
MOGOTES METALS INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor's Report

To the Shareholders of Mogotes Metals Inc.

Opinion

We have audited the consolidated financial statements of **Mogotes Metals Inc.** ("the Company"), which comprise the consolidated statements of financial position as at November 30, 2024 and November 30, 2023, and the consolidated statements of comprehensive loss, consolidated statements of shareholders' equity (deficiency) and consolidated statements of cash flows for the years then ended, and 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 financial position of **Mogotes Metals Inc.** as at November 30, 2024 and November 30, 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 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 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 is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has not yet achieved profitable operations and expects to incur future losses in the development of its business. 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 of the Company for the year ended November 30, 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. We have identified no other key audit matters other than the matter described in the Emphasis of Matter - Material Uncertainty Related to Going Concern section of our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Independent Auditor's Report

To the Shareholders of Mogotes Metals Inc. (Continued)

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 International Financial Reporting Standards 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 it 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 a 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 a 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 condition 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 with the Group 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.

Independent Auditor's Report

To the Shareholders of Mogotes Metals Inc. (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants
St. Catharines, Ontario
March 11, 2025

Mogotes Metals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at November 30, 2024	As at November 30, 2023
ASSETS		
Current assets		
Cash	\$ 10,037,610	\$ 1,398,254
Amounts receivable	136,878	51,841
Prepaid expenses	327,313	169,017
Total current assets	10,501,801	1,619,112
Non-current assets		
VAT recoverable	824,552	275,033
Total assets	\$ 11,326,353	\$ 1,894,145
SHAREHOLDERS' EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	\$ 458,852	\$ 782,720
Total liabilities	458,852	782,720
Shareholders' equity		
Share capital (note 4)	21,444,651	9,465,087
Share-based payments (notes 6 and 7)	648,960	136,788
Warrants (note 8)	4,773,677	671,021
Accumulated other comprehensive loss	(315,419)	(29,312)
Deficit	(15,684,368)	(9,132,159)
Total shareholders' equity	10,867,501	1,111,425
Total shareholders' equity and liabilities	\$ 11,326,353	\$ 1,894,145

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

Nature of operations and going concern (note 1)
Commitments and contingencies (notes 9 and 15)
Subsequent events (note 16)

Mogotes Metals Inc.

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

	Year Ended November 30, 2024	Year Ended November 30, 2023
Expenses		
Exploration and evaluation expenditures (notes 9 and 10)	\$ 5,159,490	\$ 8,864,731
Professional fees (note 10)	421,815	755,580
Consulting (note 10)	538,389	442,917
General and administrative	590,027	474,116
Regulatory fees	195,414	47,872
Share-based payments (notes 6, 7 and 10)	457,723	136,788
Investor relations	270,935	95,268
Directors' fees (note 10)	66,000	-
	(7,699,793)	(10,817,272)
Other income		
Foreign exchange gain	794,475	2,144,709
Interest income	307,941	48,475
Net loss for the year	(6,597,377)	(8,624,088)
Other comprehensive loss		
Items that will be reclassified subsequently to income		
Currency translation	(286,107)	(25,123)
Total comprehensive loss for the year	\$ (6,883,484)	\$ (8,649,211)
Basic and diluted net loss per share	\$ (0.04)	\$ (0.08)
Weighted average number of common shares outstanding	164,598,919	106,421,092

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

Mogotes Metals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended November 30, 2024	Year Ended November 30, 2023
Operating activities		
Net loss for the year	\$ (6,597,377)	\$ (8,624,088)
Adjustments for:		
Share-based payments	457,723	136,788
Shares issued for property acquisition	-	1,200,000
Shares and units issued for services	-	240,000
Changes in non-cash working capital items:		
Amounts receivable	(85,037)	225,972
Prepaid expenses	(158,296)	(156,151)
VAT recoverable	(549,519)	(220,483)
Accounts payable and accrued liabilities	(144,260)	557,356
Net cash used in operating activities	(7,076,766)	(6,640,606)
Financing activities		
Shares, units, special warrants, and subscription receipts issued for cash	16,233,192	5,152,900
Shares, units, special warrants, and subscription receipts issue costs	(900,963)	(173,288)
Warrants exercised	670,000	-
Net cash provided by financing activities	16,002,229	4,979,612
Net change in cash	8,925,463	(1,660,994)
Net effect of currency translation	(286,107)	(25,123)
Cash, beginning of year	1,398,254	3,084,371
Cash, end of year	\$ 10,037,610	\$ 1,398,254
Supplemental cash flow information		
Shares issued for share issue costs	\$ -	\$ 180,000
Broker warrants	\$ 209,052	\$ 130,426
Shares issued for debt settlements	\$ 179,608	\$ -
Taxes paid in cash	\$ -	\$ -

