LOS ANDES COPPER LTD.

Consolidated Financial Statements

For the Years Ended September 30, 2024 and 2023

(Expressed in Canadian dollars)

DeVISSER GRAY LLP
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Los Andes Copper Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Los Andes Copper Ltd. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2024 and 2023 and the consolidated statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of Mineral right interests and Hydro-electric project water rights	Our approach to addressing the matter included the following procedures, among others:
Refer to note 3 – Material accounting policy Mineral right interests; note 3 – Material accounting policy Hydro-electric project water rights; note 4 – Critical accounting estimates and judgements; and note 6 – Mineral rights interests / Hydro-electric project water rights Management assesses at each reporting period whether there is an indication that the carrying value of mineral rights interests/hydro-electric project water rights may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following: • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. • Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit. • Confirmed that the Company's right to explore the property has not expired.

viable quantities of mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the mineral right interests balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	• Obtained management's written representations regarding the Company's future plans for the mineral right interests. • Assessed the reasonability of the Company's financial statement disclosure regarding their mineral right interests.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is William Nichols.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
January 22, 2025

LOS ANDES COPPER LTD.
Consolidated Statements of Financial Position
As at September 30, 2024 and 2023
(Expressed in Canadian dollars)

	Note	2024	2023
		$	$
Assets			
Current Assets			
Cash and cash equivalents		29,317,948	34,545,860
Receivables		207,955	316,593
Prepaid expenses and deposits		192,785	214,304
		29,718,688	35,076,757
Non-Current Assets			
Property, plant and equipment		187,519	217,751
Mineral right interests	**6**	69,762,330	67,339,430
Hydro-electric project water rights	**6**	8,250,000	8,250,000
		78,199,849	75,807,181
Total Assets		107,918,537	110,883,938
Liabilities			
Current Liabilities			
Trade payables and other liabilities	**9**	640,755	1,080,867
Lease liability short-term	**14**	96,311	106,920
Interest payable on convertible debenture	**7**	124,257	124,345
		861,323	1,312,132
Non-Current Liabilities			
Convertible debentures	**7**	14,513,399	13,197,929
Derivative liability – convertible debenture conversion feature	**7**	1,147,655	4,487,827
DSU liability	**8(f),9**	947,231	301,044
Deferred income tax		3,849,386	9,829,072
		20,457,671	27,815,872
Total Liabilities		21,318,994	29,128,004
Shareholders' Equity			
Share capital	**8**	123,427,446	123,440,339
Reserve	**8**	5,713,944	5,582,702
Deficit		(32,895,718)	(38,267,869)
Accumulated other comprehensive loss		(9,646,129)	(8,999,238)
Total Equity		86,599,543	81,755,934
Total Liabilities and Shareholders' Equity		107,918,537	110,883,938

Nature of operation and continuance of business (Note 1)
Subsequent events (Note 16)

Approved by the Board of Directors on January 22, 2025:

"Frank O'Kelly"	*"Francisco Covarrubias"*
Director	Director

LOS ANDES COPPER LTD.
Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
For the Years Ended September 30, 2024 and 2023
(Expressed in Canadian dollars)

	Note	2024	2023
		$	$
Expenses			
Consulting, salaries, management and directors' fees	**9**	949,183	998,499
Depreciation	**14**	147,732	197,434
Interest	**7,14,15**	1,533,659	1,533,175
Accretion	**7**	1,344,452	1,093,685
Office and administration		394,098	785,373
Professional fees	**9,15**	461,238	885,290
Shareholder communications		315,733	497,020
Share-based compensation	**8, 9**	141,698	396,955
Transfer agent, filing and regulatory fees		173,024	200,890
		5,460,817	6,588,321
Hydro-electric project			
Professional fees		6,460	6,750
Project supplies and expenses		191	198
		6,651	6,948
Loss before other items		(5,467,468)	(6,595,269)
Other items			
Foreign exchange gain (loss)		(153,373)	106,533
Change in fair value of derivative liability	**7**	3,340,172	3,970,872
Change in fair value of DSU liability	**8(f)**	272,269	250,109
Interest income		1,400,865	316,866
Write-off of trade payables		-	33,290
		4,859,933	4,677,670
Loss before income taxes		(607,535)	(1,917,599)
Deferred income tax recovery		5,979,686	1,817,743
Net income (loss)		**5,372,151**	**(99,856)**
Other comprehensive income (loss)			
Items that may be reclassified to profit or loss:			
Current translation adjustment		(646,891)	2,770,643
Total comprehensive income (loss) for the year		**4,725,260**	**2,670,787**
Earnings / (Loss) per share, basic and diluted		0.18	(0.00)
Weighted average number of shares outstanding, basic and diluted		29,555,892	28,340,972

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

LOS ANDES COPPER LTD.
Consolidated Statements of Changes in Equity
For the Years Ended September 30, 2024 and 2023
(Expressed in Canadian dollars)

	Common Shares	Share Capital	Equity reserve[1]	Accumulated other comprehensive loss	Deficit	Total
	#	$	$	$	$	$
Balance, September 30, 2022	**27,284,429**	**104,073,463**	**7,907,501**	**(11,769,881)**	**(38,168,013)**	**62,043,070**
Private placement	800,000	10,040,000	-	-	-	10,040,000
Share issue costs	-	(878,582)	-	-	-	(878,582)
Shares issued pursuant to interest payment	33,706	436,539	-	-	-	436,539
Performance shares issued	-	-	394,503	-	-	394,503
Vested performance shares	-	463,372	(463,372)	-	-	-
Option exercise	45,473	239,704	(139,704)	-	-	100,000
Warrant exercise	1,340,000	8,818,678	(2,118,678)	-	-	6,700,000
DSU exercise	29,285	247,165	-	-	-	247,165
Share-based compensation	-	-	2,452	-	-	2,452
Net loss and comprehensive income	-	-	-	2,770,643	(99,856)	2,670,787
Balance, September 30, 2023	**29,532,893**	**123,440,339**	**5,582,702**	**(8,999,238)**	**(38,267,869)**	**81,755,934**
Shares issued pursuant to interest payment	55,200	547,831	-	-	-	547,831
Option exercise	3,869	10,456	(10,456)	-	-	-
Conversion of performance shares to DSUs	(55,988)	(571,180)	72,751	-	-	(498,429)
Share-based compensation	-	-	68,947	-	-	68,947
Net income (loss) and comprehensive loss	-	-	-	(646,891)	5,372,151	4,725,260
Balance, September 30, 2024	**29,535,974**	**123,427,446**	**5,713,944**	**(9,646,129)**	**(32,895,718)**	**86,599,543**

[1] Reserve consists of fair values of stock options, performance shares and finder's warrants

LOS ANDES COPPER LTD.
Consolidated Statements of Cash Flows
For the Years Ended September 30, 2024 and 2023
(Expressed in Canadian dollars)

	2024	**2023**
	$	**$**
Cash provided by (used in):		
Operating activities		
Net income (loss)	5,372,151	(99,856)
Items not affecting cash:		
Accretion	1,344,452	1,093,685
Deferred income tax (recovery) expense	(5,979,686)	(1,817,743)
Depreciation	147,732	197,434
Change in fair value of derivative liability	(3,340,172)	(3,970,872)
Change in fair value of DSU liability	(272,269)	(250,109)
Interest expense	1,503,703	1,535,668
Share-based compensation	141,698	2,452
Performance shares	-	394,503
Management and director fees settled in DSUs	347,277	150,002
Write-off of trade payables	-	33,290
Changes in non-cash working capital items:		
Prepaid expenses and deposits	21,519	44,872
Receivables	108,638	(313,145)
Trade payables and other liabilities	68,287	(172,679)
Net cash used in operating activities	(536,670)	(3,172,498)
Investing activities		
Purchase of property, plant and equipment	-	(4,499)
Mineral right interests	(5,467,413)	(6,958,762)
Royalty purchase agreements	-	(511,827)
Sale of royalty	1,412,128	23,915,061
Net cash (used in) / provided by investing activities	(4,055,285)	16,439,973
Financing activities		
Proceeds from issuance of shares, net of cash share issue costs	-	9,161,418
Repayment of lease liability	(117,764)	(167,039)
Interest on convertible debentures - cash	(949,321)	(1,087,744)
Exercise of options	-	100,000
Exercise of warrants	-	6,700,000
Net cash (used in) / provided by financing activities	(1,067,085)	14,706,635
Change in cash for the year	(5,659,040)	27,974,110
Effect of exchange rate changes on cash	431,128	253,660
Cash and cash equivalents, beginning of year	34,545,860	6,318,090
Cash and cash equivalents, end of year	29,317,948	34,545,860

See Note 12 for supplemental cash flow information.

