ATICO MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited - Expressed in United States Dollars)

For the three and six months ended June 30, 2024 and 2023

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Atico Mining Corporation (the “Company”) for the six months ended June 30, 2024 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim consolidated financial statements have not been reviewed by the Company’s external auditors.

ATICO MINING CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States Dollars)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	**$ 5,055,715**	$ 8,298,367
Receivables (Note 3)	**5,125,092**	9,404,933
Inventories (Note 4)	**16,203,422**	14,046,094
Other assets (Note 5)	**1,707,516**	639,272
Total current assets	**28,091,745**	32,388,666
Non-current assets		
Other assets (Note 5)	**10,180,294**	8,956,302
Mineral properties (Note 6)	**69,301,093**	67,889,127
Plant and equipment (Note 7)	**4,318,988**	5,956,152
Total non-current assets	**83,800,375**	82,801,581
TOTAL ASSETS	**$ 111,892,120**	$ 115,190,247
LIABILITIES AND EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Notes 8, 18)	**$ 10,842,697**	$ 12,777,376
Loans and borrowings (Note 9)	**19,233,542**	19,959,310
Other liabilities (Note 10)	**1,757,372**	1,134,685
Lease liabilities (Note 11)	**585,339**	572,617
Total current liabilities	**32,418,950**	34,443,988
Non-current liabilities		
Loans and borrowings (Note 9)	**6,092,165**	5,971,064
Other liabilities (Note 10)	**63,925**	52,240
Lease liabilities (Note 11)	**24,795**	125,711
Decommissioning and restoration provision	**2,558,849**	2,815,297
Deferred income tax liabilities	**11,018,734**	10,990,030
Total non-current liabilities	**19,758,468**	19,954,342
Total liabilities	**52,177,418**	54,398,330
EQUITY		
Share capital (Note 12)	**43,690,353**	43,690,353
Reserves	**5,836,153**	5,732,939
Retained earnings	**7,107,562**	8,047,975
Total equity attributable to equity holders of the Company	**56,634,068**	57,471,267
Non-controlling interests (Note 17)	**3,080,634**	3,320,650
Total equity	**59,714,702**	60,791,917
TOTAL LIABILITIES AND EQUITY	**$ 111,892,120**	$ 115,190,247

Nature of operations and going concern (Note 1)
Contingency and commitment (Note 22)

These consolidated financial statements were authorized for issuance by the Board of Directors on August 20, 2024.

Approved by the Board of Directors

"Luis F. Sáenz" Director *"Jorge R. Ganoza"* Director

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

ATICO MINING CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in United States Dollars)

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	**June 30, 2024**	June 30, 2023
Sales (Note 13)	**$ 10,860,467**	$ 12,228,088	**$ 28,678,582**	$ 25,011,328
Cost of sales (Note 14)	**(8,308,719)**	(11,273,890)	**(23,324,971)**	(21,976,299)
Income from mining operations	**2,551,748**	954,198	**5,353,611**	3,035,029
General and administrative expenses	**(1,585,615)**	(1,452,364)	**(2,916,787)**	(2,919,080)
Share-based payments (Note 12)	**(75,047)**	(104,778)	**(252,893)**	(145,831)
Income (loss) from operations	**891,086**	(602,944)	**2,183,931**	(29,882)
Interest and finance costs, net (Note 15)	**(770,141)**	(614,437)	**(1,508,902)**	(1,275,846)
Fair value adjustment on derivative instruments, net (Notes 5, 10)	**292,262**	-	**(331,558)**	-
Realized loss on derivative instruments, net (Notes 5, 10)	**(795,677)**	-	**(812,977)**	-
Foreign exchange gain (loss)	**(348,089)**	281,704	**(518,324)**	567,242
Loss before income taxes	**(730,559)**	(935,677)	**(987,830)**	(738,486)
Current income tax (expense) recovery	**(586,692)**	1,392,515	**225,990**	(412,012)
Deferred income tax (expense) recovery	**892,639**	(401,798)	**(28,705)**	705,868
Net (loss) income and comprehensive (loss) income	**$ (424,612)**	$ 55,040	**$ (790,545)**	$ (444,630)
Net (loss) income and comprehensive (loss) income attributable to:				
Equity holders of Atico Mining Corporation	**$ (506,770)**	$ (60,936)	**$ (940,413)**	$ (636,944)
Non-controlling interests (Note 17)	**82,158**	115,976	**149,868**	192,314
	$ (424,612)	$ 55,040	**$ (790,545)**	$ (444,630)
Basic and diluted loss per share (Note 16)	**$ (0.00)**	$ (0.00)	**$ (0.01)**	$ (0.01)
Weighted average no. of shares outstanding - basic and diluted (Note 16)	**121,286,185**	121,286,185	**121,286,185**	121,286,185

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

ATICO MINING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in United States Dollars)

