



**Condensed Consolidated Interim Financial Statements
Three Months Ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)
(Unaudited)**

Notice of no Auditor Review of Condensed Consolidated Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Southern Silver Exploration Corp.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Comprehensive Loss

Three Months Ended July 31, 2025 and 2024

(Expressed in Canadian Dollars, Unaudited)

	Note	Three months ended	
		July 31, 2025	July 31, 2024
		\$	\$
Administration	7	15,000	15,000
Consulting	7	150,952	91,657
Exploration and evaluation	6 & 7	553,819	549,359
Investor relations and corporate development	7	58,940	83,845
Office and general	7	14,719	20,150
Professional fees	7	196,231	81,858
Regulatory fees and taxes		17,245	9,868
Shareholders' communication		1,415	3,207
Transfer agent		10,006	6,472
		1,018,327	861,416
Foreign exchange		6,010	5,779
Other income		(15,032)	(1,878)
Loss and comprehensive loss for the period		1,009,305	865,317
Loss per share - basic and diluted		-	-
Weighted average number of shares outstanding - basic and diluted	8	332,134,664	293,355,927

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

Southern Silver Exploration Corp.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars, Unaudited)

	Note	July 31, 2025	April 30, 2025
		\$	\$
Assets			
Current			
Cash and cash equivalents	5	16,358,422	3,458,479
Other receivables	6	44,276	76,808
Prepaid expenses		161,406	171,328
		16,564,104	3,706,615
Non-current			
Reclamation bonds		138,085	137,334
Mineral properties	6	34,660,086	34,556,137
		34,798,171	34,693,471
		51,362,275	38,400,086
Liabilities			
Current			
Account payable and accrued liabilities		499,253	357,676
Due to related parties	7	75,035	53,988
		574,288	411,664
Shareholders' Equity			
Share capital	8	103,176,677	89,743,156
Subscription proceeds received in advance		-	-
Share-based payments reserve	8	7,287,154	6,980,730
Other reserve		9,270	9,270
Deficit		(59,685,114)	(58,744,734)
		50,787,987	37,988,422
		51,362,275	38,400,086
Approved on behalf of the Board	<u>"Lawrence Page"</u> Lawrence Page, K.C.	<u>"Gina Jones"</u> Gina Jones	

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Southern Silver Exploration Corp.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

Three Months Ended July 31, 2025 and 2024

(Expressed in Canadian Dollars, Unaudited)

	Share capital	Share capital	Subscription proceeds received in advance	Share-based payments reserve	Other reserve	Deficit	Total
	Number	\$	\$	\$		\$	\$
Balance, April 30, 2024	291,546,757	82,225,073	-	6,740,912	9,270	(53,947,990)	35,027,265
Issued							
Private Placement	9,508,978	2,091,975	-	-	-	-	2,091,975
Advance subscriptions received	-	-	1,168,530	-	-	-	1,168,530
Exercise of stock options	100,000	12,000	-	-	-	-	12,000
Exercise of warrants	100,000	25,000	-	-	-	-	25,000
Share issue costs	-	(167,888)	-	58,543	-	-	(109,345)
Fair value of options exercised	-	10,267	-	(10,267)	-	-	-
Fair value of options expired	-	-	-	(19,856)	-	19,856	-
Net loss	-	-	-	-	-	(865,317)	(865,317)
Balance, July 31, 2024	301,255,735	84,196,427	1,168,530	6,769,332	9,270	(54,793,451)	37,350,108
Balance, April 30, 2025	330,323,070	89,743,156	-	6,980,730	9,270	(58,744,734)	37,988,422
Issued							
Private Placement	55,555,557	15,000,000	-	-	-	-	15,000,000
Share issue costs	-	(1,566,479)	-	375,349	-	-	(1,191,130)
Fair value of options expired	-	-	-	(68,925)	-	68,925	-
Net loss	-	-	-	-	-	(1,009,305)	(1,009,305)
Balance, July 31, 2025	385,878,627	103,176,677	-	7,287,154	9,270	(59,685,114)	50,787,987

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

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
Three Months Ended July 31, 2025 and 2024
(Expressed in Canadian Dollars, Unaudited)