1. NATURE OF OPERATION AND CONTINUANCE OF BUSINESS

Los Andes Copper Ltd. ("Los Andes") is involved in the acquisition, exploration and development of advanced copper deposits in Latin America, including holding a 100% interest in the Vizcachitas copper project in Chile.

Los Andes was incorporated under the Business Corporations Act (British Columbia) in 1983 and is listed on the TSX Venture Exchange (“TSX-V”) under the symbol “LA”. Its principal office is located at Suite 1100-1199 West Hastings Street, Vancouver, B.C. V6E 3T5, Canada.

These consolidated financial statements include the accounts of Los Andes and of its controlled subsidiaries (collectively, the “Company”): Vizcachitas Limited, Compañía Minera Vizcachitas Holding (“CMVH”), Sociedad Legal Minera San José Uno de Lo Vicuña El Tártaro y Piguchén de Putaendo (“San José SLM"), Gemma Properties Group Limited, Inversiones Los Patos S.A, DK Corporation, Rocín SPA, Hidroeléctrica de Pasada Rio Rocín SPA and Sociedad Los Juncos de la Unión SPA.

At the date of these consolidated financial statements the Company has not yet determined whether any of its mineral right interests contain mineral reserves that are economically recoverable. Accordingly, the carrying amount of its mineral right interests represents the cumulative acquisition costs and exploration expenditures incurred to date, which does not necessarily reflect present or future values. The recovery of these costs is dependent on the discovery of economically recoverable mineral reserves and the ability of the Company to obtain the necessary financing to undertake continuing exploration and development, and to resolve any environmental, regulatory or other constraints.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for a reasonable period of time and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Notwithstanding the above, the Company’s business activities are in the development stage, the Company has a history of recurring losses and no source of revenue or operating cash flow. Operations in recent years have been funded from the issuance of share capital and cash on hand.

Given its current stage of operations, the Company’s ability to continue as a going concern is contingent on its ability to continue to obtain additional financing. In the event the Company is unable to raise adequate financing or meet its current obligations, the carrying value of the Company’s assets could be subject to material adjustments.

These consolidated financial statements do not reflect adjustments to the carrying values of assets and liabilities which may be required should the Company be unable to continue as a going concern.

These consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest dollar except where otherwise indicated.

These consolidated financial statements were authorized for issue by the Board of Directors on January 22, 2025 and have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared on an accrued basis and are based on the historical cost basis and modified where applicable.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Subsidiaries and the basis of consolidation

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities, generally, but not in all cases, accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Judgement is also exercised in respect of the functional currency of foreign subsidiaries.

The financial statements of subsidiaries (Note 1) are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company transactions and balances have been eliminated on consolidation.

Where the Company’s interest is less than 100%, the interest attributable to outside shareholders is reflected in non-controlling interest. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company’s equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests’ share of changes in equity since the date of the combination.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand, and highly liquid investments with an original maturity of three months or less, which are readily convertible into a known amount of cash. As at September 30, 2024, the Company had $25,871,762 (2023 - $30,173,646) in cash equivalents.

Property, plant and equipment

Property, plant and equipment are carried at cost, less accumulated amortization and accumulated impairment losses. Cost comprises the fair value of consideration given to acquire an asset and includes the direct expenditures associated with bringing the asset to the location and condition necessary for putting it into use along with the future cost of dismantling and removing the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Amortization is calculated on a straight-line basis over the useful life of the asset at rates ranging from six to ten years once the asset is available for use.

VAT tax credits

Expenses incurred by the Company in Chile, including deferred exploration expenses, are subject to a Chilean Value Added Tax (“VAT”). The VAT is not refundable to the Company, but can be used in the future to offset amounts due to the Chilean Revenue Service by the Company resulting from VAT charged to clients on future sales. VAT tax credits are included in mineral right interests as they originated from deferred exploration expenses.

Mineral right interests

All acquisition costs, exploration and direct field costs are capitalized into intangible assets until the rights to which they relate are placed into production, at which time these deferred costs will be amortized over the estimated useful life of the rights upon commissioning the property or written-off if the rights are disposed of, impaired or abandoned.

Management reviews the carrying amounts of mineral right interests on an annual basis and will recognize impairment based upon current exploration results and upon assessment of the probability of profitable exploitation of the rights. Administration costs and other exploration costs that do not relate to a specific mineral right are expensed as incurred.

Costs include the cash consideration and the fair value of shares issued on the acquisition of mineral rights. Rights acquired under option or joint venture agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. Proceeds from property option payments received by the Company are netted against the deferred costs of the related mineral rights, with any excess being included in operations.

There may be material uncertainties associated with the Company's title and ownership of its mineral interests. Ordinarily the Company does not own the land upon which an interest is located, and title may be subject to unregistered prior agreements or transfers or other undetected defects.

Hydroelectric project

The Company capitalizes all costs, net of any recoveries, of acquiring the rights associated with the hydroelectric project, until the rights to which they relate commence commercial operations, at which time these deferred costs will be amortized over the estimated useful life of the project or written-off if the rights are disposed of, impaired or abandoned. Acquisition costs include the cash consideration and the fair value of shares issued on the acquisition of hydroelectric project rights.

Management reviews the carrying amounts of hydroelectric project rights annually, or when there are indicators of impairment, and will recognize impairment based upon assessment of the probability of profitable exploitation of the rights.

Hydroelectric project development costs are expensed as incurred.

Impairment of non-financial assets

At each date of the consolidated statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of loss and comprehensive loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

Management estimates of mineral prices, recoverable reserves, and operating, capital and restoration costs are subject to certain risks and uncertainties that may affect the recoverability of mineral right interests. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its projects.

Income taxes

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the consolidated statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the consolidated statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the consolidated statement of financial position and reduced to the extent that it is no longer probable that enough taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets for unused tax losses, tax credits and deductible temporary differences are reassessed at each date of the consolidated statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been substantively enacted at the date of the consolidated statement of financial position.

Deferred income tax relating to items recognized directly in equity or other comprehensive income ("OCI") is recognized in equity or OCI and not in the consolidated statement of loss.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount, which is determined on a cost recovery basis.

Share-based compensation

(i) Share options

The Company grants share purchase options to directors, officers, employees and consultants to purchase common shares. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted.