	Three months ended		Six months ended	
Cash provided by (used in)	**June 30, 2024**	June 30, 2023	**June 30, 2024**	June 30, 2023
Operating activities				
Net loss	**$ (424,612)**	$ 55,040	**$ (790,545)**	$ (444,630)
Items not affecting cash:				
Depletion and amortization	**1,801,509**	2,378,224	**5,316,176**	5,393,160
Share-based payments	**75,047**	104,778	**252,893**	145,831
Accretion of lease liabilities	**10,222**	18,124	**19,438**	35,669
Accretion of decommissioning and restoration provision	**68,622**	66,507	**137,246**	133,016
Interest expense	**662,053**	509,370	**1,320,446**	1,066,069
Change in fair value of derivatives	**(292,262)**	-	**331,558**	-
Realized loss on derivative instruments, net	**795,677**	-	**812,977**	-
Deferred income tax expense (recovery)	**(892,639)**	401,798	**28,705**	(705,868)
Unrealized foreign exchange loss (gain)	**669,338**	(534,574)	**891,762**	(584,601)
	2,472,955	2,999,267	**8,320,656**	5,038,646
Changes in non-cash operating working capital items (Note 19)	**2,144,361**	(3,690,431)	**(638,369)**	(2,343,076)
	4,617,316	(691,164)	**7,682,287**	2,695,570
Investing activities				
Expenditures on mineral properties	**(1,946,975)**	(2,663,512)	**(4,621,894)**	(5,774,941)
Acquisition of plant and equipment	**(198,155)**	(337,295)	**(348,204)**	(617,922)
Expenditures on reclamation activities	**(71,065)**	(91,567)	**(459,529)**	(192,493)
Settlements of derivative instruments	**(795,677)**	-	**(812,977)**	-
Payment to the National Mining Agency	**(2,052,751)**	(1,669,184)	**(2,052,751)**	(1,669,184)
	(5,064,623)	(4,761,558)	**(8,295,355)**	(8,254,540)
Financing activities				
Loans payable withdrawn, net of financing costs	**2,970,000**	1,000,000	**5,980,000**	5,500,000
Loans payable repaid	**(2,900,000)**	(1,376,667)	**(6,400,000)**	(5,206,667)
Payments on lease liabilities	**(208,430)**	(182,327)	**(388,769)**	(369,376)
Interest paid	**(533,137)**	(332,943)	**(1,505,113)**	(738,627)
Dividend paid to non-controlling interests	**(77,080)**	(205,305)	**(257,170)**	(205,305)
	(748,647)	(1,097,242)	**(2,571,052)**	(1,019,975)
Effect of exchange rate changes on cash	**127,382**	26,103	**(58,532)**	26,387
Change in cash	**(1,068,572)**	(6,523,861)	**(3,242,652)**	(6,552,558)
Cash, beginning of year	**6,124,287**	15,202,138	**8,298,367**	15,230,835
Cash, end of period	**$ 5,055,715**	$ 8,678,277	**$ 5,055,715**	$ 8,678,277

Supplemental disclosure with respect to cash flows (Note 19)

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

ATICO MINING CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in United States Dollars)

	Number of shares	**Share capital**	**Reserves**	**Non-controlling interests**	**Retained earnings**	**Total equity**
Balance as at December 31, 2023	**121,286,185**	**$ 43,690,353**	**$ 5,732,939**	**$ 3,320,650**	**$ 8,047,975**	**$ 60,791,917**
Share-based payments	**-**	**-**	**103,214**	**-**	**-**	**103,214**
Dividend declared by subsidiary	**-**	**-**	**-**	**(389,884)**	**-**	**(389,884)**
Net (loss) income and comprehensive (loss) income	**-**	**-**	**-**	**149,868**	**(940,413)**	**(790,545)**
Balance as at June 30, 2024	**121,286,185**	**$ 43,690,353**	**$ 5,836,153**	**$ 3,080,634**	**$ 7,107,562**	**$ 59,714,702**

	Number of shares	Share capital	Reserves	Non-controlling interests	Retained earnings	Total equity
Balance as at December 31, 2022	121,286,185	$ 43,690,353	$ 5,479,671	$ 4,063,007	$ 13,714,702	$ 66,947,733
Share-based payments	-	-	92,558	-	-	92,558
Dividend declared by subsidiary	-	-	-	(205,305)	-	(205,305)
Net income (loss) and comprehensive income (loss)	-	-	-	192,314	(636,944)	(444,630)
Balance as at June 30, 2023	121,286,185	$ 43,690,353	$ 5,572,229	$ 4,050,016	$ 13,077,758	$ 66,390,356

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

(Expressed in United States Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Atico Mining Corporation (the "Company") was incorporated in the Yukon Territories on April 15, 2010 and continued to British Columbia on October 17, 2011. The Company is engaged in copper-gold mining and related activities including exploration, development, extraction, and processing in Colombia and the acquisition, exploration and development of copper and gold projects in Latin America. The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "ATY". The address of its head office is Suite 501 - 543 Granville Street, Vancouver, British Columbia, Canada.

On November 22, 2013, the Company acquired 90% of the issued and outstanding common shares of Minera El Roble S.A. ("MINER"), the owner of the El Roble mining property ("El Roble"), an operating copper-gold mine in Colombia.

On September 11, 2019, the Company acquired, in a plan of arrangement, 100% of the issued and outstanding common shares of Toachi Mining Inc. ("Toachi"), which owns the La Plata project in Ecuador.

In December 2021, the Company entered into an agreement with the mining authority (the "National Mining Agency") in Colombia related to an ongoing royalty dispute. While the Company maintains it has complied with the royalty payments due and called for under the mining contract for the El Roble mining property, this agreement allows for the Company to be recognized as being formally in good standing with the National Mining Agency ("NMA"), enabling the Company to apply for a new mining contract on the property. The mining contract and related title expired on January 23, 2022, where the Company has been allowed to continue operating while the process for the contract and title renewal continues. The Company and the National Mining Agency agreed to settle the royalty dispute via binding arbitration at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce for the purposes of seeking an expedited resolution to the ongoing claim. In addition, the Company entered into a five-year payment plan (the "Payment Plan"), amended in June 2023, payable in biannual instalments for a total amount of COP$101,217,832,270 (approximately $24.4 million) plus interest at a 6% annual rate. To the extent that a final ruling is made in favor of the Company, the payment plan will cease, and any amounts already paid are to be reimbursed to the Company or offset against future royalty obligations (Note 22).

While to date the NMA has allowed continued operation of El Roble, in the event that title renewal is not extended, operations of El Roble would cease, and related assets would be impaired. As at June 30, 2024, the Company had a working capital deficiency largely due to the credit facility with Trafigura PTE Ltd. becoming due within 12 months (Note 9), however subsequent to the reporting period, the Company reached an agreement to amend the terms of the credit facility, deferring the principal repayments and extending the repayment schedule (Note 24).

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation and measurement

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), applicable to preparation of interim financial statements including International Accounting Standard 34 Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments, which have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. These condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2023. Certain comparatives have been reclassified to the current period's presentation.

