



**Consolidated Financial Statements
Years Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)**

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SOUTHERN SILVER EXPLORATION CORP.

Opinion

We have audited the consolidated financial statements of Southern Silver Exploration Corp. and its subsidiaries (the "Company"), which comprise:

- ◆ the consolidated statements of financial position as at April 30, 2025 and 2024;
- ◆ the consolidated statements of comprehensive loss for the years then ended;
- ◆ the consolidated statements of changes in shareholders' equity for the years then ended;
- ◆ the consolidated statements of cash flows for the years then ended; and
- ◆ the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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 Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended April 30, 2025. 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 determined that there are no key audit matters to communicate in our auditor's report.

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting 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 is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 28, 2025

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Southern Silver Exploration Corp.
(An Exploration Stage Company)
Consolidated Statements of Comprehensive Loss
Years Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)

	Note	April 30, 2025	April 30, 2024
		\$	\$
Administration	8	60,000	60,000
Consulting	8	524,502	263,653
Exploration and evaluation	7 & 8	2,556,562	2,494,990
Investor relations and corporate development	8	463,641	438,432
Office and general	8	85,887	68,931
Professional fees	8	356,942	318,977
Regulatory fees and taxes		73,328	79,815
Share-based payments	8 & 9	1,347,503	12,526
Shareholders' communication		20,850	12,292
Transfer agent		34,886	40,531
		5,524,101	3,790,147
Foreign exchange		24,668	30,337
Other income		(37,681)	(114,786)
Write-off of mineral property costs	7	193,375	-
Loss on disposal of subsidiary	12	9,738	-
Transaction and restructuring costs	12	20,217	-
Loss and comprehensive loss for the year		5,734,418	3,705,698
Loss per share - basic and diluted		0.02	0.01
Weighted average number of shares outstanding - basic and diluted	9	308,953,273	291,546,757

The accompanying notes form an integral part of these consolidated financial statements

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	April 30, 2025	April 30, 2024
		\$	\$
Assets			
Current			
Cash and cash equivalents	5	3,458,479	730,456
Other receivables	7	76,808	22,143
Prepaid expenses		171,328	91,312
		3,706,615	843,911
Non-current			
Reclamation bonds	6	137,334	146,898
Mineral properties	7	34,556,137	34,527,618
		34,693,471	34,674,516
		38,400,086	35,518,427
Liabilities			
Current			
Account payable and accrued liabilities		357,676	444,760
Due to related parties	8	53,988	46,402
		411,664	491,162
Shareholders' Equity			
Share capital	9	89,743,156	82,225,073
Share-based payments reserve	9	6,980,730	6,740,912
Other reserve		9,270	9,270
Deficit		(58,744,734)	(53,947,990)
		37,988,422	35,027,265
		38,400,086	35,518,427

Approved on behalf of the Board

"Lawrence Page"
Lawrence Page, K.C.

"Gina Jones"
Gina Jones

The accompanying notes form an integral part of these consolidated financial statements

Southern Silver Exploration Corp.

(An Exploration Stage Company)

Consolidated Statements of Changes in Shareholders' Equity

Years Ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

	Share capital	Share capital	Share-based payments reserve	Other reserve	Deficit	Total
	Number	\$	\$	\$	\$	\$
Balance, April 30, 2023	291,546,757	82,225,073	8,514,546	9,270	(52,028,452)	38,720,437
Fair value of options expired	-	-	(1,107,316)	-	1,107,316	-
Fair value of warrants expired	-	-	(678,844)	-	678,844	-
Share-based compensation	-	-	12,526	-	-	12,526
Net loss	-	-	-	-	(3,705,698)	(3,705,698)
Balance, April 30, 2024	291,546,757	82,225,073	6,740,912	9,270	(53,947,990)	35,027,265
Issued						
Private Placement	36,291,313	7,187,715	-	-	-	7,187,715
Exercise of stock options	2,335,000	413,450	-	-	-	413,450
Exercise of warrants	150,000	37,500	-	-	-	37,500
Share issue costs	-	(446,432)	129,538	-	-	(316,894)
Fair value of options exercised	-	325,850	(325,850)	-	-	-
Fair value of options expired	-	-	(865,544)	-	865,544	-
Fair value of warrants expired	-	-	(45,829)	-	45,829	-
Share-based compensation	-	-	1,347,503	-	-	1,347,503
Adjustment on disposal of subsidiary	-	-	-	-	26,301	26,301
Net loss	-	-	-	-	(5,734,418)	(5,734,418)
Balance, April 30, 2025	330,323,070	89,743,156	6,980,730	9,270	(58,744,734)	37,988,422

The accompanying notes form an integral part of these consolidated financial statements

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Years Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)

