Consolidated Financial Statements

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of ATEX Resources Inc.

Opinion

We have audited the consolidated financial statements of ATEX Resources Inc. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at September 30, 2023, and the consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Other matter

The consolidated financial statements of the Company for the year ended September 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on January 25, 2023.

We have audited the restatement to the consolidated financial statements as at September 30, 2022 and 2021, and for the year ended September 30, 2022, as described in Note 3 to the consolidated financial statements. In our opinion, such restatement is appropriate and has been properly applied. We were not engaged to audit, review or apply any procedures to the consolidated financial statements (restated) as at September 30, 2022 and 2021 and for the year ended September 30, 2022 of the Company other than with respect to the restatement described above and accordingly, we do not express an opinion or any other form or assurance on the consolidated financial statements (restated) as at September 30, 2022 and 2021 and for the year ended September 30, 2022, taken as a whole.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. 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.

We have determined that there were no key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises 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 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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.

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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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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.

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 of the audit resulting in this independent auditor's report is Glen McFarland.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
January 24, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of ATEX Resources Inc. (the "Company") were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The Company's significant accounting policies are summarized in Note 3 to these consolidated financial statements.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. The Audit Committee also reviews the Company's Management's Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

January 24, 2024

(Signed) "Raymond Jannas"	*(Signed) "Sheila Magallon"*
Raymond Jannas	Sheila Magallon
Chief Executive Officer	Chief Financial Officer

ATEX Resources Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	September 30, 2023	September 30, 2022	October 1, 2021
Assets			(Note 3(a))	(Note 3(a))
Current				
Cash		13,168,474	15,622,682	166,086
Tax recoverable and other receivables		275,237	134,972	11,314
Prepaid expenses		757,160	47,181	62,216
Total current assets		14,200,871	15,804,835	239,616
Non-Current				
Restricted cash		33,520	20,000	20,000
Other investments	6	1,538,868	-	-
Property and equipment	5	1,594,132	584,145	-
Total assets		**17,367,391**	**16,408,980**	**259,616**
Liabilities				
Current				
Accounts payable and accrued liabilities		1,354,983	195,060	90,320
Current portion of lease obligation	7	46,499	-	-
Total current liabilities		1,401,482	195,060	90,320
Non-Current				
Long-term lease obligation	7	12,175	-	-
Credit facility	8	9,599,411	-	-
Total Liabilities		11,013,068	195,060	90,320
Shareholders' Equity				
Share capital	9	119,038,245	102,999,079	83,954,867
Share purchase warrants	9	9,072,501	8,107,529	2,418,528
Contributed surplus	9	3,887,537	2,031,023	666,866
Accumulated deficit		(125,643,960)	(96,923,711)	(86,870,965)
Total shareholders’ equity		6,354,323	16,213,920	169,296
Total liabilities and shareholders' equity		**17,367,391**	**16,408,980**	**259,616**

Nature of operations (Note 1)
Going concern (Note 2d)
Commitments and contingencies (Note 13)
Subsequent events (Note 16)

Signed on behalf of the Board of Directors by:

(Signed) “Robert Suttie” Director   *(Signed) “Craig Nelsen”* Director
Robert Suttie   Craig Nelsen

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

ATEX Resources Inc.
Annual Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended September 30,
(Expressed in Canadian Dollars)

	Notes	2023 $	2022 $ (Note 3(a))
Expenses:			
Exploration and evaluation expenses	6	25,712,621	8,239,256
Consulting		146,261	84,900
Salaries and management fees	10	983,291	534,368
General and administrative costs		361,311	149,743
Professional fees		134,625	70,024
Travel and shareholder relations		359,671	167,529
Stock-based compensation	9	1,970,958	1,273,928
Depreciation and amortization	5	140,670	4,134
Foreign exchange (gain)		(117,147)	(475,264)
Interest (income) expense	8	(330,589)	8,452
Interest on lease liability	7	4,637	-
Accretion	8	666,212	-
Loss before income taxes		**(30,032,521)**	**(10,057,070)**
Deferred income tax recovery	11	1,091,000	-
Net loss and comprehensive loss for the year		**(28,941,521)**	**(10,057,070)**
Basic and diluted loss per share		($0.19)	($0.11)
Weighted average number of common shares outstanding		153,650,987	95,463,898

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

ATEX Resources Inc.
Consolidated Statements of Changes in Shareholders' Equity
For the Years Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Notes	Share Capital Number of Common Shares	Share Capital Amount $	Share purchase warrants $	Contributed surplus $	Deficit $	Total $
Balance – September 30, 2021		36,675,261	86,244,896	-	8,004,920	(94,080,520)	169,296
Restatement	3a	-	(2,290,029)	2,418,528	(7,338,054)	(7,209,555)	-
Balance – October 1, 2021, restated		36,675,261	83,954,867	2,418,528	666,866	(86,870,965)	169,296
Shares issued pursuant to private placements	9b	79,813,261	14,005,854	6,923,868	-	-	20,929,722
Share issue costs	9b	-	(1,017,186)	(275,426)	-	-	(1,292,612)
Shares issued for mineral property	9b	400,000	92,521	67,479	-	-	160,000
Exercise of broker warrants	9c	1,220,000	297,148	(53,148)	-	-	244,000
Exercise of warrants	9c	15,189,623	5,169,950	(973,772)	-	-	4,196,178
Exercise of stock options	9d	860,000	495,925	-	(235,175)	-	260,750
Cancelled options		-	-	-	(4,324)	4,324	-
Stock-based compensation	9d	-	-	-	1,603,656	-	1,603,656
Net loss for the year		-	-	-	-	(10,057,070)	(10,057,070)
Balance – September 30, 2022, restated		**134,158,145**	**102,999,079**	**8,107,529**	**2,031,023**	**(96,923,711)**	**16,213,920**
Warrants issued pursuant to credit facility, net of deferred tax of $1,091,000	8	-	-	3,085,668	-	-	3,085,668
Debt financing costs	8	-	-	(60,520)	-	-	(60,520)
Shares and warrants issued for mineral property	9b	3,935,749	3,240,875	709,022	-	-	3,949,897
Exercise of warrants	9c	35,792,401	11,804,361	(2,568,275)	-	-	9,236,086
Exercise of stock options	9d	1,500,000	993,930	-	(448,230)	-	545,700
Stock-based compensation	9d	-	-	-	2,325,093	-	2,325,093
Cancelled/expired options and warrants		-	-	(200,923)	(20,349)	221,272	-
Net loss for the year		-	-	-	-	(28,941,521)	(28,941,521)
Balance – September 30, 2023		**175,386,295**	**119,038,245**	**9,072,501**	**3,887,537**	**(125,643,960)**	**6,354,323**

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

ATEX Resources Inc.
Consolidated Statements of Cash Flows
For the Years Ended September 30,
(Expressed in Canadian Dollars)