Certain new accounting standards have been amended effective January 1, 2024. The Company has evaluated these standards and determined that they are not expected to have a significant effect on its financial statements.

3. RECEIVABLES

	June 30, 2024	December 31, 2023
Trade receivables	$ **1,218,876**	$ 4,896,950
GST/VAT and other taxes recoverable	**2,208,491**	2,943,119
Income tax instalments, net	**1,627,935**	1,496,008
Other receivables	**69,790**	68,856
	$ **5,125,092**	$ 9,404,933

(Expressed in United States Dollars)

3. RECEIVABLES (cont'd…)

As at June 30, 2024, the Company has a concentrate off-take agreement whereby the customer will purchase 100% of the metals concentrate produced at the El Roble mining property. This current agreement has an expected settlement period ("quotational period") of one or four months following the month of shipment, and subject to certain limitations, the Company has the option of fixing the metal price for all or part of the shipment, which is adjusted to the average of the quotational period month.

As at June 30, 2024 and December 31, 2023, the Company did not have any trade receivables that were past due. The Company's allowance for doubtful accounts at June 30, 2024 and December 31, 2023 was $Nil.

4. INVENTORIES

		June 30, 2024		December 31, 2023
Consumable parts and supplies		**2,532,309**	$	3,280,373
Ore stockpiles		**22,143**		148,327
Metals concentrate[1]		**13,648,970**		10,617,394
	$	**16,203,422**	$	14,046,094

[1] As at June 30, 2024, out of the 10,627 dry metric tonnes of metals concentrate in inventories, 6,520 were pledged as security in connection to the agreement between the Company and the National Mining Agency (Note 22). The security is released proportionally as payments are made in accordance with the payment schedule and may be substituted at a later date.

5. OTHER ASSETS

		June 30, 2024		December 31, 2023
Prepaid expenses and deposits	**$**	**1,445,289**	$	639,272
Derivative assets		**262,227**		-
National Mining Agency arbitration asset[1]		**10,180,294**		8,956,302
		11,887,810		9,595,574
Less: current portion		**1,707,516**		639,272
Non-current portion	**$**	**10,180,294**	$	8,956,302

[1] The Company is recording an arbitration asset for all payments made under the Payment Plan (Note 22).

Derivative instruments

The Company enters into derivative instruments from time to time in the normal course of business in order to manage its exposure to fluctuations in copper price, gold price, and the Colombian peso/US dollar exchange rate. The Company does not enter into or trade derivative instruments for speculative purposes. The Company has not applied hedge accounting to these derivative transactions and are measured at fair value at the end of each reporting period based on the terms of the arrangements and the expected settlement prices and/or rates. Any resulting mark-to-market adjustments have been recognized in derivative instruments on the consolidated statement of financial position. During the six months ended June 30, 2024, the Company recognized a negative net fair value adjustment of $331,558 (2023 - $Nil) on its derivative instruments, and a net realized loss of $812,977 (2023 - $Nil) on the settlement of its derivative instruments.

Currency forward arrangements

The Company occasionally enters into zero-cost non-deliverable currency forward arrangements with local Colombian banks between the US dollar and Colombian peso. Each arrangement is net settled based on the difference between the market exchange rate and the contracted settlement rate, where the Company receives (or pays) proceeds if the contracted settlement rate is above (or below) the market exchange rate to purchase Colombian peso. As at June 30, 2024 and 2023, the Company had no outstanding collar arrangements to convert United State dollars into Colombian pesos at the negotiated exchange rates.

Commodity derivative arrangements

The Company has entered into zero-cost commodity derivative arrangements with Auramet International LLC. These arrangements are net settled based on the difference between the market price and the contracted settlement price, where the Company receives (or pays) proceeds if the contracted settlement price is above (or below) the market price. As at June 30, 2024, the Company had total outstanding arrangements on 1,000 troy ounces of gold with net settlement in August 2024 at a forward price of $2,085, as well as 400 tonnes of copper with net settlement in November 2024 at a forward price between $9,300 and $9,750.

These outstanding arrangements resulted in a net liability carrying amount at June 30, 2024 of $424,478 (December 31, 2023 - $92,920). Also during the six months ended June 30, 2024, the Company had a net realized loss of $812,977 (2023 - $Nil) on the settlement of its commodity derivative instruments from prior periods.

(Expressed in United States Dollars)

6. MINERAL PROPERTIES

	Depletable El Roble	Land and non-depletable El Roble	Land and non-depletable La Plata	Total
As at December 31, 2023, net	$ 12,086,812	$ 14,675,838	$ 41,126,477	$ 67,889,127
Additions	**2,029,304**	**658,115**	**1,934,475**	**4,621,894**
Change in estimated provision (Note 12)	**65,835**	**-**	**-**	**65,835**
Depletion and amortization	**(3,275,763)**	**-**	**-**	**(3,275,763)**
As at June 30, 2024	**$ 10,906,188**	**$ 15,333,953**	**$ 43,060,952**	**$ 69,301,093**
As at December 31, 2023				
Historical cost	$ 76,608,064	$ 14,675,838	$ 41,126,477	$ 132,410,379
Accumulated amortization	(64,521,252)	-	-	(64,521,252)
Net carrying amount	$ 12,086,812	$ 14,675,838	$ 41,126,477	$ 67,889,127
As at June 30, 2024				
Historical cost	**$ 78,703,203**	**$ 15,333,953**	**$ 43,060,952**	**$ 137,098,108**
Accumulated amortization	**(67,797,015)**	**-**	**-**	**(67,797,015)**
Net carrying amount	**$ 10,906,188**	**$ 15,333,953**	**$ 43,060,952**	**$ 69,301,093**

The Company's wholly-owned subsidiary, Compania Minera La Plata S.A. ("CMLP") holds a 100% interest in the La Plata project, which is a polymetallic (primarily gold, silver, copper, lead, and zinc) exploration project at the pre-development stage located in Ecuador.

