



**Condensed Interim Consolidated Financial Statements
(Unaudited)**

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

Expressed in Canadian Dollars

Max Resource Corp.
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(Expressed in Canadian Dollars - Unaudited)

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

Max Resource Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2024	2023	2024	2023
		\$	\$	\$	\$
OPERATING EXPENSES					
Accretion	11	-	11,969	-	34,354
Consulting and employment costs	13	319,975	299,764	885,058	946,936
Depreciation	5,8	30,791	30,234	83,401	90,425
Foreign exchange		203,057	43,591	319,124	152,671
Management fees	13	117,000	138,000	370,500	397,000
Marketing		45,075	46,733	120,216	241,160
Office and miscellaneous	8	134,664	294,947	554,879	513,137
Professional fees		164,855	66,885	439,965	237,926
Property investigation costs	7	4,983	-	316,576	49,441
Share-based compensation	12	325,772	-	1,565,772	-
Transfer agent and filing fees (recovery)		4,457	(7,567)	21,315	23,860
Travel and related costs		104,833	135,439	356,718	394,663
		(1,455,462)	(1,059,995)	(5,033,524)	(3,081,573)
Interest income		21,785	191,198	126,129	368,952
		21,785	191,198	126,129	368,952
Loss and comprehensive loss for the period		(1,433,677)	(868,797)	(4,907,395)	(2,712,621)
Loss per share - basic and diluted		\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding		179,884,325	161,884,325	177,329,580	161,884,325

Max Resource Corp.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - Unaudited)

	Note	Share capital		Reserves			Deficit	Total
		Number of shares	Amount	Warrants	Share options	Total		
			\$	\$	\$	\$	\$	\$
Balance at December 31, 2022		161,884,325	57,566,252	1,992,609	5,266,466	7,259,075	(41,176,782)	23,648,545
Loss for the period		-	-	-	-	-	(2,712,621)	(2,712,621)
Balance at September 30, 2023		161,884,325	57,566,252	1,992,609	5,266,466	7,259,075	(43,889,403)	20,935,924
Shares issued for exploration assets	3,6,12	14,000,000	1,404,454	-	-	-	-	1,404,454
Loss for the period		-	-	-	-	-	(4,864,747)	(4,864,747)
Balance at December 31, 2023		175,884,325	58,970,706	1,992,609	5,266,466	7,259,075	(48,754,150)	17,475,631
Shares issued on vesting of PSUs	12	4,000,000	1,240,000	-	-	-	-	1,240,000
Share-based compensation		-	-	-	325,772	325,772	-	325,772
Loss for the period		-	-	-	-	-	(4,907,395)	(4,907,395)
Balance at September 30, 2024		179,884,325	60,210,706	1,992,609	5,592,238	7,584,847	(53,661,545)	14,134,008

Max Resource Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

	Nine Months Ended	
	September 30,	
	2024	2023
	\$	\$
Cash flows used in operating activities		
Loss for the period	(4,907,395)	(2,712,621)
Items not affecting cash:		
Accretion	-	34,354
Depreciation	83,401	90,425
Interest on lease liability	8,923	6,119
Share-based compensation	1,565,772	-
Unrealized (gain) loss on foreign exchange	-	(350)
Changes in non-cash working capital items:		
Receivables	19	135,817
Taxes recoverable	78,064	88,590
Prepays	(39,526)	(5,440)
Accounts payables and accrued liabilities	13,643	(26,737)
	(3,197,099)	(2,389,843)
Cash flows used in investing activities		
Exploration and evaluation asset expenditures	(3,121,731)	(4,438,897)
Advances received from exploration and evaluation asset expenditures	2,625,668	-
Purchase of equipment	(88,587)	(61,130)
	(584,650)	(4,500,027)
Cash flows from financing activities		
Repayment of loan payable	(33,762)	-
Repayment of lease liabilities	(36,585)	(41,978)
	(70,347)	(41,978)
Change in cash and cash equivalents during the period	(3,852,096)	(6,931,848)
Cash and cash equivalents, beginning of period	6,308,230	15,600,259
Cash and cash equivalents, end of period	2,456,134	8,668,411

Summary of cash and cash equivalents (Note 4)
Supplemental cash flow information (Note 15)

1. NATURE OF OPERATIONS AND GOING CONCERN

Max Resource Corp. (the “Company” or “Max Resource”) was incorporated on April 25, 1994, under the laws of the province of Alberta, Canada, and continued its jurisdiction of incorporation into British Columbia on February 5, 2019. The Company’s principal activity is the acquisition and exploration of mineral properties in South America and Canada. The Company’s shares traded on the TSX Venture Exchange (“TSX-V”) under the symbol “MXR” until March 9, 2022. On March 10, 2022, the Company shares began trading on the TSX-V under the symbol “MAX”.

