

**ALORO MINING CORP.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

**(Expressed in Canadian dollars)**

**(Unaudited – Prepared by Management)**

## **NOTE TO READER**

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited consolidated interim financial statements for Aloro Mining Corp. (the “Company”) have been prepared by management in accordance with International Financing Reporting Standards (“IFRS”). These condensed consolidated interim financial statements, which are the responsibility of management, are unaudited and have not been reviewed by the Company’s auditors. The Company’s Audit Committee and Board of Directors have reviewed and approved these condensed consolidated interim financial statements. In accordance with the disclosure requirements of National Instrument 51-102 released by the Canadian Securities Administrators, the Company’s independent auditors have not performed a review of these condensed consolidated interim financial statements.

**ALORO MINING CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)  
(Unaudited – Prepared by Management)  
As at

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|---|-------------------------------|------------------------------|
| <b>ASSETS</b>   |                               |                              |
| <b>CURRENT</b>  |                               |                              |
| Cash  | \$ 75,895                     | \$ 887                       |
| Other receivables (Note 5)                            | 2,040                         | 298                          |
| Assets classified as held for sale (Notes 12)         | 460,723                       | 598,322                      |
| <b>TOTAL ASSETS</b>                                   | <b>\$ 538,658</b>             | <b>\$ 599,507</b>            |
| <b>LIABILITIES</b>                                    |                               |                              |
| <b>CURRENT</b>  |                               |                              |
| Accounts payable and accrued liabilities (Note 9)     | \$ 1,963,660                  | \$ 1,734,524                 |
| Related party loans (Note 9)                          | 102,175                       | 115,375                      |
| Liabilities classified as held for sale (Notes 12)    | 9,726                         | 9,726                        |
| <b>TOTAL LIABILITIES</b>                              | <b>2,075,561</b>              | <b>1,859,625</b>             |
| <b>SHAREHOLDERS' DEFICIENCY</b>                       |                               |                              |
| Share capital (Note 7)                                | 17,479,228                    | 17,479,228                   |
| Reserves (Note 8)                                     | 2,021,137                     | 2,021,137                    |
| Deficit   | (21,037,268)                  | (20,760,483)                 |
| <b>TOTAL SHAREHOLDERS' DEFICIENCY</b>                 | <b>(1,536,903)</b>            | <b>(1,260,118)</b>           |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY</b> | <b>\$ 538,658</b>             | <b>\$ 599,507</b>            |

**Nature of operations (Note 1)**  
**Basis of Preparation and Going Concern (Note 2)**

*Approved on behalf of the Board:*

*"Thomas Doyle"*

*"Dave Cross"*

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

**ALORO MINING CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

|   | <b>Three months ended</b> |                    | <b>Nine months ended</b> |                     |
|---|---------------------------|--------------------|--------------------------|---------------------|
|   | <b>September 30,</b>      |                    | <b>September 30,</b>     |                     |
|   | <b>2025</b>               | <b>2024</b>        | <b>2025</b>              | <b>2024</b>         |
| <b>OPERATING EXPENSES</b>                                   |                           |                    |                          |                     |
| Foreign exchange loss                                       | \$ -                      | \$ -               | \$ -                     | \$ 59               |
| Interest expense  | 2,252                     | 2,363              | 7,971                    | 12,066              |
| Management and director fees (Note 9)                       | 54,000                    | 54,000             | 162,000                  | 162,000             |
| Office and general  | 4,335                     | 814                | 13,994                   | 11,582              |
| Professional fees (Note 9)                                  | 3,105                     | 24,096             | 87,101                   | 73,801              |
| Regulatory and filing                                       | -                         | -                  | 5,719                    | -                   |
| <b>NET LOSS AND COMPREHENSIVE LOSS</b>                      | <b>\$ (67,055)</b>        | <b>\$ (81,273)</b> | <b>\$ (276,785)</b>      | <b>\$ (259,508)</b> |
| <b>LOSS PER SHARE – BASIC AND DILUTED</b>                   | <b>\$ (0.00)</b>          | <b>\$ (0.00)</b>   | <b>\$ (0.00)</b>         | <b>\$ (0.00)</b>    |
| <b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b> | <b>57,729,263</b>         | <b>57,729,263</b>  | <b>57,729,263</b>        | <b>57,729,263</b>   |

