

# **ALTIPLANO METALS INC.**

Consolidated Financial Statements

For the twelve month period ended March 31, 2025 and fifteen month period ended March 31, 2024

(Expressed in Canadian Dollars)



DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

# Independent Auditor's Report

To the Shareholders of Altiplano Metals Inc.

## Opinion

We have audited the consolidated financial statements of Altiplano Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the twelve month period ended March 31, 2025 and the fifteen month period ended March 31, 2024, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the twelve month period ended March 31, 2025 and the fifteen month period ended March 31, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

## Basis for Opinion

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

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that as at March 31, 2025, the Company's current liabilities exceeded its current assets by \$3,042,191 and it had an accumulated deficit of \$22,269,179. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key Audit Matters

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

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Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

## **Other Information**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz.



**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, BC

September 26, 2025

ALTIPLANO METALS INC.  
Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars)

| As at   | March 31<br>2025    | March 31<br>2024    |
|---|---------------------|---------------------|
| <b>Assets</b>   |                     |                     |
| Current   |                     |                     |
| Cash  | \$ 226,759          | \$ 97,374           |
| Amounts receivable (note 12)                            | 286,477             | 207,499             |
| Prepayments and deposits (note 11)                      | 87,734              | 87,816              |
| Inventory (note 10)                                     | 120,578             | -                   |
|   | <b>721,548</b>      | 392,689             |
| Equipment (note 6)                                      | 4,403,443           | 4,097,623           |
| Investments   | 313                 | 313                 |
| VAT recoverable (note 12)                               | 87,452              | 512,793             |
| Right-of-use asset (note 8)                             | 351,523             | 282,240             |
|   | <b>\$ 5,564,279</b> | <b>\$ 5,285,658</b> |
| <b>Liabilities</b>                                      |                     |                     |
| Current   |                     |                     |
| Accounts payable and accrued liabilities (note 13 & 15) | \$ 2,795,982        | \$ 1,960,581        |
| Lease liability (note 8)                                | 372,185             | 293,507             |
| Promissory notes (note 9)                               | 595,572             | 506,318             |
|   | <b>3,763,739</b>    | 2,760,406           |
| Asset retirement obligations (note 7)                   | 180,521             | 157,736             |
| Promissory notes (note 9)                               | 268,901             | 394,123             |
|   | <b>4,213,161</b>    | 3,312,265           |
| <b>Equity</b>   |                     |                     |
| Share capital (note 5)                                  | 22,124,071          | 20,873,370          |
| Share subscriptions receivable (note 5)                 | (336,500)           | -                   |
| Reserves  | 2,536,658           | 2,504,359           |
| Warrants issuable (note 9)                              | 56,794              | 56,794              |
| Accumulated other comprehensive income                  | (760,726)           | (856,055)           |
| Deficit   | (22,269,179)        | (20,605,075)        |
|   | <b>1,351,118</b>    | 1,973,393           |
|   | <b>\$ 5,564,279</b> | <b>\$ 5,285,658</b> |

Nature of operations and going concern (note 1)  
Subsequent events (note 19)

Approved by the Board of Directors  
Director (signed by) "John Williamson"

Director (signed by) "Sean Mager"

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

ALTIPLANO METALS INC.  
Consolidated Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)

| <b>For the</b>  | <b>12 months<br/>ended<br/>March 31<br/>2025</b> | <b>15 months<br/>ended<br/>March 31<br/>2024</b> |
|---|--|--|
| <b>Revenue</b>  |  |  |
| Sale of mineralized material  | <u>\$ 2,420,284</u>                              | <u>\$ 4,325,226</u>                              |
| <b>Expenses</b>   |  |  |
| Exploration and evaluation expenses (note 4)                              | (942,848)  | (1,149,322)                                      |
| Management fees (note 15)   | (251,000)  | (347,725)  |
| Operating expenses  | (2,189,383)                                      | (3,146,120)                                      |
| Office and administration (note 15)                                       | (53,396)   | (252,284)  |
| Regulatory and filing fees  | (23,941)   | (46,040)   |
| Professional fees   | (327,196)  | (297,785)  |
| Investor relations  | (109,776)  | (271,343)  |
| Share-based compensation  | (70,568)   | (351,000)  |
|   | <u>(1,547,824)</u>                               | <u>(1,536,393)</u>                               |
| <b>Other</b>  |  |  |
| Accretion expense (note 7)  | (11,779)   | (19,445)   |
| Bad debt expense  | (15,696)   | -  |
| Recovery (write-down) of loan receivable                                  | 25,000   | (25,000)   |
| Interest (expense) income   | (229,768)  | 8,760  |
| Write-down of VAT receivable  | (101,060)  | (194,575)  |
| Unrealized loss on investments  | -  | (312)  |
| Gain on disposal of fixed assets  | 11,744   | -  |
| Gain on debt forgiveness  | 90,000   | -  |
| Gain on fair value of provisional pricing                                 | 56,053   | -  |
| Gain on foreign exchange  | 59,226   | 202,933  |
|   | <u>(116,280)</u>                                 | <u>(27,639)</u>                                  |
| <b>Net loss for the period</b>  | <u>\$ (1,664,104)</u>                            | <u>\$ (1,564,032)</u>                            |
| <b>Other comprehensive loss</b>   |  |  |
| Item that may be reclassified subsequently to profit and loss:            |  |  |
| Gain (loss) on translation of foreign operations                          | <u>95,329</u>                                    | <u>(899,440)</u>                                 |
| <b>Comprehensive loss for the period</b>                                  | <u>\$ (1,568,775)</u>                            | <u>\$ (2,463,472)</u>                            |
| <b>Basic and diluted loss per common share</b>                            | <u>\$ (0.01)</u>                                 | <u>\$ (0.01)</u>                                 |
| Basic and diluted weighted average<br>number of common shares outstanding | <u>133,245,162</u>                               | <u>123,384,336</u>                               |