The Company’s head office is located at #2710 - 200 Granville St., Vancouver, British Columbia, Canada, V6E 1S4 and its registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1B3.

On November 14, 2023, the Company executed a Share Exchange Agreement with Bay Street Mineral Corp. (“Bay Street”) whereby the Company acquired 100% of the issued and outstanding common shares of Bay Street, a company incorporated in British Columbia, Canada, that holds a 3% net smelter royalty (“NSR”) on certain mineral claims owned by the Company under its Sierra Azul Copper-Silver Project (Note 3).

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The recoverability of carrying amounts for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral properties, the ability of the Company to obtain necessary financing to complete exploration and development, achievement of future profitable production or proceeds from the disposition thereof. The Company incurred a loss of \$4,907,395 during the nine months ended September 30, 2024 and has not yet determined whether these properties contain ore reserves that are economically recoverable. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance with International Financial Reporting Standards

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounts Standards (“IAS”) 34, “Condensed Interim Financial Reporting” using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2023.

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issuance on November 30, 2024.

Max Resource Corp.
Notes to the Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars - Unaudited)
September 30, 2024 and 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. In addition, the condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow disclosure.

The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

The condensed interim consolidated financial statements include the accounts of the Company and the following wholly owned subsidiaries:

Name	Jurisdiction
Gachala Colombia Corp.	British Columbia, Canada
Gachala Colombia Corp Sucursal Colombia ("Gachala")	Colombia
MAXCO Holdings Colombia Corp. (fka PGE Americas Metals Corp.) (MAXCO)	British Columbia, Canada
Maximum Company Colombia S.A.S. ("Maximum")	Colombia
Valleduper Colombia Corp. ("Valleduper")	British Columbia, Canada
Max Resource Colombia S.A.S (fka Valleduper Colombia S.A.S.) ("MR Colombia")	Colombia
Baccancas Colombia Corp. ("Baccancas")	British Columbia, Canada
Max Resource Sierra S.A.S (fka Baccancas Colombia S.A.S.) ("MR Sierra")	Colombia
Bocono Colombia Corp. ("Bocono")	British Columbia, Canada
Max Resource Guajira S.A.S (fka Bocono Colombia Corp S.A.S.) ("MR Guajira")	Colombia
Max Resource Holding S.A.S. (fka Reposado Holding Company S.A.S.) ("MR Holding")	Colombia
TUCO Resource Corp. ("TUCO Canada")	British Columbia, Canada
TUCO Resource Corp. S.A.C ("TUCO")	Peru
Bay Street Mineral Corp. ("Bay Street")	British Columbia, Canada
Max Resource Brazil Corp. ("Max Brazil Canada")	British Columbia, Canada
Max Resource Brazil Ltda. ("MR Brazil")	Brazil

On December 19, 2023, the Company incorporated Maximum, a wholly owned subsidiary of MAXCO. On March 22, 2024, the Company incorporated MR Holding, a wholly owned subsidiary of Valleduper, Baccancas, and Bocono. On April 25, 2024, the Company incorporated Max Brazil Canada and on June 6, 2024, the Company incorporate MR Brazil, a wholly owned subsidiary of Max Brazil Canada.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Subsidiaries

Subsidiaries are all entities over which the Company has exposure to variable returns from its involvement and has the ability to use power over the investee to affect its returns. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Significant estimates and judgements made by management in the preparation of these condensed interim consolidated financial statements are outlined below.

Significant judgements

Going concern

The assessment of the Company's ability to continue as a going concern and whether there exists material uncertainties that may cast doubt involves management judgement about the Company's resources and future prospects (Note 1).

Functional currency

The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar ("CAD"); however, determination of functional currency may involve certain judgments to determine the primary economic environment which is re-evaluated for each new entity or if conditions change.

