Marimaca Copper Corp.

Consolidated Financial Statements
December 31, 2024 and 2023
(Expressed in thousands of U.S. dollars, except where indicated)

Independent auditor's report

To the Shareholders of Marimaca Copper Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Marimaca Copper Corp. and its subsidiaries (together, the Company) as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of exploration and evaluation assets *Refer to Note 2 – Material accounting policy information, Note 3 – Significant judgments, estimates and assumptions, and Note 6 – Exploration and evaluation assets, to the consolidated financial statements.* The total book value of exploration and evaluation assets amounted to $84.2 million as at December 31, 2024. At each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) 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, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, (iii) 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 (iv) 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. No impairment indicators were identified by management as at December 31, 2024. We considered this a key audit matter due to (i) the significance of the exploration and evaluation assets balance and (ii) the judgments made by management in its assessment of indicators of impairment related to exploration and evaluation assets, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.	Our approach to addressing the matter included the following procedures, among others: • Assessed the judgment made by management in determining the impairment indicators which included the following: – Obtained, for a sample of claims, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates. – Read minutes of Board of Directors meetings and obtained budget approvals to evidence continued and planned exploration expenditure for 2025, which included evaluating results of work programs. – Assessed whether there is any evidence that extracting the resources will not be technically feasible or commercially viable, or if other facts and circumstances suggest that the carrying amount exceeds the recoverable amount, based on evidence obtained in other areas of the audit.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

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 identified above 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 Accounting Standards, 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 judgment 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 Company as a basis for forming an opinion on the consolidated 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 Manuel Pereyra.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 21, 2025

Marimaca Copper Corp.

Consolidated Statements of Financial Position

As at December 31, 2024 and 2023.

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

			As at December 31, 2024		As at December 31, 2023
Assets					
Current assets					
Cash		$	**22,648**	$	16,692
Amounts receivable	(Note 5)		**2,308**		6,615
Prepaid expenses			**512**		359
			25,468		23,666
Non-current assets					
Amounts receivable	(Note 5)		**2,427**		237
Property, plant and equipment			**238**		172
Exploration and evaluation assets	(Note 6)		**84,249**		71,524
Total assets		$	**112,382**	$	95,599
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	(Note 7)	$	**2,760**	$	1,076
Lease liabilities			**45**		85
			2,805		1,161
Non-current liabilities					
Lease liabilities			**-**		43
Total liabilities			**2,805**		1,204
Shareholders' equity (Note 8)					
Common shares			**230,928**		206,306
Contributed surplus			**38,297**		34,338
Accumulated other comprehensive income ("AOCI")			**418**		65
Deficit			**(160,066)**		(146,314)
Total equity			**109,577**		94,395
Total liabilities and equity		$	**112,382**	$	95,599

Nature of Operations and Liquidity Risk (Note 1)

Approved and authorized on behalf of the board:

"Hayden Locke"	"Mike Haworth"
Director & CEO	Director

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

Marimaca Copper Corp.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended December 31, 2024 and 2023

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

		Year ended December 31, 2024		2023
Expenses				
Exploration expenditures	**$**	**1,419**	$	-
Depreciation and amortization		**173**		54
Legal and filing fees		**488**		259
Other corporate costs		**2,341**		1,317
Salaries and management fees		**2,128**		2,124
Share-based compensation		**4,767**		2,139
Operating loss		**(11,316)**		(5,893)
Finance income		**1,134**		597
Change in fair value of derivative		**-**		(2,068)
Foreign exchange (loss) gain		**(682)**		49
Other non-operating income		**209**		202
Expected credit loss (Note 5)		**(3,097)**		-
Net loss	**$**	**(13,752)**	$	(7,113)
Items that may be reclassified subsequently to net income:				
Foreign currency translation adjustment		**353**		(47)
Comprehensive loss	**$**	**(13,399)**	$	(7,160)
Loss per share				
Basic and diluted loss per share	**$**	**(0.14)**	$	(0.08)
Weighted average number of shares outstanding (000's)				
Basic		**96,542**		90,485
Diluted		**96,542**		90,485

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

Marimaca Copper Corp.