	Notes	2023 $	2022 $ (Note 3(a))
Operating Activities:			
Net loss for the year		(28,941,521)	(10,057,070)
Items not involving cash:			
Depreciation and amortization	5	140,670	4,134
Shares and warrants issued for property acquisition	9b	3,949,897	160,000
Stock-based compensation	10	2,423,214	1,603,656
Deferred income tax recovery		(1,091,000)	-
Accretion		496,497	-
Accrued interest		174,353	-
Foreign exchange		53,160	-
		(22,794,730)	(8,289,280)
Net change in non-cash working capital items:			
Tax recoverable and other receivables		(140,265)	(123,658)
Prepaid expenses		(709,979)	15,035
Accounts payable and accrued liabilities		724,524	104,740
Net cash used in operating activities		(22,920,450)	(8,293,163)
Investing Activities:			
Restricted cash		(13,520)	-
Other investments	6	(1,538,868)	-
Additions to property and equipment	5	(718,509)	(588,279)
Net cash used in investing activities		(2,270,897)	(588,279)
Financing Activities:			
Proceeds from credit facility	8	13,188,797	-
Debt financing costs	8	(192,611)	-
Proceeds from private placements	9b	-	20,929,722
Share issue costs	9b	-	(1,292,612)
Payment of lease financing		(40,833)	-
Exercise of broker warrants		-	244,000
Exercise of stock options		545,700	260,750
Exercise of warrants		9,236,086	4,196,178
Net cash provided by financing activities		22,737,139	24,338,038
Net change in cash		(2,454,208)	15,456,596
Cash – beginning of year		15,622,682	166,086
Cash – end of year		13,168,474	15,622,682
Supplemental information:			
Warrants issued for credit facility		4,176,668	
Change in accounts payable and accrued liabilities on property and equipment		337,278	

1. Corporate Information

The business activity of ATEX Resources Inc. (the "Company") is the exploration and evaluation of mineral properties in South America.

The Company was incorporated under the laws of the Province of British Columbia on January 20, 1981 and its common shares are listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "ATX".

These consolidated financial statements include the results of the Company's 100% owned subsidiaries, ATEX Chile SpA ("ATEX Chile") and ATEX Valeriano SpA ("ATEX Valeriano"), both companies incorporated in Chile. The Company's head office is located at 50 Richmond Street East, Lower Level, Toronto, Ontario, M5C 1N7 and its registered and records office is located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The Company also has a local office in Santiago, Chile.

2. Basis of Preparation

a) Statement of compliance

These consolidated financial statements are presented in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and International Financial Reporting Interpretations Committee ("**IFRIC**") interpretations as issued by the International Accounting Standards Board ("**IASB**") and have been consistently applied to all the years presented. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

b) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss, and have been prepared using the accrual basis of accounting. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. These consolidated financial statements are presented in Canadian Dollars, which is the Company's functional currency and the functional currency of the Company's subsidiaries.

The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The significant accounting policies applied in these annual consolidated financial statements are based on IFRS issued and effective for the year ended September 30, 2023.

These statements were authorized for issue by the Board of Directors on January 24, 2024.

c) Basis of Consolidation

These consolidated financial statements include all subsidiaries of the Company. Subsidiaries are entities over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

These consolidated financial statements include the accounts of the Company, ATEX Chile and ATEX Valeriano. All significant inter-company transactions and balances have been eliminated.

d) Going Concern

These consolidated financial statements have been prepared assuming the Company will continue on a going concern basis, which assumes that it will be able to meet its existing obligations and commitments and fund ongoing operations in the normal course of business for at least twelve months from September 30, 2023. The Company had not yet achieved profitable operations, has an accumulated deficit of $125,643,960 and expects to incur further losses in the development of its business. The continuing operations of the Company are dependent upon economic and market factors which involve uncertainties including the Company's ability to raise adequate equity or debt financing for continuing operations. Historically, capital requirements have been primarily funded through equity financing, and the use of credit facilities extended by its major shareholders.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts expended on exploration properties is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain financing necessary to complete development of the properties, and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken customary steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

As a result, the Company is confident that additional funding will be secured to fund planned expenditures for at least twelve months from September 30, 2023. Factors that could affect the availability of financing include the progress and results of ongoing exploration at the Valeriano Project, the state of international debt and equity markets, as may be impacted by inflation and investor perceptions and expectations with respect to the global copper, gold, and/or silver markets. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. If necessary, depending on the amount of funding raised, the Company may explore opportunities to defer the timing of certain discretionary expenditures and the Company's planned initiatives and other work programs may be postponed, or otherwise revised.

Realization values may be substantially different from carrying values as shown and accordingly these consolidated financial statements do not give effect to adjustments, if any, which would be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

3. Summary of Significant Accounting Policies

a) Changes in accounting policies

<u>Exploration and evaluation expenditures</u>
During the year ended September 30, 2023, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes expensing such costs as incurred provides more reliable and relevant financial information. The cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable and technically feasible. Previously, the Company capitalized these amounts. In effecting the change in policy, the Company determined certain amounts previously included in exploration and evaluation expenses related to property and equipment.

The consolidated financial statements for the year ended September 30, 2022 and as of October 1, 2021 have been restated to reflect adjustments made as a result of these changes in accounting policy. The accumulated effect of the change of $11,411,130 has been reflected in the ending deficit of the consolidated financial statements as at September 30, 2022.

(Expressed in Canadian Dollars)

Private placement financing

The Company has voluntarily changed its accounting policy with respect to the allocation of warrants on private placement financing of units from the residual approach to the relative value method, as estimated using the Black-Scholes Pricing model. The Company also redefined its equity reserves such that the share purchase warrant reserve is to reflect the value of outstanding warrants, and contributed surplus is to reflect the value of outstanding options. The value of exercised options and warrants is transferred to share capital on exercise. The value of expired options and warrants is transferred to deficit on expiry. As a result, as at September 30, 2022 and October 1, 2021, $5,616,576 and $2,290,029 was reclassified from share capital to share purchase warrants. Additionally, the value of expired options and warrants was reclassified to deficit, as at September 30, 2022 and October 1, 2021. A total of $4,234 and $7,209,555 was reclassified from contributed surplus to deficit.

The following is a reconciliation of the Company's consolidated financial statements as at October 1, 2021 and September 30, 2022.