Economic recoverability and probability of future economic benefits of mineral exploration and evaluation assets

Management must use judgment when determining whether there are indicators that its mineral properties may be impaired. Indicators that are considered by management are described in the Company's accounting policy for exploration and evaluation assets.

Significant estimates

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions 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.

Valuation of right-of-use asset and lease liability

The application of IFRS 16 requires the Company to make judgments that affect the valuation of the right-of-use assets and the valuation of lease liabilities. These include: determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Use of estimates and judgements (continued)

The present value of the lease payment is determined using a discount rate representing the rate of a commercial mortgage rate, observed in the period when the lease agreement commences or is modified.

Foreign currency translation

Functional and presentation currency:

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The condensed interim consolidated financial statements are presented in Canadian dollars which is the parent company and its subsidiaries' functional and presentation currency.

Transactions and balances:

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities, expenses and other income arising from foreign currency transactions are translated at the exchange rate in effect at the date of the transaction. Exchange gains or losses arising from the translation are included in the determination of losses in the statements of loss and comprehensive loss.

Accounting standards adopted

The following new standards, amendments to standards and interpretations were adopted as of January 1, 2024:

- *Presentation of Financial Statements (Amendments to IAS 1)* – the amendments provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date. These amendments:
 - specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
 - provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
 - clarify when a liability is considered settled

The Company concludes that the effect of such amendment did not have a material impact and therefore did not record any adjustments to the condensed interim consolidated financial statements.

New accounting standards issued and not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of this amendment on its consolidated financial statements.

Max Resource Corp.
Notes to the Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars - Unaudited)
September 30, 2024 and 2023

3. ACQUISITION OF BAY STREET

On November 14, 2023 ("Closing Date"), the Company completed a Share Exchange Agreement with the shareholder of Bay Street ("Bay Street Shareholder") whereby the Company acquired 100% of the issued and outstanding common shares of Bay Street for 14,000,000 common shares of the Company with a fair value of \$1,404,454. 1,400,000 common shares issued to the Bay Street Shareholder were issued on closing with no hold period while the remaining 12,600,000 common shares issued are subject to hold periods that will release as follows: 2,100,000 common shares every six months from closing. The fair value of the shares were discounted to account for the hold period.

Based on the number of shares acquired and the Company's decision-making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition as Bay Street did not meet the definition of business. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at the Closing Date.

The total consideration paid totaled \$1,404,454 and has been allocated to the assets and liabilities acquired based on their estimated fair values on the Closing Date as follows:

	Total
	\$
Consideration:	
Shares issued	1,404,454
Total Consideration:	1,404,454
Allocated as follows:	
Cash	5,391
Taxes recoverable	5,677
Accounts payable	(163,671)
Exploration and evaluation asset	1,557,057
	1,404,454

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents on the statement of financial position usually comprise of cash at bank, held in trust, and short-term deposits which are highly liquid and readily convertible into a known amount of cash.

	September 30, 2024	December 31, 2023
	\$	\$
Cash	1,625,057	678,148
Guaranteed investment certificate	831,077	5,630,082
	2,456,134	6,308,230

Max Resource Corp.
Notes to the Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars - Unaudited)
September 30, 2024 and 2023

5. EQUIPMENT

	Computers	Equipment	Office Furniture	Vehicles	Total
	\$	\$	\$	\$	\$
Cost:					
At December 31, 2022	22,661	66,833	4,450	388,009	481,953
Additions	14,298	46,832	-	-	61,130
At December 31, 2023	36,959	113,665	4,450	388,009	543,083
Additions	40,321	2,657	2,723	42,886	88,587
At September 30, 2024	77,280	116,322	7,173	430,895	631,670
Depreciation:					
At December 31, 2022	7,616	19,549	773	54,295	82,233
Additions	13,545	18,042	735	38,801	71,123
At December 31, 2023	21,161	37,591	1,508	93,096	153,356
Additions	10,074	11,809	670	30,530	53,083
At September 30, 2024	31,235	49,400	2,178	123,626	206,439
Net book value:					
At December 31, 2023	15,798	76,074	2,942	294,913	389,727
At September 30, 2024	46,045	66,922	4,995	307,269	425,231

Max Resource Corp.**Notes to the Condensed Interim Consolidated Financial Statements****(Expressed in Canadian Dollars - Unaudited)****September 30, 2024 and 2023****6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES**