	July 31, 2025	July 31, 2024
	\$	\$
Operating activities		
Net Loss	(1,009,305)	(865,317)
<i>Items not involving cash</i>		
Unrealized foreign exchange	(1,276)	(285)
Exploration and evaluation incurred in prior period	33,323	-
<i>Changes in non-cash working capital</i>		
Other receivables	(22,606)	67
Prepaid expenses	9,922	(26,786)
Accounts payable and accrued liabilities	141,577	(76,389)
Due to related parties	21,047	25,103
Cash used in operating activities	(827,318)	(943,607)
Investing activity		
Mineral property acquisition costs, net	(82,134)	(41,085)
Cash used in investing activity	(82,134)	(41,085)
Financing activities		
Shares issued for cash, net	15,000,000	2,037,450
Subscription proceeds received in advance	-	1,168,530
Share issuance costs	(1,191,130)	-
Cash provided by financing activities	13,808,870	3,205,980
Foreign exchange effect on cash	525	2
Change in cash during the period	12,899,943	2,221,290
Cash, beginning of period	3,458,479	730,456
Cash, end of period	16,358,422	2,951,746
Cash and cash equivalents consist of:		
Cash	14,423,112	2,810,037
Cash equivalents	1,935,310	141,709

Supplemental Cash Flow Information – Note 10

The accompanying notes form an integral part of these condensed consolidated interim 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 July 31, 2025, the Company has not been significantly impacted by these matters.

2. Basis of Preparation and Consolidation

These condensed consolidated interim financial statements were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including IAS 34 - *Interim Financial Reporting*, 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 condensed consolidated interim financial statements of the Company include the following entities controlled by the Company:

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 SSHL
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 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 condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on September 25, 2025.

3. Summary of Material Accounting Policies

The same material accounting policies are used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual consolidated financial statements and reflect all the adjustments necessary for fair presentation in accordance with IFRS Accounting Standards of the results for the interim periods presented.

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 condensed consolidated interim financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgments that affect amounts reported in the condensed consolidated interim 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 condensed consolidated interim financial statements of changes in such estimates in future reporting periods could be significant.

Areas of significant judgement and estimates for the three months ended July 31, 2025 in the application of IFRS Accounting Standards that have a significant effect on these condensed consolidated interim financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed in Note 4 of the Company’s audited annual consolidated financial statements for the year ended April 30, 2025.

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. The Company’s exposure to the other risks and its methods of managing these risks are summarized as follows:

5. Financial Instruments, continued

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. 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.

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 July 31, 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 \$15,989,816 (April 30, 2025 - \$3,294,951).

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 July 31, 2025 to interest rate risk. Cash equivalents consist of \$1,935,310 (April 30, 2025 - \$2,679,767) in two separate High Interest Saving Accounts which earn variable rates of interest.

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 July 31, 2025 the Company had net assets of \$186,631 (April 30, 2025 - \$261,336) (Canadian dollar equivalent) exposed to changes in foreign exchange rates. Based on this exposure as at July 31, 2025, a 5% change (April 30, 2025 - 5%) in exchange rates could give rise to a change in foreign exchange of approximately \$9,300 (2025 - \$13,000)

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. Mineral Properties

Mineral property acquisition costs as at July 31, 2025 were:

	Mexico			USA		
	Cerro Las Minitas	El Sol	Nazas	Oro	Hermanas	Total
	\$	\$	\$	\$	\$	\$
Balance, April 30, 2025	33,108,410	384,610	-	864,121	198,996	34,556,137
Additions	-	-	21,815	82,134	-	103,949
Balance, July 31, 2025	33,108,410	384,610	21,815	946,255	198,996	34,660,086

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 July 31, 2025. Remaining lease payments are due as:

- (i) US \$60,000 annually from May 1, 2026 to May 1, 2031.

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.

6. 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 July 31, 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. The letter of agreement will form a basis for a formal option agreement and provides the following:

Pre-production payments (plus applicable Mexican tax):

- (i) US \$15,000 on January 31, 2025 (paid excluding tax);
- (ii) US \$15,000 on July 31, 2025 (unpaid);
- (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):

- (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.

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).