Consolidated Statements of Financial Position
As at September 30, 2022

	As previously reported	Adjustment	Restated
	$	$	$
ASSETS			
Current			
Cash	15,622,682	-	15,622,682
Tax recoverable and other receivables	66,036	68,936	134,972
Prepaid expenses	47,181	-	47,181
Total current assets	15,735,899	68,936	15,804,835
Non-Current			
Restricted cash	20,000	-	20,000
Value-added tax	1,053,768	(1,053,768)	-
Property and equipment	-	584,145	584,145
Exploration and evaluation assets	11,010,443	(11,010,443)	-
Total assets	27,820,110	(11,411,130)	16,408,980
LIABILITIES			
Current			
Accounts payable and accrued liabilities	195,060	-	195,060
Total current liabilities	195,060	-	195,060
Non-Current			
Long-term lease obligation	-	-	-
Total Liabilities	195,060	-	195,060
SHAREHOLDERS' EQUITY			
Share capital	110,905,684	(7,906,605)	102,999,079
Share purchase warrants	-	8,107,529	8,107,529
Contributed surplus	9,445,826	(7,414,803)	2,031,023
Accumulated deficit	(92,726,460)	(4,197,251)	(96,923,711)
Total shareholders' equity	27,625,050	(11,411,130)	16,213,920
Total liabilities and shareholders' equity	27,820,110	(11,411,130)	16,408,980

(Expressed in Canadian Dollars)

Consolidated Statement of Financial Position
As at October 1, 2021

	As previously reported $	Adjustment $	Restated $
ASSETS			
Current			
Cash	166,086	-	166,086
Tax recoverable and other receivables	11,314	-	11,314
Prepaid expenses	62,216	-	62,216
Total current assets	239,616	-	239,616
Non-Current			
Restricted cash	20,000	-	20,000
Value-added tax	79,321	(79,321)	-
Exploration and evaluation assets	3,568,855	(3,568,855)	-
TOTAL ASSETS	3,907,792	(3,648,176)	259,616
LIABILITIES			
Current			
Accounts payable and accrued liabilities	90,320	-	90,320
Total current liabilities	90,320	-	90,320
SHAREHOLDERS' EQUITY			
Share capital	86,244,896	(2,290,029)	83,954,867
Share purchase warrants	-	2,418,528	2,418,528
Contributed surplus	8,004,920	(7,338,054)	666,866
Accumulated deficit	(90,432,344)	3,561,379	(86,870,965)
Total shareholders' equity	3,817,472	(3,648,176)	169,296
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,907,792	(3,648,176)	259,616

(Expressed in Canadian Dollars)

Consolidated Statement of Loss and Comprehensive Loss
For the year ended September 30, 2022

	As previously reported $	Adjustment $	Restated $
Expenses:			
Exploration and evaluation expenses	-	8,239,256	8,239,256
Consulting	84,900	-	84,900
Salaries and management fees	534,368	-	534,368
General and administrative costs	149,743	-	149,743
Professional fees	70,024	-	70,024
Travel and shareholder relations	167,529	-	167,529
Stock-based compensation	1,603,656	(329,728)	1,273,928
Depreciation and amortization	-	4,134	4,134
Interest expense	8,452	-	8,452
Foreign exchange gain	(475,264)	-	(475,264)
Loss and comprehensive loss before other items	**(2,143,408)**	**(7,913,662)**	**(10,057,070)**
Other items:			
Write off of exploration and evaluation assets	(150,708)	150,708	-
Net loss and comprehensive loss for the year	**(2,294,116)**	**(7,762,954)**	**(10,057,070)**
Basic and diluted loss per share	($0.02)	($0.09)	($0.11)
Weighted average number of common shares outstanding	95,463,898		95,463,898

(Expressed in Canadian Dollars)

Consolidated Statement of Cash Flows
For the year ended September 30, 2022

	As previously reported $	Adjustment $	Restated $
Operating Activities:			
Net loss for the year	(2,294,116)	(7,762,954)	(10,057,070)
Items not involving cash:			
Depreciation and amortization	-	4,134	4,134
Shares and warrants issued for property acquisition	-	160,000	160,000
Stock-based compensation	1,603,656	-	1,603,656
Write off of exploration and evaluation assets	150,708	(150,708)	-
	(539,752)	(7,749,528)	(8,289,280)
Net change in non-cash working capital items:			
Tax recoverable and other receivables	(54,722)	(68,936)	(123,658)
Prepaid expenses	15,035	-	15,035
Accounts payable and accrued liabilities	122,645	(17,905)	104,740
Net cash used in operating activities	(456,794)	(7,836,369)	(8,293,163)
Investing Activities:			
Value-added tax	(974,447)	974,447	-
Additions to property and equipment	-	(588,279)	(588,279)
Mineral property expenditures	(7,450,201)	7,450,201	-
Net cash used in investing activities	(8,424,648)	7,836,369	(588,279)
Financing Activities:			
Proceeds from private placements	20,929,722	-	20,929,722
Share issue and financing costs	(1,292,612)	-	(1,292,612)
Exercise of broker warrants	244,000	-	244,000
Exercise of stock options	260,750	-	260,750
Exercise of warrants	4,196,178	-	4,196,178
Net cash provided by financing activities	24,338,038	-	24,338,038
Net change in cash	15,456,596	-	15,456,596
Cash – beginning of year	166,086	-	166,086
Cash – end of year	15,622,682	-	15,622,682

b) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortized cost. Cash and cash equivalents consist of cash on deposit with banks and highly liquid short-term interest-bearing securities with maturities at the date of purchase of three months or less.

c) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"). A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to holds assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statement of loss and comprehensive loss. The Company's financial instruments are classified and subsequently measured as follows:

Cash	Amortized cost
Other investments	FVTPL
Other receivables	Amortized cost
Restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
RSU liability	FVTPL
Credit facility	Amortized cost

Fair value hierarchy

The Company classifies financial assets and liabilities that are recognized in the statement of financial position at fair value in a hierarchy that is based on significance of the inputs used in making the measurements. The levels in the hierarchy are:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

With the availability of quoted prices in an active market, the RSU are classified as Level 1 in the fair value hierarchy as the fair values have been determined based on inputs, including volatility factors, risk-free rate, and stock price, which can be substantially observed or corroborated in the marketplace. As at September 30, 2023 and 2022, the financial instruments measured at fair value after initial recognition include RSU liability, which is estimated using Level 1 inputs, and other investments, which are estimated using Level 3 inputs.

Other investments

Purchases and sales of investments are recognized on a trade date basis. Private investments at fair value through profit or loss are initially recognized at fair value, with changes in fair value reported in profit (loss). At each financial reporting period, the Company's management estimates the fair value of its investments based on the criteria below and reflects such valuations in the financial statements.

Transaction costs are expensed as incurred in profit (loss). The determination of fair value requires judgment and is based on market information where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such changes in valuations in the statements of (loss) income and comprehensive (loss) income.

Shares in privately-held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements. These are included in Level 3 as disclosed in note 15.

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. The Company will take into account general market conditions when valuing the privately-held investments. In the absence of occurrence of any events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

An upward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable.

Downward adjustments to carrying values are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable.