(ii) Deferred share units

A Deferred Share Unit Plan ("DSU" or "DSUs") was established for officers and directors of the Company. The DSUs vest quarterly from the date of grant and are settled in cash or common shares of the Company, at the Company's option, based on the 20-day volume weighted average price ("VWAP") of the Company's publicly traded common shares on the settlement date. The cost of a DSU is measured, initially, at fair value on the date of grant based on the VWAP of the Company's common shares. The cost of a DSU is recognized as a liability, in accordance with IFRS 2 *Share-based Payments*, in the Company's consolidated statements of financial position. The liability is remeasured at each reporting period, with changes in the fair value of the liability being recognized in the Company's consolidated statements of loss and comprehensive loss. At termination, where the holder ceases to hold any position as a director of the Company and not otherwise being employed or engaged as a consultant or eligible stakeholder (as determined by the Board) by the Company, including the death of the holder, the Company will elect to settle the outstanding DSUs as either cash settlement or equity settlement, in accordance with the DSU plan (Note 8). Until such a time, the DSUs continue to be recognized as a liability.

Share capital

The Company records proceeds from share issuances in share capital, net of issue costs and any tax effects. The fair value of common shares issued as consideration for mineral right interests is based on the trading price of those shares on the TSX-V on the date of agreement to issue shares or other fair value equivalent amount as determined by the Board of Directors. Stock options and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. Proceeds from unit placements are allocated between shares and warrants issued according to their relative fair value.

Basic loss per share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Under this method, the weighted average number of common shares used to calculate the dilutive effect in the statement of loss and comprehensive loss assumes that the proceeds that could be obtained upon exercise of options, warrants and similar instruments would be used to purchase common shares at the average market price during the period. In periods where a net loss is incurred, and the effect of outstanding stock options and warrants would be anti-dilutive, basic and diluted loss per share is the same.

Financial instruments

The following are the Company's accounting policies under IFRS 9:

a) Financial assets

A financial asset is recognized when the Company has the contractual right to collect future cash flows. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. Financial assets are recognized at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or amortized cost.

Cash and cash equivalents are recognized at their fair value and carried at amortized cost.

Receivables, excluding GST, are initially recognized at their fair value, less transaction costs and subsequently carried at amortized cost using the effective interest method less impairment losses.

Equity investments are initially recognized at their fair value. Changes in the fair value of equity investments are recognized in comprehensive income (loss) in the period in which they occur.

Interest income is recognized by applying the effective interest rate except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

Impairment of financial assets

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and forecasts that affect the expected collectability of future cash flows of the instrument.

In applying this forward-looking approach, the Company separates instruments into the following categories:

1. financial instruments that have not deteriorated significantly since initial recognition or that have low credit risk; or
2. financial instruments that have deteriorated significantly since initial recognition and whose credit loss is not low; or
3. financial instruments that have objective evidence of impairment at the reporting date.

12-month expected credit losses are recognized for the first category while ‘lifetime expected credit losses’ are recognized for the second category.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis when they possess shared credit risk characteristics and days past due.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the financial asset’s original effective interest rate.

Financial assets, other than those at FVTPL and amortized cost, are assessed for indicators of impairment at each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

De-recognition of financial assets

A financial asset is derecognized when the contractual right to the asset's cash flows expire or the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

b) Financial liabilities

A financial liability is recognized when the Company has the contractual obligation to pay future cash flows. Financial liabilities such as accounts payable and other liabilities, lease liability and convertible debenture are recognized at amortized cost using the effective interest rate method.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset until the asset is substantially ready for its intended use. Other borrowing costs are recognized as an expense in the period incurred.

Reclamation provision

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or straight-line method. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. Any increase in a provision due solely to passage of time is recognized as interest expense.

Foreign currency translation

The functional currency of subsidiaries is the currency of the primary economic environment in which the entity operates, which has been determined to be the Chilean peso. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the period end date exchange rates. Non-monetary items which are measured using historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of the parent entity is the Canadian dollar. The presentation currency of the Company is also the Canadian dollar.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's subsidiaries are translated into the Canadian dollar using exchange rates prevailing at the end of the period. Income and expense items are translated at the average rate for the period. Exchange differences are recognized as the current translation adjustment in other comprehensive income and accumulated in equity.

Convertible debentures / Derivative liability

The Company evaluates its convertible debt, options, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for. This accounting treatment requires that the carrying amount of embedded derivatives be marked-to-market at each consolidated statement of financial position date and carried at fair value. In the event that the fair value is recorded as a liability, the change in fair value during the period is recorded in the consolidated statement of loss and comprehensive loss as either income or expense. Upon conversion, exercise or modification to the terms of a derivative instrument, the instrument is marked to fair value at the conversion date and then the related fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of financial instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the statement of financial position as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the consolidated statement of financial position date.

Leases

IFRS 16 provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Company chose to measure the right of use assets equal to the lease liability calculated for each lease on initial adoption, using a borrowing rate of 12%.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases of right-of-use assets are recognized at the lease commencement date at the present value of the aggregate lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company's incremental borrowing rate. At the commencement date, a right-of-use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term, except where the lease contains a bargain purchase option a right-of-use asset is depreciated over the asset's useful life.

The Company has elected to include non-lease components related to premises leases in the determination of the lease liability. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve-months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Use of judgements and estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgements

a) Mineral right interests and hydro-electric project water rights

The application of the Company's accounting policies for mineral right interests and hydro-electric project water rights requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is impaired with a corresponding charge to profit or loss in the period in which the new information becomes available.

b) Title to mineral right interests

Although the Company has taken steps to verify title to its mineral right interests, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

c) Right-of-use assets/lease liabilities

The measurement of the lease liability for the premises leases includes the 1-year extension option because under IFRS 16 if it is probable that a renewal option will be exercised, the renewal period has to be included into the lease liability. The incremental rate of borrowing used in the measurement of the lease liabilities was estimated by management to be 12% per annum.

d) Going concern

Critical judgement and estimates are applied for the determination that the Company will continue as a going concern for the next year.

Estimates

a) Deferred income tax

In the year ended September 30, 2024, the Company booked a decrease in deferred income tax liability and corresponding deferred income tax recovery of $5,979,686 (2023: $1,817,743). The Company's deferred income tax liability arises mostly from the difference between the book and tax value of its mineral right interests.

b) Convertible debentures / Derivative liability

Management has made significant assumptions in the application of the Black-Scholes option-pricing model when calculating the fair value of the derivative liability and the residual fair value of the convertible debenture.

5. THE VIZCACHITAS PROPERTY

In 2007, the Company acquired all of the issued and outstanding shares of Vizcachitas Limited which, at the time, owned a majority of the claims making up the Vizcachitas Property. Vizcachitas Limited owned 51% of the shares of San José SLM which owned the San José mining concessions (the "SJ Concession") and an additional 35 mining rights and concessions (the "Initial Properties") that comprised part of the Vizcachitas Property. In 2010, the Company completed the consolidation of the Vizcachitas Property through the acquisition from Turnbrook Corporation of all of the issued and outstanding securities of Gemma Properties Group Limited ("Gemma"), who indirectly owned 49% of the issued and outstanding shares of the San Jose SLM. With this transaction, the entire resource contained in the Vizcachitas Property came under unified ownership.

At September 30, 2024, the Company owns 52 exploitation mining concessions covering 10,771 hectares and 184 exploration claims covering a combined total of 44,940 hectares (including the Initial Properties). The Company is subject to Net Smelter Returns ("NSR") royalty payments calculated on the basis of a production royalty from mineral produced at the Initial Properties, including the SJ concessions, of 1.125% on any underground production and 2.25% on any surface productions.

Royalty Purchase Agreement

On December 3, 2019, the Company entered into a Royalty Purchase Agreement and a Net Smelter Returns Royalty Agreement (the "First Agreements") with RCF VI CAD LLC ("RCF"), a limited liability corporation in the State of Delaware. Pursuant to the First Agreements, the Company received US$8 million as consideration for future payments calculated on the basis of a production royalty ("Royalty") from minerals produced from the SJ Concession that forms part of the Company's Vizcachitas Property.

