
Tintina Mines Limited
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(Expressed in Canadian Dollars)
(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three months ended March 31, 2024 have not been reviewed by the Company's auditors.

Tintina Mines Limited

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

| | March 31, 2024 | December 31, 2023 |
|--|---------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 9,759,852 | \$ 9,463,919 |
| Accounts receivable, prepaid expenses and other (note 3) | 41,774 | 12,682 |
| Current assets | 9,801,626 | 9,476,601 |
| Non-current assets | | |
| Security deposit (note 4(a)) | 100,000 | 100,000 |
| Exploration and evaluation assets (note 4) | 4 | 4 |
| Total non-current assets | 100,004 | 100,004 |
| Total assets | \$ 9,901,630 | \$ 9,576,605 |
| Liabilities and shareholders' deficiency | | |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities (note 10) | \$ 111,287 | \$ 52,692 |
| Grid promissory note (note 5) | 12,071,485 | 12,071,485 |
| Total current liabilities | 12,182,772 | 12,124,177 |
| Non-current liabilities | | |
| Site restoration provision (note 6) | 992,457 | 983,970 |
| Total liabilities | 13,175,229 | 13,108,147 |
| Shareholders' deficiency | | |
| Common shares (note 7) | 10,559,453 | 10,559,453 |
| Contributed surplus (note 8) | 964,886 | 964,886 |
| Deficit | (14,797,938) | (15,055,881) |
| Total shareholders' deficiency | (3,273,599) | (3,531,542) |
| Total liabilities and shareholders' deficiency | \$ 9,901,630 | \$ 9,576,605 |

Nature of operations and going concern (note 1)
Subsequent event (note 12)

Approved by the Board of Directors:

Director: Eugenio Ferrari _____

Director: Carmelo Marrelli _____

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

Tintina Mines Limited

Condensed Interim Statements of (Income) Loss and Comprehensive (Income) Loss
(Expressed in Canadian Dollars)
(Unaudited)

| | Three Months Ended March 31, | |
|---|---------------------------------|------------------|
| | 2024 | 2023 |
| Expenses (income) | | |
| Exploration and evaluation expenditures | \$ 1,846 | \$ 1,842 |
| Accretion (note 6) | 8,487 | 6,430 |
| Compensation (note 10) | 2,700 | 2,706 |
| Foreign exchange loss (gain) | (260,558) | 9,027 |
| General administration | 5,345 | 904 |
| Insurance | 6,306 | 5,727 |
| Legal and professional fees (note 10) | 43,946 | 12,094 |
| Listing and compliance costs | 12,393 | 11,709 |
| Rent | 10,368 | 4,230 |
| Interest income | (88,776) | - |
| Net (income) loss and comprehensive (income) loss for the period | \$ (257,943) | \$ 54,669 |
| (Income) Loss per share (note 9) | | |
| Basic and diluted | \$ (0.01) | \$ 0.00 |
| Diluted | \$ (0.01) | \$ 0.00 |
| Weighted average number of shares outstanding (note 9) | | |
| Basic and diluted | 45,904,932 | 45,904,932 |
| Diluted | 45,904,932 | 45,904,932 |

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

Tintina Mines Limited

Condensed Interim Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)
(Unaudited)

| | Common shares | | Contributed Surplus | Deficit | Total |
|---------------------------------|-------------------|-------------------|------------------------|---------------------|--------------------|
| | Number | Amount | | | |
| | | \$ | \$ | \$ | \$ |
| Balance as of December 31, 2022 | 45,904,932 | 10,559,453 | 964,886 | (14,744,101) | (3,219,762) |
| Net loss for the period | - | - | - | (54,669) | (54,669) |
| Balance, March 31, 2023 | 45,904,932 | 10,559,453 | 964,886 | (14,798,770) | (3,274,431) |
| Balance as of December 31, 2023 | 45,904,932 | 10,559,453 | 964,886 | (15,055,881) | (3,531,542) |
| Net income for the period | - | - | - | 257,943 | 257,943 |
| Balance, March 31, 2024 | 45,904,932 | 10,559,453 | 964,886 | (14,797,938) | (3,273,599) |