The resulting values may differ from values that would be realized had a ready market existed. The amounts at which the Company's privately-held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Impairment

The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

d) Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment charges. The cost of property and equipment comprises its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated decommissioning and restoration costs associated with the asset.

On initial acquisition, equipment is measured at cost. In subsequent periods, equipment is stated at cost less accumulated depreciation and any impairment charges. Depreciation is provided so as to write off the costs, less estimated residual values of equipment using the straight-line method over their remaining useful lives, or the remaining life of the mine if shorter:

Computer equipment	6 years
Vehicles	7 years
Exploration camp	10 years
Leasehold improvements and furniture	2-3 years

When significant parts of an asset have different useful lives, depreciation is calculated on each separate component. Each asset or component's estimated useful life has due regard to both its own physical life limitations. Estimates of remaining useful lives and residual values are reviewed at least annually. Changes in estimates are accounted for prospectively.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

e) Mineral Exploration and Evaluation Expenditures

i) Pre-Exploration Costs

Pre-exploration costs are expenditures incurred prior to the acquisition of the related mineral rights, or of an option to acquire such rights, or amounts incurred subsequent to such acquisition that are judged on a discretionary basis to be immaterial or of known limited future benefit. Such costs are expensed as incurred.

ii) Exploration and Evaluation Expenditures

Once the legal right to explore a property has been acquired, expenditures directly related to exploration and evaluation activities ("E&E"), including any acquisition costs, are recognized and expensed in the year. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on property and equipment during the exploration phase.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of:

(i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
(ii) determining the optimal methods of extraction and metallurgical and treatment processes;
(iii) studies related to surveying, transportation, and infrastructure requirements;
(iv) permitting activities; and
(v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

License costs paid in connection with a right to explore in an existing exploration area are expensed as incurred. Once the legal right to explore has been acquired, exploration and evaluation expenditure is charged to profit or loss as incurred, unless it is concluded that a future economic benefit is more likely than not to be realized.

In evaluating if expenditures meet the criteria to be capitalized, several different sources of information are utilized. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'.

f) Credit facilities

Debt is recognized initially at fair value, net of transactions costs incurred, and subsequently measured at amortized cost. Any difference between the amounts originally received and the redemption value of the debt is recognized in the consolidated statements of loss and comprehensive loss over the period to maturity using the effective interest method.

Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount.

Subsequent to initial recognition, debt is measured at amortized cost using the effective interest method, other than those required to or designated to be at FVTPL. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

g) Leases

The Company recognizes a lease liability with a corresponding right-of-use ("ROU") asset on the date at which the leased asset is available for use by the Company. The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that it would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost and decreased by lease payments made over the lease period. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the Company's estimate of any residual amount payable, or if applicable, the Company changes its assessment of whether it will exercise a purchase, extension, or termination option.

The ROU asset is depreciated using the straight-line method from the recognition date to the earlier of the end of the useful life of the asset or the end of the lease term.

Payments associated with short-term leases and leases of low-value assets are expensed as they are incurred in profit or loss. Short-term leases have a lease term of 12 months or less.

h) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share subscriptions and warrants denominated in the functional currency are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Common shares issued for non-monetary consideration are recorded at their market value based upon the trading price of the Company's common shares on the TSXV on the date of share issuance.

i) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of loss and comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, in addition to any consideration paid. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. For those options that expire the recorded value is transferred to deficit.

j) Restricted Share Units ("RSU")

RSUs are granted to directors, officers and employees under the terms of the Company's RSU Incentive Plan. Each RSU represents an entitlement to one common share of the Company, upon vesting. RSUs provide the option of being settled in cash. The fair value of RSUs granted is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in share-based payment liability. The liability is remeasured to fair value at each reporting date and, upon redemption, at the Corporation's closing share price, with any changes in the fair value recognized in the statement of loss and comprehensive loss. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of RSUs that are expected to vest based on an estimate of the forfeiture rate. Upon redemption of the RSU, if shares are issued the liability is transferred to share capital.

k) Loss Per Share

Basic loss per common share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, For the years ended September 30, 2023 and September 30, 2022, all stock options and warrants were anti-dilutive.

l) Foreign exchange translation

Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the statement of financial position date. Non-monetary items are translated into Canadian dollars at the exchange rate in effect on the respective transaction dates. Revenues and expenses are translated at average rates for the period, except for amortization, which is translated on the same basis as the related asset. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the year unless the monetary item forms part of the reporting entity's net investment in a foreign operation, in which case, exchange gains or losses are reflected in other comprehensive income.

m) Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the yearend date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

n) Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and revegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related properties. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. As of September 30, 2023 and September 30, 2022 the Company does not have any material rehabilitation or restoration obligations.

o) Segment reporting

As the Company primarily focuses its activity on the exploration and development of mineral properties, its operating and reportable segments are Valeriano Project, other exploration projects, and the Company's corporate administration function. Operating segments are components of an entity that engage in business activities from which they incur expenses and whose operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance. The Chief Executive Officer, the chief operating decision-maker for the Company, obtains and reviews operating results of each operating segment on a monthly basis.

p) New and future accounting pronouncements

Standards issued but not effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after October 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 1 – In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023. IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Judgments:

Ability to continue as a going concern: Management has made the determination that the Company will continue as a going concern for the next year.

Impairment of property and equipment: Management has made the determination that the carrying value of the Company's exploration and evaluation assets is not impaired as at September 30, 2023.

Income, value added, withholding and other taxes: The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments: Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Leases: Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimation uncertainty include estimation of the lease term, determination of an appropriate discount rate and assessment of whether a ROU asset is impaired. Such judgments, estimates and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Estimation of decommissioning and reclamation costs and the timing of expenditure: Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations, and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

Fair value of investment in securities not quoted in an active market or private company investments: Where the fair values of financial assets recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

(Expressed in Canadian Dollars)

Valuation of long-term debt: Significant judgment and estimates are required in the valuation of the long-term debt components. Management determines the discount rate used in the fair value taking into account the features of the instrument and market data on the basis of the Company's management assumptions.

5. Plant and Equipment

	Canada			Chile			
	Leasehold Improvements	**ROU assets**	**Exploration Camp**	**Construction in Progress**	**Equipment**	**Vehicles**	**Total**
Cost							
At September 30, 2021	-	-	-	-	-	-	-
Additions	-	-	-	545,681	-	42,598	588,279
At September 30, 2022	**-**	**-**	**-**	**545,681**	**-**	**42,598**	**588,279**
Additions	37,654	98,954	644,946	346,767	22,336	-	1,150,657
Transfers	-	-	545,681	(545,681)	-	-	-
At September 30, 2023	**37,654**	**98,954**	**1,190,627**	**346,767**	**22,336**	**42,598**	**1,738,336**
Accumulated depreciation and amortization							
At September 30, 2021	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	4,134	4,134
At September 30, 2022	**-**	**-**	**-**	**-**	**-**	**4,134**	**4,134**
Depreciation and amortization	5,020	39,582	91,250	-	-	4,818	140,670
At September 30, 2023	**5,020**	**39,582**	**91,250**	**-**	**-**	**8,952**	**144,804**
Net book value							
At September 30, 2022	-	-	-	545,681	-	38,464	584,145
At September 30, 2023	**32,634**	**59,372**	**1,099,377**	**346,767**	**22,336**	**33,646**	**1,594,132**

On October 25, 2022, the Company entered into an agreement for office space in Toronto through to January 15, 2025.