The proceeds, net of finder's fees and transaction expenses reimbursed to RCF, were accounted for as a recovery of costs incurred on the Vizcachitas Property.

As long as RCF (or its associates or affiliates) holds all or any part of the Royalty, or holds, directly or indirectly, common shares or securities convertible into common shares representing not less than 10% of the Company's issued and outstanding common shares (on a partially diluted basis), RCF has a right of first offer to provide future royalty or stream financing in relation to new claims that may subsequently form part of the Vizcachitas Property, subject to the terms as described.

Pursuant to the First Agreements, the Company will make payments to RCF on the basis of an NSR of 0.49% for underground production and 0.98% for open pit production on the SJ Concession. Following this transaction, the overall NSR level of the Initial Properties, including the SJ Concession, covering the mineral resources of the Vizcachitas Property is 1% for underground mining methods and 2% for open pit mining methods.

The obligations of the Company under the First Agreements are guaranteed by the Company's subsidiary Sociedad Legal Minera San Jose Uno De Lo Vicuna, El Tartaro Y Piguchen De Putaendo (the "Guarantor"), with the guarantee being secured by a mortgage and charge over and against mining rights and mineral properties (as defined) and any related proceeds, governed by the laws of Chile and granted by the Guarantor in favour of RCF, subject to existing obligations of the Company and the Guarantor.

On February 9, 2021, Metalla Royalty & Streaming Ltd. (formerly Nova Royalty Corp.) acquired RCF's NSR of 0.49% on underground production and 0.98% for open pit production on the SJ Concession.

<u>Second Royalty Purchase Agreement</u>

On June 25, 2020, the Company entered into a Royalty Purchase Agreement and a Net Smelter Returns Royalty Agreement (the "Second Agreements") with RCF. Pursuant to the Second Agreements, the Company received US$9,000,000 as consideration for future payments calculated on the basis of an NSR of 1% for underground production and 2% for open pit production from minerals produced from certain concessions that form part of the Initial Properties ("Royalty 2"). The Company can receive up to an additional US$5 million in the event that RCF sells Royalty 2 prior to commencement of commercial production of the Vizcachitas Property.

In the event of an RCF sale prior to the commencement of commercial production of the Vizcachitas Project by the Company or an affiliate, RCF will pay a contingent royalty purchase price up to US$5 million.

In the event that the contingent royalty purchase price is less than US$5 million, the difference between the contingent royalty purchase price and US$5 million will be deducted from initial NSR royalty payments until the total contingent purchase price reaches US$5 million. In the event RCF does not sell the royalty prior to commencement of commercial production, the amount payable of US$5 million shall be deducted from initial NSR royalty payments.

The right of first offer to provide future royalty or stream financing as described in the First Agreements above applies to Royalty 2.

Pursuant to Royalty 2, the Company will make payments to RCF on the basis of an NSR of 1% from the sale or other disposition of all locatable minerals produced from the properties by underground production and 2% from surface production.

If the mining operations of the Company and its affiliates commence in, or predominantly shift to, a different area of the project than that identified in the June 13, 2019 Preliminary Economic Assessment of the Vizcachitas Project, RFC has the option to:

- sell Royalty 2 to the Company for an amount equal to four times the US$9 million purchase price less the aggregate amount of royalty payments received by RCF as of the date of the change of production focus; or
- if RCF has not yet received US$36 million, swap Royalty 2 for a new royalty consistent with the terms of Royalty 2 over the newly proposed development areas at a valuation equal to the valuation of Royalty 2 (having regard to royalty payments made to such date).

The obligations of the Company under the Second Agreements are guaranteed by the Company and its subsidiary, CMVH (the “Guarantors”), with the guarantee being secured by a mortgage and charge over and against mining rights and mineral properties (as defined) and any related proceeds, governed by the laws of Chile and granted by CMVH in favour of RCF, subject to existing obligations of the Company and the Guarantor.

<u>Ecora Royalty Agreement</u>

On August 3, 2023, the Company closed the royalty agreement (the “Ecora Royalty”) with Ecora Resources PLC (“Ecora”) for total cash consideration of US$20,000,000. The Ecora Royalty is calculated over the sale of all minerals produced from the Company's Vizcachitas Project in Chile. Ecora will receive royalty payments on the basis of an NSR of 0.125% for underground production and 0.25% NSR for open pit production.

The proceeds, net of finder’s fees and transaction costs, were accounted for as a recovery of costs incurred on the Vizcachitas Property.

In the event that productions are delayed the NSRs will increase as follows:

- If delays extend beyond June 30, 2030, and up to June 30, 2031, the royalties will increase to 0.05% for underground production and 0.10% for open pit production;
- If delays extend beyond June 30, 2031, and up to June 30, 2032, the royalties will increase, a second time, by an additional 0.05% for underground operations and 0.10% for open pit operations;
- If delays extend beyond June 30, 2032, the royalties will increase, a third time, by an additional 0.05% for underground operations and 0.10% for open pit operations; and
- The Company has the option to avoid the second and third rate increases by paying, at the time each of the rate increases are triggered, an amount equal to US$15,000,000 or US$20,000,000 (if copper prices at that time exceed US$5/lb).

The obligations of the Company under the Ecora Royalty are guaranteed by the Company’s subsidiary Sociedad Legal Minera San Jose Uno De Lo Vicuna, El Tartaro Y Piguchen De Putaendo (the “Guarantor2”), with the guarantee being secured by a mortgage and charge over and against mining rights and mineral properties (as defined) and any related proceeds, governed by the laws of Chile and granted by the Guarantor2 in favour of Ecora, subject to existing obligations of the Company and the Guarantor2.

<u>Franco Nevada Agreement</u>

On July 29, 2024, as part of the Company’s continued progression of the Vizcachitas Project and in anticipation of commencement of commercial operations, the current royalty agreement with Franco-Nevada LRC Holdings Corp. (“Franco Nevada”), dated February 8, 2007, was streamlined, simplifying its execution once the Vizcachitas Project begins production. As part of the streamlining, Los Andes received US$1,020,000. Franco Nevada holds a 51% interest of a 2% open pit Net Smelter Royalty (“NSR”) and 1% underground NSR covering the San Jose core claim of the Vizcachitas Project. It also holds a 2% NSR over the sale of all minerals produced from open pit operations and a 1% NSR on underground operations on certain concessions that form part of the extended Vizcachitas Project and the Company’s mining concessions in the area.

As at September 30, 2024, the Company is subject to NSR royalty payments calculated on the basis of a production royalty from minerals produced at the Initial Properties, including the SJ Concession, of 1.125% on any underground production and 2.25% on any surface production.

(Expressed in Canadian dollars)

Proceeds received under the NSR agreements have been credited against the carrying costs of the Company's mineral right interests. See Note 6.

6. MINERAL RIGHT INTERESTS / HYDRO-ELECTRIC PROJECT WATER RIGHTS

The Company has the right to certain exploration concessions and exploitation concessions located in Region V, Chile. Title to mining right interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining right interests. The Company has investigated title to all of its mineral right interests, and to the best of its knowledge, all of its mineral right interests are in good standing.