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

**ALORO MINING CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY**

(Expressed in Canadian dollars)

(Unaudited - Prepared by Management)

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|                                      | <u>Share Capital</u> |               |                 |                                |                |
|--------------------------------------|----------------------|---------------|-----------------|--------------------------------|----------------|
|                                      | <b>Number</b>        | <b>Amount</b> | <b>Reserves</b> | <b>Accumulated<br/>Deficit</b> | <b>Total</b>   |
| <b>Balance at December 31, 2023</b>  | 57,729,263           | \$ 17,479,228 | \$ 2,021,137    | \$ (19,573,451)                | \$ (73,086)    |
| Net loss for the period              | -                    | -             | -               | (259,508)                      | (259,508)      |
| <b>Balance at September 30, 2024</b> | 57,729,263           | 17,479,228    | 2,021,137       | (19,832,959)                   | (332,594)      |
| Net loss for the period              | -                    | -             | -               | (927,524)                      | (927,524)      |
| <b>Balance at December 31, 2024</b>  | 57,729,263           | 17,479,228    | 2,021,137       | (20,760,483)                   | (1,260,118)    |
| Net loss for the period              | -                    | -             | -               | (276,785)                      | (276,785)      |
| <b>Balance at September 30, 2025</b> | 57,729,263           | \$ 17,479,228 | \$ 2,021,137    | \$ (21,037,268)                | \$ (1,536,903) |

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

**ALORO MINING CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)  
(Unaudited - Prepared by Management)

|   | <b>For the nine months ended</b> |                 |
|---|----------------------------------|-----------------|
|   | <b>September 30,</b>             |                 |
|   | <b>2025</b>                      | <b>2024</b>     |
| <b>OPERATING ACTIVITIES</b>                             |                                  |                 |
| Net loss  | \$ (276,785)                     | \$ (259,508)    |
| Change in non-cash working capital items:               |                                  |                 |
| Other receivables                                       | (1,742)                          | 16,011          |
| Accounts payable and accrued liabilities                | 229,136                          | 241,347         |
| Net cash used in operating activities                   | (49,391)                         | (2,150)         |
| <b>INVESTING ACTIVITIES</b>                             |                                  |                 |
| Cash received for held for sale assets                  | 137,599                          | -               |
| Net cash provided by investing activities               | 137,599                          | -               |
| <b>FINANCING ACTIVITIES</b>                             |                                  |                 |
| Proceeds from related party loans                       | -                                | 2,000           |
| Repayment of related party loans                        | (13,200)                         | (2,000)         |
| Net cash used in financing activities                   | (13,200)                         | -               |
| <b>CHANGE IN CASH</b>                                   | <b>75,008</b>                    | <b>(2,150)</b>  |
| <b>CASH, BEGINNING OF PERIOD</b>                        | <b>887</b>                       | <b>9,923</b>    |
| <b>CASH, END OF PERIOD</b>                              | <b>\$ 75,895</b>                 | <b>\$ 7,773</b> |
| <b>SUPPLEMENT DISCLOSURE WITH RESPECT TO CASH FLOWS</b> |                                  |                 |
| Cash paid for interest                                  | \$ -                             | \$ -            |

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

**ALORO MINING CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

**NOTE 1. NATURE OF OPERATIONS**

Aloro Mining Corp. (the “Company”) was incorporated on June 7, 2004 in British Columbia, and its business is the acquisition, exploration, and development of its mineral interest in Mexico. The Company is listed on the TSX Venture Exchange (the “TSX-V”) under the symbol AORO.V.

The address of the Company’s corporate office and principal place of business is #250 – 750 West Pender St. Vancouver, BC, V6C 2T7.

**NOTE 2. BASIS OF PREPARATION AND GOING CONCERN**

## a) Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 14 2025.

## b) Basis of presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed interim consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its Mexican subsidiary. The functional currency of each entity is determined using the currency of the primary economic environment in which the entity operates.

## c) Basis of consolidation

The subsidiary is consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. All intercompany balances and transactions were eliminated on consolidation.