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

ALTIPLANO METALS INC.

Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

|                                     | Share capital       | Share<br>subscription<br>receivable | Option and<br>warrant<br>reserve | Warrants<br>issuable | AOCI                | Deficit                | Total<br>Equity     |
|-------------------------------------|---------------------|-------------------------------------|----------------------------------|----------------------|---------------------|------------------------|---------------------|
| <b>Balance at December 31, 2022</b> | <b>\$19,780,839</b> | <b>\$ -</b>                         | <b>\$ 2,122,039</b>              | <b>\$ 18,565</b>     | <b>\$ 43,385</b>    | <b>\$ (19,041,043)</b> | <b>\$ 2,923,785</b> |
| Shares issued for cash              | 1,181,000           | -                                   | -                                | -                    | -                   | -                      | 1,181,000           |
| Warrants to be issued               | -                   | -                                   | -                                | 38,229               | -                   | -                      | 38,229              |
| Share issuance costs                | (88,469)            | -                                   | 31,320                           | -                    | -                   | -                      | (57,149)            |
| Other comprehensive loss            | -                   | -                                   | -                                | -                    | (899,440)           | -                      | (899,440)           |
| Share-based payments                | -                   | -                                   | 351,000                          | -                    | -                   | -                      | 351,000             |
| Net income                          | -                   | -                                   | -                                | -                    | -                   | (1,564,032)            | (1,564,032)         |
| <b>Balance at March 31, 2024</b>    | <b>\$20,873,370</b> | <b>\$ -</b>                         | <b>\$ 2,504,359</b>              | <b>\$ 56,794</b>     | <b>\$ (856,055)</b> | <b>\$ (20,605,075)</b> | <b>\$ 1,973,393</b> |
| Shares issued for cash              | 1,114,250           | -                                   | 25,000                           | -                    | -                   | -                      | 1,139,250           |
| Shares issued for loan bonus        | 35,315              | -                                   | -                                | -                    | -                   | -                      | 35,315              |
| Share subscriptions receivable      | -                   | (336,500)                           | -                                | -                    | -                   | -                      | (336,500)           |
| Warrants exercised                  | 60,000              | -                                   | -                                | -                    | -                   | -                      | 60,000              |
| Share issuance costs                | (29,432)            | -                                   | 7,299                            | -                    | -                   | -                      | (22,133)            |
| Other comprehensive loss            | -                   | -                                   | -                                | -                    | 95,329              | -                      | 95,329              |
| Share-based payments                | 70,568              | -                                   | -                                | -                    | -                   | -                      | 70,568              |
| Net loss                            | -                   | -                                   | -                                | -                    | -                   | (1,664,104)            | (1,664,104)         |
| <b>Balance at March 31, 2025</b>    | <b>\$22,124,071</b> | <b>\$ (336,500)</b>                 | <b>\$ 2,536,658</b>              | <b>\$ 56,794</b>     | <b>\$ (760,726)</b> | <b>\$ (22,269,179)</b> | <b>\$ 1,351,118</b> |

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

ALTIPLANO METALS INC.

Notes to the Consolidated Financial Statements

For the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024

(Expressed in Canadian Dollars)