	Total costs to September 30, 2022 $	Costs incurred (recovered) in year ended September 30, 2023 $	Total costs to September 30, 2023 $	Costs incurred (recovered) in year ended September 30, 2024 $	Total costs to September 30, 2024 $
VIZCACHITAS					
Acquisition costs	54,562,243	-	54,562,243	-	54,562,243
Water rights	5,945,768	-	5,945,768	-	5,945,768
VAT tax credits	4,158,982	511,827	4,670,809	417,383	5,088,192
Deferred exploration					
Automobile and travel	694,491	93,304	787,795	29,501	817,296
Assaying	725,362	-	725,362	-	725,362
Camp rehabilitation, maintenance and security	3,774,572	323,328	4,097,900	115,087	4,212,987
Core handling and storage	32,914	-	32,914	-	32,914
Drilling	11,785,680	880,965	12,666,645	104,129	12,770,774
Equipment and equipment rental	645,428	148	645,576	-	645,576
Exploration administration	10,268,936	2,786,068	13,055,004	2,563,983	15,618,987
Food and accommodation	385,079	-	385,079	-	385,079
Geological consulting (Note 8)	3,083,811	513,742	3,597,553	549,371	4,146,924
Other	231,955	118,146	350,101	226,719	576,820
Property & surface rights, taxes & tenure fees	2,432,028	341,159	2,773,187	495,920	3,269,107
Road repairs	47,556	63,638	111,194	36,174	147,368
Studies and other consulting	6,591,296	1,115,472	7,706,768	368,359	8,075,127
Subcontractors	1,269,366	-	1,269,366	-	1,269,366
Supplies	910,680	-	910,680	-	910,680
Sustainable development	323,522	119,324	442,846	52,387	495,233
Warehouse Maintenance	64,548	-	64,548	-	64,548
Total deferred exploration	**43,267,224**	**6,355,294**	**49,622,518**	**4,541,630**	**54,164,148**
Royalty agreements (Note 5)	(12,770,441)	(23,915,061)	(36,685,502)	(1,412,128)	(38,097,630)
Exchange rate differences	(13,121,011)	2,344,605	(10,776,406)	(1,123,985)	(11,900,391)
	82,042,765	**(14,703,335)**	**67,339,430**	**2,422,900**	**69,762,330**

Included within mineral right interests are:

a) Water rights to a permanent, continuous and consumptive use of 500 liters per second ("lps") flow from the Aconcagua River, located near the Vizcachitas Property;

b) VAT tax credits available in Chile, originating from deferred exploration expenses; and

c) Hydro-electric Project Water Rights

In 2014, the Company acquired non-consumptive water rights over a section of the Rocin River, Putaendo, Region V, Chile, together with the engineering and other studies and reports for the development of a hydroelectric facility (the "Hydro-electric Facility"). Consideration for the acquisition consisted of 3,750,000, Los Andes shares, valued at a price of $2.20 per share, for total consideration of $8,250,000. The Hydro-electric Facility, once developed, will support commercial operations on the Vizcachitas Property.

7. CONVERTIBLE DEBENTURES

On June 1, 2021 (the "Closing Date"), the Company entered into an agreement with Queen's Road Capital Investment Ltd. ("QRC"), whereby QRC invested US$5,000,000 in the Company by way of convertible debenture (the "First Convertible Debenture"). The First Convertible Debenture has a five-year term, carries an eight percent coupon and is convertible into common shares in the capital of the Company at a price of $10.82 per share (the "Conversion Price"). The interest is payable quarterly, five percent in cash and three percent in shares, at the 20-day volume weighted average price ("VWAP") prior to the interest payment date. Interest expense of $545,856 (US $400,000) (2023: $539,478) was recognized during the year ended September 30, 2024 and as at September 30, 2024 $44,380 (US $33,333) of interest was payable.

The First Convertible Debenture matures on June 1, 2026. On or after the third anniversary of the Closing Date and prior to the maturity date, the Company may force conversion of the First Convertible Debenture, in whole or in part, at par plus accrued interest provided that the VWAP of the common shares on the TSXV exceeds 130% of the Conversion Price.

As the First Convertible Debenture and the embedded conversion feature are denominated in US dollars and the Company has a Canadian dollar functional currency, they are within the scope of IAS 32 – Financial Instruments: Presentation. The value of the conversion feature is subject to changes in value based on the prevailing exchange rate, resulting in a derivative liability. On initial measurement, the Company fair valued the derivative liability at $1,991,001 using the Black-Scholes option pricing model, using volatility of 68% and a risk-free interest rate of 0.78%. Transaction costs of $333,877 were incurred for the First Convertible Debenture and will be amortized over the life of the First Convertible Debenture. The derivative liability is fair valued at each reporting period. On initial measurement, the liability component of the First Convertible Debenture was fair valued at $4,060,499 and will be amortized to maturity using an effective interest rate of 20.33%.

On April 6, 2022 (the "Second Closing Date"), the Company received a further US$4,000,000 from QRC by way of convertible debenture (the "Second Convertible Debenture"). The Second Convertible Debenture has a five-year term, carries an eight per cent coupon and is convertible into common shares in the capital of the Company at a price of $19.67 per share (the "Second Conversion Price"). The interest is payable quarterly, five percent in cash and three percent in shares, at the VWAP prior to the interest payment date. Interest expense of $436,685 (US $320,000) (2023: $431,582) was recognized during the year ended September 30, 2024 and as at September 30, 2024 $35,497 (US $26,666) of interest was payable.

The Second Convertible Debenture matures on April 5, 2027. On or after the third anniversary of the Second Closing Date and prior to the maturity date, the Company may force conversion of the Second Convertible Debenture, in whole or in part, at par plus accrued interest provided that the VWAP of the common shares on the TSXV exceeds 130% of the Second Conversion Price.

On initial measurement, the Company fair valued the derivative liability at $1,899,034 using the Black-Scholes option pricing model, using volatility of 62% and a risk-free interest rate of 2.48%. Transaction costs of $221,973 were incurred for the Second Convertible Debenture and will be amortized over the life of the Second Convertible Debenture. The derivative liability is fair valued at each reporting period. On initial measurement, the liability component of the Second Convertible Debenture was fair valued at $3,123,606 and will be amortized to maturity using an effective interest rate of 22.24%.

(Expressed in Canadian dollars)

On September 2, 2022 (the "Third Closing Date"), the Company received a further US$5,000,000 from QRC by way of convertible debenture (the "Third Convertible Debenture"). The Third Convertible Debenture has a five-year term, carries an eight per cent coupon and is convertible into common shares in the capital of the Company at a price of $16.75 per share (the "Third Conversion Price"). The interest is payable quarterly, five percent in cash and three percent in shares, at the VWAP prior to the interest payment date. Interest expense of $544,479 (US $400,000) (2023: $539,365) was recognized during the year ended September 30, 2024. As at September 30, 2024, $44,380 (US $33,333) of interest was payable.

The Third Convertible Debenture matures on September 3, 2027. On or after the third anniversary of the Third Closing Date and prior to the maturity date, the Company may force conversion of the Third Convertible Debenture, in whole or in part, at par plus accrued interest provided that the VWAP of the common shares on the TSXV exceeds 130% of the Third Conversion Price.

On initial measurement, the Company fair valued the derivative liability at $2,556,322 using the Black-Scholes option pricing model, using volatility of 58% and a risk-free interest rate of 3.30%. Transaction costs of $236,225 were incurred for the Third Convertible Debenture and will be amortized over the life of the Third Convertible Debenture. The derivative liability is fair valued at each reporting period. On initial measurement, the liability component of the Third Convertible Debenture was fair valued at $4,010,425 and will be amortized to maturity using an effective interest rate of 22.52%.