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

Mogotes Metals Inc.

Consolidated Statements of Changes in Equity (Expressed in Canadian Dollars)

	Share capital	Special warrants	Share-based payments	Warrants	Accumulated other comprehensive loss	Deficit	Total
Balance, November 30, 2022	\$ 3,175,901	\$ -	\$ -	\$ 540,595	\$ (4,189)	\$ (508,071)	\$ 3,204,236
Shares issued for cash	5,152,900	-	-	-	-	-	5,152,900
Shares issued for finders' fees	180,000	-	-	-	-	-	180,000
Share issue costs	(483,714)	-	-	130,426	-	-	(353,288)
Shares issued for services	240,000	-	-	-	-	-	240,000
Shares issued for property acquisition	1,200,000	-	-	-	-	-	1,200,000
Share-based payments	-	-	136,788	-	-	-	136,788
Comprehensive loss for the year	-	-	-	-	(25,123)	(8,624,088)	(8,649,211)
Balance, November 30, 2023	\$ 9,465,087	\$ -	\$ 136,788	\$ 671,021	\$ (29,312)	\$ (9,132,159)	\$ 1,111,425
Shares issued for cash	3,500,000	-	-	-	-	-	3,500,000
Share issue costs	(59,638)	-	-	2,652	-	-	(56,986)
Special warrants issued for cash	-	10,799,163	-	-	-	-	10,799,163
Special warrants issued for services	-	145,164	-	-	-	-	145,164
Special warrants issue costs	-	(848,953)	-	157,168	-	-	(691,785)
Allocation to special warrant reserve	-	(54,449)	54,449	-	-	-	-
Special warrants converted to shares	10,040,925	(10,040,925)	-	-	-	-	-
Subscription receipts converted to shares	1,934,029	-	-	-	-	-	1,934,029
Subscription receipts issue costs	(346,588)	-	-	49,232	-	-	(297,356)
Warrants valuation	(4,154,933)	-	-	4,154,933	-	-	-
Shares issued for debt settlement	179,608	-	-	-	-	-	179,608
Warrants exercised	886,161	-	-	(216,161)	-	-	670,000
Warrants expired	-	-	-	(45,168)	-	45,168	-
Share-based payments	-	-	457,723	-	-	-	457,723
Comprehensive loss for the year	-	-	-	-	(286,107)	(6,597,377)	(6,883,484)
Balance, November 30, 2024	\$ 21,444,651	\$ -	\$ 648,960	\$ 4,773,677	\$ (315,419)	\$ (15,684,368)	\$ 10,867,501

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

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

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 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 November 30, 2024, 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 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 consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

The consolidated financial statements for the year ended November 30, 2024 were approved and authorized for issue by the Board of Directors on March 11, 2025.

Functional and presentation currency

These consolidated financial statements have been prepared in Canadian dollars, which is the Company's functional and presentation currency. As of November 30, 2024, the functional currency was determined to be the United States dollars for the Company's subsidiaries.

Basis of consolidation

Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns.

The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statements of comprehensive loss from the effective date of control and up to the effective date of disposal or loss of control, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Basis of consolidation (continued)

The following companies have been consolidated within the consolidated financial statements:

Company	Registered	Principal activity
Mogotes Metals Inc.	Ontario, Canada	Parent company
<u>Subsidiaries</u>		
Kopano Sobre S.A. (i)	Argentina	Exploration
Mogotes Metals Chile SpA (i)	Chile	Exploration

(i) 100% owned, directly or indirectly, by the ultimate shareholder - Mogotes Metals Inc.

Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- i) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and
- ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Financial instruments (continued)

After initial recognition at fair value, financial liabilities are classified and measured at either:

- i) amortized cost;
- ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,
- iii) FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

The Company's financial assets consist of cash and amounts receivable, which are classified as subsequently measured at amortized cost.

The Company's financial liabilities consist of accounts payable and accrued liabilities, which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in net loss.

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Fair value hierarchy

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The Company has no financial instruments carried at fair value as at November 30, 2024 and 2023 to classify under the fair value hierarchy.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Share-based payments

The Company accounts for all equity-settled share-based payments using a fair value based method incorporating the Black-Scholes option pricing model.

Under the fair value based method, compensation cost attributable to options granted is measured at fair value at the grant date and is either recorded at the date of grant, in the case of options that vest immediately, or over the vesting period in the case of options that vest over a period of time. In the latter case, the Company estimates forfeitures at the time of grant and the amount recognized as an expense from time to time is adjusted to reflect any changes in the Company's estimate of the shares that will eventually vest and the effect of any non-market vesting conditions.

Share-based payment arrangements with non-employees in which the Company receives goods or services as consideration are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case they are measured at the fair value of equity instruments granted.

The grant date fair value of options that are unexercised upon expiry is removed from contributed surplus and transferred to deficit.

Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share.

Diluted weighted-average common shares outstanding for the years ended November 30, 2024 and 2023 do not include the outstanding stock options, RSUs, and warrants as their exercise would be anti-dilutive in the loss per share calculation.

Income taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity.

Current income taxes

Current taxes are the expected taxes payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous years.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Income taxes (continued)

Deferred income taxes

The Company accounts for income taxes under the asset and liability method. Under this method of tax allocation, deferred income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax bases (temporary differences).

Deferred income taxes are measured using the tax rates that are expected to be in effect when the temporary differences are likely to reverse, based on the laws that have been enacted or substantively enacted by the reporting date. The effect on deferred income tax assets and liabilities of a change in tax rates is included in loss in the period in which the change is substantively enacted. The amount of deferred income tax assets recognized is limited to the amount that is probable to be realized.

3. Critical accounting estimates and judgments

The preparation of the 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 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.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

4. Share capital

(a) Authorized share capital

As at November 30, 2024, 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, 2022	90,737,500	\$ 3,175,901
Private placements (i)(ii)(vi)	17,176,332	5,152,900
Shares issued for finders' fees (i)(vi)	600,000	180,000
Share issue costs (i)(ii)(vi)	-	(483,714)
Shares cancelled (iv)	(250,000)	-
Shares issued for services (iii)(vii)(viii)	800,000	240,000
Shares issued for property acquisition ((v) and note 9)	4,000,000	1,200,000
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 (ix)(xi)(xiii)	1,193,125	179,608
Shares issued for property acquisition ((x) and note 9)	4,000,000	-
Special warrants converted to common shares (note 5)	72,962,170	10,040,925
Subscription receipts converted to common shares (xii)	11,376,641	1,934,029
Subscription receipts issue costs (xii)	-	(346,588)
Private placements (xiv)	25,000,000	3,500,000
Share issue costs (xiv)	-	(59,638)
Warrants valuation ((xii), (xiv) and note 5)	-	(4,154,933)
Warrants exercised	6,700,000	886,161
Balance, November 30, 2024	236,795,768	\$ 21,444,651

- (i) On February 17, 2023, the Company closed the first tranche of a non-brokered private placement pursuant to which it issued 11,176,332 common shares at \$0.30 per share to raise gross proceeds of \$3,352,900. In connection with the private placement, the Company incurred share issue costs of \$152,288, issued 350,000 common shares (valued at \$105,000, based on the fair value of the services received as agreed upon with the third parties to be the fair value of equity instruments at the time of agreement for services), and issued 728,676 finders' warrants as finders' fees. Each finders' 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 2 years from the closing date. The 728,676 finders' warrants were assigned a value of \$119,033 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2 years, expected volatility of 101%, risk-free rate of 4.15%, and expected dividend yield of 0%.

