Marimaca Copper Corp.

Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended September 30, 2024 and 2023
(Unaudited, expressed in thousands of U.S. dollars, except where indicated)

Marimaca Copper Corp.

Condensed Interim Consolidated Statements of Financial Position

As at September 30, 2024, and December 31, 2023.

(Unaudited, expressed in thousands of U.S. dollars, except where indicated)

			As at September 30, 2024		As at December 31, 2023
Assets					
Current assets					
Cash		**$**	**28,314**	$	16,692
Amounts receivable and prepaid expenses	(Note 3)		**2,584**		6,974
			30,898		23,666
Non-current assets					
Amounts receivable	(Note 3)		**3,089**		237
Property, plant and equipment			**129**		172
Exploration and evaluation assets	(Note 4)		**79,716**		71,524
Total assets		**$**	**113,832**	$	95,599
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**854**	$	1,076
Lease liabilities			**65**		85
			919		1,161
Non-current liabilities					
Lease liabilities			**-**		43
Total liabilities			**919**		1,204
Shareholders' equity (Note 5)					
Common shares			**230,983**		206,306
Contributed surplus			**35,591**		34,338
Accumulated other comprehensive income ("AOCI")			**20**		65
Deficit			**(153,681)**		(146,314)
Total equity			**112,913**		94,395
Total liabilities and equity		**$**	**113,832**	$	95,599

Nature of Operations and Liquidity Risk (Note 1)
Subsequent Event (Note 9)

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

Marimaca Copper Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of U.S. dollars, except where indicated)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Expenses				
Exploration expenditures	**$ 271**	$ -	**$ 528**	$ -
Depreciation and amortization	**45**	24	**123**	30
Legal and filing fees	**139**	35	**257**	183
Other corporate costs	**545**	332	**1,535**	1,382
Salaries and management fees	**314**	464	**1,521**	1,704
Share-based compensation	**292**	251	**2,061**	1,821
Operating loss	**(1,606)**	(1,106)	**(6,025)**	(5,120)
Finance income	**185**	476	**748**	693
Change in fair value of derivative	**-**	1	**-**	(2)
Foreign exchange (loss) gain	**298**	178	**81**	197
Other non-operating income	**111**	-	**165**	-
Expected credit loss (Note 3)	**(2,336)**	-	**(2,336)**	-
Net loss	**$ (3,348)**	$ (451)	**$ (7,367)**	$ (4,232)
Items that may be reclassified subsequently to net income:				
Foreign currency translation adjustment	**(69)**	(477)	**(45)**	(323)
Comprehensive loss	**$ (3,417)**	$ (928)	**$ (7,412)**	$ (4,555)
Loss per share				
Basic and diluted loss per share	**$ (0.03)**	$ (0.01)	**$ (0.08)**	$ (0.05)
Weighted average number of shares outstanding (000's)				
Basic	**101,017**	92,327	**96,757**	89,616
Diluted	**101,017**	94,097	**96,757**	91,236

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

Marimaca Copper Corp.

Condensed Interim Consolidated Statements of Shareholders' Equity

For the nine months ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of U.S. dollars, except where indicated)