	April 30, 2025	April 30, 2024
	\$	\$
Operating activities		
Net Loss	(5,734,418)	(3,705,698)
<i>Items not involving cash</i>		
Loss on disposal of subsidiary	9,738	-
Write-off of mineral property costs	193,375	-
Share-based payments	1,347,503	12,526
Unrealized foreign exchange	(85)	(1,648)
<i>Changes in non-cash working capital</i>		
Other receivables	(54,665)	2,090
Prepaid expenses	(80,016)	55,034
Accounts payable and accrued liabilities	(70,521)	1,849
Due to related parties	7,586	2,248
Cash used in operating activities	(4,381,503)	(3,633,599)
Investing activities		
Refund of reclamation bond	9,649	-
Mineral property acquisition costs, net	(221,894)	(307,044)
Cash used in investing activities	(212,245)	(307,044)
Financing activities		
Shares issued for cash	7,638,665	-
Share issuance costs	(316,894)	-
Cash provided by financing activities	7,321,771	-
Foreign exchange effect on cash	-	332
Change in cash during the year	2,728,023	(3,940,311)
Cash, beginning of year	730,456	4,670,767
Cash, end of year	3,458,479	730,456
Cash and cash equivalents consist of:		
Cash	778,712	390,625
Cash equivalents	2,679,767	339,831

Supplemental Cash Flow Information – Note 11

The accompanying notes form an integral part of these consolidated financial statements

1. Nature of Operations

Southern Silver Exploration Corp. (the "Company") is an exploration stage company incorporated under the laws of British Columbia, Canada. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

The economic uncertainties around persistent inflation pressure, geopolitical and other global factors have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown. As at April 30, 2025, the Company has not been significantly impacted by these matters.

2. Basis of Preparation and Consolidation

These consolidated financial statements were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") using historical cost and the accrual basis, except for cash flow information and financial instruments measured at fair value.

Control is based on whether an investor has power over the investee, exposure of rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns. All inter-company transactions and balances have been eliminated upon consolidation. The consolidated financial statements of the Company include the following entities controlled by the Company (Note 12):

Entity	Country of Incorporation	Principal Activity
Southern Silver Holdings Limited ("SSHL")	British Virgin Islands	Holding company - 100% owned by the Company
Minera Plata del Sur S.A de C.V. ("MPS")	Mexico	Mineral exploration - 100% owned by SSLH
Southern Silver Projects Limited ("SSPL")	British Virgin Islands	Holding company - 100% owned by the Company
Exploraciones Magistral S.A de C.V. ("EMAG")	Mexico	Dissolved and deconsolidated effective October 2024
Southern Silver Exploration Corp. (US) ("SSV US")	United States of America	Mineral exploration - 100% owned by the Company
Exploraciones Minasol S.A de C.V. ("EMIN")	Mexico	Mineral exploration - 100% owned by the Company
Oroplata Resources Inc. ("ORI")	Canada	Mineral exploration - 100% owned by the Company
Minera Reyterra S.A de C.V. ("MRT")	Mexico	Mineral exploration - 100% owned by the Company effective February 2025, held on behalf of ORI

All inter-company transactions and balances have been eliminated upon consolidation. The functional and presentation currency of the Company and its subsidiaries is the Canadian dollar. These consolidated financial statements were approved and authorized for issue by the Board of Directors on August 28, 2025.

3. Summary of Material Accounting Policies

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments held in the form of money market investments and certificates of deposit with investment terms of less than three months at acquisition.

Mineral Properties

All expenditures related to the acquisition of mineral properties are capitalized on a property-by-property basis, net of recoveries which are recorded when receivable, until these mineral properties are placed into commercial production, sold, or abandoned. If commercial production is achieved from a mineral property, the related mineral properties are tested for impairment and reclassified to mineral property in production. If a mineral property is sold or abandoned, the related capitalized costs will be expensed to profit or loss in that period.

All expenditures related to the exploration and evaluation of mineral properties, net of recoveries which are recorded when receivable, are expensed to net loss in the period in which they are incurred.

From time to time, the Company may acquire or dispose of all or part of its mineral property interests under the terms of property option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, option payments are recognized when paid or received. If recoveries are received and exceed the capitalized expenditures, the excess is reflected in profit or loss.

All capitalized mineral property costs are reviewed at each reporting date, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. If any such indication exists, the recoverable amount of the asset (or cash-generating unit) is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Management's assessment of a property's estimated fair market value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

In assessing value in use, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. The amounts capitalized for mineral properties represent costs incurred to date less write-downs and are not intended to reflect present or future values.

3. Summary of Material Accounting Policies, continued

Provision for Reclamation Costs

The Company recognizes an estimate of the liability associated with statutory, contractual, constructive, or legal obligations associated with site closure and property retirement and/or costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The Company assessed an estimate of the liability associated with statutory, contractual, or legal obligations associated with site closure and property retirement costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The estimated fair value or present value of future cash flows is capitalized to the related mining acquisition assets with a corresponding increase in the rehabilitation provision in the period incurred. The capitalized amount will be depreciated on a unit-of-production basis over the estimated life of the ore reserve.