In conjunction with this 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).

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

4. Share capital (continued)

(b) Common shares issued (continued)

- (ii) On March 16, 2023, the Company closed the second and final tranche of a non-brokered private placement pursuant to which it issued 1,000,000 common shares at \$0.30 per share to raise gross proceeds of \$300,000. In connection with the private placement, the Company incurred share issue costs of \$21,000 and issued 70,000 finders' warrants as finders' fees. Each finders' 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 2 years from the closing date. The 70,000 finders' warrants were assigned a value of \$11,393 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2 years, expected volatility of 101%, risk-free rate of 3.73%, and expected dividend yield of 0%.
- (iii) On March 28, 2023, the Company issued 400,000 common shares (valued at \$120,000) for services.
- (iv) On April 19, 2023, the Company cancelled 250,000 common shares issued to a former director of the Company.
- (v) 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.
- (vi) On April 25, 2023, the Company closed a non-brokered private placement pursuant to which it issued 5,000,000 common shares at \$0.30 per share to raise gross proceeds of \$1,500,000. In connection with the private placement, the Company issued 250,000 common shares (valued at \$75,000, based on the fair value of the services received as agreed upon with the third parties to be the fair value of equity instruments at the time of agreement for services) to a director of the Company as finders' fees.
- (vii) On May 16, 2023, the Company issued 330,000 common shares (valued at \$99,000) to a director of the Company for services.
- (viii) On June 21, 2023, the Company issued 70,000 common shares (valued at \$21,000) to a director for the Company for services.
- (ix) 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.
- (x) 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 9.
- (xi) On March 12, 2024, the Company issued 36,186 common shares (valued at \$5,428) for debt settlement.
- (xii) On March 21, 2024, the Company closed a brokered offering pursuant to which it issued 11,376,641 subscription receipts at a price of \$0.17 per subscription receipt to raise gross proceeds of \$1,934,029. Each subscription receipt is convertible, for no additional consideration, into a unit, which consists of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.30 per share and expires on January 31, 2027. In connection with the offering, the Company paid commissions and other issue costs of \$297,356 and granted 682,598 broker's warrants. Each brokers' warrant is exercisable for 2 years after the listing date with exercise price of \$0.17 per share. The gross proceeds from the offering were deposited in escrow and were held by the escrow agent. The funds were released from escrow upon satisfaction of the following escrow conditions:

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

4. Share capital (continued)

(b) Common shares issued (continued)

(xii) (continued)

- (a) The receipt by the Company of the conditional approval of the TSX Venture Exchange for listing;
- (b) The receipt by the Company of the final receipt issued by the Ontario Securities Commission of the final prospectus;
- (c) The receipt by the agent of an opinion of counsel to the Company that the subscription receipt shares and warrants will be freely tradable upon the completion of the listing; and
- (d) The receipt by the escrow agent of a notice from the Company and the agent confirmation that the conditions set forth in (a) and (b) above have been met or waived.

The subscription receipts were converted into units on June 12, 2024.

The 5,688,320 warrants were assigned a value of \$460,374 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%.

The 682,598 broker warrants were assigned a value of \$49,232 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2 years, expected volatility of 105%, risk-free rate of 3.9%, and expected dividend yield of 0%.

(xiii) On April 11, 2024, the Company issued 31,939 common shares (valued at \$5,430) for debt settlement.

(xiv) On September 20, 2024, and September 26, 2024, the Company closed the its non-brokered private placement through the issuance of 25,000,000 units ("Units") at \$0.14 per Unit for aggregate gross proceeds of \$3,500,000. 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 \$0.30 per share until January 31, 2027. In connection with the private placement, the Company incurred share issue costs of \$56,986 and issued 36,000 broker warrants. Each broker warrant entitles the holder thereof to acquire one common share at a price of \$0.14 per share for a period of 18 months from the closing date.

The 12,499,997 warrants were assigned a value of \$742,027 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 2.3 years, expected volatility of 104%, risk-free rate of 2.8%, and expected dividend yield of 0%.