	Number of shares #000's		Amount		Contributed Surplus		AOCI		Deficit		Total
Balance - January 1, 2023	88,226	$	192,800	$	30,553	$	112	$	(139,201)	$	84,264
Share issued	4,656		15,156		-		-		-		15,156
Warrants	-		(2,008)		2,008		-		-		-
Options exercised	-		32		(32)		-		-		-
Share-based compensation	-				1,822		-		-		1,822
Net loss	-		-		-		-		(4,232)		(4,232)
Other comprehensive income	-		-		-		(323)		-		(323)
Balance - September 30, 2023	92,882	$	205,980	$	34,351	$	(211)	$	(143,433)	$	96,687
Balance - January 1, 2024	**93,174**	**$**	**206,306**	**$**	**34,338**	**$**	**65**	**$**	**(146,314)**	**$**	**94,395**
Shares issued under equity offering (Note 5 (b))	**1,000**		**2,657**		**-**		**-**		**-**		**2,657**
Shares issued under Private Placement (Note 5 (c))	**6,725**		**21,212**		**-**		**-**		**-**		**21,212**
Warrants (Note 5 (e))	**-**		**(162)**		**162**		**-**		**-**		**-**
Options exercised	**65**		**771**		**(771)**		**-**		**-**		**-**
Restricted Stock Units redeemed	**53**		**199**		**(199)**		**-**		**-**		**-**
Share-based compensation	**-**		**-**		**2,061**		**-**		**-**		**2,061**
Net loss	**-**		**-**		**-**		**-**		**(7,367)**		**(7,367)**
Other comprehensive income	**-**		**-**		**-**		**(45)**		**-**		**(45)**
Balance - September 30, 2024	**101,017**	**$**	**230,983**	**$**	**35,591**	**$**	**20**	**$**	**(153,681)**	**$**	**112,913**

Marimaca Copper Corp.

Condensed Interim Consolidated Statements of Cash Flows

For the nine months ended September 30, 2024 and 2023

(Unaudited, expressed in thousands of U.S. dollars, except where indicated)

		Nine months ended September 30,		
		2024		2023
Cash flows from operating activities				
Net loss from continuing operations		**(7,367)**		(4,232)
Items not affecting cash				
Depreciation and amortization		**123**		30
Unrealized foreign exchange		**(81)**		(261)
Change in fair value of derivative		**-**		2
Share-based compensation (Notes 5 (d))		**2,061**		1,820
		(5,264)		**(2,641)**
Change in non-cash operating working capital				
Decrease (Increase) in amounts receivable and prepaid expenses		**1,539**		(111)
(Decrease) Increase in accounts payable and accruals		**(665)**		125
Cash used in operating actvities	**$**	**(4,390)**	$	(2,627)
Cash flows from financing activities				
Issuance of common shares under equity offering (Note 5 (b))		**2,660**		**15,093**
Issuance of common shares under Private Placement (Note 5 (c))		**21,209**		-
Lease payments		**(63)**		(36)
Cash provided (used) in financing activities	**$**	**23,806**	$	15,057
Cash flows from investing activities				
Property, plant and equipment		**(80)**		-
Exploration and evaluation assets - option property payments		**-**		(2,000)
Exploration and evaluation assets - capitalized expenditures		**(7,749)**		(6,132)
Cash used in investing activities	**$**	**(7,829)**	$	(8,132)
Effect of exchange rate changes on cash		**35**		4
Increase in cash		**11,622**		4,302
Cash: beginning of the period		**16,692**		14,636
Cash: end of the period	**$**	**28,314**	$	18,938

Note 1 - Nature of operations and liquidity risk

(a) Nature of operations

Marimaca Copper Corp. ("Marimaca Copper" or the "Company") was incorporated under *the Business Corporations* Act (British Columbia). Marimaca Copper is an exploration and development company focused on base metal projects in Chile.

The Company's principal asset is the Marimaca Copper Project (the "Marimaca Project"), located in the Antofagasta Region of northern Chile. The Marimaca Project comprises a set of concessions (the "1-23 Claims"), properties 100% owned and optioned by the Company, combined with the adjacent La Atómica and Atahualpa claims over which Marimaca Copper has the right to explore and exploit resources and this larger area is referred to as the "Marimaca District".

The Company's registered office is Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, Canada.

(b) Liquidity risk

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue in operation for at least the next twelve months.

The Company is an exploration and development company that currently does not generate operational revenue from its assets. At September 30, 2024, the Company had working capital of $30 million (December 31, 2023 – $22.5 million), which management believes is sufficient to meet its property option payments, its obligations and to continue to fund operations for at least the next twelve months.