In August 2021, the Company acquired the remaining 40% interest in CMLP for $10,000,000, of which $7,000,000 was paid in August 2021, with the remaining $3,000,000 payable over three years in three equal annual installments. In August 2022 and 2023, the first and second installments were paid. As at June 30, 2024, $1,000,000 remains payable (Notes 10 and 25).

7. PLANT AND EQUIPMENT

	Plant and building	Machinery and equipment	Assets under lease	Total
As at December 31, 2023, net	$ 4,424,780	$ 902,277	$ 629,095	$ 5,956,152
Additions	**220,942**	**127,845**	**259,737**	**608,524**
Depletion and amortization	**(1,692,099)**	**(204,552)**	**(349,037)**	**(2,245,688)**
As at June 30, 2024	**$ 2,953,623**	**$ 825,570**	**$ 539,795**	**$ 4,318,988**
As at December 31, 2023				
Historical cost	$ 25,025,678	$ 19,341,135	$ 4,204,144	$ 48,570,957
Accumulated amortization	(20,600,898)	(18,438,858)	(3,575,049)	(42,614,805)
Net carrying amount	$ 4,424,780	$ 902,277	$ 629,095	$ 5,956,152
As at June 30, 2024				
Historical cost	**$ 25,246,620**	**$ 19,468,980**	**$ 4,463,881**	**$ 49,179,481**
Accumulated amortization	**(22,292,997)**	**(18,643,410)**	**(3,924,086)**	**(44,860,493)**
Net carrying amount	**$ 2,953,623**	**$ 825,570**	**$ 539,795**	**$ 4,318,988**

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2024	December 31, 2023
Trade and other payables	**$ 7,559,602**	$ 9,446,078
Payables to non-controlling interest of MINER	**132,715**	64,867
Payroll and related liabilities	**1,617,619**	1,575,629
Accrued liabilities	**1,532,761**	1,690,802
	$ 10,842,697	$ 12,777,376

(Expressed in United States Dollars)

9. LOANS PAYABLE AND CONVERTIBLE DEBENTURES

	Credit facilities	Loans payable	Convertible debentures	Total
As at December 31, 2023	$ 9,653,107	$ 10,192,453	$ 6,084,814	$ 25,930,374
Additions, net of financing costs	**5,980,000**	**-**	**-**	**5,980,000**
Interest expense	**307,084**	**664,761**	**348,601**	**1,320,446**
Repayments - principal	**(6,400,000)**	**-**	**-**	**(6,400,000)**
Repayments - interest	**(282,484)**	**(881,379)**	**(341,250)**	**(1,505,113)**
As at June 30, 2024	**$ 9,257,707**	**$ 9,975,835**	**$ 6,092,165**	**$ 25,325,707**
Less: current portion	**9,257,707**	**9,975,835**	**-**	**19,233,542**
Non-current portion	**$ -**	**$ -**	**$ 6,092,165**	**$ 6,092,165**

Credit facilities

The Company has arrangements with several Colombian banks to enter into unsecured credit facilities with terms up to one year from the date of drawn down (Note 20).

In the year ended December 31, 2023, the Company entered into loan agreements with Colombian banks totaling $9,400,000, which carried interest rates at SOFR plus a range from 1.65% to 2.10% per annum, of which $2,500,000, $1,000,000 and $2,900,000 was repaid in February 2024, March 2024 and April 2024, respectively.

In the six months ended June 30, 2024, the Company entered into loan agreements with Colombian banks totaling $5,980,000, which carried interest rates at SOFR plus a range from 1.69% to 1.80% per annum.

As part of the off-take agreement with the customer, the Company has been provided an inventory facility. Any amount advanced by the customer carries annual interest based on SOFR plus 4.5% from the date of advance and would be secured by such inventory until the date of the payment on provisional invoice has been made. As at June 30, 2024 and December 31, 2023, there were no amounts advanced on inventory.

Loans payable

In February 2022, and as amended in May 2023, the Company entered into a secured definitive credit agreement with Trafigura PTE Ltd. for a facility of $10,000,000. The credit agreement has a term of 30 months and includes standard terms and conditions customary in secured financing transactions of this nature. The principal bears interest at a rate of SOFR plus 5.26% for the first 24 months and then at a rate of SOFR plus 7.5% thereafter. At the inception of the credit agreement, the Company paid $251,653 in debt issue costs which were netted against the principal and are being amortized in interest expense over the life of the loan. Subsequent to the reporting period, the Company reached an agreement to amend the terms of the credit facility, deferring the principal repayments and extending the repayment schedule (Note 24).

Convertible debentures

In December 2020, the Company entered into an unsecured convertible debenture arrangement with Dundee Corporation ("Dundee") for principal balance of $6,500,000, which carries an interest rate of 7.0% per annum payable quarterly for five years. The principal balance is convertible into 11,627,907 common shares of the Company at $0.559 per share. On the closing date, the Company paid $357,500 as a finder's fee. The Company may, at its option, redeem the debenture, in whole or in part, at par plus accrued and unpaid interest.

On initial recognition, the Company determined the fair value of the liability component to be $5,393,572, which was determined by calculating the fair value of the future cash flows of the loan assuming a discount rate of 10%. The equity component was determined to be $689,517, which comprised the proceeds received less the liability component. A deferred tax liability of $176,829 related to the taxable temporary difference arising from the equity portion of the convertible loan was recognized as an offset in equity reserves. The debt component of the convertible note is being accreted over the term to maturity, with accretion charge included in interest expense.

(Expressed in United States Dollars)

10. OTHER LIABILITIES

		June 30, 2024		December 31, 2023
Derivative liabilities (Note 5)	$	686,705	$	92,920
Provision for restricted share units (Note 12)		134,592		94,005
Acquisition of CMLP non-controlling interest (Note 6 and 24)		1,000,000		1,000,000
		1,821,297		1,186,925
Less: current portion		1,757,372		1,134,685
Non-current portion	$	63,925	$	52,240

11. LEASE LIABILITIES

The Company entered into various leases for vehicles, equipment, property and office premises for which the implicit interest rate used to determine the present value ranged from 4.40%-12.34%.