The condensed interim consolidated financial statements include the accounts and results of operations of the Company and its wholly owned subsidiary:

| <b>Name of Subsidiary</b>        | <b>Principal Activity</b> | <b>Place of Incorporation</b> | <b>Ownership Interest</b> |
|----------------------------------|---------------------------|-------------------------------|---------------------------|
| Exploraciones Aloro S.A. de C.V. | Mineral exploration       | Mexico                        | 100%                      |

## d) Going concern

These condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. At September 30, 2025, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. 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 financing for continuing operations. Realization values may be substantially different from carrying values as shown and accordingly these financial statements do not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these condensed interim consolidated financial statements.

**NOTE 3. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements.

a) Foreign Currency Translation

The individual financial statements of each entity of the Company are prepared in the currency of the primary economic environment in which the entity operates. In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of transactions. At each reporting date, monetary items denominated in foreign currencies are reinstated at rate prevailing at the reporting date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not reinstated. Exchange differences are recognized in profit or loss in the period in which they arise.

b) Exploration and Evaluation Asset

Once the legal right to explore has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to acquisition costs. These direct expenditures include such costs as materials used, staking costs, drilling costs and payments made to contractors. Costs not directly attributable to exploration and evaluation expenditures, including general administration and overhead costs are expensed in the period in which they occur.

The Company assesses exploration and evaluation assets for impairment when the facts and circumstances suggest that the carrying amount of these assets may exceed their recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, when a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss. The recoverable amount is determined as the higher of the asset's fair value less costs to sell and value in use.

When the Company enters into an option agreement on an exploration and evaluation asset where it is the optionor, expenditure made by the optionee on its account is not reflected in the Company's financial statements. Costs previously capitalized in relation to the whole interest are attributed to the partial interest retained and any consideration received directly from the optionee is credited against costs previously capitalized. If the consideration exceeds amounts previously capitalized, any excess is recorded to profit or loss.

The Company has no operational income and any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

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'.

c) Impairment of Non-Financial Assets

Non-financial assets, including exploration and evaluation assets, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of the asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in other comprehensive loss/income.

**ALORO MINING CORP.**

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

**NOTE 3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

## d) Financial Instruments

Financial instruments are accounted for in accordance with IFRS 9, “Financial Instruments: Classification and Measurement”. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

| Financial assets/liabilities | Classification |
|------------------------------|----------------|
| Cash                         | FVTPL          |
| Accounts payable             | Amortized cost |
| Related party loans          | Amortized cost |

Measurement*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

*Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed to profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

## e) Provisions

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 period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation 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 mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

As of September 30, 2025 and December 31, 2024, the Company did not have any known rehabilitation obligations.

**ALORO MINING CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

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**NOTE 3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

f) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or 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 the tax rates and tax laws that have been enacted or substantively enacted by the year-end 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. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted and are expected to apply by the end of the reporting period. Deferred tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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 period the Company reassesses unrecognized deferred tax assets.

g) Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to calculate diluted loss per share. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised to common shares. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the “if-converted” method. Diluted amounts are not presented when the effects of the computation are anti-dilutive.

h) Share Capital

Instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of financial liability or financial asset. The Company’s common shares are classified as equity instruments. Incremental costs directly attributable to the issuance of common shares are shown in equity as a deduction, net of tax, from the proceeds.

Shares issued as consideration for goods or services provided to those other than employees or others providing similar services are measured at the fair value of the goods or services received, except when the fair value cannot be measured reliably, in which case they are measured at the fair value of the equity instrument granted.

Warrants issued by the Company typically accompany an issuance of common shares of the Company (a “Unit”) and entitle the warrant holder to exercise the warrants for a stated price and a stated number of common shares of the Company. The measurement of common shares and warrants issued as part Units is determined using the residual value approach, with the allocation of proceeds first to the shares based on the fair value of the shares on the date of issuance and the remainder to warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

**ALORO MINING CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

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**NOTE 3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

j) Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Upon exercise, equity instruments reflected in reserves is reallocated to share capital, adjusted for any consideration paid.

Where options are cancelled during the period 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.

**New accounting standards and interpretations adopted during the current period**

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The new standard on presentation and disclosure in financial statements focuses on updates to the statement of earnings (loss). The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The Company is still in the process of assessing the impact of this standard.