A continuity of exploration and evaluation assets is as follows:

	RT Gold Project (Peru)	Sierra Azul Copper- Silver Project (Colombia)	Florália Project (Brazil)	Total
	\$	\$	\$	\$
Balance, December 31, 2022	3,306,046	5,876,637	-	9,182,683
Property acquisition/staking costs	203,761	1,557,057	-	1,760,818
Exploration costs				
Claim fees	73,589	-	-	73,589
Equipment and supplies	7,190	293,449	-	300,639
General administration	32,486	24,915	-	57,401
Geological consulting (Note 13)	468,706	3,433,269	-	3,901,975
Permits	-	56,383	-	56,383
Rent	-	42,146	-	42,146
Salaries and wages	17,376	417,051	-	434,427
Travel	16,782	68,659	-	85,441
Subtotal	819,890	5,892,929	-	6,712,819
Write-off of exploration asset	(4,125,936)	-	-	(4,125,936)
Balance, December 31, 2023	-	11,769,566	-	11,769,566
Property acquisition/staking costs	-	-	413,070	413,070
Exploration costs				
Equipment and supplies	-	349,417	-	349,417
General administration	-	52,169	-	52,169
Geological consulting (Note 13)	-	1,077,915	383,313	1,461,228
Permits	-	11,548	-	11,548
Rent	-	244,766	-	244,766
Salaries and wages	-	464,612	-	464,612
Travel	-	116,130	-	116,130
Subtotal	-	2,316,557	769,383	3,112,940
Contributions received from optionee	-	(2,525,668)	-	(2,525,668)
Consideration received	-	(100,000)	-	(100,000)
Balance, September 30, 2024	-	11,460,455	796,383	12,256,838

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

RT Gold Property

On September 16, 2020, the Company optioned the RT Gold Property ("Property") which consists of two contiguous mineral concessions within the district of Tabaconas, Peru. On November 4, 2021, the option agreement was amended to change the dates of the payments required. In accordance with the amended option agreement, to earn a 100% interest in the property, the Company must:

- pay US\$300,000 to the vendors on execution of the agreement (paid);
- pay US\$300,000 on or before October 30, 2021 (paid);
- pay US\$150,000 on or before March 20, 2023 (paid);
- pay US\$150,000 on or before March 20, 2024;
- pay US\$300,000 on or before March 20, 2025;
- pay US\$300,000 on or before March 20, 2026;
- pay US\$3,000,000 on or before March 20, 2027.

Upon acquiring a 100% interest in the RT Gold Property, the vendors will retain a 2.5% net smelter royalty on the commercial production of the RT Gold property.

In March 2024, the Company decided that substantive expenditures for further exploration on the RT Gold Property would not be budgeted nor planned and as such, the Company wrote off the Property as at December 31, 2023. The Company subsequently terminated the option agreement.

Sierra Azul Copper-Silver Project (formerly Cesar Project)

As at September 30, 2024, the Company held 91 (December 31, 2023 – 88) initial mineral license applications within the northern Andean copper belt in northeastern Colombia. As at September 30, 2024, the Company was awarded 20 (December 31, 2023 – 20) Colombian Mining Concession contracts ("CMC Contract") for a period of 30 years, with the ability to extend for an additional 30 years, for 20 of the mineral license applications.

All costs incurred prior to receiving the CMC Contracts were expensed as they did not meet the criteria for capitalization under IFRS 6 as the Company did not yet have title to the licenses which were in the application phase with the ANM (the Colombian National Mining Agency).

On January 27, 2021, the Company signed a consulting agreement with Bay Street to help identify and acquire additional mineral claims around the Company's Sierra Azul Copper-Silver Project. Under the agreement, the consultant was paid \$320,000 upon signing of the agreement, which was included in property investigation costs when incurred, and was granted a 3% NSR on all mineral claims currently registered to MR Colombia and MR Sierra and any claims registered to these companies up until December 31, 2021. The Company had the right to purchase 100% of the NSR for US\$4,000,000 any time prior to production. As at September 30, 2024, 49 (December 31, 2023 – 49) mineral license applications had been acquired under this agreement of which 19 (December 31, 2023 – 19) had been converted into CMC contracts. In November 2023, the Company acquired 100% of the issued and outstanding common shares of Bay Street. Upon acquisition, the Company capitalized \$1,557,057 to the Sierra Azul Copper-Silver Project (Note 3).