| For the                                    | 12 months ended<br>March 31<br>2025 | 15 months ended<br>March 31<br>2024 |
|--|-------------------------------------|-------------------------------------|
| <b>Operating activities</b>                |                                     |                                     |
| Net loss                                   | \$ (1,664,104)                      | \$ (1,564,032)                      |
| Items not affecting cash:                  |                                     |                                     |
| Accretion expense                          | 11,779                              | 19,445                              |
| Interest payable on promissory notes       | 89,984                              | 112,815                             |
| Depreciation                               | 586,195                             | 281,696                             |
| Unrealized loss on investments             | -                                   | 312                                 |
| VAT recoverable                            | 324,281                             | (114,150)                           |
| Share based compensation                   | 70,568                              | 351,000                             |
| Exploration and evaluation expenses        | (97,961)                            | -                                   |
| Gain on debt forgiveness                   | (90,000)                            | -                                   |
| Write-down of loan receivable              | -                                   | 25,000                              |
| Write-down of VAT recoverable              | 101,060                             | 194,575                             |
| Foreign exchange                           | (2,702)                             | -                                   |
| Changes in non-cash working capital:       |                                     |                                     |
| Accounts receivable and prepaids           | (66,135)                            | 237,502                             |
| Accounts payable and accrued liabilities   | 807,107                             | (203,203)                           |
| Increase in inventory                      | (120,578)                           | -                                   |
| Cash provided by operating activities      | <u>50,506</u>                       | <u>(659,040)</u>                    |
| <b>Investing activities</b>                |                                     |                                     |
| Purchase of property, plant & equipment    | (520,394)                           | (1,063,514)                         |
| Cash used in investing activities          | <u>(520,394)</u>                    | <u>(1,063,514)</u>                  |
| <b>Financing activities</b>                |                                     |                                     |
| Promissory notes received                  | 507,430                             | 1,022,114                           |
| Repayment of promissory notes and interest | (644,818)                           | (393,457)                           |
| Proceeds from private placements           | 838,065                             | 1,181,000                           |
| Cash share issuance costs                  | (22,133)                            | (57,149)                            |
| Proceeds from exercise of warrants         | 60,000                              | -                                   |
| Repayment of lease liability               | (39,636)                            | (50,158)                            |
| Cash provided by financing activities      | <u>698,908</u>                      | <u>1,702,350</u>                    |
| Foreign exchange effect on cash            | 1,377                               | (1,180)                             |
| <b>Net increase in cash</b>                | <b>129,385</b>                      | <b>(21,384)</b>                     |
| Cash, beginning                            | <u>97,374</u>                       | <u>118,758</u>                      |
| <b>Cash, ending</b>                        | <b>\$ 226,759</b>                   | <b>\$ 97,374</b>                    |

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

# ALTIPLANO METALS INC.

## Notes to the Consolidated Financial Statements

For the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024

(Expressed in Canadian Dollars)

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### 1. Nature of operations and going concern

Altiplano Metals Inc. (“Altiplano” or the “Company”) was incorporated under the Business Corporations Act (Alberta) on March 5, 2010. On November 10, 2010, the Company was continued into the Province of British Columbia under the *Business Corporations Act* (British Columbia). The Company’s common shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the trading symbol “APN”, on the OTC Pink Venture Market under the trading symbol “ALTPF”, and on the Frankfurt Stock Exchange under the trading symbol “9AJ1”. The Company’s head office is at Suite 300, 250 Southridge NW, Edmonton, Alberta, T6H 4M9. The Company’s registered records office is at 3200 Vancouver Centre, 650 West Georgia Street, Vancouver, BC V6B 4P7.

The Company is focused on evaluating and acquiring exploration projects with significant potential and operating its processing of copper and iron through its plant located in Chile.

While these consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations for the foreseeable future, there are material uncertainties related to certain adverse conditions and events that may cast significant doubt on the validity of this assumption. As at March 31, 2025, the Company’s current liabilities exceeded its current assets by \$3,042,191 and it had an accumulated deficit of \$ 22,269,179. The Company is dependent upon obtaining additional equity or debt financing to fund any operating expenditures or acquisition opportunities in order to continue as a going concern.

On February 8, 2024, Altiplano changed its fiscal year end from December 31 to March 31. With this year-end change, the Company reported a one-time transactional period for the fifteen months ended March 31, 2024.

### 2. Basis of presentation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial reporting Issues Committee (“IFRIC”).

These consolidated financial statements were authorized for issue by the Board of Directors of the Company on September 26, 2025.

These consolidated financial statements include the accounts of the Company, and its wholly owned subsidiaries Altiplano Minerals Chile SPA, and SCM Comet Exploration Chile. All intercompany transactions and balances have been eliminated.

| <b>Name of Subsidiary</b>    | <b>Place of Incorporation</b> | <b>Proportion of Ownership Interest</b> | <b>Principal Activity</b>        |
|------------------------------|-------------------------------|---|----------------------------------|
| Altiplano Metals Chile SPA   | Chile                         | 100%                                    | Holding company                  |
| Altiplano Minerals Chile SPA | Chile                         | 100%                                    | Holding company                  |
| SCM Comet Exploration Chile  | Chile                         | 100%                                    | Holds mineral interests in Chile |
| Andes Metals Chile SPA       | Chile                         | 100%                                    | Holds mineral interests in Chile |

These consolidated financial statements are prepared using the functional currency of the Company and each of its subsidiaries. Functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Altiplano is the Canadian Dollar and the functional currency of its wholly owned subsidiaries is the Chilean Peso. The Canadian dollar is the presentation currency of the Company unless otherwise noted.

## ALTIPLANO METALS INC.

### Notes to the Consolidated Financial Statements

For the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024

(Expressed in Canadian Dollars)

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These consolidated financial statements have been prepared on a historical cost basis, unless otherwise noted. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### 3. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

#### a) Significant management estimates and judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the amounts reported and disclosed in its financial statements and related notes. Those include estimates that, by their nature, are uncertain and actual results could differ materially from those estimates. The impacts of such estimates may require accounting adjustments based on future results. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The areas which require management to make significant estimates, judgments and assumptions in determining carrying values include:

##### *Estimates and assumptions*

##### Inventory

In calculating final inventory values, management is required to estimate the cost of its inventory and compares the inventory cost to estimated net realizable value. The Company must determine if the cost of any inventory exceeds its net realizable value.