Other new standards and interpretations with future effective dates are either no applicable or not expected to have a significant impact on the Company's financial statements.

**NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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.

Significant judgements

The most significant judgments in applying the Company's accounting policies in these condensed interim consolidated financial statements are:

a) Determination of functional currency

The Company determines the functional currency through its analysis of several indicators such as expenses and cash flow, financing activities, and frequency of transactions with the reporting entity.

b) Going concern

The Company's assessment of its ability to continue as a going concern (Note 2) requires an assessment of events and conditions that may indicate a material uncertainty exists.

**ALORO MINING CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

**NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

## c) Existence of indicators of impairment of exploration and evaluation assets

Exploration and evaluation assets are assessed for potential impairment indicators. Significant judgment is required to determine whether any of the following facts or circumstances are present.

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered from the successful development or by sale.

## d) Classification of assets and liabilities as held for sale

Significant judgment was used to determine whether the sale of the Mexican subsidiary would happen in the short-term and was highly probable.

Significant estimates

Estimates and assumptions where there are significant risks of material adjustments to assets and liabilities in future accounting periods include:

## a) Recoverability and measurement of deferred tax assets

In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax position taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

## b) Recoverability of the carrying value of exploration and evaluation assets

Management applies significant judgement to determine at each reporting period whether there are any indicators of impairment applying to each specific property. Where an indicator exists, a formal assessment of the impairment is made. If no indicators of impairment are identified, no impairment test is performed.

**NOTE 5. OTHER RECEIVABLES**

|                      | <b>September 30, 2025</b> |              | <b>December 31, 2024</b> |            |
|----------------------|---------------------------|--------------|--------------------------|------------|
| Sales tax receivable | \$                        | 2,040        | \$                       | 298        |
| <b>Total</b>         | <b>\$</b>                 | <b>2,040</b> | <b>\$</b>                | <b>298</b> |

**ALORO MINING CORP.**

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

**NOTE 6. EXPLORATION AND EVALUATION ASSETS**

|  | <b>Los Venados</b>  |
|--|---------------------|
| <b>Exploration and evaluation costs:</b>                 |                     |
| <b>Balance, December 31, 2023</b>                        | <b>\$ 1,502,727</b> |
| Other  | 1,724               |
| Option payment received                                  | (41,298)            |
| Impairment   | (867,653)           |
| Reclassified to Held for Sale Assets (Note 12)           | (595,500)           |
| <b>Balance, September 30, 2025 and December 31, 2024</b> | <b>\$ -</b>         |

**Los Venados, Sonora, Mexico (Note 13)**

Pursuant to an Option Agreement entered into on November 28, 2016 with Minera Gavilan, S.A. de C.V. (the “Optionor”) and Almadex Minerals Limited (“Almadex”), during the year ended December 31, 2021, the Company completed the acquisition of a 100% right and title interest in the Los Venados 1 mineral concession located in Sonora State, Mexico having paid an aggregate of \$50,000, the issuance of 2,000,000 common shares and having drilled 1,000 meters as part of the minimum required project expenditures of a minimum (incurred USD\$605,000). Alamos Gold Inc (“Alamos”) also paid \$80,000 (see below). The Company’s Mexican subsidiary, Exploraciones Aloro, S.A. de C.V. (Exploraciones), transferred the claim #244241 title to Exploraciones name. The Company also acquired additional land through staking. The combined property is referred to as the Los Venados Project.

The Los Venados 1 mineral concession is subject to a 2% net smelter returns royalty (the “NSR Royalty”) with respect to production of all precious metals. The NSR Royalty will be payable following commencement of commercial production. The property is also subject to a further 2% NSR royalty to the Underlying Optionor which may be purchased for \$1,000,000.

The Company is required to make a \$500,000 bonus payment to the optionor when a National Instrument 43-101 compliant resource greater than 500,000 ounces of gold has been identified on the Los Venados 1 mineral concession.