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

Sierra Azul Copper-Silver Project (formerly Cesar Project) (continued)

On March 18, 2022, the Company entered into a Cooperation Agreement (the “Agreement”) with Endeavour Silver Corp. (“Endeavour”) to solidify the terms to cooperate in the acquisition of additional mining properties to be included in the Sierra Azul Copper-Silver Project. Under the Agreement, Endeavour will provide certain financial capabilities required of the Company by the ANM of Colombia for the benefit of securing additional mineral tenures. Endeavour will hold a 0.5% net smelter royalty on any mineral tenures acquired under this Agreement. In accordance with the Agreement, Endeavour subscribed to 6,600,000 units of the Company in March 2022 (“Endeavour Shares”), representing approximately 5% of the Company’s outstanding common shares at that time. The Endeavour Shares could not be sold, transferred or disposed of until March 28, 2024. In addition, Endeavour entered into a voting trust agreement to vote its share in favor of the Company’s management’s recommendations. In May 2024, the Company terminated the agreement with Endeavour and entered into an Amended and Restated Net Smelter Return Royalty Agreement (“Amended Agreement”). In accordance with the Amended Agreement, Endeavour is entitled to a 0.5% net smelter royalty on 47 (December 31, 2023 – 44) mineral license applications, of which none have been converted into CMC contracts.

In May 2024, the Company entered into an Earn-In Agreement (“EIA”) with Freeport-McMoRan Exploration Corporation (“Freeport”), a wholly owned-affiliate of Freeport-McMoRan Inc., relating to the Company’s Sierra Azul Copper-Silver Project.

Under the terms of the EIA, Freeport can earn a 51% interest (“First Tier Earn-In”) in the Sierra Azul Copper-Silver Project by incurring \$20,000,000 in exploration expenditures within five years of the effective date of the EIA and making the following cash payments to the Company:

- \$100,000 by June 4, 2024 (received);
- \$160,000 by May 29, 2025;
- \$160,000 by May 29, 2026;
- \$160,000 by May 29, 2027;
- \$160,000 by May 29, 2028; and
- \$160,000 by May 29, 2029;

The Company will remain the operator of Sierra Azul Copper-Silver during the initial stage.

Once Freeport has earned the First Tier Earn-In, it can earn a further 29% interest (“Second Tier Earn-In”), bringing its total interest in the project to 80%, by submitting a written election to the Company within 60 days of completing the First Earn-In (“Second Tier Earn-In Election”). Freeport can earn the Second Tier Earn-In by incurring an additional \$30,000,000 in exploration expenditures within five years of the effective date of the Second Tier Earn-In Election and making the following cash payments to the Company:

- \$150,000 within one year from the Second Tier Earn-In Election date;
- \$150,000 within two years from the Second Tier Earn-In Election date;
- \$150,000 within three years from the Second Tier Earn-In Election date;
- \$150,000 within four years from the Second Tier Earn-In Election date; and
- \$150,000 within five years from the Second Tier Earn-In Election date.

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

Florália Project

In May 2024, the Company completed its due diligence in regard to a conditional Letter of Intent (“LOI”) with Jaguar Mining Inc. (“Jaguar”), signed on April 12, 2024. In August 2024, the Company and Jaguar entered into a Definitive Mineral Right Purchase Agreement (“DMRPA”). In accordance with the DMRPA, Company can purchase 100% of the Florália Mineral Right nº 832.022/2028 (“Florália Mineral Right”) by making cash payments totaling US\$1,000,000 as follows:

- US\$100,000 non-refundable deposit (paid);
- US\$200,000 within five business days following the effective date of the DMRPA (paid);
- US\$300,000 within five business days following the date on which the Brazilian Mining Agency approves and publishes the transfer of the Mineral Permit to Max at the Official Gazette;
- US\$200,000 within five business days following the date of 6 months from the effective date of the DMRPA; and
- US\$200,000 within five business days following the date of 12 months from the effective date of the DMRPA;

7. PROPERTY INVESTIGATION COSTS

During the nine months ended September 30, 2024, \$316,576 (September 30, 2023 - \$49,441) was charged to property investigation costs in the condensed interim consolidated statement of loss and comprehensive loss in relation to several potential acquisition targets being considered in Brazil and Colombia where the Company did not proceed after the evaluation process.

