will issue additional common shares to the optionor to bring the total value of share consideration paid at the initial public offering price equal to \$1,200,000 as required per the option agreement. See note 5(b)(iii).

On February 10, 2025, the Company amended the Filo Sur Option Agreement to acquire a 100% interest in the Filo Sur Project by:

- Making a cash payment of \$550,000 within five days of receiving conditional approval from the TSX-V (completed);
- Investing \$450,000 in the vendor via a private placement, subscribing for units ("Units") priced at the greater of \$0.05 or the maximum discounted price permitted by the TSX-V. Each Unit will consist of one common share and one common share purchase warrant exercisable at \$0.08 for a 3 year term (completed, see note 4);
- Issuing 10,714,285 common shares of the Company to the vendor, on the date it makes the cash payment and investment (completed); and
- On or before the first anniversary of the closing date (the "Final Closing Date"), the Company will issue additional shares valued at \$1,500,000. The number of shares will be determined by the volume-weighted average trading price on the TSX-V, subject to a minimum price threshold. If the share price is below the threshold, the Company may pay the difference in cash or, with TSX-V approval, additional shares. The Company may also choose, at its discretion, to pay the entire \$1,500,000 in cash instead of issuing shares.

At the Final Closing Date, the Company will grant the vendor a 1.5% NSR on the properties. The Company retains the right to purchase 0.5% NSR for \$2,000,000.

The amendment was approved by TSX-V on March 26, 2025.

Mogotes 10 Property

In February 2023, the Company, through its subsidiary, entered into an option agreement (the "SJM Option Agreement") to acquire a 100% interest in the Mogotes 10 Property, located in the Province of San Juan, Argentina.

Pursuant to the terms of the SJM Option Agreement, the Company is required to:

- Make an aggregate payment of US\$45,000 (US\$15,000 paid); and
- Incur exploration expenses in the amount of US\$100,000, inclusive of expenses required in order to keep the property in good standing.

The vendor will retain 1.5% net smelter returns royalty ("NSR") from the property, provided that such NSR may not exceed US\$200,000.

Mogotes Metals Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended May 31, 2025

(Expressed in Canadian Dollars)

Unaudited

10. Exploration and evaluation expenditures (continued)

Chile optioned properties

On September 27, 2023, the Company, through its subsidiary, entered into an option agreement (the "Vicuna Option Agreement") to earn a 100% interest in the Chile optioned properties. Pursuant to the terms of the Vicuna Option Agreement, as amended in January 2025, the Company acquired a 100% interest in the Chile optioned properties by:

- Making a cash payment of US\$25,000 on the date of entering into the Vicuna Option Agreement (completed);
- Making a cash payment of US\$50,000 on the earlier of (a) the 1st anniversary of the Vicuna Option Agreement, or (b) within 10 days after the Company begins first drilling on the properties (completed);
- Making a cash payment of US\$150,000 by January 15, 2025 (completed).

The vendor retains a 1% NSR from production from the Chile optioned properties.

CMP Option Agreement

In January 2025, the Company, through its subsidiary, entered into an option agreement with Compania Minera del Pacifico S.A ("CMP") to acquire up to an 80% ownership in a company that will hold the rights to the mining properties in the Vicuna copper-gold-silver District (the "CMP Option Agreement"). The option is contingent on fulfilling specific exploration, payments and reimbursement obligations:

- Making a cash payment of US\$150,000 and issuing Mogotes' shares valued at US\$1,000,000 on the date of entering into the CMP Option Agreement (completed, 10,674,815 shares issued);
- Making a cash payment of US\$100,000 and issuing Mogotes' shares valued at \$500,000 within one year of the signing of the CMP Option Agreement;
- Making a cash payment of US\$50,000 and issuing Mogotes' shares valued at \$500,000 within five years of the signing of the CMP Option Agreement; and
- Exploration commitments of:
 - US\$1,000,000 per year in exploration expenditure on the properties to maintain the option;
 - A total of US\$5,000,000 in aggregate over 5 years;
 - Expenditure done in advance can be applied as a credit to future years; and
 - Reimbursement of payment of all mining patent costs during the option period.

At the conclusion of the 5 year option period, the Company must contribute an NI 43-101 compliant resource estimate and all mining information into a special purpose company ("SPV") to be formed to hold the properties, and will be a 70% shareholder of this new company and will sole fund exploration from this point forward.

The Company may earn an additional 10% of the properties (via an increase in its shareholding in the SPV) by delivering (at its sole cost) a Preliminary Economic Assessment with a minimum internal rate of return (IRR) of 15% within a period of 12 months from the exercise of the option, or up to 36 months if it pays an additional penalty.