On October 19, 2020, the Company entered into two option agreements, subsequently amended (collectively the “Farm-Out Agreement”), whereby Alamos, through its wholly-owned subsidiary, Minas de Oro Nacional, S.A. de C.V.A. (“MON”), may acquire a 70% interest in the Los Venados Project by making the following payments:

- i) USD \$50,000 (received);
- ii) USD \$125,000 on or before 1st anniversary (received);
- iii) USD \$150,000 on or before October 19, 2025 with a minimum USD \$30,000 payment per year (USD \$30,000 received during both the years ended December 31, 2022, 2023, and 2024; and
- iv) incur an aggregate of USD \$5,000,000 in exploration expenditures on or before October 19, 2025 and maintain the yearly mineral taxes.

**ALORO MINING CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

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**NOTE 6. EXPLORATION AND EVALUATION ASSET (Continued)**

In addition, prior to fiscal 2022, Alamos paid \$80,000 + VAT to the underlying optionor to match the Company's commitments (see above).

The Farm-Out Agreement is subject to a 2% net smelter return royalty in favor of the Company, of which 1% can be repurchased by MON for USD \$1,500,000.

Once Alamos has acquired 70% of the Los Venados Project, MON and Exploraciones have agreed to share additional exploration and development costs pro rata based on their interests in the project. Should either party decide not to contribute their interest will be diluted pro rata using a formula based on total expenditures.

Through the Farm-Out Agreement, MON became the operator of the Los Venados exploration and conducts the exploration programs on the Los Venados Project until a participation level is attained.

During the year ended December 31, 2024, the Company impaired the exploration and evaluation asset to the estimated recoverability of \$595,500 resulting in an impairment loss of \$867,653. The recoverable amount was determined based on the expected sales price less anticipated selling costs. The Company then reallocated the exploration and evaluation asset of \$595,500 to assets classified as held for sale (Note 12).

**NOTE 7. SHARE CAPITAL**

The Company's authorized share capital consists of an unlimited number of common shares without par value.

During the period ended September 30, 2025 and year ended December 31, 2024, the Company did not issue any common shares.

**NOTE 8. RESERVES**

Stock options

On November 20, 2006, the Company's Board of Directors approved the adoption of a "rolling" stock incentive plan (the "Plan") in accordance with the policies of the TSX-V. The Board of Directors is authorized to grant options under the Plan to directors, officers, consultants or employees to acquire up to a maximum of 10% of the issued and outstanding common shares at the time an option is granted. The exercise prices of options granted shall not be less than the Discounted Market Price, as defined in Exchange Policy 2.4, and the exercise period shall not exceed 5 years from the date the option is granted. The maximum number of options that may be granted to any one person must not exceed 5% of the common shares outstanding at the time of the grant or 2% if the recipient is a consultant or employed in an investor relations capacity.

**ALORO MINING CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

**NOTE 8. RESERVES (Continued)**Warrants

The following table summarizes the changes in warrants:

|  | Number of warrants | Weighted average<br>exercise price |
|--|--------------------|------------------------------------|
| <b>Outstanding, December 31, 2023</b>  | 2,747,000          | \$ 0.14                            |
| Expired                                | (147,000)          | 0.05                               |
| <b>Outstanding, December 31, 2024</b>  | 2,600,000          | 0.15                               |
| Expired– expired May 9, 2025           | (2,600,000)        | 0.15                               |
| <b>Outstanding, September 30, 2025</b> | -                  | \$ -                               |

**NOTE 9. RELATED PARTY TRANSACTIONS**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

Key management compensation is summarized as follows:

| <b>Nine months ended September 30,</b> | <b>2025</b> |                | <b>2024</b> |                |
|--|-------------|----------------|-------------|----------------|
| Management fees                        | \$          | 120,000        | \$          | 120,000        |
| Accounting fees                        |             | 45,000         |             | 45,000         |
| Directors' fees                        |             | 24,000         |             | 24,000         |
| <b>Total</b>                           | <b>\$</b>   | <b>189,000</b> | <b>\$</b>   | <b>189,000</b> |

During the nine months ended September 30, 2025, management fees accrued to a company controlled by the Chief Executive Officer was \$120,000 (2024 - \$120,000). Directors' fees accrued to directors was \$24,000 (2024 - \$24,000). Accounting fees of \$45,000 (2024 - \$45,000) accrued to a partnership in which the CFO has an ownership interest.