8. RIGHT-OF-USE ASSET AND LEASE LIABILITY

As of February 2023, the Company leased an office space in Vancouver, Canada. In June 2023, the office lease was amended to decrease the future monthly payments from \$6,190 per month to \$4,305 per month. In April 2024, the Company terminated the June 2023 lease agreement and entered into a new lease agreement for the same office space which incurs lease payments of \$3,945 per month for a period of three years and includes a 90-day cancellation period with notice by all parties to the lease.

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8. RIGHT-OF-USE ASSET AND LEASE LIABILITY (continued)

Right-of-use assets

	\$
Cost:	
At December 31, 2022	-
Additions	106,625
Revaluation	(26,134)
At December 31, 2023	80,491
Revaluation	92,914
At September 30, 2024	173,405
Depreciation:	
At December 31, 2022	-
Additions	49,535
At December 31, 2023	49,535
Additions	30,318
At September 30, 2024	79,853
Net book value:	
At December 31, 2023	30,956
At September 30, 2024	93,552

Depreciation of right-of-use asset is calculated using the straight-line method over the remaining lease term.

Lease Liabilities

	September 30, 2024	December 31, 2023
	\$	\$
Balance, beginning of period	32,940	-
Additions	-	106,625
Revaluation	92,914	(26,134)
Lease payments	(36,585)	(54,893)
Interest expense	8,923	7,342
	98,192	32,940
Less: current portion	(34,952)	(32,940)
Balance, end of period	63,240	-

The lease liability for the June 2023 and April 2024 lease agreements was determined using a discount rate of 12% and 15%, respectively.

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8. RIGHT-OF-USE ASSET AND LEASE LIABILITY (continued)

Lease Liabilities (continued)

The minimum lease payments in respect of the lease liability and the effect of discounting are as follows:

	\$
Undiscounted minimum lease payments:	
October 1, 2024 – December 31, 2024	11,835
January 1, 2025 - December 31, 2025	47,342
January 1, 2026 - December 31, 2026	47,342
January 1, 2027 - March 31, 2027	11,836
Total	118,350
Effect of discounting	(20,158)
Total present value of lease liabilities	98,192
Less: current portion	(34,952)
Balance, end of period	63,240

9. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	September 30, 2024	December 31, 2023
	\$	\$
Trade payables (Note 13)	977,069	930,946
Accrued liabilities	142,371	244,213
Payroll liabilities	84,161	33,279
Sales taxes payable	9,689	0
	1,213,290	1,208,438

10. LOAN PAYABLE

As at September 30, 2024, the Company owed a creditor \$nil (December 31, 2023 - \$33,762) for funds advanced to cover payments made in Colombia. The loan was non-interest bearing and due on demand.

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11. LONG-TERM DEBT

The following is a continuity schedule of the carrying value of the long-term debt:

	December 31, 2023
Balance, beginning of year	293,207
Repayment	(83,562)
Gain on settlement of debt	(247,878)
Accretion	38,583
Translation adjustment	(350)
Balance, end of year	-

In October 2020, the Company agreed to cancel an agreement between Gachala and a consultant, in respect to locating prospective properties and data acquisition for the Sierra Azul Copper-Silver Project, for the Company making annual payments of US\$50,000 to the former consultant for 10 years. As at December 31, 2022, \$197,652 (US\$150,000) had been paid and expensed under exploration and evaluation expenditures. As at December 31, 2022, the consultant was no longer engaged with the Company; as such, the Company recorded the remaining net commitment of \$293,207 as a long-term debt and recorded a loss on settlement in the consolidated statement of loss and comprehensive loss. The commitment was recorded at a discount of \$180,833, which was to be amortized over the term of the agreement at an effective interest rate of 15%.

In October 2023, the Company signed a Settlement Agreement with the consultant whereby the consultant accepted US\$60,000 for the remaining US\$350,000 owed to the consultant. Upon payment of \$83,562 (US\$60,000) during the year ended December 31, 2023, the Company recorded a gain on debt settlement of \$247,878 in the consolidated statements of loss and comprehensive loss.

12. SHARE CAPITAL AND RESERVES

Authorized and issued share capital

Unlimited number of common shares without par value. At September 30, 2024, there were 179,884,325 (December 31, 2023 – 175,884,325) issued and fully paid common shares outstanding.