The amount of the provision will be increased each reporting period due to the passage of time, and the amount of accretion is charged to profit or loss. The provision can also increase or decrease due to changes in regulatory requirements, discount rates, and assumptions regarding the amount and timing of future rehabilitation expenditures. Any changes are recorded directly to the related mining assets with a corresponding change to the rehabilitation provision. Actual rehabilitation expenditures incurred are charged against the rehabilitation provision to the extent of the liability recorded. There were no provisions considered to be necessary as of April 30, 2025 or 2024.

Share Capital

Proceeds from the issue of units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market value of the common shares at the time the units are priced, and the balance, if any, is allocated to the attached warrants. Share issue costs, including the fair value of finders' warrants, are netted against share proceeds.

Share-based Payments

Share-based payments for employees are measured at fair value of the instruments issued on the date of grant and share-based payments for non-employees are measured at either the fair value of the goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded on the date the goods or services are received.

Consideration received on the exercise of stock options and other equity instruments is recorded as share capital and the related fair value previously recorded is transferred from share-based payment reserve to share capital. Upon expiry or cancellation, related fair value previously recorded is transferred from share-based payment reserve to deficit.

Related Party Transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered a related party transaction when there is a transfer of resources or obligations between related parties and is measured at the transaction amounts of the services rendered.

3. Summary of Material Accounting Policies, continued

Foreign Currency Translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

- Monetary assets and liabilities, at the rate of exchange in effect as at the reporting date;
- Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
- Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the exchange rates in effect on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss.

Financial Instruments

IFRS Accounting Standards provide three different measurement categories for non-derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost, unless otherwise designated. The category into which a financial asset is placed, and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs.

Financial assets

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the financial instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies all of its financial assets as subsequently measured at amortized cost. All financial assets that do not meet the criteria to be recognized as subsequently measured at amortized cost or subsequently measured at fair value through other comprehensive income, either from the Business Model test or from the solely payments of principal and interest test, are classified as fair value through profit or loss.

Financial liabilities

The Company measures all of its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value; net of transaction costs incurred and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

3. Summary of Material Accounting Policies, continued

Fair value

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Future Accounting Standards

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements (“IFRS 18”) to replace IAS 1 – Presentation of Financial Statements. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. It will be effective for the Company for the annual period beginning April 1, 2027, and will be required to be applied retrospectively. The Company is currently assessing the effect of this new standard on its consolidated financial statements.

Apart from IFRS 18, other new standards or amendments to existing standards issued but which have not yet been applied by the Company based on the effective date are not currently expected to have a material impact on the Company’s financial statements.

4. Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgments that affect amounts reported in the consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and subject to measurement uncertainty. The effect on the consolidated financial statements of changes in such estimates in future reporting periods could be significant. Significant estimates and areas where judgment is applied that have significant effect on the amount recognized in the consolidated financial statements include:

4. Significant Accounting Estimates and Judgments, continued

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The factors considered by the Company include, among other things, the Company's cash position on April 30, 2025, its projected exploration and general operating costs, its ability to raise financing, and its intention to continue operating the Company. The Company, having considered these matters, as well as its past ability to raise financing and appropriately manage exploration and general operating costs, believes that it has the ability to continue as a going concern.

Impairment assessment of exploration and evaluation assets

The recoverability of amounts shown as exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties. At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. The Company considers the following facts and circumstances in determination if it should test exploration and evaluation assets for impairment.

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

The Company allocates exploration and evaluation assets to cash-generating units or groups of cash-generating units ("CGUs") for the purpose of assessing such assets for impairment. To determine the recoverable amount of impaired assets, the Company estimates the higher of fair value less costs to sell and value in use. The actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

Mexican Value Added Tax

The recoverability of taxes receivable related to value added tax incurred in Mexico is dependent on various factors such as local policy, historical collectability, and the general economic environment. In considering these factors, the Company determined the tax receivable was not recoverable for the years ended April 30, 2025 and 2024.

4. Significant Accounting Estimates and Judgments, continued

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model at the date of grant and are expensed to net loss over each award's vesting period with the offset credit to share-based payment reserve. These models utilize subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Asset acquisitions

A business combination requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business the transaction or other event is accounted for as an asset acquisition. The determination of whether a transaction or other event is a business combination or an asset acquisition requires judgement, including whether or not a business has been acquired. In considering whether a transaction or other event constitutes a business the Company considers factors such as whether the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets; or whether a transaction or other event results in inputs and whether processes applied to those inputs that have the ability to contribute to the creation of outputs. In considering these factors, the Company determined the acquisition of MRT during the year ended April 30, 2025 did not constitute a business and was therefore accounted for as an asset acquisition.