		June 30, 2024		December 31, 2023
Not later than one year	$	603,183	$	550,630
Later than one year and not later than five years		24,999		171,199
Later than five years		-		-
Total minimum lease payments		628,182		721,829
Future finance charges at implicit rate		(18,048)		(23,501)
Present value of minimum lease payments		610,134		698,328
Less: current portion		585,339		572,617
Non-current portion	$	24,795	$	125,711

12. SHARE CAPITAL

Authorized share capital consists of an unlimited number of common shares without par value.

Issued share capital

During the six months ended June 30, 2024 and 2023, the Company issued Nil common shares pursuant to the exercise of stock options for proceeds of $Nil.

Restricted share units

The continuity of restricted share units ("RSUs") for the six months ended June 30, 2024 are as follows:

	Outstanding
As at December 31, 2023	3,065,520
Vested	(734,666)
As at June 30, 2024	2,330,854

As at June 30, 2024, the weighted average remaining life of the RSUs outstanding was 1.74 (December 31, 2023 – 2.16) years with vesting periods of 36 months. The Company's outstanding RSUs as at June 30, 2024 are as follows:

Expiry date	Outstanding
April 19, 2025	150,744
April 19, 2026	2,180,110

Stock options

The continuity of stock options for the six months ended June 30, 2024 are as follows:

	Outstanding		Weighted average exercise price (C$)
As at December 31, 2023	12,055,582	$	0.41
Expired/Cancelled	(2,284,906)		0.29
As at June 30, 2024	9,770,676	$	0.44

(Expressed in United States Dollars)

12. SHARE CAPITAL (cont'd…)

As at June 30, 2024, the weighted average remaining life of the stock options outstanding is 1.94 (December 31, 2023 - 2.04) years with vesting periods ranging from 0 to 36 months. The Company's outstanding and exercisable stock options as at June 30, 2024 are as follows:

Expiry date	Exercise price (C$)	Outstanding	Exercisable
October 7, 2024	0.34	1,420,258	1,420,258
October 9, 2025	0.48	2,770,300	2,770,300
April 20, 2026	0.65	2,360,976	2,360,976
July 2, 2026	0.57	300,000	150,000
April 28, 2027	0.41	1,005,206	502,603
April 21, 2028	0.21	1,913,936	382,787

Share-based payments and share-based payment reserve

In accordance with the vesting terms of stock options and RSUs granted, the Company recorded a charge to share-based payments expense of $252,893 (2023 - $145,831) with an offsetting credit of $103,214 (2023 - $92,558) to the share-based payments reserve and $149,679 (2023 - $53,272) to the provision, respectively, during the six months ended June 30, 2024.

13. SALES

	Three months ended June 30, 2024	Three months ended June 30, 2023	**Six months ended June 30, 2024**	Six months ended June 30, 2023
Metals concentrate sold	**$ 11,904,361**	$ 12,369,177	**$ 29,221,677**	$ 25,140,577
Provisional pricing adjustments	**(1,043,894)**	(141,089)	**(543,095)**	(129,249)
	$ 10,860,467	$ 12,228,088	**$ 28,678,582**	$ 25,011,328

14. COST OF SALES

	Three months ended June 30, 2024	Three months ended June 30, 2023	**Six months ended June 30, 2024**	Six months ended June 30, 2023
Direct mining and processing costs(1)	**$ (5,433,851)**	$ (7,638,602)	**$ (15,356,019)**	$ (14,170,311)
Royalties	**(686,412)**	(820,083)	**(1,674,363)**	(1,561,795)
Selling expense(2)	**(448,163)**	(527,090)	**(1,107,870)**	(970,484)
Depletion and amortization	**(1,740,293)**	(2,288,115)	**(5,186,719)**	(5,273,709)
	$ (8,308,719)	$ (11,273,890)	**$ (23,324,971)**	$ (21,976,299)

(1) Includes salaries and other short-term benefits, contractor charges, energy, consumables, and other production-related costs
(2) Includes in-land transportation, storage, and security costs of concentrate prior to loading onto the vessel

15. INTEREST AND FINANCE COSTS, NET

	Three months ended June 30, 2024	Three months ended June 30, 2023	**Six months ended June 30, 2024**	Six months ended June 30, 2023
Interest on loans and borrowings (Note 9)	**$ (662,053)**	$ (509,370)	**$ (1,320,446)**	$ (1,066,069)
Accretion expenses	**(78,845)**	(84,632)	**(156,684)**	(168,686)
Interest and other expenses	**(29,243)**	(20,435)	**(31,772)**	(41,091)
	$ (770,141)	$ (614,437)	**$ (1,508,902)**	$ (1,275,846)

(Expressed in United States Dollars)

16. LOSS PER SHARE

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Net loss attributable to equity holders	$ **(506,770)**	$ (60,936)	$ **(940,413)**	$ (636,944)
Weighted average number of shares	**121,286,185**	121,286,185	**121,286,185**	121,286,185
Dilutive effect of stock options(1)	**-**	-	**-**	-
Diluted weighted average number of shares	**121,286,185**	121,286,185	**121,286,185**	121,286,185
Basic loss per share(2)	$ **(0.00)**	$ (0.00)	$ **(0.01)**	$ (0.01)
Diluted loss per share(2)	$ **(0.00)**	$ (0.00)	$ **(0.01)**	$ (0.01)

(1) Amounts are Nil for periods with basic loss per share, as the effects would be anti-dilutive
(2) Attributable to equity holders of the Company

17. NON-CONTROLLING INTERESTS

	MINER
Ownership %	90%
As at December 31, 2023	$ 3,320,650
Dividend declared by subsidiary	**(389,884)**
Net income and comprehensive income	**149,868**
As at June 30, 2024	$ **3,080,634**