The 36,000 broker warrants were assigned a value of \$2,652 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 1.5 years, expected volatility of 107%, risk-free rate of 3.0%, and expected dividend yield of 0%.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

5. Special warrants

	Number of special warrants	Amount
Balance, November 30, 2022 and 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)	-	(848,953)
Allocation to special warrant reserve (i)	-	(54,449)
Special warrants converted to common shares	(72,962,170)	(10,040,925)
Balance, November 30, 2024	-	\$ -

- (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 Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

6. 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, 2022	-	\$ -
Issued (i)(ii)	600,000	0.30
Balance, November 30, 2023	600,000	0.30
Issued (iii)	5,700,000	0.23
Balance, November 30, 2024	6,300,000	\$ 0.24

During the year ended November 30, 2024, the total share-based payments for the stock options amounted to \$396,147 (2023 - \$136,788).

- (i) On March 28, 2023, the Company granted 400,000 stock options to consultants of the Company. Each stock option has an exercise price of \$0.30 per share and expire on December 31, 2026. The stock options were assigned a value of \$91,403 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 3.8 years, expected volatility of 118% based on comparable companies, risk-free rate of 3.0%, and expected dividend yield of 0%.
- (ii) On April 25, 2023, the Company granted 200,000 stock options to consultants of the Company. Each stock option has an exercise price of \$0.30 per share and expire on December 31, 2026. The stock options were assigned a value of \$45,385 using the Black-Scholes valuation model using the weighted average assumptions: expected life of 3.7 years, expected volatility of 118% based on comparable companies, risk-free rate of 2.92%, and expected dividend yield of 0%.
- (iii) 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 November 30, 2024:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options exercisable
May 6, 2026	0.23	1.43	5,700,000	3,800,000
December 31, 2026	0.30	2.08	600,000	600,000
	0.24	1.49	6,300,000	4,400,000

Mogotes Metals Inc.

Notes to Consolidated Financial Statements Years Ended November 30, 2024 and 2023 (Expressed in Canadian Dollars)

7. 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, 2022 and November 30, 2023	-
Issued (i)	1,000,000
Balance, November 30, 2024	1,000,000

During the year ended November 30, 2024, the total share-based payments for the RSUs amounted to \$61,576 (2023 - \$nil).

- (i) On July 8, 2024, the Company issued 1,000,000 RSUs to a consultant. The RSUs vest one year from the grant date.

8. Warrants

	Number of warrants	Weighted average exercise price
Balance, November 30, 2022	14,100,000	\$ 0.10
Issued	798,676	0.30
Balance, November 30, 2023	14,898,676	0.11
Issued	57,158,501	0.29
Expired	(1,400,000)	0.10
Exercised	(6,700,000)	0.10
Balance, November 30, 2024	63,957,177	\$ 0.28

The following table reflects the warrants outstanding as of November 30, 2024:

Expiry date	Exercise price (\$)	Number of warrants outstanding
February 7, 2025	0.30	728,676
March 16, 2025	0.30	70,000
June 12, 2026	0.15	1,770,501
June 12, 2026	0.17	682,598
March 26, 2026	0.14	36,000
January 31, 2027	0.30	54,669,402
October 7, 2027	0.10	6,000,000
	0.28	63,957,177

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

9. Exploration and evaluation expenditures

	Year Ended November 30, 2024	Year Ended November 30, 2023
Filo Sur Project		
Acquisition and claims maintenance	\$ 215,437	\$ 1,839,759
Geologists and consulting	1,081,544	1,359,624
Logistics and field assistants	508,495	684,979
Land access	-	1,197,591
Camp - Services, equipment and consumables	401,129	1,187,833
Rental and buildings	125,577	507,888
Camp infrastructure	165,698	666,334
Vehicle hire	308,387	288,302
Travel and accommodation	20,685	52,098
Analysis	162,037	175,455
Drilling	1,315,783	265,135
Geophysics	759,275	594,896
Environmental	95,443	44,837
	\$ 5,159,490	\$ 8,864,731

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:

- 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.

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.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

9. Exploration and evaluation expenditures (continued)

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 4(b).

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.