5. Financial Instruments

The Company's financial instruments include cash and cash equivalents, other receivables and reclamation bonds which are classified as financial assets at amortized cost, and accounts payable and accrued liabilities and due to related parties, which are classified as financial liabilities at amortized cost. The carrying values of all of these instruments approximate their fair values due to the short period to maturity.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and market risks, which comprises interest rate risk, currency risk, and other price risk. Currency risk is considered immaterial. The Company's exposure to the other risks and its methods of managing these risks are summarized as follows:

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to managing its cash and cash equivalents and certain other receivables (Note 7). The Company's risk management policies require significant cash deposits, or any short-term investments be invested with Canadian chartered banks rated BBB or better. All investments must be less than one year in duration. The maximum exposure to credit risk is the carrying value of the Company's cash and cash equivalents and certain other receivables (Note 7).

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing, and financing activities and through management of its capital structure. As at April 30, 2025, all financial liabilities are either due immediately or have contractual maturities of less than 90 days and, as of that date, the Company had working capital of \$3,294,951 (2024 - \$352,749).

5. Financial Instruments, continued

Interest Rate Risk

Interest rate risk is the risk that future cash flows or fair values will fluctuate as a result of changes in market interest rates. The Company has limited exposure at April 30, 2025 to interest rate risk. Cash equivalents consist of \$2,679,767 (2024 - \$nil) in two separate High Interest Saving Accounts which earn variable rates of interest and \$nil (2024 - \$339,831) in a 90-day cashable GIC term deposit which earned an effective interest rate of 5.20% per annum and matured November 1, 2024.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk to the extent expenditures incurred, funds received, and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars and Mexican pesos). Although significant portions of exploration costs, and certain other overhead, are incurred in US dollars or other foreign currencies, the Company does not manage currency risks through hedging or other currency management tools. Therefore, the Company is exposed to currency risk to the extent of a strengthening or weakening of the Canadian dollar against other foreign currencies. At April 30, 2025, the Company had net assets of \$261,337 (Canadian dollar equivalent) exposed to changes in foreign exchange rates (2024 - \$56,890 (Canadian dollar equivalent)). Based on this exposure, as at April 30, 2025, a 5% change in exchange rates could give rise to a change in foreign exchange of approximately \$13,000 (2024 - \$3,000).

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

6. Reclamation Bonds

As at April 30, 2025, amounts on deposit were \$137,334 (US \$99,630) (2024 - \$146,898 (US \$106,630)). A State of New Mexico bond deposit of \$9,649 (US \$7,000) was returned during the year ended April 30, 2025 (Note 7).

7. Mineral Properties

Mineral property acquisition costs as at April 30, 2025 were:

	<i>Mexico</i>		Oro	Hermanas	Total
	Cerro Las Minitas	El Sol			
	\$	\$	\$	\$	\$
Balance, April 30, 2023	33,021,803	384,610	717,747	96,414	34,220,574
Additions	53,850	-	207,429	45,765	307,044
Balance, April 30, 2024	33,075,653	384,610	925,176	142,179	34,527,618
Additions	32,757	-	132,320	56,817	221,894
Write-off of previously capitalized costs	-	-	(193,375)	-	(193,375)
Balance, April 30, 2025	33,108,410	384,610	864,121	198,996	34,556,137

7. Mineral Properties, continued

Cerro Las Minitas - Durango, Mexico

The property consists of a fully owned interest in twenty-five mineral concessions located in Durango, Mexico. The Company has future and possible obligations as follows:

- (i) On April 20, 2017, two contiguous concessions were acquired by staking. One of these claims is subject to a finder's fee whereby minimum periodic payments are due on a semi-annual basis accelerating from US \$5,000 to US \$25,000 over a ninety-six-month period and a 1% Net Smelter Royalty ("NSR") with such periodic payments being credited to NSR payments. The royalty will be reduced to 0.5% subsequent to payment of US \$5,000,000 in NSR payments.
- (ii) One additional concession may be acquired if the underlying owner can deliver registered title and by making a payment, excluding applicable local taxes, of US \$200,000.

El Sol - Durango, Mexico

The property consists of a fully owned interest in certain mineral claims located in Durango, Mexico. The claims total sixty-three hectares and are situated contiguous with Cerro Las Minitas. The property is subject to a 2% NSR payable to the optionor who has granted the Company an option to purchase the NSR at any time for US \$1,000,000.

Oro - New Mexico, USA

The property consists of certain unpatented mining claims in the Eureka Mining District, Grant County, New Mexico, patented lode mining claims, which are adjacent to these claims, and patented surface rights to a contiguous property. The property is subject to a 2% NSR payable to the optionors whom have granted the Company an option to purchase the NSR at any time in 0.5% increments at US \$500,000 for each increment.

Pursuant to a lease with option to purchase agreement dated May 1, 2011, as amended, the Company can earn a 100% interest in six unpatented lode mining claims also located in the Eureka Mining District, Grant County, New Mexico.

The Company has paid all required lease payments as of April 30, 2025.

Remaining lease payments are due as:

- (i) US \$60,000 annually from May 1, 2025 to May 1, 2031. The amount due on May 1, 2025 was paid subsequent to the year ended April 30, 2025.