Beyond the next 12 months, the Company's ability to continue as a going concern and to advance the Marimaca Project will be dependent upon its ability to obtain the necessary financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Note 2 - Basis of preparation and material accounting policies

a) Statement of compliance

These condensed interim consolidated financial statements include the accounts of Marimaca Copper and its wholly-owned subsidiaries (its "subsidiaries") (hereinafter together with Marimaca Copper, the "Company"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2023 ("2023 annual financial statements"), and were prepared using the same accounting policies. All amounts are expressed in thousands of U.S. dollars ($), unless otherwise noted. References to C$ are to Canadian dollars.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on November 13, 2024.

The results of operations for the three and nine Months Ended September 30, 2024, ("Q3 2024" and "YTD 2024", respectively) are not necessarily indicative of the results to be expected for the full year. Seasonality is not considered to have a significant impact over the condensed interim consolidated financial statements.

b) Significant judgements, estimates and assumptions

The preparation of condensed interim consolidated financial statements in accordance with IFRS Accounting Standards requires the Company to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of expenses during the reporting period. The areas of judgement and estimation are consistent with those reported in the annual consolidated financial statements for the year ended December 31, 2023, and the following discusses the most significant accounting judgements and estimates that the Company has made in the preparation of these condensed interim consolidated financial statements:

i) Impairment of exploration and evaluation assets

The application of the Company's accounting policy for impairment of exploration and evaluation assets requires judgement to determine whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore has expired or will expire in the future, and is not expected to be renewed; substantive expenditures on exploration activities and evaluation of mineral resources in the specific area is neither budgeted or planned; exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources; and sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. Management has assessed for impairment indicators on the Company's exploration and evaluation assets and has concluded that no impairment indicators exist as of September 30, 2024.

ii) Expected credit losses

Accounts receivables are recorded at fair value on initial recognition and amortised cost on subsequent remeasurement. The carrying amounts for accounts receivable are net of lifetime expected credit losses ("ECL"). Estimating the ECL allowance for receivables requires management to exercise judgment in selecting estimation techniques, choosing key inputs, and making significant assumptions about future economic conditions and customer credit behaviour, including the probability of customer defaults and potential losses.

Management uses historical data to calculate the ECL for accounts receivables. Adjustments are made based on current and future economic conditions and specific risks for individual debtors. Significant judgment is required for these adjustments. Additionally, large and aging receivable balances need careful assessment for impairment provisions at the reporting date.

iii) Share-based compensation

The Company applies the fair value method of accounting using the Black-Scholes model to determine the fair value of stock-options granted to employees, consultants and directors. The model includes significant assumptions as to the estimated life of the stock options, the forfeiture rate and the volatility of the stock. The Company uses historical data to estimate the expected future volatility of the stock, the estimated lives of the stock options and the forfeiture rate.

Stock options granted might include performance conditions related to the achievement of specified performance targets or a milestone and might pertain either to the performance of the Company as a whole or to some part of the enterprise, such as a subsidiary. The measurement of compensation costs for a stock-based award with a performance condition that will determine the number of options or shares to which all employees receiving the award will be entitled, is based on the best estimate of the outcome of the performance condition. The Company estimates forfeitures awards by individual employees and recognizes them as they occur. Management assesses all the factors and uses its judgment to calculate these estimates.

c) New Accounting Standards Issued But Not Yet Effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have therefore not been summarised in these interim financial statements.. The following have standard has not yet been adopted.

IFRS 18, Presentation and Disclosure in Financial Statements

The IASB issued the IFRS 18, Presentation and Disclosure in Financial Statements, which is mandatory for accounting periods after January 1, 2027. The Company is currently assessing the impact of this new IFRS Accounting Standard on its financial statements and will update the Company's accounting policies as applicable.