Summarized financial information about MINER is as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2023
Current assets	$ **25,825,252**	$ 26,806,583
Non-current assets	**36,291,319**	44,993,533
Current liabilities	**18,594,988**	13,877,947
Non-current liabilities	**13,737,629**	17,665,252
Net income and comprehensive income	$ **1,498,680**	$ 1,923,140

18. RELATED PARTY BALANCES AND TRANSACTIONS

The Company considers key management personnel to include its management, outside directors, and any entity controlled by them. The aggregate value of transactions (included in general and administrative expenses and share-based payments) and outstanding balances relating to key management personnel were as follows:

Six months ended June 30, 2024	**Salary or fees**	**Share-based payments**	**Total**
Management	$ **579,724**	$ **163,164**	$ **742,888**
Directors	**71,142**	**45,387**	**116,529**
Seabord Management Corp.	**57,029**	**-**	**57,029**
	$ **707,895**	$ **208,551**	$ **916,446**

Six months ended June 30, 2023	Salary or fees	Share-based payments	Total
Management	$ 572,172	$ 77,984	$ 650,156
Directors	68,400	40,873	109,273
Seabord Services Corp.	100,394	-	100,394
	$ 740,966	$ 118,857	$ 859,823

As at June 30, 2024, the Company had $695,153 (December 31, 2023 - $636,049) due to directors and management related to remuneration and performance-based remuneration, which have been included in accounts payable and accrued liabilities.

Seabord Management Corp. (“Seabord”) is a management services company controlled by a director. Seabord provides the Corporate Secretary, accounting staff, administration staff and office space to the Company pursuant to the service agreement. The Corporate Secretary and the accounting and administrative staff are employees of Seabord and are not paid directly by the Company.

(Expressed in United States Dollars)

19. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Changes in non-cash working capital

	Three months ended June 30, 2024	Three months ended June 30, 2023	**Six months ended June 30, 2024**	Six months ended June 30, 2023
Receivables	**$ 6,360,639**	$ (1,972,379)	**$ 4,279,841**	$ 119,317
Inventories	**(2,841,962)**	(551,238)	**(1,935,123)**	(1,454,969)
Prepaid expenses and deposits	**(602,469)**	(239,505)	**(806,017)**	(187,088)
Accounts payable and accrued liabilities	**(771,847)**	(927,309)	**(2,177,070)**	(820,336)
Net change in non-cash working capital	**$ 2,144,361**	$ (3,690,431)	**$ (638,369)**	$ (2,343,076)

Significant non-cash investing and financing activities

During the six months ended June 30, 2024, the Company:

a) reallocated mineral property depletion of $3,080,469 to the carrying amount of ore stockpile and metals concentrate inventories produced but not yet sold at the reporting date;
b) reallocated mineral property depletion of $2,858,264 previously recognized in carrying amounts of metals concentrate inventories sold to cost of sales;
c) recorded $65,835 of increases in decommissioning and restoration provision; and
d) recorded $259,735 of right-of-use assets and lease liabilities.

During the six months ended June 30, 2023, the Company:

a) reallocated mineral property depletion of $2,746,093 to the carrying amount of ore stockpile and metals concentrate inventories produced but not yet sold at the reporting date;
b) reallocated mineral property depletion of $2,819,826 previously recognized in carrying amounts of metals concentrate inventories sold to cost of sales;
c) recorded $271,023 of right-of-use assets and lease liabilities.

20. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to provide shareholder returns through maximization of the profitable growth of the business and to maintain a degree of financial flexibility relevant to the underlying operating and metal price risks while safeguarding the Company's ability to continue as a going concern.

The Company has arrangements for unsecured credit facilities with several Colombian banks, including Banco Davivienda S.A., Banco Popular, Banco de Occidente, and Bancolombia. As of June 30, 2024, the Company had borrowed all available funds under these arrangements.

In addition, as part of the off-take agreement with the customer, the Company has been provided an inventory facility. Any amount advanced by the customer carries annual interest based on SOFR plus 4.5% from the date of advance until the date of the payment on provisional invoice has been made.

Furthermore, the Company considers components of equity as part of its capital. The Board of Directors does not establish a quantitative return on capital criteria for management. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may issue new shares in order to meet its financial obligations. As at June 30, 2024, the Company had a working capital deficiency largely due to the credit facility with Trafigura PTE Ltd. becoming due within 12 months (Note 9), however subsequent to the reporting period, the Company reached an agreement to amend the terms of the credit facility, deferring the principal repayments and extending the repayment schedule (Note 24). The Company is not subject to externally imposed capital requirements other than disclosed in notes 9 and 23. There has been no change to the Company's approach on capital management for the years presented.

21. FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows:

	Fair value hierarchy	June 30, 2024	December 31, 2023
Financial assets - amortized cost:			
Cash		$ **5,055,715**	$ 8,298,367
Other receivables		**69,790**	68,856
Financial assets - fair value through profit or loss:			
Trade receivables	Level 2	**1,218,876**	4,896,950
Derivative assets	Level 2	**262,227**	-
Financial liabilities - amortized cost:			
Accounts payable and accrued liabilities		**10,842,697**	12,777,376
Payable for acquisition of non-controlling interest		**1,000,000**	1,000,000
Loans payable		**25,325,707**	25,930,374
Lease liabilities		**610,134**	698,328
Financial liabilities - fair value through profit or loss:			
Derivative liabilities	Level 2	**686,705**	92,920
Provision for restricted share units	Level 2	**134,592**	94,005

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: (a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities; (b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and (c) Level 3 - Inputs for assets and liabilities that are not based on observable market data. The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The carrying value of cash, other receivables (excluding trade receivables from provisional sales of metals concentrate), and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. The fair values of the Company's loans payable are approximated by their carrying values as their interest rates are comparable to current interest rates.