The Company can purchase the property at any time by paying any amounts remaining under the lease, subject to a 1% NSR payable to the optionors, which terminates when aggregate payments thereunder equal US \$500,000.

On September 9, 2024, the Company, due to the near-term pending expiry with no ability to renew, high cost of maintenance and their distance from encouraging mineralization, filed an advice of relinquishment with the New Mexico State Land Office to release its claim, with immediate effect, on two mineral leases comprising an aggregate 1,079.28 acres of the total Oro land package. Accordingly, during the year ended April 30, 2025, a write-off of \$193,275 (2024 - \$nil) was recognized in profit and loss. A value in use calculation was not applicable for these write-offs. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than \$nil. As this valuation technique requires management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy.

7. Mineral Properties, continued

Hermanas – New Mexico, USA

On December 7, 2021, the Company entered into an agreement to purchase eighty-three lode claims in Luna County, New Mexico, east of the Oro property. Upon payment of Annual Minimum Royalty ("AMR") payments, commencing at US \$15,000 on October 15, 2022 and increasing by US \$5,000 per annum until October 15, 2027, the Company will have earned a full interest in the property.

The Company has paid all required AMR payments as of April 30, 2025.

Remaining AMR payments are due as follows:

- (i) US \$30,000 on October 15, 2025;
- (ii) US \$35,000 on October 15, 2026; and
- (iii) US \$40,000 on October 15, 2027.

A minimum AMR of US \$50,000 will continue to be due each year commencing October 15, 2028. The property is subject to a 2% NSR payable to the optionor. The NSR will be reduced to 1% upon completion of cumulative AMR and NSR payments totaling US \$10,000,000.

Nazas - Durango, Mexico

On January 31, 2025, the Company entered into a letter of agreement with a third party to purchase a 100% interest in five claims totaling 2,189 hectares located on the eastern flank of the Sierra Madre Occidental Mountain range in north-central Durango State, Mexico.

Two claims were subject to a four-month due diligence period, which was completed on May 31, 2025, and three claims remain subject to on-going title transfer.

Upon completion of due diligence, the letter of agreement will form a basis for a formal option agreement and provides the following:

Pre-production payments (plus applicable Mexican tax) are as follows:

- (i) US \$15,000 on January 31, 2025 (paid excluding tax);
- (ii) US \$15,000 on July 31, 2025 (paid subsequent to year ended April 30, 2025);
- (iii) US \$15,000 on January 31, 2026;
- (iv) US \$20,000 on July 31, 2026;
- (v) US \$20,000 on January 31, 2027;
- (vi) US \$20,000 on July 31, 2027; and
- (vii) US \$25,000 on January 31, 2028.

Reimbursement of concession right taxes (plus applicable Mexican tax) as follows:

- (i) US \$25,000 on January 31, 2025 (paid excluding tax).

Completion of a minimum of 8,000 metres of drilling as follows:

- (i) 2,500 metres by January 31, 2027;
- (ii) 2,500 metres by January 31, 2028; and
- (iii) 3,000 metres by January 31, 2029.

7. Mineral Properties, continued

Nazas - Durango, Mexico, continued

Pre-production payments of US \$25,000 (plus applicable Mexican tax) will continue to be due each six months following January 31, 2028. The property is subject to a 2% NSR on the current claims, 1% NSR on any new claims acquired within an area of influence, and a 0.5% NSR on any third party owned lands acquired within the area of influence. The NSRs will be reduced by half upon cumulative pre-production payments and NSR payments totalling US \$10 million (plus applicable Mexican tax).

In conjunction with the property acquisition agreement, the Company has agreed to enter into a consulting agreement with the vendors pursuant to which the vendors will provide technical advisory services with respect to Nazas as well as the Company's other Mexican properties in exchange for 100,000 common shares of the Company. The consulting agreement is subject to TSX Venture Exchange acceptance.

As at April 30, 2025, an amount of \$55,138 (US \$40,000) has been recorded in other receivables with respect to pre-production payments and reimbursement of concession right taxes paid. The Company was entitled to be refunded all cash payments made to the optionors under the agreement until due diligence was concluded on two claims, which occurred on May 31, 2025. All exploration and evaluation expenditures incurred during the year ended April 30, 2025 have been recorded under general exploration and evaluation expenditures.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the years ended April 30, 2025 and 2024 were:

	Cerro Las Minitas		El Sol		Oro		Hermanas		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assays and analysis	200,803	99,064	-	-	-	28,422	-	14,053	200,803	141,539
Camp and supplies	201,355	261,163	-	-	10,094	8,012	-	1,042	211,449	270,217
Claim taxes	227,936	233,548	1,987	2,201	-	-	-	-	229,923	235,749
Drilling	402,076	-	-	-	-	-	-	-	402,076	-
Geological services	583,307	1,056,288	-	1,656	69,121	73,802	821	-	653,249	1,131,746
Project supervision	586,385	557,089	237	2,035	20,016	27,257	-	-	606,638	586,381
Travel	11,047	2,316	-	-	24,640	15,467	-	2,655	35,687	20,438
IVA	166,532	89,913	-	265	-	-	-	-	166,532	90,178
Other	-	-	-	-	2,304	2,252	-	2,214	2,304	4,466
	2,379,441	2,299,381	2,224	6,157	126,175	155,212	821	19,964	2,508,661	2,480,714
General									47,901	14,276
									2,556,562	2,494,990

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material, and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

7. Mineral Properties, continued

Environmental, continued

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

Title to Mineral Properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mineral properties.