##### Share-based compensation and non-cash share issuance costs

The Company measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

The fair values of share-based compensation and non-cash share issuance costs relating to the issuance of agents' warrants and stock options are determined using the Black-Scholes Option Pricing Model based on estimated fair values at the date of grant. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility and expected life of the equity instruments. Changes in these assumptions can significantly affect the fair value estimates.

##### Impairment of non-current assets

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. Judgment is required to determine if indicators of impairment exist. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operation results. In addition, when determining the applicable discount rate, estimation is involved in determining the appropriate adjustments to market risk and asset-specific risk factors. These assumptions relate to future events

ALTIPLANO METALS INC.

Notes to the Consolidated Financial Statements

For the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024

(Expressed in Canadian Dollars)

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and circumstances. Actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

*Judgments*

Asset retirement obligations

The fair value of a liability for an asset retirement or environmental obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement or environmental obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement or environmental cost is charged to operations using a systematic and rational method and the resulting liability is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow.

Determination of functional currency

The determination of functional currency for each company requires an analysis of various indicators which IFRS splits between primary and additional indicators. The primary factors include analyzing (a) the currency that mainly influences sales prices for goods and services, (b) the currency of the country whose competitive forces and regulations mainly determine the sales price of its goods or services. There is judgement in determining whether the functional currency is Chilean Pesos or Canadian Dollars.

The additional factors for consideration under IFRS which include examining (a) the currency of the financing activities, (b) the currency in which the receipts from operating activities are usually retained, (c) whether the activities of foreign operations are carried out as an extension of the Company or operate with a large degree of autonomy, (d) whether the transactions between the entities is a high or low proportion of the foreign operation's activities, (e) whether cash flows from activities of a foreign operation directly affect the cash flows of the Company and (f) whether cash flows from the activities of the foreign operation are sufficient to service existing and normally expected debt obligations.

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets and expenditures requires judgement to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, and to determine whether indicators of impairment exist including factors such as, the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and evaluation of the results of exploration and evaluation activities up to the reporting date.

The application of the Company's accounting policy for mineral property development costs require judgement to determine when technical feasibility and commercial viability are demonstratable.

b) Cash

Cash is comprised of cash on hand and cash on deposit with the Company's financial institution on which it earns variable amounts of interest.

c) Revenue recognition

Revenue consists of proceeds received or expected to be received from the Company's sale of mineral material. Revenue is recognized when title to the material passes to the buyer and when collectability is reasonably assured. Title passes to the buyer based on terms of the sales contract, usually upon delivery of the product to the buyer.

## ALTIPLANO METALS INC.

### Notes to the Consolidated Financial Statements

For the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024

(Expressed in Canadian Dollars)

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Product pricing is determined under the sale agreement which are referenced against active and freely traded commodity markets.

Certain sales of mineral material are provisionally priced, with the selling price subject to final adjustment at the end of a quotation period, in accordance with the terms of the sale. The quotation period is normally within 90 days after shipment to the customer, and final pricing is based on a reference price established at the end of the quotation period. Payment terms are typically 30 days from the date of invoice.

Revenue from provisionally priced sales is initially recorded at the estimated fair value of the consideration that is expected to be ultimately received based on forecast reference prices. At each reporting date, all outstanding receivables originating from provisionally priced sales are revalued based on forecast reference prices at that time. The adjustment to trade accounts receivable, net, is recorded as an adjustment to revenue.

In addition to the sale of mineral material, the Company also provides services relating to mining activities to customers. Revenue is recognized when the service is performed and when collectability is reasonably assured. The price of the services is determined based on the terms of the service contract.

#### d) Inventory

Inventory consist of mineral inventories, including stockpiled ore, copper concentrate, Iron concentrate inventory and supplies. Inventory is valued at the lower of weighted average cost and estimated net realizable value. Cost includes all direct costs incurred in production including direct labour and materials, freight, depreciation and amortization and directly attributable overhead costs. Net realizable value is calculated as the estimated price at the time of sale based on prevailing and future metal prices less estimated future production costs to convert the inventories into saleable form. Any write-downs of inventory to net realizable value are recorded as cost of sales.

If there is a subsequent increase in the value of inventories, the previous write-downs to net realizable value are reversed to the extent that the related inventory has not been sold. Stockpiled ore inventory represents unprocessed ore that has been extracted from mine development. Copper concentrate inventory is saleable copper that has been processed from stockpiled ore. Iron concentrate inventory is saleable iron that has been derived from ore tailings. Costs added to stockpiled ore inventory are valued based on current cost per ounce incurred up to the point of stockpiling the ore and are removed at the weighted average cost per ounce. Stockpiled ore tonnage and head grades are verified by periodic surveys and physical counts.

Presented in operating expenses includes, mining contractor cost, direct labour costs, depletion and depreciation for processing facilities and applicable production overheads, based on normal operating capacity.

#### e) Financial instruments

The classification of a financial asset or liability is determined at the time of initial recognition. The Company has not entered into derivative contracts.