6. Exploration and Evaluation Expenditures

The Company's exploration properties are located in Chile in South America, and its interest in these resource properties are maintained pursuant to agreements with the titleholders or through direct ownership of mineral claims.

The Company's exploration and evaluation expenditures are as follows:

	Year ended September 30, 2023	**Year ended September 30, 2022**
Drilling	$ 9,129,967	$ 2,753,576
Acquisition costs	6,281,572	486,525
Camp costs	2,572,401	1,562,473
Value-added tax	2,369,621	905,601
Salaries, geological consultants, travel	2,242,917	618,260
Assay and analysis	1,010,507	77,901
Consultants and administrative	632,377	390,890
Core handling and storage	555,865	492,940
Community relations, environmental and permitting	435,608	178,756
Land holding and access costs	29,530	269,765
Share-based compensation	452,256	329,728
Total Valeriano Project	**25,712,621**	**8,066,415**
Other exploration projects	-	172,841
Total exploration and evaluation expenditures	**$ 25,712,621**	**$ 8,239,256**

Valeriano Project

In August 2019, the Company, through its wholly-owned Chilean subsidiary, ATEX Valeriano, entered into an option agreement with Sociedad Contractual Minera Valleno ("Valleno") to acquire up to a 100% interest in the 3,705-hectare Valeriano Project located in Region III, Chile.

As at September 30, 2023, pursuant to the option agreement, the Company has earned a 49% interest in Valeriano Project, for a total consideration of US$4.25 million paid as follows:

- US$200,000 ($265,180) upon signing;
- US$300,000 ($379,980) on January 14, 2021;
- US$250,000 ($316,000) on August 30, 2022; and
- US$3.5 million on August 28, 2023 (50% via the issuance of common shares and 50% in cash approximately $2,380,875).

In connection with earning its 49% interest in Valeriano Project, ATEX Valeriano and Valleno agreed to amend certain administrative and structural terms of the option agreement. Under the initial option agreement upon ATEX Valeriano earning the 49% interest in the Valeriano Project, the parties were required to form a new Chilean joint stock company to hold their respective interests in the Valeriano Project. This requirement has been removed by the parties from the option agreement. Pursuant to the 2023 amendment, ATEX Valeriano remains able to acquire a 100% interest in the Valeriano Project, subject to a 2.5% royalty, by:

- Paying US$8.0 million by August 29, 2025 (50% of which may be paid via the issuance of common shares, at the optionor's discretion); and

- Incurring a further US$5.0 million in exploration expenditures on the property by August 29, 2025.

If ATEX Valeriano does not exercise the option to acquire the 100% interest in the Valeriano Project, ATEX Valeriano and Valleno would then incorporate a new Chilean joint stock company owned by both parties proportionate to each party's respective property ownership interest.

The option was originally granted by the optionor to SBX Asesorías e Inversiones Limitada ("SBX"). Under a transfer and assignment agreement with SBX (the "SBX Agreement"), the Company paid US$150,000 and granted 0.25% net smelter return royalty and agreed to issue 2 million units. Each unit consists of one common share and one common share purchase warrant exercisable at a price equal to the greater of $0.40 or the minimum exercise price permitted by the TSXV for four years. As at September 30, 2023, the 2 million units had been issued as follows: on December 31, 2020 600,000 units were issued, on December 10, 2022 400,000 units were issued and 1,000,000 units were issued on August 28, 2023 (Note 8(b)).

Upon the Company earning a full 100% property interest in the Valeriano Project, ATEX Valeriano shall also grant a 2.0% and 0.25% net smelter return royalty to the optionor and SAFAX Investments Limited Partnership, an associate of SBX, respectively.

On January 23, 2023, the Company, through ATEX Valeriano, acquired a 10% interest in Valleno, the optionor of the Valeriano Project, for a purchase price of $1,538,868 (US$1,150,000). As a result of this acquisition, the Company became an owner of 10% of the outstanding shares of Valleno. The Company recognized the cost as being the fair value at the time of acquisition and it is recognized as other investments in the statement of financial position. At the end of each financial reporting period, the Company's estimates the fair value of its investment. As at September 30, 2023, there was no change in the estimated fair value based on company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies.

(Expressed in Canadian Dollars)

7. Leases

The Company recorded ROU asset in plant and equipment (Note 5) and corresponding lease liability of $98,954. The ROU asset is being amortized over the term of the lease, including the estimated extension of the lease terms. During the year ended September 30, 2023, the Company recognized amortization in the amount of $39,582 (2022 - $Nil).

The lease obligation associated with the ROU asset is summarized as follows:

	Maturity	Currency	Interest rate	September 30, 2023	September 30, 2022
Total lease obligations	2025	CAD	7.45%	$ 58,674	$ -
Less: current portion				46,499	-
Non-current portion				**$ 12,175**	**$ -**

The table below summarizes the changes in lease obligations during the year ended September 30, 2023:

	Amount
As at September 30, 2022	**$ -**
Additions	94,870
Accretion	4,637
Lease payments	(40,833)
As at September 30, 2023	**$ 58,674**

The undiscounted and discounted future lease payments are as follows:

	Year ended September 30, 2023	Year ended September 30, 2022
Within one year	$ 49,000	$ -
More than one year	12,250	-
Total undiscounted lease obligations	61,250	-
Amount representing interest	(2,576)	-
Lease obligations - discounted	$ 58,674	**$ -**

During the year ended September 30, 2023, the Company recognized total payments in the consolidated statement of cash flows in the amount of $40,833 (2022 - $Nil).

Scheduled future undiscounted lease payments, comprising principal and interest, are as follows:

	2024	2025	Total
Total payments	$ 49,000	$ 12,250	$ 61,250

(Expressed in Canadian Dollars)

8. Credit Facility

On July 11, 2023 the Company entered into a credit agreement of a US$15 million unsecured credit facility (the "Credit Facility") from a group led by existing strategic shareholders Firelight Investments LLC ("Firelight") a company controlled by a shareholder of the Company, Beedie Investments Ltd. ("Beedie") and other arm's length parties (collectively with Firelight and Beedie, the "Lenders").