*Related party balances*

At September 30, 2025, \$1,936,615 (December 31, 2024 - \$1,718,033) was due to related parties and is included in accounts payable and accrued liabilities. The amounts are non-interest bearing, unsecured and due on demand.

At September 30, 2025, the Company had outstanding loans due to the Chief Executive Officer, former Chief Financial Officer and a Director of the Company for \$62,452, \$24,507 and \$15,215, respectively (December 31, 2024 - \$75,653, \$24,507 and \$15,215). The loans bear interest at 10% per annum, are unsecured and are due on demand. At September 30, 2025, accrued interest related to the outstanding loans was \$91,737 (December 31, 2024 - \$83,767) and was included in accounts payable and accrued liabilities.

**ALORO MINING CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine months ended September 30, 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

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**NOTE 10. FINANCIAL INSTRUMENTS**

The Company is exposed to various financial instrument risk and assessed the impact and likelihood of this exposure. These risks include market risk, credit risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

*Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of interest rate risk, foreign currency risk and commodity price risk.

a) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at September 30, 2025, the Company is not exposed to any significant interest rate risk.

b) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk as it has operations in Mexico and it incurs certain expenditures that are denominated in Mexican pesos while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The Company has net financial liabilities of approximately \$8,823 (December 31, 2024 - \$6,904) that are denominated in Mexican pesos.

If the Mexican peso had changed against the Canadian dollar by 10% at year end, the Company's net loss and comprehensive loss after taxes would change by approximately \$882 (December 31, 2024 - \$690), resulting from the translation of the Mexican peso denominated financial instruments.

b) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. The ability of the Company to explore its mineral properties and future profitability of the Company are directly related to the market price of gold and other precious metals. The Company monitors commodity prices to determine appropriate actions to be undertaken.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at September 30, 2025, the Company is not exposed to any significant credit risk.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts and is available on demand. As at September 30, 2025, the Company has not yet generated revenue to cover operating expenditures. The Company also has a significant amount of current liabilities. The Company will require additional financing to fund its on-going operations and currently has no resources from which to repay its outstanding obligations. There can be no certainty of the Company's ability to raise additional financing in a timely manner. Consequently, the Company is significantly exposed to liquidity risk. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

**NOTE 10. FINANCIAL INSTRUMENTS (Continued)**

As at September 30, 2025, the Company had cash of \$75,895 to settle current liabilities of \$2,075,561, thus will require additional financing to meet its short-term financial obligations.

*Fair value*

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Cash is measured using level 1 fair value measurement. The Company determined that the carrying value of accounts payable and related party loans approximate their fair value because of the relatively short periods to maturity of these instruments and their low credit risk.

**NOTE 11. CAPITAL DISCLOSURE**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' deficiency as capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's approach during the period ended September 30, 2025. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable.

**NOTE 12. HELD FOR SALE ASSETS AND LIABILITIES**

The Company intends to sell all of its exploration and evaluation assets (the "Disposition") within the next 12 months following December 31, 2024. The Disposition has been assessed as being highly probable. The assets and liabilities of the Mexican subsidiary and the exploration and evaluation assets meet the definition of disposal group under IFRS 5 "Non-Current Asset Held for Sale and Discontinued Operations". As at December 31, 2024, the Company classified the related assets (consisting of cash of \$2,822 and the exploration and evaluation asset of \$595,500), and liabilities (consisting of accounts payable of \$9,726) to assets and liabilities classified as held for sale. During the period ended September 30, 2025, the Company received \$137,599 towards the sale (Note 13).

**NOTE 13. SALE OF LOS VENADOS EXPLORATION PROPERTY**

On May 7, 2025, the Company entered into a mineral property purchase agreement to sell its Los Venados Property for cash payments of US\$420,000 (US\$100,000 received as a refundable deposit). If the transfer of the property is not completed on or before December 31, 2025, Alamos has the option to extend the agreement by six months or terminate the agreement in which case the company would be obligated to return the \$100,000 within five business days of receipt of the notice of termination. If the Company is unable to repay the \$100,000 in such time frame, then it has agreed to grant to Alamos a 2-per-cent net smelter return royalty over the property on customary industry terms.