Trade receivables from provisional sales of metals concentrate includes provisional pricing, and final price and assay adjustments. Derivative instruments are forward arrangements that were valued using pricing models, which require a variety of inputs, such as expected copper prices, gold prices, and foreign exchange rates. The Company's exercise price of its RSUs and conversion price on the convertible debentures are denominated in Canadian dollars or at a set exchange rate. The trade receivables from sales of metals concentrate and derivative instruments are valued using observable market commodity prices and thereby classified within Level 2 of the fair value hierarchy.

The Company's activities expose it to financial risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are metal price risk, credit risk, liquidity risk, currency risk, and interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

Metal price risk

The Company is exposed to metals price risk given that its revenues are derived from the sale of metals through its metals concentrate products, the prices for which have been historically volatile. Consequently, the economic viability of the Company's mineral property may be adversely affected by fluctuations in metals prices. For concentrate sold during the six months ended June 30, 2024, a 10% change in copper and gold prices would result in an increase/decrease of approximately $2,079,000 and $1,488,000 respectively in the Company's pre-tax income or loss on an annualized basis, respectively.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through large Canadian, international and foreign national financial institutions. All of the Company's trade receivables from concentrate sales are held with a large international metals trading company. The Company mitigates this risk by transacting only with reputable financial institutions and requiring provisional payments of 90% of the value of the concentrate shipped to a single well-known buyer. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company believes it is not exposed to significant credit risk and overall, the Company's credit risk has not declined significantly from the prior year.

(Expressed in United States Dollars)

21. FINANCIAL INSTRUMENTS (cont'd…)

Interest rate risk

The Company is exposed to interest rate risk on its variable rate debt facilities. Variable interest rates are based on the SOFR plus a fixed-margin. The Company does not enter into derivative contracts to manage this risk. As at June 30, 2024, a 10% change in SOFR and/or LIBOR would result in an increase/decrease of approximately $574,000 in the Company's pre-tax income or loss on an annualized basis based on the loan and credit facilities used.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuing to monitor forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its development plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from operations, its holdings of cash, and its committed liabilities. The maturities of the Company's non-current liabilities are disclosed in Notes 9, 10, and 11. All current liabilities are settled within one year.

As at June 30, the Company expects the following maturities of its financial liabilities, lease obligations, and other contractual commitments, excluding payments relating to interest:

	Less than 1 year	1 - 2 years	More than 2 years	Total
Accounts payable and accrued liabilities	$ 10,842,697	$ -	$ -	$ 10,842,697
Loans and borrowings[(1)]	19,233,542	6,092,165	-	25,325,707
Payable for acquisition of NCI of CMLP	1,000,000	-	-	1,000,000
Derivatives	686,705	-	-	686,705
Provision for restricted share units	70,667	63,925	-	134,592
Lease liabilities	585,339	24,795	-	610,134
Decommissioning and restoration provision	459,267	690,919	1,408,664	2,558,850
Payment Plan with the National Mining Agency[(2)(3)]	1,892,638	6,388,859	10,428,512	18,710,009
	$ 34,770,855	$ 13,260,663	$ 11,837,176	$ 59,868,694

[(1)] Subsequent to the reporting date on August 8, 2024, the Company announced that it has entered into an amendment and restatement agreement with Trafigura PTE. LTD credit agreement by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026. This table reflects the maturities according to the original stated terms in the February 2022 credit agreement
[(2)] The Company believes the arbitration process will be completed with a favorable outcome for the Company and the commitment for payments with maturities falling in years 2 (or part of) and beyond should cease (see Contingency and Commitment section)
[(3)] Payments include interest

Foreign currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company primarily operates in Canada and Colombia and incurs expenditures in currencies other than the US dollars. Thereby, the Company is exposed to foreign exchange risk arising from currency exposure. Based on the Company's net exposure, as at June 30, 2024, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar against the Canadian dollar, Peruvian nuevo sol, and Colombian peso would result in an increase/decrease of approximately $817,000 in the Company's pre-tax income or loss.

22. CONTINGENCY AND COMMITMENT

During the three months ended December 31, 2015, the Company's operating subsidiary, Minera El Roble S.A. ("MINER"), received notice of claim from the mining authority (the "National Mining Agency") in Colombia requesting payment of royalties related to past copper production. The National Mining Agency based its claim on the current mining law, which is subsequent to the prevailing mining law under which MINER executed the mining contract regulating its royalty obligations for the El Roble mining property. The current mining law in Colombia explicitly states that it does not affect contracts executed prior to this law entering into force. Accordingly, the Company refuted the notice of claim, taking the position it has complied with the royalty payments due and called for under the contract.

In 2017, the National Mining Agency in Colombia submitted a claim for $5 million (up from $2 million) plus additional interest and fees. The Company has been vigorously defending itself against this action before the Administrative Tribunal of Cundinamarca (the "Tribunal"). Such claims may take up to ten years to reach a resolution in Colombian courts. The National Mining Agency had updated the claim amount to COP$87,933,286,817 (approximately $21.2 million) for all royalties in dispute up to December 2021, and in June 2022, to COP$101,217,832,270 (approximately $24.4 million) for all royalties in dispute up to January 23, 2022, the expiry date of the mining contract. Such amounts exclude indexation and related late payment interest.

22. CONTINGENCY AND COMMITMENT (cont'd…)

On December 29, 2021, the Company entered into an agreement (the "Agreement") with the National Mining Agency to settle the dispute via binding arbitration at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce for the purposes of seeking an expedited resolution to the ongoing claim. The parties have completed the submission of the statement of claim, counterclaim, and respective replies. The tribunal concluded the first procedural hearing on July 2, 2024, during which the arbitrators declared themselves competent and confirmed the continuation of the arbitration process. They scheduled the dates for the evidentiary hearings and the testimonies of witnesses from both the National Mining Agency and the Company and on July 12, 2024, the first of these hearings was held, with two more scheduled. The process is proceeding according to schedule, with the expectation that the testimonies of witnesses from both parties will be completed during August and September 2024. The tribunal's final decision (the "Award") is due by January 15, 2025, with an allowable six-month extension as per the arbitration rules. According to the Agreement, if an Award is rendered in favor of the Company, the Payment Plan (see below) will cease, and any amounts already paid will be reimbursed or offset against future royalty obligations.