Consolidated Statements of Shareholders' Equity

For the years ended December 31, 2024 and 2023

(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
Private placement	4,640	15,019	-	-	-	15,019
Warrants	-	(2,002)	2,002	-	-	-
Options exercised	308	489	(356)	-	-	133
Share-based compensation	-		2,139	-	-	2,139
Net loss	-	-	-	-	(7,113)	(7,113)
Other comprehensive income	-	-	-	(47)	-	(47)
Balance - December 31, 2023	93,174	$ 206,306	$ 34,338	$ 65	$ (146,314)	$ 94,395
Balance - January 1, 2024	**93,174**	**$ 206,306**	**$ 34,338**	**$ 65**	**$ (146,314)**	**$ 94,395**
Shares issued under equity offering (Note 8 (b))	**1,000**	**2,657**	**-**	**-**	**-**	**2,657**
Shares issued under Private Placement (Note 8 (c))	**6,725**	**21,157**	**-**	**-**	**-**	**21,157**
Warrants (Note 8 (f))	**-**	**(162)**	**162**	**-**	**-**	**-**
Options exercised (Note 8 (d))	**65**	**771**	**(771)**	**-**	**-**	**-**
Restricted Stock Units redeemed	**53**	**199**	**(199)**	**-**	**-**	**-**
Share-based compensation	**-**	**-**	**4,767**	**-**	**-**	**4,767**
Net loss	**-**	**-**	**-**	**-**	**(13,752)**	**(13,752)**
Other comprehensive income	**-**	**-**	**-**	**353**	**-**	**353**
Balance - December 31, 2024	**101,017**	**$ 230,928**	**$ 38,297**	**$ 418**	**$ (160,066)**	**$ 109,577**

Marimaca Copper Corp.

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

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

		Year ended December 31, 2024		2023
Cash flows from operating activities				
Net loss from continuing operations		**(13,752)**		(7,113)
Items not affecting cash				
Depreciation and amortization		**173**		54
Unrealized foreign exchange		**367**		23
Change in fair value of derivative		**-**		2,068
Expected credit losses (Note 5)		**3,097**		-
Share-based compensation (Notes 8 (d))		**4,767**		2,139
		(5,348)		**(2,829)**
Change in non-cash operating working capital				
Increase in amounts receivable and prepaid expenses		**(1,132)**		(513)
Increase in accounts payable and accruals		**743**		214
Cash used in operating actvities	**$**	**(5,737)**	$	(3,128)
Cash flows from financing activities				
Issuance of common shares under equity offering (Note 8 (b))		**2,657**		**15,014**
Issuance of common shares under Private Placement (Note 8 (c))		**21,157**		**-**
Cash received upon issuance of shares via stock options exercised		**-**		**133**
Lease payments		**(83)**		(52)
Cash provided (used) in financing activities	**$**	**23,731**	**$**	**15,095**
Cash flows from investing activities				
Property, plant and equipment		**(239)**		(31)
Exploration and evaluation assets - option property payments		**(300)**		(2,000)
Exploration and evaluation assets - capitalized expenditures		**(11,485)**		(7,815)
Cash used in investing activities	**$**	**(12,024)**	$	(9,846)
Effect of exchange rate changes on cash		**(14)**		(65)
Increase in cash		**5,956**		2,056
Cash: beginning of the period		**16,692**		14,636
Cash: end of the period	**$**	**22,648**	$	16,692

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

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 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. The Company is listed on the Toronto Stock Exchange (the "Exchange" or "TSX") under the symbol "MARI".

(b) Liquidity risk
These consolidated financial statements have been prepared on a going concern basis, 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 December 31, 2024, the Company had working capital of $22.7 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 - Material accounting policy information

a) Statement of compliance
These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. All amounts are expressed in thousands of U.S. dollars ($), unless otherwise noted. References to C$ are to Canadian dollars.

These consolidated financial statements were authorized for issue by the Board of Directors on March 21, 2025.

b) Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries: Minera Cielo Azul Ltda., Inversiones Cielo Azul Ltda. and Compañia Minera Newco Marimaca.

All intercompany transactions, balances, income and expenses have been eliminated on consolidation. Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

These consolidated financial statements include the financial information of Marimaca Copper Corp. and the entities identified below where Marimaca has an ownership interest.