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

Tintina Mines Limited

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

| | For the Three Months Ended March 31, | |
|--|---|------------------|
| | 2024 | 2023 |
| | \$ | \$ |
| Operating activities | | |
| Net income (loss) for the period | 257,943 | (54,669) |
| Items not affecting cash: | | |
| Accretion | 8,487 | 6,430 |
| Net change in non-cash working capital | | |
| Accounts receivable, prepaid expenses and other | (29,092) | (8,476) |
| Accounts payable and accrued liabilities | 58,595 | 7,527 |
| Cash provided by (used in) operating activities | 295,933 | (49,188) |
| Change in cash and cash equivalents | 295,933 | (49,188) |
| Cash and cash equivalents, beginning of the period | 9,463,919 | 9,560,459 |
| Cash and cash equivalents, end of the period | 9,759,852 | 9,511,271 |
| Cash and cash equivalents, consist of: | | |
| Cash | 166,555 | 9,511,271 |
| Short-term deposits | 9,593,297 | - |
| | 9,759,852 | 9,511,271 |

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

Tintina Mines Limited (the "Corporation", the "Company", or "Tintina") is engaged in the evaluation, acquisition and exploration of gold and base mineral properties in Canada, with the intent of developing and placing the properties into production, if commercially feasible. Tintina was incorporated on December 6, 1961 under the laws of Canada and its registered office is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

The Company is a development stage enterprise and currently has no significant revenue from operations. The Company has not yet determined whether the mining properties and claims it holds in its exploration portfolio contain resources that are economically recoverable. Future operations are dependent upon the existence of economically recoverable resources, the ability of the Company to obtain all necessary permits and to raise financing to complete the exploration and development and future profitable production or proceeds from the disposition of such properties. In addition, the Company's properties may be subject to significant financial risks, legal and political risks, commodity prices risks, and the ability of the Company to discover economically recoverable reserves and to bring such reserves into future profitable production.

These unaudited condensed interim financial statements have been prepared on the basis that the Company is a "going concern", which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company currently does not intend to liquidate or cease trade. The Company has no source of operating cash flows. As at March 31, 2024, the Company had a working capital deficiency of \$2,381,146 (December 31, 2023 - 2,647,576) net income of \$257,943 during the three months ended March 31, 2024, and has yet to achieve profitable operations from exploration activities, thereby accumulating a deficit of \$14,797,938 (December 31, 2023 - \$15,055,881). These continuing exploration losses cast a significant doubt about the Company's ability to continue as a going concern. Accordingly, the Company will need to raise additional capital through equity issuance or through its significant shareholder in order to continue funding its operating, exploration and evaluation activities or eventual development of its properties. The outcome of these matters cannot be predicted at this time.

To date, the Company has raised funds principally through borrowing funds from its current significant shareholder (the "Significant Shareholder") and formerly from his father. As of September 30, 2011, a loan agreement was signed that stated that he has agreed to advance to Tintina, in an amount and frequency agreed to between the Company and the significant shareholder from time to time, monies as are required to maintain the Company's ongoing activities. Therefore, in the foreseeable future the Company will likely remain dependent on the significant shareholder to raise funds to explore and develop its properties, and on the availability of project financing for the development of the Company's properties.

These unaudited condensed interim financial statements do not include any adjustments related to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Summary of significant accounting policies

Statement of compliance and basis of measurement

These unaudited condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These financial statements are condensed and do not include all of the information required for full annual financial statements. The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those applied in its most recent annual financial statements as at and for the year ended December 31, 2023. Results for the three months ended March 31, 2024 are not necessarily indicative of future results. These unaudited condensed interim financial statements were reviewed by the audit committee and approved by the Board of Directors on May 28, 2024.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

New accounting standard adopted

There are no new and amended standards that are applicable to the business of the Company.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

The Company adopted this amendment on January 1, 2024, there was no material impact on the financial statements.