##### Financial assets

A financial asset is recognized when the Company has the contractual right to collect future cash flows. Financial assets are recognized at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or amortized cost.

Cash is recognized at fair value.

## ALTIPLANO METALS INC.

### Notes to the Consolidated Financial Statements

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Amounts receivable are recognized at their fair value, less transaction costs and subsequently carried at amortized cost using the effective interest method less impairment losses.

Provisional invoice assets are recognized at their fair value with subsequent fair value changes recognized through profit or loss.

Equity investments are initially recognized at their fair value. Changes in the fair value of equity investments are recognized in comprehensive income (loss) in the period in which they occur.

Interest income is recognized by applying the effective interest rate except for short-term receivables when the recognition of interest would be immaterial.

#### Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

#### Impairment of financial assets at amortized cost

The impairment model under IFRS 9, the expected loss model, applies to financial assets measured at amortized cost including trade receivables. Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and forecasts that affect the expected collectability of future cash flows of the instrument.

In applying this forward-looking approach, the Company separates instruments into the below categories:

1. financial instruments that have not deteriorated significantly since initial recognition or that have low credit risk.
2. financial instruments that have deteriorated significantly since initial recognition and whose credit loss is not low.
3. financial instruments that have objective evidence of impairment at the reporting date.

12-month expected credit losses are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

#### Trade receivables

The Company makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. To calculate, the Company uses historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis when they possess shared credit risk characteristics and days past due.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

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Financial assets, other than those at FVTPL and amortized cost, are assessed for indicators of impairment at each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

#### De-recognition of financial assets

A financial asset is derecognized when the contractual right to the asset's cash flows expire or the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

#### Financial liabilities:

A financial liability is recognized when the Company has the contractual obligation to pay future cash flows and is derecognized when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Financial liabilities such as accounts payable and accrued liabilities, payroll liabilities and promissory notes are recognized at amortized cost using the effective interest rate method.

#### f) Compound Instruments

Compound financial instruments that contain multiple instruments which meet the fixed-for-fixed criteria (fixed consideration received and fixed number of shares issue upon conversion) are separated into their liability and equity components on the consolidation statements of financial position. The liability component is initially recognized at fair value, calculated as the net present value of the liability based upon debt without multiple components issued by comparable issuers and accounting for at amortized cost using the effective interest rate method. The effective interest rate used is the estimated rate of debt with similar terms in the time of issue. The fair value of the equity component is determined at the time of issue as the difference between the face value of the debt and the fair value of the liability component.

Transaction costs that are directly attributed to the issuance of the instruments are recorded against equity and debt components on a pro-rata basis. Transaction costs allocated to the liability component are accreted over the term of the instrument using the effective interest rate method.

#### g) Foreign and functional currency

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in the consolidated statement of loss and comprehensive loss in the period in which they arise.

Assets and liabilities of foreign operations are translated from its functional currency to the presentation currency at the exchange rate at the reporting date. Income and expenses of foreign operations are translated at exchange

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rates at the dates of the relevant transactions, with average exchange rates used when appropriate. Foreign currency differences arising from translation are recognized in other comprehensive income (loss).

h) Equipment

Equipment is recorded at historical cost less accumulated depreciation and impairment losses.

The cost of an equipment includes the purchase price or construction cost, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and for qualifying assets, the associated borrowing costs. Costs incurred for major overhaul of existing equipment and sustaining capital are capitalized as equipment and are subject to depreciation once they are available for use. Major overhauls include improvement programs that increase the productivity or extend the useful life of an asset beyond that initially envisaged. The costs of routine maintenance and repairs that do not constitute improvement programs are accounted for as a repairs and maintenance.

The carrying amounts of equipment are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned. Depreciation starts on the date when commissioning is complete, and the asset is ready for its intended use. The major categories of equipment are depreciated at the following useful lives:

|                        |            |
|------------------------|------------|
| Mine plant             | 7-10 years |
| Computer hardware      | 3-6 years  |
| Furniture and fixtures | 3-10 years |
| Machinery equipment    | 3-15 years |

i) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for indicators of impairment at the end of each reporting period. If there are indicators of impairment, an evaluation is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. An asset's recoverable amount is determined as the higher of its fair value less costs to sell and its value-in-use. Such reviews are undertaken on an asset-by-asset basis, except where assets do not generate cash flows independent of other assets, in which case the assets are grouped together into the smallest group of assets that generate independent cash inflows and then a review is undertaken at the cash-generating unit level.

If the carrying amount of an individual asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recorded profit or loss to reflect the asset at the lower amount. In assessing the value-in use, the relevant future cash flows expected to arise from the continuing use of such assets and from their disposal are discounted to their present value using a pre-tax discount rate which reflects the current market's assessments of the time value of money and asset-specific risks for which the cash flow estimates have not been adjusted. Fair value less costs to sell is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

A reversal of a previously recognized impairment loss is recorded in profit or loss when events or circumstances indicate that the estimates used to determine the recoverable amount have changed since the prior impairment loss was recognized. The carrying amount is increased to the recoverable amount but not beyond the carrying amount net of amortization which would have arisen if the prior impairment loss had not been recognized. After such a reversal, the amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

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j) Income taxes

Income tax expense or recovery is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss.