	Relationship	Country of Incorporation	Interest
Minera Cielo Azul Ltda	Subsidiary	Chile	100%
Inversiones Cielo Azul Ltda	Subsidiary	Chile	100%
Compania Minera Newco Marimaca	Subsidiary	Chile	100%
Rising Star Copper Ltd.	Associate	United Kingdom	25%

c) Investment in associate

An associate is an entity over which the Company has the ability to exercise significant influence. The Company has significant influence over an entity when it has the power to participate in the financial and operating policy decisions of the associate but does not have control or joint control. Investment in associates is accounted for using the equity method in which the Company's investment in common shares of an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of net income and losses of the associate.

At the end of each reporting period, the Company assesses whether there's evidence that an investment in an associate is impaired. An investment is impaired if the recoverable amount of an investment is less than its carrying amount, at which point the carrying amount is reduced to its recoverable amount and an impairment loss is recognized in the period.

If the Company's share of the associate's losses equals or exceeds the investment in the associate, recognition of further losses is discontinued. After the interest is reduced to zero, additional losses will be provided for and a liability recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, we resume recognizing our share of those profits only after our share of the profits equals the share of losses not recognized.

As of June 30, 2020, the Company recognized its investment in Rising Star Copper Corp. ("RSC") at cost (2021 - $Nil) and recognizes its share of the associate's net income or loss using the equity method of accounting. Since June 30, 2020, RSC has not recognized net income and continues to incur losses. The carrying value of this associate is $Nil, as the company does not have the legal or constructive obligation to make payments or fund RSC.

d) Foreign currency translation

The functional currency of the parent company, Marimaca Copper Corp. is the Canadian dollar. The functional currency of the Company's Chilean subsidiaries is the U.S. dollar. The presentation currency of the group is the U.S. dollar.

The financial statements of the parent company are translated into U.S. dollars for presentation purposes as follows: monetary assets and liabilities are translated at the closing rate at the date of the consolidated statement of financial position; non-monetary items are translated at historic exchange rates at each transaction date; revenue and expenses are translated at the average exchange rate of the period (as this is considered a reasonable approximation to the actual rates). Gains and losses on translation are recognized in the statement of loss and comprehensive loss as cumulative translation adjustments.

Transactions in currencies other than the functional currency of an entity are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at each reporting date. Foreign currency translation differences arising on translation of such monetary assets and liabilities into the functional currency of an entity are recognized in the statement of loss.

e) Cash

Cash includes cash at banks and cash on hand. Cash is classified as financial assets and measured at amortized cost.

f) Amounts receivable

Amounts receivable are classified as financial assets. Amounts receivable are initially measured at fair value, subsequently recorded at amortized cost less expected credit losses.

g) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are classified as financial liabilities and are measured at amortized cost using the effective interest rate method.

h) Exploration and evaluation expenditures

Exploration and evaluation expenditures include all the costs of acquiring licenses and costs associated with exploration and evaluation activity. Mineral property acquisition costs are capitalized. All exploration and evaluation costs are capitalized, except those relating to non-specific projects or properties or costs incurred before the Company has obtained legal rights to explore an area, which are expensed in the period incurred.

Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property have been determined, capitalized exploration and evaluation expenditures are reclassified to mineral property development costs within mineral properties, plant and equipment and are carried at cost less accumulated amortization until the properties to which the expenditures relate are sold, abandoned or determined by management to be impaired.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or resources have been identified through an economic study;
- The status of environmental permits; and
- The status of mining leases or permits.

Exploration and evaluation assets are tested for impairment immediately prior to reclassification to mineral property development costs within property, plant and equipment. Proceeds from the sale of exploration and evaluation properties or cash proceeds received from option payments are recorded as a reduction of the related mineral property interest.

i) Impairment of non-financial assets

The carrying amounts of assets included in exploration and evaluation assets and property, plant and equipment are reviewed for impairment at each reporting period. If there are indicators of impairment, then an impairment test is performed by management to estimate the recoverable amount of the asset in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or cash generating unit is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss exists if the asset's carrying amount exceeds the recoverable amount, and the excess is recorded as an expense immediately.

Value in use is determined as the present value of the future pre-tax cash flows expected to be derived from continuing use of an asset or cash generating unit in its present form. These estimated future pre-tax 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 or cash generating unit for which estimates of future cash flows have not been adjusted.

Fair value is the price that would be received from selling an asset in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset. Estimated future cash flows are calculated using estimated future prices, mineral reserves and resources and operating and capital costs. All inputs used are those that an independent market participant would consider appropriate.