Chile optioned properties

In September 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, the Company can earn 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;
- Making a cash payment of US\$100,000 on or before the 2nd anniversary of the Vicuna Option Agreement; and
- Making a cash payment of US\$325,000 on or before the 3rd anniversary of the Vicuna Option Agreement.

The vendor retains a 1% NSR from production from the Chile optioned properties if the Vicuna Option is exercised.

The Company may terminate the Vicuna Option Agreement unilaterally at any time before the end of the Vicuna Option Period as follows:

- (i) By not making the required option payments under the Vicuna Option Agreement when due, provided that the Company has 10 business days after the required due date to complete such option payment;
- (ii) By providing the vendor with 30 days' prior notice; or
- (iii) If the Company does not exercise the option within 48 months after the date of the Vicuna Option Agreement, the Company will be deemed to have terminated the Vicuna Option Agreement.

If the Company elects to terminate the Vicuna Option Agreement, the Company will have no interest in the Chile optioned properties and will forfeit any payments made to the vendor under the Vicuna Option Agreement prior to the date of termination.

Either the vendor or the Company may terminate the Vicuna Option Agreement if the other party breaches their obligations under the Vicuna Option Agreement.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

10. 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 year ended November 30, 2024 can be summarized as follows:

	Year Ended November 30, 2024	Year Ended November 30, 2023
Consulting (i)(ii)(iii)	\$ 248,749	\$ 322,917
Exploration and evaluation expenditures (ii)	337,572	584,803
Professional fees (iv)	59,047	59,546
Directors' fees	66,000	-
Special warrants issue costs (ii)	193,552	-
Share-based payments	305,798	-
	\$ 1,210,718	\$ 967,266

- (i) During the year ended November 30, 2024, the Company incurred consulting fees of \$199,999 (2023 - \$116,667) to a company associated with the Company's President and CEO. As at November 30, 2024, \$16,667 (November 30, 2023 - \$66,667) 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 year ended November 30, 2024, the Company incurred geological services fees of \$337,572 (2023 - \$584,803), consulting fees of \$18,750 (2023 - \$206,250), and special warrants issue costs of \$193,552 (2023 - \$nil) to a consulting group associated with the Company's director. As at November 30, 2024, \$169,202 (November 30, 2023 - \$206,250) 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 year ended November 30, 2024, the Company incurred consulting fees of \$30,000 (2023 - \$nil) to a company associated with the Company's director. As at November 30, 2024, \$8,000 (November 30, 2023 - \$nil) 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 year ended November 30, 2024, the Company incurred professional fees of \$59,047 (2023 - \$59,546) to Marrelli Support Services Inc. ("Marrelli") for an employee of Marrelli to act as the Chief Financial Officer of the Company. As at November 30, 2024, \$3,109 (November 30, 2023 - \$2,883) 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.
- (v) See note 4(b)(ix).

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

11. 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 November 30, 2024, the Company has accounts payable and accrued liabilities of \$458,852 (November 30, 2023 - \$782,720) due within 12 months and has cash of \$10,037,610 (November 30, 2023 - \$1,398,254) 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 November 30, 2024, a portion of the Company's net assets were held in US Dollars (US\$1,149,928). 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.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

12. Capital risk management

Capital is comprised of the Company's shareholders' equity. As of November 30, 2024, the Company's shareholders' equity was \$10,867,501 (November 30, 2023 - \$1,111,425). 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 year ended November 30, 2024.

13. 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:

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

November 30, 2023	Canada	Argentina	Chile	Total
Assets				
Current assets	\$ 1,468,251	\$ 148,617	\$ 2,244	\$ 1,619,112
Non-current assets	-	274,805	228	275,033
	\$ 1,468,251	\$ 423,422	\$ 2,472	\$ 1,894,145
Liabilities				
Current liabilities	\$ 724,274	\$ 36,017	\$ 22,429	\$ 782,720