Current 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 taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the reporting 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 and loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to the 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. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that the future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

k) Exploration and evaluation assets

Mineral property acquisition and exploration costs are expensed as incurred. When a decision is taken that a commercially viable mineral deposit has been established all further pre-production expenditures including evaluation costs are capitalized. Cash flows associated with exploration and evaluation expenditures are classified as operating activities in the statement of cash flows.

l) Loss per share

Loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments. In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period are dilutive.

During the twelve months ended March 31, 2025 and fifteen months ended March 31, 2024, all the outstanding share options and warrants were anti-dilutive as the Company reported a net loss.

m) Share-based compensation

Share-based compensation related to the issuance of stock options to employees, consultants, directors, and officers pursuant to the Company's stock option plan is accounted for using the fair value method whereby compensation expense related to these programs is recorded in profit or loss with a corresponding increase to option and warrant reserve in equity. Share-based compensation related to compensation warrants and options issued pursuant to private placements to non-employees is recorded at the fair value of the goods or services received and is recorded as share issue costs with a corresponding increase to share option and warrant reserve.

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When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured using the Black-Scholes Option Pricing Model. Consideration paid on the exercise of stock options and warrants is credited to share capital. Upon the exercise of the stock options or compensation warrants, consideration received together with the amount previously recognized in option and warrant reserve is recorded as an increase to share capital. The Company incorporates an estimated forfeiture rate for stock options and agents warrants that may not vest.

#### n) Valuation of equity units issued in a private placement

Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Proceeds are first allocated to the shares according to the quoted price of existing shares at the time of issuance and any residual in the proceeds is allocated to warrants.

Where the fair value of the common shares included in the unit is determined to be equal to or greater than the consideration received for the unit, the consideration received is allocated to common shares and nil to the warrants.

The fair value of finder's warrants is calculated based on the Black-Scholes valuation model.

#### o) Leases

##### *Recognition and measurement*

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a lease liability and a right-of-use asset at the lease commencement date. The lease liability is initially measured as the present value of future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's applicable incremental borrowing rate. The incremental borrowing rate is the rate which the Company would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the Company expects to exercise an option to terminate the lease.

The lease liability is subsequently measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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The right-of-use asset is initially measured at cost, which comprises the following:

- the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Company; and
- an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost, less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. It is depreciated in accordance with the Company's accounting policy for property and equipment, from the commencement date to the earlier of the end of its useful life or the end of the lease term. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to net earnings over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use assets are presented as property and equipment and the lease liabilities are presented as loans on the consolidated statement of financial position.

The Company has elected not to recognize right-of-use assets and lease liabilities for the short-term leases that have a lease term of 12 months or less. For its lease, the Company recognizes the lease payments as an expense to profit or loss on a straight-line basis over the term of the lease.

#### p) Recent accounting pronouncements

##### New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on or after April 1, 2025, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company does not anticipate any material changes to the consolidated financial statements upon adoption of these new revised accounting pronouncements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure, were amended by the IASB in May 2024, with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2026.

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the IASB in April 2024, with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027.

Management is currently assessing the impact of these standards on the consolidated financial statements. No standards have been early adopted in the current period.

There are no other IFRS or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Company.

#### 4. **Exploration and evaluation property interests and expenditures**

##### Farellon Property

The Company had a lease for 100% exploration and mining interest in the Farellon property, located near the town of La Serena, Republic of Chile

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The Farellon property was subject to a lease agreement which requires monthly payments of 4,000,000 CLP per month plus a royalty of 10% of net monthly sales from the project for the life of the agreement.

On September 4, 2024, the Company and Minera Farellon Primera de Tambillos entered into an agreement to terminate (“the Termination Agreement”) the lease and return the Farellon Property. Under the terms of the Termination Agreement, the Company has agreed to provide a repayment plan for \$215,839 (CLP 149,680,288) (unpaid) in outstanding royalties owed to Minera Farellon Primera de Tambillos at the effective termination date of August 1, 2024.

#### Santa Beatriz Project

On June 14, 2023, the Company entered into an agreement for the potential acquisition of the Santa Beatriz Project Located two kilometers (km) from the Company’s existing operation at the Farellon near La Serena, Chile. Under the terms of the agreement the Company paid \$6,649(USD 5,000) to retain a 3-month exclusivity period to complete due diligence on the Santa Beatriz Project. At the end of this period Altiplano agreed to rent the mine for CLP 3,500,000/month and provide the owner with a 15% share in net profits after expenses until December 31, 2025. During the option, APN can purchase the mine with no underlying royalty for a one-time cash payment of USD 440,000.

On January 2, 2025, Altiplano extended its option to acquire Santa Beatriz until December 2024. The extension provides Altiplano the opportunity to continue exploration and mine preparation work. The original terms of final buyout remain the same with monthly rental payments increasing from CLP3,500,000 to CLP5,000,000. Subsequent to March 31, 2025, the Company and the vendor further extend the lease/option agreement to July 31, 2029 (see note 18).