Tangible assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount, but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized into profit or loss immediately.

j) Decommissioning and restoration provision

An obligation to incur decommissioning and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property. Such costs are estimated and discounted to their net present value and capitalized to the carrying amount of the related asset along with the recording of a corresponding liability, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect risks specific to the liability are used to calculate the net present value. The liability is adjusted each year for the unwinding of the discount rate, changes to the current market-based discount rate, and for the amount or timing of the underlying cash flows needed to settle the obligation.

k) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

l) Loss per share

Loss per share is calculated dividing shareholders' net loss by the weighted average number of shares outstanding during the period. Diluted loss per share is calculated using the treasury stock method whereby all in the money options and warrants are assumed to have been exercised at the beginning of the year and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period, unless the effect is anti-dilutive. In the event of a share consolidation or share split, the calculation of basic and diluted loss will be adjusted retrospectively for past periods presented.

m) Income taxes

Deferred income tax is recognized using the liability method on temporary differences arising between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years. Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax assets are recognized only to the extent that it is probable that future profit will be available against which such assets can be utilized.

n) Share-based compensation

The Company applies the fair value method of accounting for stock options and other types of share-based compensation granted to employees and others providing similar services. The fair value of options is determined using a Black-Scholes option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate over the expected life of the option.

The Company expenses the grant date fair value of stock options and RSUs granted over the vesting period with the corresponding credit to contributed surplus.

Cash consideration received from employees on exercise of options is credited to common shares along with the original grant date fair value of the options exercised.

o) Financial instruments

IFRS 9 "*Financial Instruments*" address the classification, measurement and recognition of non-derivative financial assets and financial liabilities and requires financial assets to be classified into three measurement categories: those measured at fair value through profit and loss ("FVPL"), at fair value through other comprehensive income ("FVOCI"), and at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. Non-derivative financial liabilities are measured at amortized cost unless they are required to be measured at FVPL, as is the case for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities measured at amortized cost.

Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred, and the Company has transferred substantially all the risks and rewards of ownership. The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities. Financial instruments are recognized initially at fair value.

p) Accounting Pronouncements

New and Amended Standards and interpretations issued and Effective

On January 1, 2024, the Company adopted amendments to IAS 1 to clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period and that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of liability. For liabilities with covenants, the amendments clarify that only covenants with which an entity is required to comply on or before the reporting date affect the classification as current or non-current. The amendments did not have a significant impact on the Company's financial statements.

New Accounting Standards Issued But Not Yet Effective

The IASB issued 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 - Significant judgments, estimates and assumptions

Estimates, judgements and assumptions

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the 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 December 31, 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. As at December 31, 2024, the Company's receivable related to an outstanding balance from the sale of Minera Rayrock Limitada in 2022 for which the Company has security over the exploration property rights held by the entity in the event of non-payment of the agreed upon sales consideration. Following non-payment of the receivable on the due date, a liquidator was appointed for Minera Rayrock Limitada. Further details on the ECL scenarios and key assumptions in the estimation of an expected credit loss are disclosed in note 5. Although the Company has made its best estimates. Such estimates are subject to inherent uncertainty and differences in what the Company may realize could be significant.

ii) Share-based compensation

The Company applies the fair value method of accounting for share-based payment awards. Share options are measured 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. Management assesses all the factors and uses its judgment to calculate these estimates.

iii) Fair value of derivative

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Prior to settlement of the derivative in exchange for a receivable recorded at amortised cost less expected credit losses in 2023, management used its judgement to select a method of valuation and to make estimates of specific model inputs that were based on conditions existing at the end of the applicable reporting period. Refer to Note 5 for further details on the methods and assumptions associated with the measurement of the derivative in 2023 prior to settlement contained within the contract for the cash consideration of the Rayrock transaction.

Note 4 – Cash

As at December 31, 2024, cash comprised cash deposits held as follows: $21.8 million held in Canada (2023 - $14.9 million) and $0.8 million held in Chile (2023 - $1.8 million).

Note 5 – 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 an agreed payment schedule. In December 2023, FIP transferred its stake in MCV to Cobres y Metales SpA ("CyM"). As a result, 5Q and CyM remained liable to the Company for payment of the US$10.3 million purchase price. As of the date hereof, the Company has received $0.5 million of the purchase price.