The Company has investigated title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties and, to the best of its knowledge, title to its properties is in good standing; however, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, and title may be affected by undetected defects.

Realization of Assets

Realization of the Company's investment in mineral properties is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements, the attainment of successful production from the properties, or from the proceeds of their disposal. The attainment of commercial production is in turn dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and upon future profitable production.

8. Related Party Balances and Transactions

Except as disclosed elsewhere, the Company entered into the following related party transactions during the years ended April 30, 2025 and 2024:

(a) Pursuant to a service agreement between the Company and Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, an officer of the Company, the Company was charged as follows:

- \$60,000 (2024 - \$60,000) for office space and general administration services;
- \$38,876 (2024 - \$33,132) for professional services;
- \$50,710 (2024 - \$23,460) for Chief Financial Officer services;
- \$53,993 (2024 - \$13,339) for consulting services;
- \$164,371 (2024 - \$128,197) for corporate development services;
- \$114,247 (2024 - \$90,811) for geological services; and
- \$4,315 (2024 - \$4,194) for the mark-up on out-of-pocket expenses.

Amounts payable as at April 30, 2025 were \$32,421 (2024 - \$29,958).

8. Related Party Balances and Transactions, continued

- (b) Consultancy fees in the amount of \$156,000 (2024 - \$156,000) were charged by Advocate Services Limited, a company controlled by Lawrence Page, a director and officer of the Company.
- (c) Consultancy fees in the amount of \$60,000 (2024 - \$60,000) were charged by Rob Macdonald, an officer of the Company, and were included in consulting fees or mineral property expenditures as applicable.
- (d) Consultancy fees in the amount of \$60,000 (2024 - \$60,000) were charged by QDBS Resources Inc., a company controlled by Russell Ball, a director of the Company. Amounts payable as at April 30, 2025 were \$15,750 (2024 - \$15,750).
- (e) Corporate Development fees in the amount of \$18,000 (2024 - \$10,500) were charged by John Oness, an officer of the Company.
- (f) Legal fees in the amount of \$44,180 (2024 - \$17,360) were charged by Page Law Corporation, a company controlled by Arie Page, an officer of the Company, and included in professional fees, share issue costs or mineral property expenditures as applicable. Amounts payable as at April 30, 2025 were \$5,817 (\$694).

These transactions were in the normal course of operations. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment. The Company has no long-term employee or post-employment benefits.

Key management personnel of the Company are identified in (a) to (e) above and compensation awarded was:

	April 30, 2025 \$	April 30, 2024 \$
Short-term benefits	344,710	309,960
Share-based payments	960,916	-
	1,305,626	309,960

Two executive officers, Lawrence Page and Rob Macdonald, are entitled to termination benefits in the event of a change of control. Lawrence Page is entitled to thirty-six months' compensation and Rob Macdonald is entitled to twenty-four months' compensation. Assuming the triggering event took place for a change of control on the period-end date, the payments would have been \$468,000 and \$120,000, respectively.

9. Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Equity Issuances

On July 19, 2024, the Company closed the first tranche of a non-brokered private placement by issuing 9,508,978 units at a price of \$0.22 per unit for gross proceeds of \$2,091,975. On August 12, 2024, the Company closed the second tranche of this private placement by issuing 5,911,500 units at a price of \$0.22 per unit for gross proceeds of \$1,300,530. On August 29, 2024, the Company closed the final tranche of its non-brokered private placement by issuing 961,500 units at a price of \$0.22 per unit for gross proceeds of \$211,530.

Each unit consists of one common share and one-half of one warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at an exercise price of \$0.30 per common share.

In connection with the first tranche financing, the Company issued an aggregate 457,029 finders' warrants, with each finder's warrant exercisable to purchase one common share for a period of 3 years, of which 36,000 finders' warrants are exercisable at an exercise price of \$0.22 per common share and 421,029 finders' warrants are exercisable at an exercise price of \$0.30 per common share, with a fair value of \$5,279 and \$53,264 respectively.

In connection with the second tranche financing, the Company issued 36,000 finders' warrants with each finder's warrant exercisable to purchase one common share for a period of 3 years at an exercise price of \$0.30 per common share, with fair value of \$3,835.

In connection with the third tranche financing, the Company issued 51,360 finders' warrants with each finder's warrant exercisable to purchase one common share for a period of 3 years at an exercise price of \$0.30 per common share, with a fair value of \$6,814.