#### Maria Luisa Property

On July 5, 2021, the Company completed an option agreement (the “Option Agreement”) on the Maria Luisa property, whereby the Company may acquire a 100% undivided interest in the property for US\$2,000,000 as follows:

- US\$200,000, paid in 12 equal monthly payments starting July 5, 2021 (paid USD 200,000);
- US\$800,000, paid on the first-year anniversary of closing the Option Agreement\*;
- US\$500,000, paid on the second-year anniversary of closing the Option Agreement;
- US\$500,000, paid on the third-year anniversary of closing the Option Agreement.

*\*During the year ended December 31, 2022, the Company amended the agreement to delay the first-year anniversary payment of US\$800,000, to January 2023 (unpaid). The Company has continued making monthly payments, which will be applied against the US\$800,000 (paid US\$14,585 at December 31, 2022).*

At March 31, 2025, the Company had completed aggregate payments of US\$216,731. The Company agreed to delay the option agreement indefinitely and will resume payments once sufficient cash is available or abandon the option permanently.

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During the twelve months ended March 31, 2025, the Company had exploration and evaluation expenditures of \$942,848 (fifteen months ended March 31, 2024 – \$1,149,322) as follows:

**For the twelve months ended March 31, 2025**

|                              | <b>Farellon</b>   | <b>Maria<br/>Luisa</b> | <b>Santa<br/>Beatriz</b> | <b>Total</b>      |
|------------------------------|-------------------|------------------------|--------------------------|-------------------|
| Analysis                     | -                 | -                      | 6,591                    | 6,591             |
| Drilling                     | -                 | -                      | 51,919                   | 51,919            |
| Equipment and supplies       | 138,194           | -                      | 138,264                  | 276,458           |
| Fieldwork and administration | 29,440            | -                      | 51,787                   | 81,227            |
| Project management           | 82,024            | -                      | 197,377                  | 279,401           |
| Geological consulting        | 13,782            | -                      | 103,940                  | 117,722           |
| Permits                      | -                 | -                      | 68,262                   | 68,262            |
| Travel                       | 19,931            | -                      | 41,337                   | 61,268            |
|                              | <b>\$ 283,371</b> | <b>\$ -</b>            | <b>\$ 659,477</b>        | <b>\$ 942,848</b> |

**For the fifteen months ended March 31, 2024**

|                              | <b>Farellon</b>   | <b>Maria<br/>Luisa</b> | <b>Santa<br/>Beatriz</b> | <b>Total</b>        |
|------------------------------|-------------------|------------------------|--------------------------|---------------------|
| Analysis                     | -                 | -                      | 35,748                   | 35,748              |
| Fieldwork and administration | 379,930           | 58,895                 | 76,525                   | 515,350             |
| Project management           | 146,869           | 163,367                | 73,435                   | 383,671             |
| Geological consulting        | 25,719            | 6,679                  | 6,679                    | 39,077              |
| Permits                      | 342               | -                      | 39,307                   | 39,649              |
| Travel                       | 92,824            | 16,338                 | 26,665                   | 135,827             |
|                              | <b>\$ 645,684</b> | <b>\$ 245,279</b>      | <b>\$ 258,359</b>        | <b>\$ 1,149,322</b> |

**5. Share capital**

a) Common shares

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

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A summary of changes in common share capital in period is as follows:

|                                     | <b>Number of<br/>shares</b> | <b>Amount</b>        |
|-------------------------------------|-----------------------------|----------------------|
| <b>Balance at December 31, 2022</b> | <b>118,523,721</b>          | <b>\$ 19,780,839</b> |
| Shares issued in private placements | 11,810,000                  | 1,181,000            |
| Share issuance costs                | -                           | (88,469)             |
| <b>Balance at March 31, 2024</b>    | <b>130,333,721</b>          | <b>\$ 20,873,370</b> |
| Shares issued in private placements | 22,785,000                  | 1,114,250            |
| Shares issued for loan bonus        | 1,058,823                   | 105,883              |
| Share issued upon warrants exercise | 500,000                     | 60,000               |
| Share issuance costs                | -                           | (29,432)             |
| <b>Balance at March 31, 2025</b>    | <b>154,677,544</b>          | <b>\$ 22,124,071</b> |

On March 31, 2025, the Company completed a non-brokered private placement 12,785,000 units for proceeds of \$639,250. Each Unit consists of one common share of the Company, and one-half warrant of the Company. The Company also paid finders' fees of \$12,165 and issued 243,300 finders' warrants. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.075 per share. The warrants were assigned a value of \$nil based on the residual method.

At March 31, 2025, the Company had share subscriptions receivable of \$336,500 related to the above private placement. These subscriptions have been received subsequent to March 31, 2025.

On March 31, 2025, the Company issued 500,000 commons shares for proceeds of \$60,000 on exercise of warrants to a Company controlled by a director.

On February 12, 2025, the Company issued 1,058,823 common shares related to a promissory note agreement on August 1, 2024 (note 9), the carrying value recognized of \$105,833 consisted of \$35,315 related to the allocation of the equity portion using the residual method and \$70,568 related to share-based compensation for the difference between the residual amount and fair value of the shares issued as this was a related party transaction.