New accounting standard not yet adopted

There are no new and amended standards that are material to the business of the Company.

3. Accounts receivable, prepaid expenses and other

Accounts receivable, prepaid expenses and other comprise the following:

| | March 31, 2024 | December 31, 2023 |
|--|-------------------|----------------------|
| Prepaid expenses | \$ 41,774 | \$ 15,472 |
| Harmonized and goods and services tax receivable | - | 681 |
| | \$ 41,774 | \$ 16,153 |

4. Exploration and evaluation assets

| | March 31, 2024 | December 31, 2023 |
|--|-------------------|----------------------|
| Whitehorse Mining District, Yukon Territory - 22 claims (2023 - 22) (a) | \$ 1 | \$ 1 |
| Sudbury Mining District, Ontario (b) | 1 | 1 |
| Watson Lake Mining District, Yukon Territory - 11 claims (2023 -11) (c) | 1 | 1 |
| Wark Township, Ontario - 159 acres, patented mineral rights (2023 - 159) (d) | 1 | 1 |
| | \$ 4 | \$ 4 |

The Company continues to hold title to these properties and may continue exploration activities in these areas in the future.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

(a) Whitehorse Mining District, Yukon Territory

The Red Mountain molybdenum deposit, which has undergone an extensive drill program of approximately 21,000 meters undertaken by Amoco Canada Petroleum Company Ltd, reported a total inferred resources of 187.3 million tonnes grading 0.167% MoS₂ (using a 0.10% MoS₂ cutoff). The reported resources includes 21.3 million tonnes grading 0.293% MoS₂ (using a 0.25% cut-off) at the high-grade zone of the deposit. Although these resources are not considered to be NI 43-101 compliant as they were calculated prior to the implementation of current reporting rules and have not yet been recalculated, they are considered reliable given the prominent reputation of the author (D.W. Asbury, 1983).

During 2011, the Company completed a 64 km access road to Red Mountain. The road was completed at a cost of approximately \$5 million, funded through a loan agreement from the Company's principal shareholder. The loan is presently unsecured, non-interest bearing and non-convertible.

In 2012, the Company conducted geotechnical, hydrogeological and geological drilling as well as surface environmental studies to support permitting that would be required for advanced underground exploration, at an aggregate cost of approximately \$3.3 million. As of the end of the year ended December 31, 2012, the Company had completed approximately 2,800 meters of drilling. During 2012, the Company continued with environmental monitoring and other required data gathering activities to support advanced exploration planning and the permitting process.

During 2013, a preliminary hydrogeological baseline study from the 2012 work program was delivered to the Company. The Company's work in 2013 was comprised principally of on-going environmental monitoring studies and data gathering activities, at a total cost of approximately \$569,000, primarily attributable to in-field consulting work and transportation in the off-season by helicopter.

No significant activities were undertaken during the year ended December 31, 2014 due to sustained and weakening commodity prices. The Company has deferred any further activities at Red Mountain and will only complete activities required for the care and maintenance of the access road and exploration site until economic conditions improve.

The cores from the 2012 drill program were delivered for assaying to Aurora Geosciences in Whitehorse Yukon in late 2014. The results from two holes of confirmation drilling were analyzed against historical findings. Initial visual estimates of Mo correlated fairly well with assays. The detection of higher concentrations of molybdenum in the holes at depth is generally consistent with the historical findings which were considered reliable. A detailed analysis and report will be released upon availability.

On March 20, 2017, certain claims at Red Mountain in the Yukon had not yet been renewed due to an unintended error in the claims renewal process. The Company notes that the affected claims are not considered to be material because they do not cover the areas of known mineralization. Although management continued to pursue the reinstatement of these claims, its efforts proved to be unsuccessful and therefore these claims are regarded as lost.