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Statements
Three Months Ended July 31, 2025 and 2024
(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties, continued

Nazas - Durango, Mexico, continued

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) was recorded in other receivables with respect to a pre-production payment and reimbursement of concession right taxes. 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. The pre-production payment was subsequently reclassified as mineral property acquisition costs and the reimbursement of concession right taxes was reclassified to exploration and evaluation expenditures. All exploration and evaluation expenditures incurred during the year ended April 30, 2025, and to May 31, 2025, have been recorded under general exploration and evaluation expenditures.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the three months ended July 31, 2025, and 2024 were:

	Cerro Las Minitas		El Sol		Nazas		Oro		Hermanas		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assays and analysis	56,091	-	-	-	-	-	-	-	-	-	56,091	-
Camp and supplies	48,759	43,333	-	-	-	-	-	5,916	-	-	48,759	49,249
Claim taxes	117,158	116,416	1,024	1,013	69,475	-	-	-	-	-	187,657	117,429
Geological services	22,940	216,867	-	-	19,659	-	2,464	10,408	1,027	616	46,090	227,891
Project supervision	149,860	127,729	298	51	19,083	-	4,386	5,805	-	-	173,627	133,585
Travel	3,668	-	-	-	-	-	131	6,460	-	-	3,799	6,460
IVA	19,048	9,709	-	-	4,335	-	-	-	-	-	23,383	9,709
	417,524	514,054	1,322	1,064	112,552	-	6,981	28,589	1,027	616	539,406	544,323
General											14,413	5,036
											553,819	549,359

7. Related Party Balances and Transactions

Except as disclosed elsewhere, the Company entered into the following related party transactions during the three months ended July 31, 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:

- \$15,000 (2024 - \$15,000) for office space and general administration services;
- \$4,480 (2024 - \$13,591) for professional services;
- \$2,500 (2024 - \$7,500) for Chief Financial Officer services;
- \$10,436 (2024 - \$17,216) for consulting services;
- \$24,090 (2024 - \$36,431) for corporate development services;
- \$22,331 (2024 - \$26,507) for geological services; and
- \$981 (2024 - \$1,056) for the mark-up on out-of-pocket expenses.

Amounts payable as at July 31, 2025 were \$25,036 (April 30, 2025 - \$32,421).

(b) Pursuant to a service agreement between the Company and Malaspina Consultants Inc., a company controlled by Killian Ruby, an officer of the Company, the Company was charged as follows:

- \$18,306 (2024 - \$nil) for professional services;
- \$5,000 (2024 - \$nil) for Chief Financial Officer services;
- \$100 (2024 - \$nil) for software charges; and
- \$80 (2024 - \$nil) for storage charges.

Amounts payable as at July 31, 2025 were \$16,275 (April 30, 2025 - \$nil).

(c) Consultancy fees in the amount of \$39,000 (2024 - \$39,000) were charged by Advocate Services Limited, a company controlled by Lawrence Page, a director and officer of the Company.

(d) Consultancy fees in the amount of \$15,000 (2024 - \$15,000) were charged by Rob Macdonald, an officer of the Company, and were included in consulting fees or mineral property expenditures as applicable.

(e) Consultancy fees in the amount of \$15,000 (2024 - \$15,000) were charged by QDBS Resources Inc., a company controlled by Russell Ball, a director of the Company. Amounts payable as at July 31, 2025 were \$15,750 (April 30, 2025 - \$15,750).

(f) Corporate Development fees in the amount of \$4,500 (2024 - \$4,500) were charged by John Oness, an officer of the Company.

(g) Legal fees in the amount of \$44,180 (2024 - \$13,932) 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 July 31, 2025 were \$17,974 (April 30, 2025 - \$5,817).

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.

7. Related Party Balances and Transactions, continued

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

	July 31, 2025	July 31, 2024
	\$	\$
Short-term benefits	89,380	81,000
	89,380	81,000

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.

8. Share Capital

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

Equity Issuances

Three Months Ended July 31, 2025

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 with a fair value of \$375,349. The Company incurred finder's fees of \$950,986 and other issue costs of \$240,144 associated with the financing.

Three Months Ended July 31, 2024

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. 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.