Note 3 - Sale of Minera Rayrock Ltda ("Rayrock")

By means of an agreement dated March 18, 2022, the Company sold and transferred 100% of the equity interest of its wholly-owned indirect subsidiary Minera Rayrock Limitada (currently Minera Cobre Verde SpA "MCV"), owner of the Ivan plant, to non-related parties 5Q SpA ("5Q") and Fondo de Inversiones Privado Neith ("FIP"), for an aggregate amount of $10.3 million, to be paid according to the payment schedule agreed thereby (the "Purchase Price"). In December 2023, FIP transferred its stake in MCV to Cobres y Metales SpA ("CyM"). As a result thereof, 5Q and CyM remained liable before the Company for payment of the Purchase Price. As of the date hereof, the Company has received $0.5 million as part of the Purchase Price.

On December 29, 2023, the Company, 5Q and CyM signed a Memorandum of Understanding ("MOU") to amend the Purchase Price's payment schedule, and agreed to a single payment of $7.0 million, subject to actual payment of such amount in full no later than June 30, 2024.

On July 23, 2024, the Company has amended the MOU, which has included the Rayrock assets and common shares as guarantee, and rescheduling the contingent payment as follows:

- 1st Instalment – $2 million by August 15, 2024;
- 2nd Instalment – $2.5 million until September 30, 2024; and
- 3rd Instalment – $2.5 million not earlier than September 30, 2024, and not later than December 31, 2024.

Payment of the Purchase Price are duly secured, including pledge over MCV's shares, pledge over Ivan plant and over MCV's mining tenements located in the Antofagasta region of Chile. As of September 30, 2024, valuation of the underlying assets provided by a third party exceeds the value of the account receivable.

5Q failed to meet the first installment of the amended payment calendar, and therefore, on September 10, 2024, the Company submitted a petition for liquidation of MCV, in order to commence a liquidation process. The company is the majority creditor in the liquidation process. As a result of these events the company assessed the recoverability of the account receivable in the context of the liquidation process, and concluded that an impairment of $2.3 million as of September 30, 2024 was required. As of September 30, 2024, the company has a net receivable of $4.7 million ($6.6 million as of December 31, 2023). Management estimated the recoverable amount of the account receivable using probability weighted scenarios which incorporated expectations of the liquidation process as well as the valuation of the underlying assets subject to liquidation, the associated costs and the ultimate recoverable amounts.

Note 4 - Exploration and evaluation assets

(In thousands of US dollars)		**Marimaca Project**		**Marimaca District**		**Other**		**Total**
January 1, 2023	$	58,202	$	2,206	$	994	$	61,402
Exploration and evaluation costs		7,655		467		-		8,122
Property acquisition costs		2,000		-		-		2,000
December 31, 2023	$	67,857	$	2,673	$	994	$	71,524
Exploration and evaluation costs		6,958		1,234		-		8,192
September 30, 2024	**$**	**74,815**	**$**	**3,907**	**$**	**994**	**$**	**79,716**

The Company owns all the concessions that make up the Marimaca Project and any historical option agreements relating to concessions have been exercised.

Note 5 – Shareholders' equity

a) Share capital

Authorized

The Company authorized capital includes an unlimited number of common shares (101,017,086 common shares issued and outstanding as at September 30, 2024) having no par value.

b) Equity offering

On May 22, 2024, the Company established an at-the-market equity program ("ATM program") that allowed Marimaca to issue up to C$20 million of common shares from treasury, at the Company's sole discretion and in accordance with the terms and conditions of the Distribution Agreement entered into with Canaccord Genuity. Any common shares sold under the ATM program will be sold through the TSX. The volume and timing of distributions under the ATM Program, if any, will be determined in the Company's sole discretion. Distributions of Marimaca's shares under the ATM Program will be made pursuant to the terms and conditions of the Distribution Agreement.