In addition, due to the loss of the claims, the mining land use permit for road access to the main claims of the project was no longer valid. The terms of the Company's permit required that if it no longer held the affected claims, the Company would be required to remediate the road they had built along with the existing camp, the old camp site, any trail or secondary roads, drill pads and any other disturbances.

On August 14, 2017, Tintina management submitted a letter to the Land Use Manager in the Yukon requesting an extension of the current Land Use Permit for the road within the third party claims in order to keep land access to the project. On August 23, 2017, the Company received an official communication from the Land Use Manager office of the Energy, Mines and Resources department informing Tintina that the Land Use Permit has been amended to include the portion of the Red Mountain Road previously located on Tintina claims and currently within third party claims. Therefore, Tintina will maintain the road access to the Red Mountain Project and perform exploration activities using it.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

(a) Whitehorse Mining District, Yukon Territory (continued)

On October 19, 2020, Tintina Mines received the Class 3 Quartz Mining Land Use Permit approval for the Red Mountain Molybdenum project. The permit is valid until October 18, 2030 and allows the company to perform a variety of exploration activities, including drilling and site road building. The Land Use Permit for the project road access is still under assessment. No fieldwork was carried out during the three months ended March 31, 2024.

As at March 31, 2024 the Company has a security deposit of \$100,000 (December 31, 2023 - \$100,000) with the Yukon Department of Energy Mines and Resources for the completion of any remediation on the land in the future.

(b) Sudbury Mining District, Ontario

This property consists of 500 acres of land held in fee simple, purchased in November 1978 in the Mining District of Sudbury West in the Township of May. Exador Resources Inc. holds a 10% net profit royalty from any future mineral production from the property.

(c) Watson Lake Mining District, Yukon Territory

The Watson Lake property consists of 11 active claims. As a result of exploration work on the Watson Lake property, the Company received grants totaling \$116,240 during 1975 and 1976 from the Department of Indian and Northern Affairs (Government of Canada). Should gainful production commence as a result of the work carried out, then: (i) the grants will be repayable at a rate of not less than 10% per annum; (ii) the amount repayable will bear simple interest at approximately 2% above the average rate on long-term Government of Canada bonds; and (iii) interest will be accrued from the date the grants become repayable. To date, gainful production has not commenced and no obligation for principal or interest payments has been accrued in these unaudited condensed interim financial statements. No fieldwork was carried out during the three months ended March 31, 2024.

(d) Wark Township, Ontario

The property consists of 159 acres (approximately 64 hectares) of patented mineral rights located in the Wark Township, northeastern Ontario. Access to the prospect is by the 655 route, approximately 21 km north of the City of Timmins. Based on remote sensing analysis, about 30% of the prospect corresponds to the Feldman Lake area. As at March 31, 2024, the mining rights are in good standing.

(e) Rand Malartic Royalty

The Company had a Net Smelter Royalty (NSR) on the Rand Malartic Project in Quebec with Canadian Malartic GP ("CMGP"), which effective March 17, 2022, and signed on March 25, 2022, CMGP exercised its buyout option to repurchase the 2% net smelter return royalty held by the Company over the Rand property for a total purchase price of \$7,000,000 (USD).

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

5. Grid Promissory Note

As at March 31, 2024, the Company has a \$12,071,485 (December 31, 2023 - \$12,071,485) a loan from its Significant Shareholder. As of September 30, 2011, the Company signed a loan agreement whereby these past, present and future advances will be covered under a grid promissory note ("the Grid Note"). After demand is made, the Grid Note will bear interest at a rate of 3%. As at March 31, 2024, the note is unsecured, does not bear interest and is payable on demand.