Shares issued

During the nine months ended September 30, 2024:

On June 24, 2024, the Company issued 4,000,000 common shares with a fair value of \$1,240,000 for 4,000,000 PSUs that had vested.

During the year ended December 31, 2023:

On November 14, 2023, the Company issued 14,000,000 common shares with a fair value of \$1,404,454 to acquire 100% of the outstanding common shares of Bay Street (Note 3).

12. SHARE CAPITAL AND RESERVES (continued)

Share options

In October 2022, the Company adopted an Omnibus Equity Incentive Compensation Plan (“Omnibus Plan”), approved by the shareholders, which succeeded the Company’s incentive stock option plan. Under the Omnibus Plan, the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company’s issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. Options granted typically vest on the grant date with the exception of options granted to persons retained to provide Investors Relations Activities whereby the options will vest ¼ every quarter from the date of grant.

The share option continuity schedule is as follows:

	Number of options	Weighted average exercise price	Weighted average share price on exercise
		\$	\$
Balance, December 31, 2022 and 2023	11,065,000	0.37	
Granted	8,100,000	0.10	
Expired / cancelled	(3,375,000)	0.78	
Balance, September 30, 2024	13,160,000	0.17	

Details of the share options outstanding and exercisable as at September 30, 2024 are as follows:

Number of options outstanding and exercisable	Exercise price	Expiry date
	\$	
300,000	0.15	January 3, 2025
1,800,000	0.21	August 24, 2025
1,090,000	0.55	April 26, 2026
1,870,000	0.24	December 20, 2026
8,100,000	0.10	July 25, 2029
13,160,000		

The weighted average life of share options outstanding at September 30, 2024 was 3.54 years.

Warrants

On March 14, 2024, the Company extended the expiry date of 14,825,000 warrants with an exercise price of \$0.36 to March 28, 2025 from March 28, 2024.

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12. SHARE CAPITAL AND RESERVES (continued)

Warrants (continued)

The warrant continuity schedule is as follows:

	Number of warrants	Weighted average exercise price
		\$
Balance, December 31, 2022	46,915,171	0.60
Expired	(31,411,467)	0.84
Balance, December 31, 2023	15,503,704	0.36
Expired	(678,704)	0.36
Balance, September 30, 2024	14,825,000	0.36

Details of the warrants outstanding as at September 30, 2024 are as follows:

Number of warrants outstanding	Exercise price	Expiry date
14,825,000	\$ 0.36	March 28, 2025
14,825,000		

The weighted average life of warrants outstanding at September 30, 2024 is 0.49 years.

Performance share units (“PSUs”)

In October 2022, the Company adopted the Omnibus Plan, approved by the shareholders, under which it was authorized to grant a maximum of 4,000,000 PSUs with each PSU convertible, on certain terms and conditions, to one common share of the Company. The exercise price and vesting terms of the PSUs granted may be determined by sole discretion of the Committee at the time of grant and/or on vesting.

In November 2022, the Company issued the maximum 4,000,000 PSUs to various directors and officers of the Company which will vest upon a change of control of the Company, which includes the sale of substantially all of the assets of the Company, but not earlier than November 17, 2023. In June 2024, the change of control condition was met upon the Company receiving the first payment under the EIA with Freeport (Note 6).

During the nine months ended September 30, 2024, the Company recognized \$1,240,000 share-based compensation expense in respect to these PSUs.

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12. SHARE CAPITAL AND RESERVES (continued)

Performance share units (“PSUs”) (continued)

The PSUs continuity schedule is as follows:

	Number of warrants
Balance, December 31, 2022	-
Granted	4,000,000
Balance, December 31, 2023	4,000,000
Vested	(4,000,000)
Balance, September 30, 2024	-

13. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at September 30, 2024, the Company owed \$37,143 (December 31, 2023 - \$103,421) to directors and officers of the Company for reimbursement of expenses, and accrued fees which are included in accounts payables and accrued liabilities.

A summary of key management personnel compensation is as follows:

	For the nine months ended September 30,	
	2024	2023
	\$	\$
Consulting	45,000	27,000
Geological consulting included in exploration and evaluation assets	166,021	-
Management fees	370,500	397,000
	581,521	424,000

14. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 is deposited with major banks and independent financial services firms in Canada, Peru, and Brazil. The Company maintains certain cash deposits with Schedule I financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk. The Company's tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

The maximum exposure to credit risk as at September 30, 2024 is the carrying value of the receivables which management has assessed the risk of loss as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and the advance of loans. The Company's access to equity financing is dependent upon market conditions and market risks. There can be no assurance of continued access to equity funding.