During the Nine Months Ended September 30, 2024, the Company issued 1,000,000 common shares under the ATM program (YTD 2023 — nil shares) at a price of C$3.95 per common share, for gross proceeds of C$4 million ($2.9 million) and net proceeds of C$3.8 million ($2.7 million).

c) Private Placement

On August 7, 2024, the Company completed a non-brokered private placement with Assore International Holdings Limited ("AIH") (the "AIH Private Placement") via a non-brokered private placement (the "AIH Investment"), which it issued 5,725,000 units ("Units") at a price of C$4.50 per Unit for gross proceeds of C$25.8 million ($18.7 million). Each Unit comprised one common share of the Company (a "Common Share") and one half of one Common Share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant entitled the holder to purchase one additional Common Share at an exercise price of C$5.85 for a period of 18 months following the closing. Following the completion of the AIH Investment, AIH now owns approximately 15% of Marimaca's issued and outstanding common shares on a non-diluted basis. The functional currency of Marimaca Copper Corp. is the Canadian dollar.

In addition to the AIH Private Placement, another investor subscribed for 1,000,000 Units by way of private placement at a price of C$4.50 per common share (the "Additional Private Placement") (together with the AIH Private Placement the "Private Placements"), for gross proceeds of C$4.5 million ($3.3 million). Each Unit consists of one common share of the Company and one half of one common share purchase warrant (each whole Common Share purchase warrant a "Warrant"), following the conditions described in the previous paragraph.

d) Stock options and RSU

During the three and nine Months Ended September 30, 2024, no stock options were granted by the Company (Q3 2023 and YTD 2023 – 0.5 million stock options, respectively). The stock options granted in 2023 have a weighted average exercise price of C$4.00 per stock option and a weighted average life of 5 years. The fair value of the stock options granted in 2023 was estimated to be C$0.8 million in aggregate.

Stock options granted in 2023 were valued using the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted: risk-free rate – 3.29%; volatility – 56%; expected life – 5 years and dividend yield – 0%.

During the three and nine months ended September 30, 2024, the Company awarded to management and directors with 0.9 million RSUs (Q3 2023 – nil million) and 0.9 million RSUs (2023 – 0.3 million), respectively. The fair value of the RSUs, which is determined with reference to the trading price of the Company's common shares immediately preceding the date of issuance, was determined to be C$3.2 million in 2024 (2023 – C$1.2 million).

For the three and Nine Months Ended September 30, 2024, the Company recorded $0.3 million and $2.1 million in share-based compensation, respectively ($0.3 million and $1.8 million for the three and nine months ended September 30, 2023, respectively), associated with the vesting of granted stock options and RSUs.

e) Warrants

In July 2023, the Company issued 4.6 million Warrants in connection with the completion of the non-brokered private placement with Mitsubishi Corporation ("Mitsubishi"), in which it issued 4,640,371 units ("Units") at a price of C$4.31 per unit. Each unit comprised one common share of the Company (a "Common Share") and one Common Share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant entitled the holder to purchase one additional Common Share at an exercise price of C$5.60 for a period of 24 months following the closing.

In August 2024, the Company issued 3.4 million Warrants in connection with the completion of the non-brokered private placement with AIH Private Placement and the Additional Private Placement, in which it issued 6,725,000 units ("Units") at a price of C$4.50 per unit. Each unit comprised one half of one common share of the Company (a "Common Share") and one Common Share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant entitled the holder to purchase one additional Common Share at an exercise price of C$5.85 for a period of 18 months following the closing.

Note 6 - Related party transactions

Key management personnel
The Company considers directors and officers to be key management personnel. Compensation was as follows:

	Three months ended September 30,		Nine months ended September 30,	
(In thousands of US dollars)	**2024**	**2023**	**2024**	**2023**
Short-term benefits[1]	**$ 429**	$ 431	**$ 1,760**	$ 1,668
Share-based payments[2]	**211**	161	**1,395**	1,401
Total	**$ 640**	$ 592	**$ 3,155**	$ 3,069

[1] Includes salary, benefits and short-term accrued incentives/other bonuses earned in the period.
[2] Represents the expense of stock options and restricted share units during the period.