In February 2024, the Company reached an agreement with its shareholder and sole creditor, Mr. Juan Enrique Rassmuss, to fully reorganize the Company's debt (currently in the amount of \$12,071,484.57). The proposed debt reorganization would take place through two processes. The first is a partial conversion through the issuance of the lower of (i) 252,382,833 new common shares of the Company and (ii) such number of common shares of the Company that would result in no less than 10% of the common shares of the Company being in the "public float" (as defined in the policies of the TSX Venture Exchange), at a price of \$0.03 per common share for an aggregate of up to \$7,571,484.57.

The second component of the debt reorganization is the restructuring and reprofiling of the remaining debt (in the amount of approximately \$4,500,000) that is anticipated to enhance the investment profile of the Company mainly by eliminating the current shareholders' deficiency and suspending the on-demand condition for a period of two years. This will be a related party transaction for the Company and will only be completed subject to the approval of the investment in Andean Belt Resources SpA (note 11).

As at March 31, 2024, the transactions described above are still subject regulatory and other approvals, including but not limited to the approval of the TSX Venture Exchange and the approval of the shareholders of the Company.

6. Site restoration provision

In connection with construction of the all-weather access road to the Red Mountain mine site during 2012, the Company has an obligation to return the site as close as possible to its pre-construction condition. These activities will include leaving the site clean following the project completion, removing hazardous materials and petroleum products from the site and re-contouring major cuts and side slopes, preventing long-term erosion/slumping and promoting successful revegetation of disturbed areas. This gives rise to a site restoration obligation when exploration and mining activities at the site are completed. The long-term site restoration provisions are based on current management plans, cost estimates and compliance with existing agreements.

Tintina's site restoration provision was calculated assuming a risk free discount rate of 3.45% (2023 - 3.45%) and an inflation factor of 7.24% (2023 - 7.24%). The liability for restoration on an undiscounted basis before inflation is estimated to be approximately \$498,000. Management anticipates that such costs will be incurred between 2031 and 2067, depending upon the success of exploration activities undertaken.

In view of the uncertainties concerning the cost estimates and the extent of decommissioning activities that will be required, the ultimate cost of the site restoration could differ materially from the estimated amounts provided. The estimate of the total liability for site restoration costs is subject to change based on amendments to laws and regulations and as new information concerning the Company's operations becomes available. Future changes, if any, to the estimated total liability as a result of amended requirements, laws, regulations and operating assumptions may be significant and would be recognized prospectively as a change in accounting estimate, when applicable.

The Company is not able to determine the impact, if any, of environmental laws and regulations that may be enacted in the future on its results of operations or financial position due to the uncertainty surrounding the ultimate form that such future laws and regulations may take.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

6. Site restoration provision (continued)

The following presents the Company's provision estimate activity:

| | March 31, 2024 | December 31, 2023 |
|-----------------------|-------------------|----------------------|
| Opening balance | \$ 983,970 | \$ 779,265 |
| Accretion | 8,487 | 25,715 |
| Change in estimate | - | 178,990 |
| Ending Balance | \$ 992,457 | \$ 983,970 |

7. Common shares

- a) The Company is authorized to issue unlimited common shares without par value.
- b) Common shares issued

The Company did not have any share capital activity during the periods ended March 31, 2024 and 2023.

8. Share options

The Company has a rolling 10% incentive stock option plan (the "Plan") under which options to purchase common shares of the Company may be granted to directors, officers, employees and consultants of the Company. The Plan was approved by the shareholders in January 2021. Under the Plan, the terms and conditions of each grant of options are determined by the Board of Directors. If there are no terms specified upon grant, options vest immediately on the grant date. The number of common shares subject to options granted under the Plan is limited to 10% of the issued and outstanding common shares of the Company and no one person may receive in excess of 5% of the outstanding common shares of the Company at the time of grant, without the disinterested shareholder approval. Stock options to any consultants and to persons conducting investor relation activity shall not exceed 2% of the outstanding common shares at the time of grant.