8. Share Capital, continued

Stock Options

Stock options outstanding and exercisable as at July 31, 2025 were:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2025	24,950,000	\$0.38	1.77
Expired	(500,000)	\$0.255	
Balance, July 31, 2025	24,450,000	\$0.38	1.55

Expiry date	Exercise price	Remaining life (years)	Options Outstanding
September 24, 2025 (note 11)	\$0.51	0.15	8,500,000
October 19, 2025	\$0.58	0.22	100,000
February 11, 2026	\$0.50	0.53	200,000
August 13, 2026	\$0.40	1.04	200,000
September 29, 2026	\$0.31	1.16	9,050,000
September 29, 2026	\$0.29	1.16	300,000
September 25, 2029	\$0.31	4.16	6,100,000
			24,450,000

The weighted average fair value of stock options exercised was \$nil (2024 - \$0.10) and stock options expired was \$0.14 (2024 - \$0.13). The weighted average share price of stock options exercised was \$nil (2024 - \$0.24).

Share Purchase Warrants

Share purchase warrants outstanding as at July 31, 2025 were:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2025	56,699,422	\$0.42	1.25
Issued	31,044,391	\$0.39	
Balance, July 31, 2025	87,743,813	\$0.41	1.70

8. Share Capital, continued

Share Purchase Warrants, continued

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding
August 14, 2025 (note 11)	\$0.35	0.04	15,597,500
August 14, 2025 (note 11)	\$0.38	0.04	8,502,977
September 11, 2025 (note 11)	\$0.50	0.12	1,200,000
June 16, 2026	\$0.75	0.88	9,000,000
June 21, 2026	\$0.75	0.89	3,000,000
July 19, 2027	\$0.30	1.97	4,754,489
July 19, 2027	\$0.22	1.97	36,000
July 19, 2027	\$0.30	1.97	421,029
August 12, 2027	\$0.30	2.03	2,955,750
August 12, 2027	\$0.30	2.03	36,000
August 29, 2027	\$0.30	2.08	480,750
August 29, 2027	\$0.30	2.08	51,360
February 24, 2028	\$0.28	2.57	9,954,667
February 24, 2028	\$0.28	2.57	708,900
July 29, 2028	\$0.40	3.00	27,221,778
July 29, 2028	\$0.40	3.00	556,000
July 29, 2028	\$0.27	3.00	3,266,613
			87,743,813

Fair Value Determination

The weighted average fair value of finders' warrants issued was \$0.11 (2024 - \$0.13). 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:

	2025	2024
Risk-free interest rate	2.78%	3.64%
Expected volatility	75.67%	77.05%
Expected life in years	3.00	3.00
Expected dividend yield	0.00%	0.00%

Diluted Loss per Share

Excluded from the calculation of diluted loss per share were 24,450,000 stock options and 87,743,813 share purchase warrants (2024 - 24,300,000 stock options and 56,384,857 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 three-month periods ended July 31, 2025 and 2024.

9. Segmented Information

The Company conducts its business as a single operating segment, being the acquisition and exploration of mineral properties. As at July 31, 2025, the Company's non-current assets were located in Mexico (\$33,514,835 (April 30, 2025 - \$33,493,020)) and in the United States of America (\$1,283,336 (April 30, 2025 - \$1,200,451)).

10. Supplemental Cash Flow Information

	July 31, 2025	July 31, 2024
	\$	\$
<i>Cash:</i>		
Interest received	15,032	1,878
<i>Operating Activities:</i>		
Mineral property exploration reclassified from other receivables	33,323	-
<i>Investing Activities:</i>		
Mineral property acquisition reclassified from other receivables	21,815	-
<i>Financing Activities:</i>		
Finder's fees included in accounts payable	-	17,820
Fair value of options exercised	-	10,267
Fair value of options expired	68,925	19,856
Fair value of warrants issued	375,349	58,543

11. Events After the Reporting Period

Other than disclosed elsewhere, the following events occurred subsequent to July 31, 2025:

- On September 24, 2025, 8,500,000 stock options exercisable at \$0.51 per common share, expired unexercised.
- On August 14, 2025, 15,597,500 common share purchase warrants exercisable at \$0.35 per common share, 8,502,977 common share purchase warrants exercisable at \$0.38 per common share and 1,200,000 common share purchase warrants exercisable at \$0.50 per common share expired unexercised.
- The Company has been granted the right, through its wholly owned Mexican subsidiary company, to acquire the Puro Corazon mining claim from an arm's-length vendor in consideration for a series of cash payments to be made over a 40-month period following the entering into of a definitive assignment agreement with the vendor. The acquisition does not involve the issuance of any securities of the Company.