On December 29, 2023, the Company, 5Q and CyM signed a Memorandum of Understanding ("2023 MOU"), pursuant to which the Company agreed to accept a revised total payment of US$7.0 million, provided the buyers made payment of such revised amount in full on or before July 1, 2024. Under the terms of the 2023 MOU, failure to pay such revised amount before July 1, 2024, would result in the full outstanding total of US$9.8 million becoming payable once more. The buyers did not pay any of the US$7 million amount on or before 1 July 2024.

On July 23, 2024, notwithstanding the prior default of payment by the buyers, the Company and the buyers entered into a new memorandum of understanding whereby the Company provided an extension to the buyers for payment of the remaining US$7.0 million of the purchase price in three instalments, 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.

Failure to pay the first instalment that was due on 15 August 2024 would result in the original US$9.8 million becoming due in full once again. Since the buyers failed to pay the debt before the requisite deadline, and since as of the date hereof the buyers have not made any additional payment to the Company, the original US$9.8 million remains owed and overdue to the Company by the buyers of Rayrock As a result of the liquidation process initiated by management described below, management has applied judgment to determine the current and non-current classification of the overdue amounts, based on the expected outcome and timeline of the liquidation process.

On September 6, 2024, the Company filed a petition for the liquidation of MCV in the Civil Court, in order to commence a liquidation process. The Company is the majority creditor in the liquidation process. On November 4, 2024, MCV opposed the bankruptcy proceeding through an objection based on a lack of jurisdiction, which was rejected by the Court. MCV filed an appeal against this ruling, which was dismissed by the Court of Appeals of Santiago. A new evidentiary hearing was held on February 25, 2025, where MCV submitted new procedural objections. The Court is expected to set the judgment hearing within April 2025.

The original payment of the US$9.8 million purchase price is secured, including pledge of MCV's shares, pledge of the Ivan plant and mortgage on MCV's mining tenements located in the Antofagasta region of Chile. Management estimated that the value of the collateral on this account receivable exceeds the current book value and estimated that the liquidation of such collateral should be sufficient to recover the current book value of the receivable.

As a result of these events, the company assessed the recoverability of the account receivable in the context of the liquidation process, and considering factors such as the collateral value, and the ability of the company of realizing the collateral, concluded that a net impairment of $2.4 million for the year ended at December 31, 2024 was required. As of December 31, 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 timing of completion of the liquidation process as well as the potential proceeds arising from realization from collateral of the underlying assets subject to liquidation, the associated costs and the ultimate recoverable amounts. Such estimates are subject to measurement uncertainty. The realized amounts may differ from estimates and such differences could be significant.

Note 6 - 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**		**5,467**		**-**		**12,425**
Property acquisition costs		**-**		**300**		**-**		**300**
December 31, 2024	**$**	**74,815**	**$**	**8,440**	**$**	**994**	**$**	**84,249**

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

Certain concessions that make up the greater Marimaca District are under option agreements as follows:

Pampa Medina
Under the terms of an October 2024 option agreement, the Company may acquire the Pampa Medina property for a total consideration of $12 million payable as follows: $0.15 million upon signing (paid); $0.35 million on the 12-month anniversary; $0.5 million on the 24-month anniversary; $1.5 million on the 36-month anniversary; $2.5 million on the 48-month anniversary, and $7.0 million on the 60 month anniversary. These claims are subject to a 1.5% net smelter royalty ("NSR") with an option to buy back 1.0% of the NSR for $2 million, exercisable within a term of 24 months from the start of commercial production.

The Company may withdraw from the Agreement at any time, before completing all the installments agreed under the Agreement. Under the terms of the option, the Company has the right to perform exploration activities on the property.

Madrugador Project
Under the terms of a December 2024 option agreement, the Company may acquire the Madrugador Project property for a total consideration of $12 million payable as follows: $0.15 million upon signing (paid); $0.25 million on the 12-month anniversary; $0.4 million on the 24-month anniversary; $1.2 million on the 36-month anniversary; $3.0 million on the 48-month anniversary, and $7.0 million on the 60month anniversary. These claims are subject to a 1.5% NSR with an option to buy back 1.0% of the royalty for $1.5 million, at any time and a right of first refusal on any sale of the royalty to a third party.

The Company may withdraw from the Agreement at any time, before completing all the installments agreed under the Agreement. Under the terms of the option, the Company has the right to perform exploration activities on the property.