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

13. Segment information (continued)

Year ended November 30, 2024	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 4,971,151	\$ 188,339	\$ 5,159,490
Professional fees	342,176	79,639	-	421,815
Consulting	538,389	-	-	538,389
General and administrative	183,140	262,603	144,284	590,027
Regulatory fees	195,414	-	-	195,414
Share-based payments	457,723	-	-	457,723
Investor relations	270,935	-	-	270,935
Directors' fees	66,000	-	-	66,000
	(2,053,777)	(5,313,393)	(332,623)	(7,699,793)
Other income				
Foreign exchange gain (loss)	332,250	466,339	(4,114)	794,475
Interest income	307,941	-	-	307,941
Net loss for the year	\$ (1,413,586)	\$ (4,847,054)	(336,737)	\$ (6,597,377)
Year ended November 30, 2023	Canada	Argentina	Chile	Total
Expenses				
Exploration and evaluation expenditures	\$ -	\$ 8,311,763	\$ 552,968	\$ 8,864,731
Professional fees	665,766	89,814	-	755,580
Consulting	442,917	-	-	442,917
General and administrative	191,767	239,735	42,614	474,116
Regulatory fees	47,872	-	-	47,872
Share-based payments	136,788	-	-	136,788
Investor relations	95,268	-	-	95,268
	(1,580,378)	(8,641,312)	(595,582)	(10,817,272)
Other income				
Foreign exchange gain (loss)	(9,604)	2,177,581	(23,268)	2,144,709
Interest income	48,475	-	-	48,475
Net loss for the year	\$ (1,541,507)	\$ (6,463,731)	(618,850)	\$ (8,624,088)

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

14. Income tax

The relationship between the expected tax recovery based on the combined federal and provincial income tax rate in Canada and the reported tax expense in the statement of comprehensive loss can be reconciled as follows:

	Year Ended November 30, 2024	Year Ended November 30, 2023
Loss before income taxes	\$ (6,597,377)	\$ (8,624,088)
Broken out between:		
Canada	(2,278,879)	(4,478,124)
Argentina	(4,108,851)	(3,544,200)
Chile	(336,737)	(618,850)
Consolidated adjustments	127,090	17,086
	\$ (6,597,377)	\$ (8,624,088)
Expected tax recovery at 26.5% (Canada)	603,903	1,186,703
Expected tax recovery at 35% (Argentina)	1,438,098	1,240,470
Expected tax recovery at 46.5% exploration operations and 27% non-exploration operations (Chile)	127,645	274,918
	2,169,646	2,702,091
Adjustments for the following items:		
Change in unrecognized deductible temporary differences	(2,049,649)	(2,667,440)
Permanent differences	(119,997)	(34,651)
Deferred income tax recovery	\$ -	\$ -

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	November 30, 2024	November 30, 2023
Deferred tax assets (liabilities)		
Non-capital losses available for future period	\$ 3,780,861	\$ 1,884,137
Exploration and evaluation assets	1,102,629	857,705
Undepreciated capital cost pool	117,097	127,429
Share issue costs	348,729	95,916
Unrealized foreign exchange	(1,231)	(1,231)
	5,348,085	2,963,956
Valuation allowance	(5,348,085)	(2,963,956)
Net deferred tax assets	\$ -	\$ -

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

14. Income tax (continued)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	November 30, 2024	Expiry date range	November 30, 2023	Expiry date range
Temporary differences				
Non-capital losses available for future periods				
- Canada	2,558,216	2042-2044	1,170,633	2042-2043
- Argentina	8,128,361	2027-2029	4,019,510	2027-2028
- Chile	955,587	2029-Indefinite	618,850	2029-Indefinite

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.

16. Subsequent events

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;
- 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.

Mogotes Metals Inc.

Notes to Consolidated Financial Statements

Years Ended November 30, 2024 and 2023

(Expressed in Canadian Dollars)

16. Subsequent events (continued)

CMP Option Agreement (continued)

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.

Amendment to Vicuna Option Agreement

In January 2025, the Vicuna Option Agreement was amended such that a single cash payment of US\$150,000 would finalise the purchase of the Chile optioned properties. The vendor retains a 1% NSR from production from the Chile optioned properties with a total payment cap of US\$500,000.

Amendment to Filo Sur Option Agreement

In February 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 US\$550,000 within five days of receiving conditional approval from the TSX-V;
- 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;
- Issuing 10,714,285 common shares of the Company to the vendor, on the date date it makes the cash payment and investment; 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.