On February 24, 2025, the Company closed a non-brokered private placement by issuing 19,909,335 units at a price of \$0.18 per unit for gross proceeds of \$3,583,680. Each unit consisted of one common share and one-half share purchase warrant, with each full warrant exercisable to purchase one additional common share for a period of three years at an exercise price of \$0.28 per share.

In connection with this private placement, the Company also issued 708,900 finders' warrants, with each finder's warrant exercisable to purchase one common share for a period of 3 years at an exercise price of \$0.28 per common share, with a fair value of \$60,346.

The Company also incurred cash finders' fees and other ancillary issue costs totaling \$316,894.

9. Share Capital, continued

Stock Options

On September 25, 2024, the Company granted stock options to directors, officers, and consultants to purchase 6,500,000 common shares of the Company at an exercise price of \$0.31 per share for a period of 5 years. On December 6, 2024, the Company granted stock options to a consultant to purchase 300,000 common shares of the Company at an exercise price of \$0.29 per share for a period of 1.81 years.

Stock options outstanding and exercisable as at April 30, 2025 were:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2023	25,170,000	\$0.36	2.57
Granted	200,000	\$0.20	
Expired	(820,000)	\$0.21	
Balance, April 30, 2024	24,550,000	\$0.37	1.64
Granted	6,800,000	\$0.31	
Exercised	(2,335,000)	\$0.18	
Expired	(4,065,000)	\$0.31	
Balance, April 30, 2025	24,950,000	\$0.38	1.77

Expiry date	Exercise price	Remaining life (years)	Options Outstanding
May 24, 2025 (Note 15)	\$0.255	0.07	500,000
September 24, 2025	\$0.51	0.40	8,500,000
October 19, 2025	\$0.58	0.47	100,000
February 11, 2026	\$0.50	0.79	200,000
August 13, 2026	\$0.40	1.29	200,000
September 29, 2026	\$0.31	1.42	9,050,000
September 29, 2026	\$0.29	1.42	300,000
September 25, 2029	\$0.31	4.41	6,100,000
			24,950,000

The weighted average fair value of stock options exercised was \$0.14 (2024 - \$nil) and stock options expired was \$0.21 (2024 - \$0.12). The weighted average share price of stock options exercised was \$0.27 (2024 - \$nil).

The weighted average fair value of compensation options expired was \$nil (2024 - \$0.30).

9. Share Capital, continued

Share Purchase Warrants

Share purchase warrants outstanding as at April 30, 2025 were:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2023	53,662,839	\$0.43	1.88
Expired	(2,389,500)	\$0.44	
Balance, April 30, 2024	51,273,339	\$0.42	1.22
Issued	19,398,945	\$0.29	
Exercised	(150,000)	\$0.25	
Expired	(13,822,862)	\$0.25	
Balance, April 30, 2025	56,699,422	\$0.42	1.25

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding
August 14, 2025 (Note 15)	\$0.35	0.29	15,597,500
August 14, 2025 (Note 15)	\$0.38	0.29	8,502,977
September 11, 2025	\$0.50	0.37	1,200,000
June 16, 2026	\$0.75	1.13	9,000,000
June 21, 2026	\$0.75	1.14	3,000,000
July 19, 2027	\$0.30	2.22	4,754,489
July 19, 2027	\$0.22	2.22	36,000
July 19, 2027	\$0.30	2.22	421,029
August 12, 2027	\$0.30	2.28	2,955,750
August 12, 2027	\$0.30	2.28	36,000
August 29, 2027	\$0.30	2.33	480,750
August 29, 2027	\$0.30	2.33	51,360
February 24, 2028	\$0.28	2.82	9,954,667
February 24, 2028	\$0.28	2.82	708,900
			56,699,422

The weighted average fair value of share purchase warrants exercised was \$nil (2024 - \$nil) and expired was \$0.19 (2024 - \$0.28).

9. Share Capital, continued

Fair Value Determination

The weighted average fair value of stock options granted was \$0.20 (2024 - \$0.06) and finders' warrants issued was \$0.10 (2024 - \$nil). Fair values were estimated using the Black-Scholes option pricing model with the following weighted average assumptions whereby the expected volatility assumptions have been developed taking into consideration the historical volatility of the Company's share price:

	Stock Options		Finders' Warrants	
	2025	2024	2025	2024
Risk-free interest rate	2.79%	4.30%	3.06%	N/A
Expected volatility	80.60%	76.55%	73.31%	N/A
Expected life in years	4.86	1.00	3.00	N/A
Expected dividend yield	0.00%	0.00%	0.00%	N/A

Diluted Loss per Share

Excluded from the calculation of diluted loss per share were 24,950,000 stock options and 56,699,422 share purchase warrants (2024 - 24,350,000 stock options and 51,273,339 share purchase warrants), that could potentially dilute basic earnings per share in the future but were not included as being antidilutive for each of the years ended April 30, 2025 and 2024.