As at September 30, 2024, the Company had a cash and cash equivalents balance of \$2,456,134 to settle current liabilities of \$1,248,242. Liquidity risk is assessed as low but the Company will need to raise additional funds to carry on with its exploration programs.

Contractual undiscounted cash flow requirements for financial liabilities as at September 30, 2024 are as follows:

	≤1 Year	>1-5 Years	>6-10 Years	Total
	\$	\$	\$	\$
Accounts payables	1,061,230	-	-	1,061,230

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs expenditures that are denominated in United States dollars, Colombian Pesos, Peruvian Sol, and Brazilian Real while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

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14. FINANCIAL RISK AND CAPITAL MANAGEMENT (continued)

Currency risk (continued)

The following is a summary of Canadian dollar equivalent financial assets and liabilities that are denominated in United States dollars, Colombian Pesos, Peruvian Sol, or Brazilian Real:

	September 30, 2024	December 31, 2023
	\$	\$
Cash	1,403,248	11,375
Accounts payables	(311,343)	(198,261)
Loans payable	-	(33,762)
Net assets (liabilities)	1,091,905	(220,648)

Based on the above net exposures, a 10% change in the Canadian dollar exchange rate compared to with the United States dollars, Colombian Pesos, Peruvian Sol or Brazilian Real would change net loss and comprehensive loss by approximately \$109,000.

Interest rate risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank account. The income earned on the bank account is subject to the movements in interest rates. The Company has cash balances and fixed interest-bearing debt, therefore, interest rate risk is nominal.

Capital management

The Company's policy is to maintain a capital base sufficient to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

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.

The Company's financial instruments consist of cash and cash equivalents, receivables, and accounts payables, and loans payable. The fair value of receivables, accounts payables, and loans payable approximates their carrying values. Cash and cash equivalents is measured at fair value using level 1 inputs.

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15. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	For the nine months ended	
	2024	September 30, 2023
	\$	\$
Supplemental non-cash disclosures		
Shares issued for PSUs vested	1,240,000	-
Exploration and evaluation expenditures included in accounts payable	402,533	669,515
Initial recognition of right-of-use asset and lease liability	-	106,625
Revaluation of right-of-use asset and lease liability	92,914	26,134

16. COMMITMENTS

The Company has signed a consulting agreement with a consultant to help identify and acquire mineral claims in Brazil. Under the agreement, the consultant was granted a royalty of USD \$1.40 per ton of ore produced from the property on all mineral claims acquired in Brazil up until December 31, 2024, amended to December 31, 2026 on July 1, 2024.

17. CONTINGENCY

During the year ended December 31, 2019, certain Colombian employees of Noble Metals Ltd. were registered under the Company's name with the Colombian tax authorities, without the consent of the Company. The Company has hired a Colombian law firm to unwind this unauthorized registration; however, the Company may face potential claims from these employees with respect to taxes, salaries and social security. The Company intends to vigorously defend against any potential claims, which cannot be reasonably estimated at this time.

18. SEGMENTED INFORMATION

The Company and its subsidiaries are considered to be operating in one operating segment that being the exploration of resource properties. The Company's corporate offices are located in Canada and its mineral exploration activities are conducted in Colombia and Brazil. Assets by geographical region are:

	As at September 30, 2024			
	Canada	Colombia	Brazil	Total
	\$	\$	\$	\$
Equipment	51,934	326,187	47,111	425,231
Exploration assets	-	11,460,455	796,383	12,256,838
Right-of-use asset	93,552	-	-	93,552
	145,486	11,786,642	843,494	12,775,621

Max Resource Corp.**Notes to the Condensed Interim Consolidated Financial Statements****(Expressed in Canadian Dollars - Unaudited)****September 30, 2024 and 2023****18. SEGMENTED INFORMATION (continued)**

	As at December 31, 2023		
	Canada	Colombia	Total
	\$	\$	\$
Equipment	61,100	328,627	389,727
Exploration assets	-	11,769,566	11,769,566
Right-of-use asset	30,956	-	30,956
	92,056	12,098,193	12,190,249