The Agreement allowed for the Company to be recognized as being formally in good standing with the National Mining Agency, enabling the Company to apply for a new mining contract on the property. The previous contract and related title expired on January 23, 2022.

The Agreement called for the Company to enter into a five-year Payment Plan (which was amended in June 2022) payable in biannual instalments for a total amount of COP$101,217,832,270 (approximately $24.4 million) plus interest at a 6% annual rate (in aggregate of COP$120,252,412,294 or approximately $29.0 million) with the following payment schedule: initial upfront payment of COP$3,800,000,000 (paid in 2021), followed by COP$15,130,315,236 (paid in 2022), COP$15,301,117,051 (paid in 2023), COP$7,996,308,155 (paid in May 2024), COP$7,850,738,753 (approximately $1.9 million) in November 2024, COP$26,501,243,006 (approximately $6.4 million) in year 2025 and COP$43,672,690,093 (approximately $10.5 million) in year 2026. The total amount payable represents all outstanding royalty payments which the National Mining Agency has claimed through to the expiry date of the mining contract. The parties have agreed to this interim arrangement until a final arbitration decision is made.

As security for the Payment Plan, the Company pledged one real estate property located in Colombia in addition to granting a rotating pledge over concentrate inventory. 6,520 of the 10,627 dry metric tonnes of metals concentrate in inventories at the end of Q2-2024 were pledged as security for the Payment Plan. The security is being released proportionally as payments are being made in accordance with the payment schedule. The security may be substituted at a later date. The Company is recording an arbitration asset (Note 5) for all payments made under the Payment Plan. The Company continues to work towards obtaining a new contract to renew title for the operating mine. The Company has been allowed to continue operating while the process for the contract and title renewal continues. There is no assurance the renewal will be obtained.

23. SEGMENTED INFORMATION

The Company is engaged in mining, exploration, and development of mineral properties. Results of operating segments are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment. The Company's reportable segments for 2024 include its mining operations at El Roble ("El Roble mine"), E&E activities at El Roble ("El Roble E&E") and E&E activities at CMLP ("La Plata E&E"). Corporate and other includes activities which provide administrative, technical, financial, and other support to the Company's business units. Total assets and liabilities do not reflect intercompany balances, which have been eliminated on consolidation. As at June 30, 2024 and 2023, the Company had one external customer comprising of a single off-take agreement for metals concentrate produced at the El Roble mining property.

(Expressed in United States Dollars)

23. SEGMENTED INFORMATION (cont'd…)

The Company's segments are summarized in the following tables:

Six months ended June 30, 2024	El Roble mine	El Roble E&E	La Plata E&E	Corporate and other	Total
Revenues from external customers	$ 28,678,582	$ -	$ -	$ -	$ 28,678,582
Cost of sales	(23,324,971)	-	-	-	(23,324,971)
General and administrative expenses	(1,686,908)	-	-	(1,229,879)	(2,916,787)
Share-based payments	-	-	-	(252,893)	(252,893)
Segment income (loss) from operations	$ 3,666,703	$ -	$ -	$ (1,482,772)	$ 2,183,931
Capital additions[1]					
Mineral property	$ 2,029,304	$ 658,115	$ 1,934,475	$ -	$ 4,621,894
Plant and equipment	608,524	-	-	-	608,524
As at June 30, 2024					
Total assets	$ 50,982,437	$ 15,333,953	$ 43,065,347	$ 2,510,383	$ 111,892,120
Total liabilities	33,795,676	-	98,831	18,282,911	52,177,418

Six months ended June 30, 2023	El Roble mine	El Roble E&E	La Plata E&E	Corporate and other	Total
Revenues from external customers	$ 25,011,328	$ -	$ -	$ -	$ 25,011,328
Cost of sales	(21,976,299)	-	-	-	(21,976,299)
General and administrative expenses	(1,484,780)	-	-	(1,434,300)	(2,919,080)
Share-based payments	-	-	-	(145,831)	(145,831)
Segment income (loss) from operations	$ 1,550,249	$ -	$ -	$ (1,580,131)	$ (29,882)
Capital additions[1]					
Mineral property	$ 1,314,466	$ 1,579,654	$ 2,880,821	$ -	$ 5,774,941
Plant and equipment	858,539	-	-	-	858,539
As at December 31, 2023					
Total assets	$ 56,017,294	$ 14,675,838	$ 41,162,703	$ 3,334,412	$ 115,190,247
Total liabilities	35,641,850	-	212,303	18,544,177	54,398,330

[1] Capital additions in the above table represent capital additions on an accrual basis. Expenditures on mineral properties, plant and equipment in the consolidated statements of cash flows represent capital expenditures on a cash basis which excludes non-cash additions.

24. EVENTS AFTER REPORTING DATE

On July 5, 2024, the Company granted 2,346,811 stock options exercisable at C$0.165 per share for five years to directors, officers, employees and consultants of the Company.

On August 8, 2024, the Company announced that it has entered into an amendment and restatement agreement with Trafigura PTE. LTD. (the "Lender") to amend the US$ 10 million credit agreement entered into with the Lender on February 2022, by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026, with the following principal repayment schedule:

1. US$ 650,000 due on January 31, 2025, and April 30, 2025;
2. US$ 700,000 due on July 31, 2025;
3. US$ 950,000 due on Oct 31, 2025, January 31, 2026, and April 30, 2026; and
4. US$ 5,150,000 due on July 31, 2026.

The outstanding principal will bear interest at a rate of SOFR plus 7.5%.

On August 16, 2024, the Company paid the third and final instalment for $1,000,000 for the 2021 acquisition of the remaining 40% interest in CMLP (Note 10).