10. Segmented Information

The Company conducts its business as a single operating segment, being the acquisition and exploration of mineral properties. As at April 30, 2025, the Company's non-current assets were located in Mexico (\$33,493,020 (2024 - \$33,460,263)) and in the United States of America (\$1,200,451 (2024 - \$1,214,253)).

11. Supplemental Cash Flow Information

	April 30, 2025	April 30, 2024
	\$	\$
<i>Cash:</i>		
Interest received	37,681	114,786
<i>Operating Activities:</i>		
Liabilities extinguished on subsidiary disposal	16,563	-
Retained deficit adjustment on subsidiary disposal	26,301	-
<i>Financing Activities:</i>		
Fair value of options exercised	325,850	-
Fair value of options expired	865,544	1,107,316
Fair value of warrants issued	129,538	-
Fair value of warrants expired	45,829	678,844

12. Restructuring

During October 2024, the Company filed a non-reversible application to wind-up EMAG, a non-trading dormant subsidiary. A loss on disposal of subsidiary was recognized as follows:

	April 30, 2025
	\$
Retained deficit adjustment on subsidiary disposal	26,301
Liabilities extinguished on subsidiary disposal	(16,563)
	9,738

On February 27, 2025, the Company entered into a share purchase agreement with Paradigm Gold Corporation (formerly Nickelex Resource Corporation) ("Paradigm"), a company with common directors and officers, whereby the Company acquired 49,999 shares of MRT, a Mexican dormant non-trading subsidiary of Paradigm, for the sum of \$20,217 (US \$14,000) on behalf of ORI. MRT was acquired to hold and exploit Mexican exploration claims. MRT did not constitute a business as defined in IFRS 3 - Business Combinations and the transaction was therefore accounted for as an asset acquisition. MRT held no identifiable assets or liabilities at the acquisition date, nor did it possess any processes capable of producing outputs. Accordingly, the total purchase price of \$20,217 (US \$14,000) was not allocated to any identifiable assets and has been recognized as an expense in profit or loss.

ORI was created under British Columbia business corporation statute on April 22, 2025 with a single class of unlimited common ordinary shares without par value.

13. Capital Management

The Company's capital includes components of shareholders' equity. The Company's objectives in managing its capital are to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its stakeholders. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place setting out the expenditures required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments, and exploration activities.

As the Company is in the exploration stage, its operations have been substantially funded by the issuance of equity instruments and mineral property earn-in agreements. The Company will continue to rely on such funding depending upon market and economic conditions at the time. The Company is not subject to any regulatory capital requirements.

There have been no changes in the Company's approach to capital management during the year ended April 30, 2025.

14. Income Tax

A reconciliation of the income tax charge computed at statutory rates to the reported loss before taxes is as follows:

	April 30 2025	April 30 2024
Statutory tax rate	27%	27%
	\$	\$
Loss for the year	(5,734,418)	(3,705,698)
Income tax at statutory rate	(1,548,294)	(1,000,539)
Permanent differences	363,826	3,382
Temporary differences	(151,910)	(151,883)
Other	(55,891)	(63,741)
Change in timing differences	(848,163)	949,582
Unused tax losses and tax offsets not recognized	2,240,432	263,199
	-	-

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	April 30 2025	April 30 2024
	\$	\$
Non-capital losses	43,952,685	36,132,839
Capital losses	146,188	146,188
Share issue costs	499,832	714,457
Mineral properties	5,278,228	5,104,910
Equipment	26,139	26,139
Tax credits	1,534	1,534
	49,904,606	42,126,067

The Company has aggregate Canadian unrecognized non-capital losses totaling \$23,493,000 that expire between 2026 and 2045, aggregate US non-capital losses totaling US \$5,392,000 that are available to carry forward indefinitely and do not expire, and aggregate Mexican unrecognized non-capital losses totaling approximately \$13,027,000 (CAD equivalent) that expire between 2025 and 2035. Mexican tax losses are separated into normal and pre-operating expenses. Pre-operating expenses are amortized over 10 years. All Mexican tax losses expire within 10 years of recognition.

15. Events After the Reporting Period

Other than disclosed elsewhere, the following events occurred subsequent to April 30, 2025:

- On May 24, 2025, 500,000 stock options exercisable at \$0.255 per common share expired unexercised.
- On August 14, 2025, 15,597,500 common share purchase warrants exercisable at \$0.35 per common share and 8,502,977 common share purchase warrants exercisable at \$0.38 per common share expired unexercised.

15. Events After the Reporting Period, continued

- On July 29, 2025, the Company closed a bought deal private placement by issuing 55,555,557 units at a price of \$0.27 per unit for gross proceeds of \$15,000,000. Each unit consists of one common share and one-half of one warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at an exercise price of \$0.40 per common share.

In connection with the financing, the Company issued 3,266,613 broker warrants, with each broker warrant exercisable to purchase one common share for a period of 3 years at an exercise price of \$0.27 per common share, and paid broker fees of \$881,986 in cash.