The net change in the convertible debentures and the derivative liability balances for the years ended September 30, 2024 and the year ended September 30, 2023, were as follows:

	Convertible debentures $	Derivative liability $	Total $
Balance, September 30, 2022	**12,394,811**	**8,458,699**	**20,853,510**
Change in fair value	-	(3,970,872)	(3,970,872)
Interest and accretion	2,604,110	-	2,604,110
Interest payments	(1,524,282)	-	(1,524,282)
Foreign exchange	(152,365)	-	(152,365)
Balance, September 30, 2023	**13,322,274**	**4,487,827**	**17,810,101**
Change in fair value	-	(3,340,172)	(3,340,172)
Interest and accretion	2,871,472	-	2,871,472
Interest payments	(1,496,531)	-	(1,496,531)
Foreign exchange	(59,559)	-	(59,559)
Balance, September 30, 2024	**14,637,656**	**1,147,655**	**15,785,311**

As at September 30, 2024, $124,257 (2023: $124,345) of interest related to the convertible debentures is payable and recorded as short-term interest payable. As at September 30, 2024 the principal balance owing on the convertible debentures is US$14,000,000.

See Note 12 for supplemental cash flow information.

8. EQUITY

a) Authorized

Unlimited number of common shares without par value.

b) Financings

During the year ended September 30, 2024, the Company had the following share transactions:

i) On December 7, 2023, the Company issued 4,416 common shares, fair valued at $44,160, pursuant to an interest payment on the First Convertible Debenture, 3,533 common shares fair valued at $35,330, pursuant to an interest payment on the Second Convertible Debenture and 4,416 common shares fair valued at $44,160, pursuant to an interest payment on the Third Convertible Debenture (Note 7).
ii) On February 6, 2024, the Company returned 55,988 common shares to treasury pursuant to the exchange of 55,988 performance shares for an equal number of DSUs to the CEO of the Company.
iii) On March 15, 2024, the Company issued 4,290 common shares, fair valued at $48,949, pursuant to an interest payment on the First Convertible Debenture, 3,432 common shares fair valued at $39,159, pursuant to an interest payment on the Second Convertible Debenture and 4,290 common shares fair valued at $48,949, pursuant to an interest payment on the Third Convertible Debenture (Note 7).
iv) On May 24, 2024, the Company issued 3,869 common shares pursuant to a cashless exercise of 7,500 stock options.
v) On June 14, 2024, the Company issued 4,980 common shares, fair valued at $51,244, pursuant to an interest payment on the First Convertible Debenture, 3,984 common shares fair valued at $40,995, pursuant to an interest payment on the Second Convertible Debenture and 4,980 common shares fair valued at $51,244, pursuant to an interest payment on the Third Convertible Debenture (Note 7).
vi) On September 10, 2024, the Company issued 6,028 common shares, fair valued at $51,298, pursuant to an interest payment on the First Convertible Debenture, 4,823 common shares fair valued at $41,045, pursuant to an interest payment on the Second Convertible Debenture and 6,028 common shares fair valued at $51,298, pursuant to an interest payment on the Third Convertible Debenture (Note 7).

During the year ended September 30, 2023, the Company had the following share transactions:

i) On November 29, 2022, the Company issued 10,000 common shares pursuant to an option exercise for gross proceeds of $100,000 (Note 8(d)).
ii) On December 1, 2022, the Company issued 3,647 common shares, fair valued at $50,183, pursuant to an interest payment on the First Convertible Debenture, 2,918 common shares fair valued at $40,152, pursuant to an interest payment on the Second Convertible Debenture and 3,607 common shares fair valued at $49,633, pursuant to an interest payment on the Third Convertible Debenture (Note 7).
iii) On December 7, 2022, the Company issued 29,285 common shares pursuant to a DSU exercise (Note 8(f)).
iv) On January 30, 2023, the Company completed a $10,040,000 bought deal offering consisting of 800,000 common shares at a price of $12.55 per share. In connection with the bought deal offering, the Company incurred cash share issue costs of $878,582.
v) On March 1, 2023, the Company issued 4,280 common shares, fair valued at $54,356, pursuant to an interest payment on the First Convertible Debenture, 3,424 common shares fair valued at $43,485, pursuant to an interest payment on the Second Convertible Debenture and 4,280 common shares fair valued at $54,356, pursuant to an interest payment on the Third Convertible Debenture (Note 7).
vi) On May 4, 2023, the Company issued 393,500 common shares pursuant to a warrant exercise for gross proceeds of $1,967,500 (Note 8(e)).
vii) On June 1, 2023, the Company issued 4,125 common shares, fair valued at $51,563, pursuant to an

(Expressed in Canadian dollars)

interest payment on the First Convertible Debenture, 3,300 common shares fair valued at $41,250, pursuant to an interest payment on the Second Convertible Debenture and 4,125 common shares fair valued at $51,563, pursuant to an interest payment on the Third Convertible Debenture (Note 7).

viii) On June 5, 2023, the Company issued 946,500 common shares pursuant to a warrant exercise for gross proceeds of $4,732,500 (Note 8(e)).

ix) On July 5, 2023, the Company issued 35,473 common shares pursuant to the cashless exercise of 50,000 stock options (Note 8(e)).

c) Equity reserve

Equity reserve consists of the accumulated fair value of common share options and share purchase warrants recognized as share-based compensation and share purchase warrants issued on acquisitions of mineral rights.

d) Share purchase options

The balance of share purchase options outstanding and exercisable as at September 30, 2024 and 2023 and the changes for the periods then ended is as follows:

	Number of Options #	Weighted Average Exercise Price $	Weighted Average Life Remaining (years)
Balance, September 30, 2022	**149,500**	**5.33**	**1.85**
Exercised	(60,000)	5.83	**-**
Balance, September 30, 2023	**89,500**	**5.00**	**1.21**
Granted	40,000	15.00	2.25
Exercised	(7,500)	5.00	-
Expired	(45,000)	5.00	-
Balance, September 30, 2024	**77,000**	**10.19**	**1.64**
Unvested	(27,700)	15.00	2.25
Vested and exercisable	**49,300**	**7.49**	**1.30**

The Company recorded share-based compensation expense of $68,947 during the year ended September 30, 2024 (2023: $2,452) related to the vesting of newly granted options and previously granted options, respectively. The Company recorded share-based compensation expense of $72,751 during the year ended September 30, 2024 (2023: $nil) related to the performance shares that were converted to DSUs (Note 8f).

The options outstanding as at September 30, 2024, are as follows:

Outstanding #	Exercisable #	Exercise Price $	Expiry Date
37,000	37,000	5.00	September 24, 2025
40,000	12,300	15.00	December 30, 2026
77,000	**49,300**	**10.19**	

(Expressed in Canadian dollars)

e) Warrants

As at September 30, 2024, the Company has nil (2023: nil) warrants outstanding and exercisable. The balance of share purchase warrants outstanding and exercisable as at September 30, 2024 and 2023 and the changes for the periods then ended is as follows:

	Number of Warrants #	Weighted Average Exercise Price $
Balance, September 30, 2022	**1,340,000**	**5.00**
Exercised	(1,340,000)	5.00
Balance, September 30, 2023 and September 30, 2024	**-**	**-**

f) Deferred share units

On May 27, 2021, the Company adopted a deferred share unit ("DSU") plan as an alternative form of compensation for employees, officers, consultants and directors of the Company. Each DSU is comprised of one notional common share that entitles the participant, on termination of services, to receive, at the discretion of the Company, common shares of the Company up to the number of DSUs held or the cash equivalent. In the event the Company decides to settle all or a portion of the DSUs outstanding in cash, the total DSUs owing will be multiplied by the fair market value of one common share of the Company. The fair market value will be determined as the VWAP of the Company's common shares on the valuation date. The maximum number of common shares that are issuable under the DSU plan is 500,000.

As the DSU can be settled in cash or shares, at the discretion of the Company, the liability associated with each DSU grant is recorded as a liability and fair valued at each reporting period.