A summary of the share option activity during the periods presented below:

| | Number of stock options outstanding | Weighted average exercise price |
|---|--|------------------------------------|
| Balance, December 31, 2022, and March 31, 2023 | 3,334,465 | 0.06 |
| Balance, December 31, 2023, and March 31, 2024 | - | - |

As at March 31, 2024, there were no stock options outstanding.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements
March 31, 2024 and 2023
(Expressed in Canadian Dollars)
(Unaudited)

9. (Income) Loss per share

| | Three Months Ended March 31, 2024 | Three Months Ended March 31, 2023 |
|--|--|--|
| Net (income) loss for the period | \$ (257,943) | \$ 54,669 |
| Weighted average outstanding - basic | 45,904,932 | 45,904,932 |
| Dilutive stock options | - | - |
| Weighted average outstanding - diluted | 45,904,932 | 45,904,932 |
| Net (income) loss per share: | | |
| - basic | \$ (0.01) | \$ 0.00 |
| - diluted | \$ (0.01) | \$ 0.00 |

Basic income per share is computed by dividing net income (the numerator) by the weighted average number of outstanding common shares for the period (the denominator). In computing diluted loss per share, an adjustment is not made for the dilutive effect of outstanding stock options as they are anti-dilutive.

10. Related party transactions and balances

Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's President, Vice-president, and Secretary-Treasurer and members of the Company's Board of Directors.

Compensation awarded to key management personnel is as follows:

The Company paid \$17,037 for the three months ended March 31, 2024 (three months ended March 31, 2023 - \$nil) to the Chief Executive Officer and director of the Company for consulting services. As of March 31, 2024, the Chief Executive Officer and director was owed \$25,994 (December 31, 2023 - \$16,876). These amounts were included in accounts payable and accrued liabilities.

During the three months ended March 31, 2024, the Company paid professional fees totaling \$15,534 (March 31, 2023 - \$8,398) for: (i) Mr. Jing Peng to act as CFO of the Company, (ii) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act a director of the Company, (iii) bookkeeping services, (iv) filing services (v) corporate secretarial services and (vi) transfer agent services. The Marrelli Group was owed \$1,272 (December 31, 2023 - \$1,505) and these amounts were included in amounts payable and accrued liabilities.

The Significant Shareholder also holds a Grid Promissory Note totaling \$12,071,485 (note 5) as at March 31, 2024 (December 31, 2023 - \$12,071,485), which is payable on demand.

Tintina Mines Limited

Notes to Condensed Interim Financial Statements

March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

11. Andean Belt Resources SpA Acquisition

On February 6, 2024, the Company announced that it has entered into an agreement dated as of today's date with Andean Belt Resources SpA ("ABR"), a mining exploration company incorporated under the laws of Chile, to acquire a 65%-75% equity ownership interest in ABR for cash consideration in the amount of \$4,000,000 (USD). As described in greater detail below, ABR is a related party of the Company. The terms of the agreement are set out in a term sheet signed by both of the parties, and it is anticipated that a definitive agreement regarding the transaction will be negotiated and entered into in due course.

ABR owns approximately 22,819 hectares across five different properties in Chile, with the flagship property being the Domeyko Sulfuros project in Northern Chile. Management believes that this investment will enable the Company to gain a majority interest in the ABR portfolio which will also grant it access to high quality exploration projects located in a geographically favourable setting in Chile. It is anticipated that, as a result of the acquisition, the Company will hold between 65%-75% of the issued and outstanding share capital of ABR, with the exact percentage to be determined based on due diligence and exchange rates. As described below, this will be a related party transaction for the Company.

The funds provided as consideration for the acquisition are intended to be used primarily to finance exploration and technical studies at the Domeyko Sulfuros property in Chile. The immediate plan will be to conduct a comprehensive exploration of the primary sulfide mineralization at the Domeyko Sulfuros property, with the central objective of advancing the project towards a resource definition stage supported by reports generated in accordance with international standards.

12. Subsequent event

On April 18, 2024, the Company announced that its annual general and special meeting of security holders will be held on June 26, 2025.