Note 7 - Accounts payable and accrued liabilities

(In thousands of US dollars)		**December 31, 2024**		December 31, 2023
Accounts payable	**$**	**1,560**	$	423
Accrued liabilities		**1,200**		653
	$	**2,760**	$	1,076

Note 8 – Shareholders' equity

a) Share capital

Authorized
The Company authorized capital includes an unlimited number of common shares having no par value. As at December 31, 2024, the Company had 101 million common shares issued and outstanding (December 31, 2023 – 93.2 million).

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 year ended December 31, 2024, the Company issued 1,000,000 common shares under the ATM program (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

The Company's incentive plan (the "Omnibus Plan") allows for the issuance of stock options and restricted share units ("RSUs"). The maximum number of common shares of the Company available for issuance under the Omnibus Plan must not exceed 10% of the Company's issued and outstanding common shares, less the number of common shares subject to grants of stock options under the Company's previous plan.

During the year ended December 31, 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%.

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

	2024		2023	
	Number of options	Weighed average exercise price (C$)	Number of options	Weighed average exercise price (C$)
Outstanding - January 1	**7,660,000**	**4.00**	7,473,977	3.87
Granted	-	-	725,000	4.00
Exercised [1]	**(480,000)**	**3.20**	(445,644)	1.57
Forfeited	**(530,000)**	**4.40**	(93,333)	5.00
Outstanding - December 31,	**6,650,000**	**4.01**	7,660,000	4.00
Exercisable - December 31,	**6,428,333**	**4.02**	7,110,000	4.01

[1] In the year ended December 31, 2024, officers and directors of the Company exercised a total of 480,000 options (2023 – 445,644 options). The exercises were paid for with $nil in cash proceeds to the Company (2023 – 0.1 million) and $0.8 million via a cashless exercise using 415,219 fully vested stock options (2023 – $0.4 million via a cashless exercise using 137,346 fully vested stock options). As a result of the options exercised, the Company issued 64,781 common shares (308,298 common shares). The weighted average share price at the date of exercise of stock options during the year ended December 31, 2024, was C$3.20 (2023 – C$1.57).

As at December 31, 2024, the following stock options were outstanding:

Number of options outstanding	Number of option vested and exercisable	Weighted average exercise price C$	Weighted average remaining life
395,000	395,000	1.25	0.30
1,575,000	1,575,000	3.20	0.73
200,000	133,333	3.40	3.84
1,020,000	1,020,000	3.69	1.98
465,000	310,000	4.00	3.38
100,000	100,000	4.39	1.80
200,000	200,000	4.60	1.23
2,695,000	2,695,000	5.00	1.35
6,650,000	**6,428,333**	**4.01**	**1.46**

During the year ended December 31, 2024, the Company recorded $4.8 million in share-based compensation (2023 - $2.1 million) associated with the vesting of granted stock options and RSUs.

e) Restricted Share Units

The Company adopted the restricted share units plan to allow the Board of Directors to grant its officers, employees, and directors non-transferable share units based on the units' fair value at the grant date. RSUs vest over three years for officers and employees and immediately for directors upon resolution approval. During the year ended December 31, 2024, the Company awarded 2.2 million RSUs (2023 - 0.3 million) to its officers and employees. The fair value of these RSUs was determined using the closing trading price on the day prior to the issuance of these RSUs.

As at December 31, 2024 and 2023, the following RSUs were outstanding:

	2024	2023
	Number of RSUs	Number of RSUs
Outstanding - January 1	**702,254**	410,554
Granted	**2,240,000**	291,700
Redeemed	**(53,334)**	-
Forfeited	**(34,999)**	-
Outstanding - December 31,	**2,853,921**	702,254
Exercisable - December 31,	**1,761,699**	618,921

f) Warrants

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.

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.