On October 27, 2021 (the "Effective Date"), the Company granted R. Michael Jones 58,570 DSUs with an aggregate value of US$400,000. During the year ended September 30, 2022, 29,285 DSUs (the "First Tranche DSUs") vested in full, having met the First Tranche DSUs vesting conditions. During the year ended September 30, 2023, R. Michael Jones resigned from his position as CEO and the remaining 29,285 DSUs (the "Second Tranche DSUs") expired unexercised.

On February 22, 2024, the Company granted Santiago Montt 45,168 DSUs with an aggregate value of US$400,000. 22,584 DSUs (the "Y1 Time Lapse DSUs") will vest as follows:

- 50% of the Y1 Time Lapse DSUs vested on August 14, 2024.
- The remaining 50% of the Y1 Time Lapse DSUs will vest on February 14, 2025, subject to the Board being reasonably satisfied with his performance regarding certain performance targets.

During the year ended September 30, 2024, 55,988 performance shares issued to the CEO of the Company were exchanged for an equal number of DSUs, of which 30,485 vested immediately and 25,503 vested on February 14, 2024. An additional 12,208 DSUs were issued to directors and officers of the Company during the year.

(Expressed in Canadian dollars)

As at September 30, 2024, 113,748 DSUs were fully vested. The change in DSUs outstanding for the year ended September 30, 2024 and 2023 is as follows:

Balance, September 30, 2022	**74,972**
Granted	10,887
Exercised	(29,285)
Expired	(29,285)
Balance, September 30, 2023	**27,289**
Granted	113,364
Balance, September 30, 2024	**140,653**
Unvested	(26,905)
Vested and exercisable, September 30, 2024	**113,748**

Following is a summary of the DSUs outstanding at September 30, 2024:

Grant date	Number of DSUs	Deemed value	Fair Market Value at September 30, 2024
June 1, 2021	1,325	$9.43	$8.33
September 1, 2021	1,184	$7.03	$8.33
October 1, 2021	5,844	$7.13	$8.33
January 1, 2022	3,357	$11.17	$8.33
April 1, 2022	2,301	$16.30	$8.33
July 1, 2022	2,391	$15.68	$8.33
October 1, 2022	2,643	$14.19	$8.33
January 1, 2023	2,700	$13.89	$8.33
April 1, 2023	3,117	$12.03	$8.33
July 1, 2023	2,427	$15.45	$8.33
October 1, 2023	3,399	$11.03	$8.33
December 1, 2023	55,988	$10.20	$8.33
January 1, 2024	3,603	$10.41	$8.33
February 22, 2024	45,168	$11.95	$8.33
April 1, 2024	2,622	$11.07	$8.33
July 1, 2024	2,584	$9.68	$8.33

As at September 30, 2024, the Company had a total of $947,231 in DSU liabilities. See Note 9.

g) Restricted share units and performance shares

On February 14, 2022, the Company appointed Santiago Montt as Chief Operating Officer of the Company. The Company will grant Mr. Montt Restricted Share Units (“RSUs”) once the Company implements an RSU Plan. Until such time, the Company issued Mr. Montt 29,312 common shares, referred to as Y1 Performance Shares, in escrow, to be released over the first year of his employment. An additional 34,004 common shares, referred to as Y2 Performance Shares, were issued to him and placed in escrow to be released over the second year of his employment if certain performance targets are met.

During the year ended September 30, 2022, all 63,316 performance shares were issued and placed in escrow. During the year ended September 30, 2023, share-based expense of $394,503 (2022: $495,149) was recognized in reserves due to the vesting conditions of the performance shares.

On December 1, 2023, the Company exchanged 55,988 performance shares for an equal number of DSUs to the CEO of the Company.

(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

The Company's related parties consist of companies controlled by a director of the Company, the Company's Chief Financial Officer ("CFO") and the Company's VP of Exploration.

	Nature of Transaction
Sociedad Cartografica Limitada	Geological Consulting
Kasheema Enterprises Ltd.	Management
Malaspina Consultants Inc.	Accounting

The Company incurred the following fees and salaries during the period in the normal course of operations with companies controlled by key management, including the Company's Chief Executive Officer, Chief Financial Officer, VP of Exploration and/or directors. Transactions have been measured at the exchange amount, which is the consideration determined and agreed to by the related parties.

	Year ended September 30,	
	2024	**2023**
	$	**$**
Consulting, salaries, management and directors' fees[1]	1,432,332	1,298,889
Geological consulting fees	291,770	249,676
Professional fees (accounting)	98,800	95,000
Share-based compensation	89,988	395,331
	1,912,890	2,038,896

[1] Includes fees from former CEO R. Michael Jones and the board of directors; and salaries capitalized to mineral right interests.

During the year ended September 30, 2024, included in directors' fees and management fees was $347,277 which was the deemed value of DSUs at issuance. See Note 8(f).

Included in trade and other payables as at September 30, 2024, is $40,286 (2023: $55,234) owing to related parties. Amounts due to related parties are unsecured, non-interest bearing and due on demand.

Key management compensation during the years ended September 30, 2024 and 2023 is as follows:

	Year ended September 30,	
	2024	**2023**
	$	**$**
Consulting, salaries, management, geological consulting and professional fees	1,215,851	1,049,887
Share-based compensation	89,988	395,331
	1,305,839	1,445,218

(Expressed in Canadian dollars)

10. FINANCIAL AND CAPITAL RISK MANAGEMENT – FINANCIAL INSTRUMENTS

Financial risk management

The Company's activities expose it to a variety of financial risks, which include liquidity risk, interest rate risk, currency risk and credit risk.

a) 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 raising additional capital as required from time to time.

The Company's financial liabilities fall due as indicated in the following table:

At September 30, 2024	**Total**	**Less than 1 year**	**Between 1 and 2 years**	**Greater than 2 years**
	$	$	$	$
Trade payables and other liabilities	640,755	640,755	-	-
Lease liability	96,311	96,311	-	-
Convertible debentures	14,513,399	-	5,670,421	8,842,978
Interest payable on convertible debentures	124,257	124,257	-	-
Derivative liability	1,147,655	-	798,939	348,716
DSU liability	947,231	-	-	947,231

At September 30, 2023	**Total**	**Less than 1 year**	**Between 1 and 2 years**	**Greater than 2 years**
	$	$	$	$
Trade payables and other liabilities	1,080,867	1,080,867	-	-
Lease liability	106,920	106,920	-	-
Convertible debentures	13,197,929	-	-	13,197,929
Interest payable on convertible debentures	124,345	124,345	-	-
Derivative liability	4,487,827	-	-	4,487,827
DSU liability	301,044	-	-	301,044

b) Currency risk

The Company faces foreign exchange risk exposures arising from transactions denominated in foreign currencies.

The Company's main foreign exchange risks arise with respect to the Chilean peso ("CLP") and to a lesser degree, the U.S. dollar. The Company continuously monitors this exposure to determine if any mitigation strategies become necessary and maintains limited balances in foreign currencies to avoid continuous fluctuation. Based on the balances as at September 30, 2024, a 1% increase (decrease) in the Canadian dollar/CLP or Canadian/U.S. dollar or Canadian dollar/GBP exchange rates on that day would have resulted in an increase or decrease of approximately $252,000 in the Company's net loss.

c) Interest Rate Risk

Included in the results of operations of the Company are interest income on U.S. dollar, and Canadian dollar cash and cash equivalents. The Company receives interest on cash based on market interest rates. As at September 30, 2024, with other variables unchanged, a 1% change in Prime rates would have had no material impact on the Company's net loss and no effect on other comprehensive loss. The interest rates on the

Company's premises leases and convertible debenture are fixed during the term of the lease and the term of the convertible debenture.

d) Credit Risk

Financial instruments that potentially subject the Company to credit risk consists of cash and cash equivalents. Cash is maintained with financial institutions in Canada and Chile and is redeemable on demand. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

Capital Risk Management

The Company's capital structure is comprised of working capital (current assets minus current liabilities) and equity. The Company's objectives when managing its capital structure are to maintain financial flexibility to preserve the Company's access to capital markets and its ability to meet its financial obligations. The Company's management is responsible for capital management and to determine the future capital management requirements.