From the date that the Company's share of the SPV increases to 80%, CMP and the Company will contribute their pro rata share to ongoing project funding requirements. Any party that does not contribute will have their share diluted according to the agreement. If CMP's stake falls below 10% its equity share will be replaced by a 2% NSR on all products except any iron Ore. CMP will retain rights to iron ore throughout this option agreement including after exercise.

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11. Related party transactions

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

The remuneration attributed to key management during the three and six months ended May 31, 2025 and 2024, can be summarized as follows:

	Three Months Ended May 31, 2025	Three Months Ended May 31, 2024	Six Months Ended May 31, 2025	Six Months Ended May 31, 2024
Consulting (i)(ii)(iii)	\$ 68,000	\$ 49,999	\$ 136,000	\$ 118,749
Exploration and evaluation expenditures (ii)	-	131,182	31,140	175,285
Professional fees (iv)	13,986	11,983	28,676	27,843
Directors' fees	30,000	-	60,000	-
Special warrants issue costs (ii)	-	-	-	193,552
Share-based payments	21,843	143,312	51,184	143,312
	\$ 133,829	\$ 336,476	\$ 307,000	\$ 658,741

- (i) During the three and six months ended May 31, 2025, the Company incurred consulting fees of \$50,000 and \$100,000, respectively (2024 - \$49,999 and \$99,999, respectively) to a company associated with the Company's President and CEO. As at May 31, 2025, \$16,667 (November 30, 2024 - \$16,667) was due to the company, and is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- (ii) During the three and six months ended May 31, 2025, the Company incurred geological services fees of \$nil and \$31,140, respectively (2024 - \$131,182 and \$175,285, respectively), consulting fees of \$nil and \$nil, respectively (2024 - \$nil and \$18,750, respectively), and special warrants issue costs of \$nil (2024 - \$193,552) to a consulting group associated with the Company's director. As at May 31, 2025, \$nil (November 30, 2024 - \$169,202) was due to the company, and is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- (iii) During the three and six months ended May 31, 2025, the Company incurred consulting fees of \$18,000 and \$36,000, respectively (2024 - \$nil and \$nil, respectively) to a company associated with the Company's director. As at May 31, 2025, \$8,000 (November 30, 2024 - \$8,000) was due to the company, and is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- (iv) During the three and six months ended May 31, 2025, the Company incurred professional fees of \$13,986 and \$28,676, respectively (2024 - \$11,983 and \$27,843, respectively) to Marrelli Support Services Inc. ("Marrelli") for an employee of Marrelli to act as the Chief Financial Officer of the Company. As at May 31, 2025, \$2,883 (November 30, 2024 - \$3,109) was due to Marrelli, and is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

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12. Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company mitigates its exposure to credit loss by placing its cash with major financial institutions and believes that its amounts receivable credit risk exposure is limited.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they come due. Accounts payable and accrued liabilities are all current. The Company monitors its liquidity position and budgets future expenditures, in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

As at May 31, 2025, the Company has accounts payable and accrued liabilities of \$185,436 (November 30, 2024 - \$458,852) due within 12 months and has cash of \$5,310,588 (November 30, 2024 - \$10,037,610) to meet its current obligations.

The Company obtains its financing through private placements. Negative trends in the general equity market and the fall in commodity prices can adversely impact the Company's ability to obtain financing at favourable terms. If the Company cannot obtain the necessary financing to fund its operating and exploration activities, the Company might not be able to continue as a going concern entity. There can be no assurance that additional financing, if and when required, will be available or on terms acceptable to the Company.

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 price risk.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution is subject to floating rates of interest. The interest rate risk on cash is not considered significant.

Foreign currency risk

Foreign currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's property interests in Argentina make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, profit or loss and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and foreign currencies. As at May 31, 2025, a portion of the Company's net assets were held in US Dollars (US\$961,764). A 10% change in the Canadian Dollar against the US Dollar would have not have a significant effect based on foreign currency balances.

Price risk

The Company has limited exposure to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss due to movements in individual equity prices or general movements in the level of the stock market.

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13. Capital risk management

Capital is comprised of the Company's shareholders' equity. As of May 31, 2025, the Company's shareholders' equity was \$6,903,303 (November 30, 2024 - \$10,867,501). The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The Company is currently not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the six months ended May 31, 2025.