The Company will have access to up to US$15 million in two tranches, US$10 million on closing (“Frist Tranche”) and following the advancement of the First Tranche, the Company may then draw an additional US$5 million in a second tranche, provided such funds are drawn at least three months prior to the maturity date. All amounts outstanding under the Facility bear interest at a rate of 6.0% per annum and all outstanding principal and accrued interest are due and payable to the Lenders on July 17, 2025. In addition, the Company may repay any principal and interest outstanding under the Credit Facility in advance without penalty.

In connection with funding of the First Tranche, the Company issued 15,000,000 non-transferable warrants to purchase an aggregate of 15,000,000 common shares of the Company to the Lenders (“Facility Warrants”), with each Facility Warrant entitling the holder to acquire one common share of the Company at an exercise price of $1.30 per Facility Warrant Share until the July 11, 2025.

Included in this arrangement is an amount of US$3,750,000 ($5,070,000) which was advanced from Firelight, and $61,674 of interest is payable to Firelight at September 30, 2023 under the terms of the credit agreement. In connection with this funding from Firelight, 5,625,000 warrants were issued.

As of September 30, 2023 the Company has drawn US$10 million under the Facility.

	Amount
Principal amount of the Credit Facility	**$ 13,188,797**
Transaction costs	(192,611)
Value allocated to the Facility Warrants	(4,116,148)
Value allocated to the Facility	8,880,038
Interest expense accrued	169,716
Accretion	496,496
Foreign exchange	53,161
As at September 30, 2023	**$ 9,599,411**

The Facility was initially recognized at $8,880,038, which represents the difference between the fair value of the financial instrument as a whole and the fair value of Facility Warrants and transaction costs. Subsequently, the debt component is recognized at amortized cost using the effective interest rate method.

Transaction costs incurred on issuance of the Credit Facility totaling $132,091 have been offset against the carrying amount of the Credit Facility and are being amortized to net income using the effective interest method, resulting in an effective interest rate of 25%, including the 6% coupon.

Proceeds from the Facility will be used to fund the exploration and development of the Company's Valeriano Copper Gold Project (including drilling, assays and working capital needs related thereto), completion of an updated resource study, and for general working capital and administrative purposes consistent with the Company's current practices.

9. Share Capital

a) Authorized

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

b) Issued and fully paid

On September 30, 2023, there were 175,386,295 common shares issued and outstanding (September 30, 2022 - 134,158,145).

On December 2, 2021, the Company issued 59,800,000 units at $0.1425 per unit for gross proceeds of $8,521,500 pursuant to a brokered private placement. The agent for the offering was Desjardins Capital Markets (the "Agent"). Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to acquire one common share for $0.22 until December 2, 2024. The Company paid the Agent a cash commission of $296,075 in respect of the private placement and paid $217,484 in other cash share issue costs. The fair value of the warrants was estimated at $3,766,841 using the Black-Scholes option pricing method, transaction costs associated with the issuance of warrants amounted $227,013.

On August 25, 2022, the Company issued 20,013,261 units at $0.62 per unit for gross proceeds of $12,408,222 pursuant to a brokered private placement. The agents for the offering were co-led by Desjardins Capital Markets and Paradigm Capital (the "Agents"). Each unit consisted of one common share and one half of one common share purchase warrant, where a full warrant is exercisable to acquire one common share at $1.00 per common share until August 25, 2025. The Company paid the Agents cash commission totaling $607,574 in respect of the private placement and paid $171,460 in other cash share issue costs. The fair value of the warrants was estimated at $3,157,027 using the Black-Scholes option pricing method, transaction costs associated with the issuance of warrants amounted $249,335. In addition, the Company issued the agents 979,958 warrants ("Broker Warrants"). Each Broker Warrant entitled the Agents to purchase one common share at an exercise price of $1.00 until August 25, 2023. These Broker Warrants were valued at $200,923 using the Black Scholes option pricing.

Pursuant to the SBX Agreement (Note 6), the Company issued:

- On December 10, 2021 400,000 units to SBX. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.40 per common share until December 31, 2024. The fair value of the warrants was estimated at $67,749 using the Black-Scholes option pricing method.
- On August 28, 2023 1,000,000 units. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.86 per common share until August 27, 2027. The fair value of the warrants was estimated at $709,022 using the Black-Scholes option pricing method.

On August 28, 2023, the Company secured a 49% interest in the Valeriano Project the Company issuing 2,935,749 common shares having a deemed aggregate value of $2,380,875 (US$ 1.75 million) determined based on an $0.81 market price representing the volume-weighted average market price of the Company's common shares for the five business days preceding payment date. Common shares issued in conjunction with the Valeriano Project are subject to a four-month hold period under applicable securities laws.

c) Share Purchase Warrants

The following table summarizes the change in the number of issued and outstanding share purchase warrants and the associated equity classified warrants during the year ended September 30, 2023:

(Expressed in Canadian Dollars)

	Warrants	Amount $	Weighted average exercise price per common share
Balance, September 30, 2021	**31,506,333**	**2,418,528**	**$ 0.30**
Issued pursuant to private placement – December 2, 2021	59,800,000	3,539,828	0.22
Issued pursuant to option agreement – December 10, 2021	400,000	67,479	0.40
Issued pursuant to private placement – August 25, 2022(1)	10,986,588	3,108,614	1.00
Issued pursuant to exercise of Broker Warrants	1,220,000	73,350	0.30
Exercised	(16,409,623)	(1,100,270)	0.29
Balance, September 30, 2022	**87,503,298**	**8,105,529**	**$ 0.32**
Facility Warrants (Note 8)	15,000,000	3,085,668	1.30
Issued pursuant to option agreement – August 28, 2023	1,000,000	709,022	0.86
Exercised	(35,792,401)	(2,568,275)	0.26
Expired	(979,958)	(200,923)	1.00
Balance, September 30, 2023	**66,730,939**	**9,072,501**	**$ 0.59**

(1) *Includes 979,958 Broker Warrants issued to the agents as part of the private placement.*

The fair value of the Company's warrants was estimated using the Black-Scholes option pricing method and Level 2 fair value inputs as follows:

Grant date	**December 2, 2021**	**December 10, 2021**	**August 25, 2022**	**August 25, 2022 (Broker Warrants)**	**August 28, 2023**
Number of warrants issued	59,800,000	400,000	10,006,630	979,958	1,000,000
Fair Value, net of transaction costs	$ 3,539,828	$ 67,479	$ 2,907,692	$ 200,923	$ 709,022
Valuation inputs:					
Expected volatility	128.41%	126.31%	130.97%	129.8%	130,87%
Risk-free interest rate	1.16%	1.24%	3.28%	3.52%	4.17%
Expected life of warrants	3 years	3 years	3 years	1 years	4 years
Dividends expected	Nil	Nil	Nil	Nil	Nil

Details of common share purchase warrants outstanding at September 30, 2023 are:

Expiry date	**Outstanding warrants**	**Carrying value**	**Remaining contractual life in years**	**Exercise price ($/share)**
April 29, 2024	3,818,717	$ 268,903	0.6	0.20
December 2, 2024	36,352,647	2,151,875	1.2	0.22
December 31, 2024	1,000,000	139,766	1.3	0.40
August 25, 2025	9,559,575	2,777,787	1.9	1.00
July 11, 2025	15,000,000	4,116,148	1.8	1.30
August 28, 2027	1,000,000	709,022	1.8	0.86
	66,730,939	**$ 10,163,501**		**0.59**

(Expressed in Canadian Dollars)

d) Share-based payments

The share-based payments recognized in these financial statements are as follows:

	September 30, 2023	September 30, 2022
Stock-option expense- general and administration	$ 1,872,837	$ 1,273,928
RSU expense	98,121	-
	1,970,958	**1,273,928**
Stock-option – exploration and evaluation	452,256	329,728
	$ 2,423,214	**$ 1,603,656**

The Company maintains a Stock option plan and a RSU plan for certain employees and officers of the Company, whereby the maximum number of common shares reserved for issue under the plans shall not exceed 10% of the outstanding common shares. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the outstanding number of common shares at the date of the grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the outstanding number of common shares at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV). Options may be granted for a maximum term of five years from the date of the grant, are non-transferable.

Stock Options

The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV). Options may be granted for a maximum term of five years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as Director or officer of the Company and, in the case of death, expire within one year.

The continuity of stock options outstanding is as follows:

	Outstanding number of stock options	Weighted average exercise price per common share
Balance, September 30, 2021	**2,985,000**	**$ 0.27**
Granted	3,555,000	0.46
Exercised	(860,000)	0.30
Cancelled	(20,000)	0.25
Balance, September 30, 2022	**5,660,000**	**$ 0.39**
Granted	4,765,926	0.67
Exercised	(1,500,000)	0.36
Cancelled	(50,000)	0.62
Balance, September 30, 2023	**8,875,926**	**$ 0.54**

During year ended September 30, 2023 and 2022, the Company granted stock options to directors, executive officers, management and consultants. Of those stock options granted 3,725,000 of those were granted to directors and executive officers. The grants and the inputs used in the determination of the fair values of the stock options using the Black-Scholes option pricing model are as follows:

(Expressed in Canadian Dollars)

Grant date	**December 16, 2021**	**June 16, 2022**	**November 2, 2022**	**January 3, 2023**	**January 25, 2023**	**September 18, 2023**	**September 28, 2023**
Number of stock options granted	2,520,000	1,035,000	2,255,000	250,000	25,000	125,000	2,110,926
Term	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Vesting	Immediate	Immediate	Immediate	Immediate	Immediate	Immediate	Immediate
Share-based compensation expense	$ 903,042	$700,614	$ 917,710	$ 162,960	$ 21,904	$ 74,912	$1,147,607
Grant date fair value per option	$ 0.36	$ 0.68	$ 0.41	$ 0.65	$ 0.88	$ 0.60	$ 0.54
Weighted average Black-Scholes option pricing model inputs:							
Exercise price per common share	$ 0.36	$ 0.72	$ 0.62	$ 0.77	$ 1.00	$ 0.77	$ 0.70
Dividends expected	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility	153.0%	144.0%	124.3%	113.1%	130.8%	112.9%	113.1%
Risk-free interest rate	1.19%	3.31%	3.48%	3.34%	2.88%	4.04%	4.30%
Expected life of options	5 years	5 years	5 years	5 years	5 years	5 years	5 years

Details of stock options outstanding at September 30, 2023:

Expiry date	**Outstanding and exercisable stock options**	**Vested stock Options**	**Remaining contractual life in years**	**Exercise price**	**Fair value**
May 8, 2024	385,000	385,000	0.6	$ 0.25	$ 0.22
June 1, 2025	40,000	40,000	1.7	0.15	0.10
June 10, 2025	250,000	250,000	1.7	0.15	0.10
January 4, 2026	800,000	800,000	2.3	0.30	0.25
January 28, 2026	100,000	100,000	2.3	0.35	0.31
December 16, 2026	1,850,000	1,850,000	3.2	0.36	0.36
June 16, 2027	1,035,000	1,035,000	3.7	0.72	0.68
November 27, 2027	1,905,000	1,905,000	4.1	0.62	0.41
January 3, 2028	250,000	250,000	4.3	0.77	0.65
January 25, 2028	25,000	25,000	4.3	1.00	0.88
September 18, 2028	125,000	125,000	5.0	0.77	0.60
September 28, 2028	2,110,926	2,110,926	5.0	0.70	0.54
	8,875,926	**8,875,926**	**3.68**	**$ 0.54**	**$ 0.44**

RSU

On April 5, 2023, the shareholders approved an RSU plan, under this plan, the participants are granted rights to receive fully paid common shares from the Company. The RSUs vest over a two-year period from the grant date. Each RSU has the same value as one ATEX common share and are expected to be settled in cash. A liability for RSUs is measured at fair value on the grant date and is subsequently adjusted for changes in fair value at each reporting date until settlement. The liability is included in accounts payable and accrued liabilities and recognized on a graded vesting basis over the vesting period, with a corresponding charge in the consolidated statement of comprehensive loss.

In connection with the approval of the RSU plan, the Company granted 601,300 RSUs to officers, employees and consultants as part of their annual performance award. 50% RSUs vest one year after the grant date and the remaining 50% vest two years after the grant date.

(Expressed in Canadian Dollars)

On April 5, 2023, the Company granted approximately 601,300 RSUs to certain officers, employees with a fair value of $1,022,210 based on the quoted price on the date of grant, which will vest over a two-year period from the grant date. Included in this grant was 425,900 RSU's issued to executive officers.

On September 28, 2023, the Company granted 642,857 RSUs to its non-executive directors with a fair value of $450,000 based on the quoted price on the date of grant, which will vest on the date of termination, provided that the non-executive director has continuously been a non-executive director for at least two years.

The changes to the number of restricted share units are:

	RSU
Balance, September 30, 2022	**-**
Granted	1,244,157
Forfeited	(8,000)
Balance, September 30, 2023	**1,236,157**

The fair value of RSUs recognized during the year ended September 30, 2023 was $98,121 (September 30, 2022 - $Nil).

10. Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel are the Chief Executive Officer, Chief Financial Officer, Senior Vice President of Exploration & Business Development and its directors and their compensation is included in the following:

	Years ended September 30,	
	2023	**2022**
Salaries and management fees	$ 875,000	$ 444,302
Directors' fees	60,000	45,000
Stock-based compensation (Note 9d)	1,673,064	1,051,183
	$ 2,608,064	**$ 1,348,818**

Amounts due to directors and officers of the Company are included in accounts payable, accrued liabilities and prepaid expenses. As at September 30, 2023, $36,201 (September 30, 2022 - $80,467) was owed to directors and officers and were paid subsequent to year-end. These amounts are unsecured, non-interest bearing. $8,760 is included in prepaid expenses (September 30, 2022 - $nil) as an advance to a director for travel expenses.