	2024			2023		
	Number of Warrants	**Weighed average exercise price (C$)**	**Weighed average remaining life (years)**	Number of Warrants	Weighed average exercise price (C$)	Weighed average remaining life (years)
Outstanding - January 1	**4,640,371**	**5.60**	**1.52**	-	-	-
Issued	**3,362,500**	**5.85**	**1.50**	4,640,371	5.60	2.00
Exercised	**-**	**-**	**-**	-	-	-
Expired	**-**	**-**	**-**	-	-	-
Outstanding - December 31	**8,002,871**	**5.71**	**0.76**	4,640,371	5.60	1.52

Note 9 - Income tax

Major items causing the Company's income tax rate to differ from the Canadian statutory rate of 27% (2023 – 27%) were as follows:

(In thousands of US dollars)	**2024**	2023
Net loss	**$ (13,752)**	$ (7,113)
Income tax recovery at statutory rates	**(3,755)**	(1,921)
Difference in foreign tax rates	**48**	-
Non-deductible expenses	**1,387**	333
Foreign exchange on deferred taxes	**696**	-
Unrecognized temporary differences	**1,509**	1,587
Unrecognized tax losses	**115**	1
Income tax expense	**$ -**	$ -

Deferred tax assets have not been recognized in respect of the following items:

(In thousands of US dollars)	**2024**	2023
Operating losses carryforward	**$ 7,871**	$ 11,726
Mineral asset tax pools	**7,669**	6,510
Provisions	**52**	135
Share issuance costs	**247**	120
	$ 15,839	$ 18,491

As at December 31, 2024, Company has non-capital losses carried forward of $29.2 million (2023 - $43.4 million) which are available to offset future years' taxable income. The following losses will expire as follows:

(In thousands of US dollars)	**Canada**	**Chile**	**Total**
2028 - 2032	$ 2,077	$ -	$ 2,077
2033 - 2037	4,349	-	4,349
2038 - 2042	10,852	-	10,852
2043 - 2047	5,425	-	5,425
Indefinite	-	6,447	6,447
	$ 22,703	$ 6,447	$ 29,150

Note 10 - Related party transactions

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

	Year ended December 31,			
(In thousands of US dollars)		**2024**		**2023**
Short-term benefits[1]	**$**	**2,612**	$	2,095
Share-based payments[2]		**3,733**		1,678
Total	**$**	**6,345**	$	3,773

[1] Includes salary, severance, 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 11 - 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 December 31, 2024 and the net loss associated with each location for the year ended December 31, 2024.

(In thousands of US dollars)	**Chile**	**Canada**		**Total**
December 31, 2024				
Current assets	3,266	22,202	**$**	**25,468**
Non-current assets	86,894	20		**86,914**
Total assets	90,160	22,222		**112,382**
Current liabilities	2,200	605		**2,805**
Non-current liabilities	-	-		**-**
Total liabilities	2,200	605		**2,805**
Net loss	(4,715)	(9,037)		**(13,752)**
	Chile	Canada		Total
December 31, 2023				
Current assets	8,546	15,120	$	23,666
Non-current assets	71,912	21		71,933
Total assets	80,458	15,141		95,599
Current liabilities	714	447		1,161
Non-current liabilities	43	-		43
Total liabilities	757	447		1,204
Net income (loss)	(2,243)	(4,870)		(7,113)

Note 12 - Financial instruments

For year ended December 31, 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. The estimated fair value of amounts receivable net of estimated ECL allowances is an estimate that involves the use of scenarios, estimates of collateral value and realization costs.

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, which are the maximum amounts exposed to credit risk. The Company deposits its cash with high credit quality

financial institutions as determined by rating agencies. As per note 5, the Company has recorded an expected credit loss on the receivable.

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 US dollars.

Total currency exposure from foreign currencies is equivalent to $1.5 million as at December 31, 2024 ($0.5 million as of December 31, 2023). Based on the net exposures as of December 31, 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 $0.1 million, respectively. The Company manages and monitors the currency risk on a regular basis.

As at December 31, 2024, the Company held its cash as follows: 86% in U.S. dollars, 10.6% in Canadian dollars and 3.4% in Chilean pesos, with 96.5% of cash held in Canadian banks and 3.5% held in Chilean banks, as at December 31, 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 receivable 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 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. The Company's accounts payable and accrued liabilities are all payable within normal trade terms which are typically up to a maximum of 30 days.

Note 13 – Capital management

The capital managed by the Company includes the components of shareholders' equity as described in the consolidated statements of shareholders' equity. The Company is not subject to externally imposed capital requirements.

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize the availability of finance to fund the growth and development of its mining properties, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and adjusts it for changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. To maintain or adjust its capital structure, the Company considers all sources of finance reasonably available to it, including but not limited to issuance of new capital, issuance of new debt and the sale of assets in whole or in part, including mineral property interests. The Company's overall strategy with respect to management of capital as December 31, 2024, remains fundamentally unchanged from the year ended December 31, 2024.