14. Segment information

The Company primarily operates in one reportable operating segment, being the exploration and evaluation of mineral exploration properties in Argentina and Chile. The Company has administrative offices in Toronto, Canada. Geographical information is as follows:

May 31, 2025	Canada	Argentina	Chile	Total
Assets				
Current assets	\$ 5,670,329	\$ 502,367	\$ 36,349	\$ 6,209,045
Non-current assets	-	818,125	60,969	879,094
	\$ 5,670,329	\$ 1,320,492	\$ 97,318	\$ 7,088,139
Liabilities				
Current liabilities	\$ 90,221	\$ 93,362	\$ 1,852	\$ 185,435
November 30, 2024	Canada	Argentina	Chile	Total
Assets				
Current assets	\$ 9,517,230	\$ 967,983	\$ 16,588	\$ 10,501,801
Non-current assets	-	790,796	33,756	824,552
	\$ 9,517,230	\$ 1,758,779	\$ 50,344	\$ 11,326,353
Liabilities				
Current liabilities	\$ 260,779	\$ 198,059	\$ 14	\$ 458,852

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14. Segment information (continued)

Three months ended May 31, 2025	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 2,378,294	\$ 277,547	\$ 2,655,841
Professional fees	83,578	-	-	83,578
Consulting	38,008	-	-	38,008
General and administrative	74,388	63,737	33,358	171,483
Regulatory fees	34,369	-	-	34,369
Share-based payments	67,364	-	-	67,364
Investor relations	188,745	-	-	188,745
Consulting	30,000	-	-	30,000
	516,452	2,442,031	310,905	3,269,388
Other income				
Foreign exchange loss	(466,389)	(48,235)	11,909	(502,715)
Interest income	42,721	-	-	42,721
Fair value changes in marketable securities	162,362	-	-	162,362
Net loss for the period	\$ (777,758)	\$ (2,490,266)	(298,996)	\$ (3,567,020)
Six months ended May 31, 2025	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 3,403,792	\$ 2,454,297	\$ 5,858,089
Professional fees	170,571	-	-	170,571
Consulting	196,492	-	-	196,492
General and administrative	143,249	135,247	78,877	357,373
Regulatory fees	90,987	-	-	90,987
Share-based payments	143,593	-	-	143,593
Investor relations	253,515	-	-	253,515
Directors' fees	60,000	-	-	60,000
	(1,058,407)	(3,539,039)	(2,533,174)	(7,130,620)
Other income				
Foreign exchange gain (loss)	(115,762)	(176)	10,737	(105,201)
Interest income	100,826	-	-	100,826
Fair value changes in marketable securities	162,362	-	-	162,362
Net loss for the period	\$ (910,981)	\$ (3,539,215)	(2,522,437)	\$ (6,972,633)

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14. Segment information (continued)

Three months ended May 31, 2024	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 3,115,583	\$ 36,753	\$ 3,152,336
Professional fees	200,217	-	-	200,217
Consulting	49,999	-	-	49,999
General and administrative	50,597	128,174	9,033	187,804
Regulatory fees	96,446	-	-	96,446
Share-based payments	185,654	-	-	185,654
Investor relations	31,250	-	-	31,250
	614,163	3,243,757	45,786	3,903,706
Other income				
Foreign exchange gain (loss)	(87,073)	258,822	(369)	171,380
Interest income	88,944	-	-	88,944
Net loss for the period	\$ (612,292)	\$ (2,984,935)	(46,155)	\$ (3,643,382)
Six months ended May 31, 2024	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 3,919,173	\$ 43,692	\$ 3,962,865
Professional fees	251,989	-	-	251,989
Consulting	119,146	-	-	119,146
General and administrative	103,556	170,447	29,869	303,872
Regulatory fees	131,706	-	-	131,706
Share-based payments	185,654	-	-	185,654
Investor relations	62,500	-	-	62,500
	(854,551)	(4,089,620)	(73,561)	(5,017,732)
Other income				
Foreign exchange gain (loss)	49,106	216,840	613	266,559
Interest income	107,662	-	-	107,662
Net loss for the period	\$ (697,783)	\$ (3,872,780)	(72,948)	\$ (4,643,511)

15. Commitments and contingencies

Environmental contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

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16. Subsequent events

On June 16, 2025, the Company closed the first tranche of its non-brokered private placement through the issuance of 35,660,000 units ("Units") at \$0.20 per Unit for aggregate gross proceeds of \$7,132,000. Each Unit consisted of one common share and one-half share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at a price of \$0.40 per share for a period of 2 years from the closing of the private placement. In connection with the private placement, the Company incurred share issue costs of \$99,600 and issued 350,000 common shares.

On July 7, 2025, the Company closed the second tranche of its non-brokered private placement through the issuance of 74,340,000 Units at \$0.20 per Unit for aggregate gross proceeds of \$14,868,000. In connection with the private placement, the Company issued finders' fees of 3,000,000 common shares.

On July 14, 2025, the Company closed the third and final tranche of its non-brokered private placement through the issuance of 1,200,000 Units at \$0.20 per Unit for aggregate gross proceeds of \$240,000.