On July 1, 2023 Atex Valeriano entered into a lease office space in Santiago with a party related to the Chief Executive Officer for approximately US$1,000 per month plus applicable taxes.

See additional related party transactions in Note 8.

(Expressed in Canadian Dollars)

11. Income Taxes

Taxation in the Company and its subsidiaries' operational jurisdictions is calculated at the rate prevailing in its respective jurisdiction.

The difference between tax expense for the year and expected income taxes based on statutory tax rates arises as follows:

	Years ended September 30, 2023 $	2022 $
Loss before income taxes	$ (30,032,521)	$ (10,057,070)
Expected income tax recovery	(7,959,000)	(2,665,000)
Increase (decrease) in income tax provision resulting from:		
Share based compensation	642,000	425,000
Non-deductible expenses	(56,000)	-
Change in benefit of tax rates not recognized	6,282,000	2,589,000
Deferred tax recognized directly in equity	$ (1,091,000)	$ -

Deferred Tax Assets and Liabilities

Deferred income taxes and liabilities have been recognized in respect to the following:

	As at September 30, 2023	2022
Recognized deferred tax assets and liabilities:		
Non-capital loss carryforwards	$ 1,091,000	$ -
Credit Facility	(1,091,000)	-
Deferred income tax liability	$ -	$ -

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/(liabilities) have been recognized are attributable to the following:

	As at September 30, 2023	2022
Unrecognized deductible temporary differences:		
Non-capital loss carryforwards (Canada)	$ 13,861,000	$ 15,086,000
Share issuance costs (Canada)	1,077,000	1,264,000
Capital losses carryfowards (Canada)	25,360,000	25,360,000
Exploration and evaluation assets (Chile)	37,469,000	13,064,000
Other temporary differences	145,000	4,000
	$ 77,912,000	$ 54,778,000

As at September 30, 2023, the Company has estimated non-capital losses for Canadian tax purposes of $13,861,000 that may be carried forward to reduce taxable income derived in future years. These losses expire from 2026 to 2043.

No deferred tax asset has been recognized in respect of the following losses and temporary differences as it is not considered probable that sufficient future taxable profit will allow the deferred tax to be recovered.

12. Segmented information

The Company is principally engaged in the acquisition, exploration and development of mineral properties in South America. The information regarding property and equipment and exploration and evaluation costs presented in Notes 5 and 6, respectively, represent the manner in which management reviews its business performance, all Materially all of the Company's property and equipment and evaluation and exploration costs relate to Valeriano Project in Chile. Materially all of the Company's administrative costs are incurred by the Canadian parent, where materially all of the Company's cash is held in the normal course of business until it is required to be deployed to the Company's South American subsidiaries in support of ongoing and planned work programs.

13. Commitments and Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

During the year ended September 30, 2023, the Company entered into a contract for the exploration camp expansion with a future commitment amount of CLP 266,703,401 ($406,152).

The Company is party to certain management contracts, and is committed to minimum payments upon termination or change of control of approximately $900,000 pursuant to the terms of these contracts as of September 30, 2023. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Property option payments and royalties - see note 6.

Lease - see note 7.

14. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration of its mineral properties. Therefore, the Company monitors the level of risk incurred in its mineral property expenditures relative to its capital structure which is comprised of working capital and shareholders' equity.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity or debt if available on favourable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Company's investment policy is to hold excess cash in interest bearing bank accounts. The Company is not subject to externally imposed capital requirements.

There has been no change in the Company's approach to capital management during the years ended September 30, 2023 and 2022.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

As of September 30, 2023, the Company believes it is compliant with the policies of the TSXV.

15. Financial Instruments and Risk Management

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has implemented and monitors compliance with risk management policies as set out below.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are subject to credit risk for the Company consist primarily of cash and cash equivalents. The Company manages credit risk by investing its cash with high credit-worthy financial institutions and completing due diligence on significant counterparties that the Company has entered into contracts.

b) Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

The Company's accounts payable and accrued liabilities are generally due within 30 days and are subject to normal trade terms. Refer to Notes 7 and 8 for repayment details on the Company's lease liability and credit facility.

c) Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in commodities prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

d) Market Risk

Market risk consists of currency risk, interest rate risk and price risk related to investment. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign Currency Risk: Foreign currency risk is the risk that a variation in exchange rate between the Canadian and US dollar or other foreign currencies will affect the Company's operations and financial results. As such the Company has exposure to foreign currency exchange rate fluctuations. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign currency risks.

(Expressed in Canadian Dollars)

The Company is exposed to market risk in its other investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. For the year ended September 30, 2023, a 10% (decrease) increase in the price of other investments would result in an estimated increase (decrease) in net loss of $153,887 (2022 - $nil).

The following table reflects the Company's foreign currency exposure from US dollars and Chilean Pesos as of September 30, 2023:

	US Dollar	Chilean Peso
Financial assets:		
Cash	$ 9,839,195	$ 263,417
Other receivables	-	47,168
Financial liabilities:		
Accounts payable and accrued liabilities	(360,243)	-
Net financial assets	**$ 9,478,952**	**$ 310,585**

As at September 30, 2023, with other variables unchanged, a 10% change in the value of the Canadian dollar against the US dollar would result in an approximate $948,000 decrease or increase in loss and comprehensive loss, and 10% change in the value of the Canadian dollar against the Chilean peso would result in an approximate $31,000 decrease or increase of loss and comprehensive loss.

d) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

e) Fair value of financial instruments

The following table provides information about financial assets and liabilities measured at fair value in the consolidated statements of financial position and categorized by level according to the significance of the inputs used in making the measurements.

As at September 30, 2023	**Level 1**	**Level 2**	**Level 3**
RSU Liability	$ 98,120	$ -	$ -
Other investments	-	-	1,538,868
	$ 98,120	$ -	$ 1,538,868

As at September 30, 2022	**Level 1**	**Level 2**	**Level 3**
RSU Liability	$ -	$ -	$ -
Other investments	-	-	-
	$ -	$ -	$ -

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 as at September 30, 2023. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized and unrealized gain are recognized in the statements of loss.

(Expressed in Canadian Dollars)

Investments, fair value	**September 30, 2023**	**September 30, 2022**
Balance, beginning of year	$ -	$ -
Purchase - shares	1,538,868	-
Balance - end of year	**$ 1,538,868**	**$ -**

16. Subsequent Events

In addition to other events noted herein, the following has occurred during the period subsequent to September 30, 2023:

- Subsequent to September 30, 2023, 838,596 common share purchase warrants were exercised for proceeds of $183,158 and 65,000 stock options were exercised for proceeds of $44,300.