Note 7 - Segmented information

The chief operating decision-maker organizes and manages the business under one operating segment. The table below shows the geographical location of various assets and liabilities held by the Company as at September 30, 2024 and the net loss associated with each location for the Nine Months Ended September 30, 2024.

(In thousands of US dollars)	**Chile**	**Canada**	**Total**
September 30, 2024			
Current assets	4,671	26,227	**$ 30,898**
Non-current assets	82,913	21	**82,934**
Total assets	87,584	26,248	**113,832**
Current liabilities	720	199	**919**
Non-current liabilities	-	-	**-**
Total liabilities	720	199	**919**
Net loss	(3,116)	(4,251)	**(7,367)**

Note 8 - Financial instruments

As at September 30, 2024, the Company's carrying values of cash and cash equivalents, amounts receivable net of estimated ECL allowances, accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

Credit risk
Credit risk is a risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligations as agreed. Financial instruments that potentially subject the Company to credit risk consist of cash and accounts receivable. The Company deposits its cash with high credit quality financial institutions as determined by rating agencies.

Currency risk
Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency rates in the market. The Company's financial instruments are exposed to currency risk where those instruments are denominated in currencies that are not the same as the functional currency of the entity that holds them; foreign exchange gains and losses in these situations impact earnings.

The Company's significant subsidiaries are located in Chile and although their functional currency is the U.S. dollar, they are subject to currency risk because they maintain certain cash, amounts receivable and accounts payables and accrued liabilities in Chilean pesos. The parent company is in Canada and its functional currency is the Canadian dollar and also maintains cash and accounts payables and accrued liabilities in Canadian and U.S. dollars.

Total currency exposure from foreign currencies is equivalent to $4.7 million as at September 30, 2024 ($0.5 million as of December 31, 2023). Based on the net exposures as of September 30, 2024, and assuming that all other variables remain constant, a change of 10% in the Canadian dollar and/or Chilean peso against the US dollar would result in a change in the Company's net loss of approximately $0.4 million, respectively. The Company manages and monitors the currency risk on a regular basis.

As at September 30, 2024, the Company held its cash as follows: 81.1% in U.S. dollars, 11% in Canadian dollars and 7.9% in Chilean pesos, with 92% of cash held in Canadian banks and 8% held in Chilean banks, as at September 30, 2024.

Interest rate risk
Interest rate risk is the risk that the fair values or future cash flows of our financial instruments will fluctuate because of changes in market interest rates. Cash and accounts receivables are the only financial instruments the Company holds that are impacted by interest. There is limited interest rate risk associated with the Company´s cash balance and the accounts receivable.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances and/or loans as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash to meet its short-term ongoing obligations and reviews its actual expenditures and forecast cash flows on a regular basis and matches the maturity dates of its cash equivalents to capital and operating needs.

Note 9 - Subsequent Event

On October 8, 2024, the Company announced the signing of a binding option agreement (the "Option") to acquire the Pampa Medina project ("Pampa Medina") from Sociedad Contractual Minera Elenita ("SCM Elenita"). Under the terms of the Option, Marimaca Copper has the option to pay the following installments over a 5-year option term to acquire 100% of Pampa Medina.

- $0.2 million on signing (paid);
- $0.4 million on or before the first anniversary of signing;
- $0.5 million on or before the second anniversary of signing;
- $1.5 million on or before the third anniversary of signing;
- $2.5 million on or before the fourth anniversary of signing;
- $7.0 million on or before the fifth anniversary of signing.

Marimaca Copper may withdraw and relinquish property rights back to SCM Elenita at any time, before completing all the installments agreed under the Option. Under the terms of the option the company has the right to perform exploration activities on the property.

Following the acquisition of Pampa Medina, SCM Elenita will retain a 1.5% net smelter royalty ("NSR") on the Pampa Medina property. Marimaca Copper will have a right to buy back 1.0% of the NSR for $2 million, exercisable within a term of 24 months from the start of commercial production.