Capital management is undertaken to ensure a secure, cost-effective supply of funds and that the Company's corporate and project requirements are met.

Financial Instruments by Category

The Company's financial instruments consist of cash and cash equivalents, receivables, excluding GST, trade payables and other liabilities, lease liability, DSU liability and convertible debenture. Financial instruments are initially recognized at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

The fair value of cash and cash equivalents, receivables and trade payables and other liabilities approximate their carrying values due to the short-term maturities of these financial instruments.

The Company is required to make disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

a. Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
b. Level 2 – Inputs other than quoted prices that are observable for the asset or liability directly or indirectly; and
c. Level 3 – Inputs that are not based on observable market data.

(Expressed in Canadian dollars)

The Company has made the following classifications for its financial instruments:

	2024	2023
	$	$
Assets at amortized cost		
Cash	29,317,948	34,545,860
	29,317,948	**34,545,860**
Liabilities at amortized cost		
Trade payables and other liabilities	640,755	1,080,867
Lease liability (total)	96,311	106,920
Convertible debentures	14,513,399	13,197,929
Interest payable on convertible debentures	124,257	124,345
	15,374,722	**14,510,061**
Liabilities at FVTPL		
Derivative liability	1,147,655	4,487,827
DSU liability	947,231	301,044
	2,094,886	**4,788,871**

11. SEGMENTED INFORMATION

At September 30, 2024, the Company has three reportable segments: mineral exploration, hydroelectric project and corporate, and has operations in two geographical areas, Canada and Chile.

Operating segments

	Year ended September 30, 2024	2023
	$	$
Net income/(loss)		
Mineral exploration	(153,037)	(500,417)
Hydroelectric project	(6,651)	(6,948)
Corporate	5,531,839	407,509
	5,372,151	**(99,856)**

	September 30, 2024	September 30, 2023
	$	$
Assets		
Mineral exploration	70,282,536	67,930,719
Hydroelectric project	8,250,000	8,250,000
Corporate	29,386,001	34,703,219
	107,918,537	**110,883,938**

Geographic segments

	Year ended September 30, 2024	2023
	$	$
Net income/(loss)		
Canada	5,655,063	585,091
Chile	(282,912)	(684,947)
	5,372,151	**(99,856)**

(Expressed in Canadian dollars)

	September 30, 2024	September 30, 2023
	$	$
Assets		
Canada	29,386,002	34,719,254
Chile	78,532,535	76,164,684
	107,918,537	**110,883,938**

12. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash investing and financing activities

At September 30, 2024:

- Net exploration costs included in trade payables and other liabilities were $472,471 (2023: $980,870);
- Exchange rate differences of $1,123,985 (2023: $2,344,605) were included in mineral right interests; and
- Accretion expense of $1,344,452 related to the convertible debenture was recorded (2023: $1,093,685).

Also see Note 14.

13. INCOME TAXES

a) Income tax expense reported differs from the amount computed by applying the tax rates applicable to the Company to the loss before the tax provision due to the following:

	September 30, 2024	September 30, 2023
	$	$
Loss for the year before income taxes	(607,535)	(1,917,599)
Statutory tax rate	27.00%	27.00%
Expected income tax recovery	(164,034)	(517,752)
Changes attributable to:		
Net adjustment for depreciation and non-deductible amounts	(695,277)	5,144,870
Unrecognized benefit of non-capital losses	819,376	1,677,724
Non-capital losses and resource pools utilized	39,935	(6,304,842)
Adjustment of deferred income tax liability to actual	5,979,686	1,817,743
Total income tax recovery (expense)	5,979,686	1,817,743

b) The components of the Company's unrecognized deferred tax assets and liabilities are as follows:

	2024	2023
	$	$
Deferred tax liabilities: mineral properties & equipment	(16,289,497)	(15,055,010)
Deferred tax assets: non-capital losses net of valuation allowance	12,440,110	5,225,938
Net deferred tax liabilities	(3,849,387)	(9,829,072)

(Expressed in Canadian dollars)

The Company's unrecognized deductible temporary differences and unused tax losses consist of the following amounts:

	2024 $	2023 $
Non-capital losses	11,072,034	9,930,792
Mineral properties	395,659	395,659
Capital losses	2,411,861	2,411,861
Financing costs	777,204	1,111,335
Unrecognized deductible temporary differences	14,656,758	13,849,647

At September 30, 2024, the Company had non-capital operating losses of $11,072,034 (2023: $9,930,792) and had resource related amounts available, subject to certain restrictions, for deduction against future taxable income in Canada.

The Company also has Chilean estimated net operating loss carry-forwards for tax purposes of approximately $46,074,000 (2023: $19,355,000). These losses carry-forward indefinitely.

14. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

As at September 30, 2024, the Company was the lessee to three premises leases. The incremental rate of borrowing for these leases was estimated by management to be 12% per annum.

Right-of-use assets

As at September 30, 2024, the right-of-use assets recorded for the Company's premises were as follows:

	Premises $
As at September 30, 2022	**136,265**
Additions	123,753
Depreciation	(166,541)
Foreign exchange	9,147
As at September 30, 2023	**102,624**
Additions	114,529
Depreciation	(117,585)
Foreign exchange	(3,208)
As at September 30, 2024	**96,360**

(Expressed in Canadian dollars)

Lease liability

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	September 30, 2024 **$**
Undiscounted minimum lease payments:	
Less than one year	101,947
Two to three years	-
	101,947
Effect of discounting	(5,636)
Present value of minimum lease payments	96,311
Less current portion	(96,311)
Long-term portion	-

Lease liability continuity

The net change in the lease liability is as follows:

	Premises **$**
As at September 30, 2022	**136,236**
Cash flows:	
Additions	123,753
Principal payments	(167,039)
Non-cash changes:	
Foreign exchange	13,970
As at September 30, 2023	**106,920**
Cash flows:	
Additions	114,530
Principal payments	(117,764)
Non-cash changes:	
Foreign exchange	(7,375)
As at September 30, 2024	**96,311**

During the year ended September 30, 2024, interest of $6,639 (2023: $10,165) was paid.

15. CONTINGENCIES

On June 29, 2022, the Company was notified that Terraservice, one of the Company's drilling contractors, had initiated an arbitration process regarding the application of the force majeure clause of the drilling agreement following the drilling suspension ordered by the Environmental Court on March 18, 2022. Terraservice filed a claim in the amount of US$2,566,643 and the Company filed a counterclaim for US$803,374.

On November 6, 2023, the arbitrator ordered the Company to pay Terraservice US$166,656, plus interest of US$9,286 as settlement of the claims (the "Settlement"). The Company Settlement was accrued during the year ended September 30, 2023 and the Company paid the amount in full, including interest of US$9,286 on November 29, 2023. As a result of the payment, the matter has been resolved.

16. SUBSEQUENT EVENTS

Subsequent to September 30, 2024:

i) On October 1, 2024, the Company granted 3,002 DSUs to directors of the Company. These DSUs fully vested by December 31, 2024.

ii) On January 1, 2025, the Company granted 3,330 DSUs to directors of the Company. These DSUs will fully vest by March 31, 2025.