On December 24, 2024, the Company completed a non-brokered private placement 10,000,000 units for proceeds of \$500,000. Each Unit consists of one common share of the Company, and one-half warrant of the Company. The Company also paid finders' fees of \$7,770. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.075 per share.

On August 29, 2023, the Company completed a non-brokered private placement 2,000,000 units for proceeds of \$200,000. Each Unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders' fees of \$11,000 and issued 110,000 finders' warrants. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.12 per share.

On May 18, 2023, the Company completed a non-brokered private placement 3,810,000 units for proceeds of \$381,000. Each Unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders' fees of \$15,060 and issued 141,600 finders' warrants. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.12 per share.

b) Stock options

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Pursuant to the Company's stock option plan (the "Plan") for directors, officers, employees, and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares; the exercise price to be determined on the date of issuance of the options.

The options are non-transferable and will expire, if not exercised, 90 days following the date the optionee ceases to be a director, officer, consultant or employee of the Company for reasons other than death, one year after the death of an optionee or on the tenth anniversary of the date the option was granted.

A summary of stock option activity in the twelve month period is as follows:

|   | Number of<br>options | Weighted<br>average<br>exercise price |
|---|----------------------|---------------------------------------|
| <b>Outstanding options, December 31, 2022</b> | <b>7,410,000</b>     | <b>\$ 0.22</b>                        |
| Issued  | 3,900,000            | 0.10                                  |
| Expired                                       | (1,450,000)          | 0.30                                  |
| <b>Outstanding options, March 31, 2024</b>    | <b>9,860,000</b>     | <b>\$ 0.16</b>                        |
| Expired                                       | (3,310,000)          | 0.10                                  |
| <b>Outstanding options, March 31, 2025</b>    | <b>6,550,000</b>     | <b>\$ 0.19</b>                        |

A summary of the options outstanding and exercisable is as follows:

| Exercise Price | Number of options | March 31, 2025                     | Exercise Price | Number of options | March 31, 2024                     |
|----------------|-------------------|------------------------------------|----------------|-------------------|------------------------------------|
|                |                   | Remaining contractual life (years) |                |                   | Remaining contractual life (years) |
| \$ -           | -                 | -                                  | \$ 0.10        | 3,310,000         | 0.4                                |
| 0.35           | 1,200,000         | 0.8                                | 0.35           | 1,200,000         | 1.8                                |
| 0.30           | 750,000           | 1.0                                | 0.30           | 750,000           | 2.0                                |
| 0.30           | 600,000           | 1.0                                | 0.30           | 600,000           | 2.0                                |
| 0.30           | 100,000           | 1.1                                | 0.30           | 100,000           | 2.1                                |
| 0.10           | 3,900,000         | 3.8                                | 0.10           | 3,900,000         | 4.8                                |
| <b>\$ 0.19</b> | <b>6,550,000</b>  | <b>2.6</b>                         | <b>\$ 0.16</b> | <b>9,860,000</b>  | <b>2.5</b>                         |

- i On January 5, 2024, the Company granted stock options to acquire up to an aggregate 3,900,000 common shares under the Plan, vesting immediately upon grant. The stock options are exercisable at a price of \$0.10 per common share and have an expiry date of January 5, 2028 or earlier in accordance with the terms of the Plan. The estimated fair value of these options of \$351,000, or \$0.09 per option, has been recorded as share-based compensation expense during the fifteen-months ended March 31, 2024 and as an increase to option and warrant reserve, and was calculated using the Black-Scholes Option Pricing Model using the following grant date assumptions: grant date stock price \$0.11; expected life, 5 years; expected volatility, 112.72%; risk-free rate 3.36%; expected dividends, 0%.

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(Expressed in Canadian Dollars)

c) Warrants

A summary of share purchase warrant activity in the twelve-month period is as follows:

|  | Number of<br>Warrants | Weighted<br>average<br>exercise price |
|--|-----------------------|---------------------------------------|
| <b>Outstanding warrants, December 31, 2025</b> | <b>18,289,926</b>     | <b>\$ 0.31</b>                        |
| Issued   | 12,313,600            | 0.12                                  |
| Expired  | (15,955,976)          | 0.31                                  |
| <b>Outstanding warrants, March 31, 2024</b>    | <b>14,647,550</b>     | <b>\$ 0.15</b>                        |
| Issued   | 11,635,800            | 0.08                                  |
| Exercised                                      | (500,000)             | 0.12                                  |
| Expired  | (2,333,950)           | 0.30                                  |
| <b>Outstanding warrants, March 31, 2025</b>    | <b>23,449,400</b>     | <b>\$ 0.10</b>                        |

A summary of the warrants outstanding and exercisable is as follows:

| Exercise Price | Number of warrants | March 31, 2025<br>Remaining contractual life (years) | Exercise Price | Number of warrants | March 31, 2024<br>Remaining contractual life (years) |     |
|----------------|--------------------|--|----------------|--------------------|--|-----|
| \$ -           | -                  | -  | \$ 0.30        | 1,497,500          | 0.5  |     |
| -              | -                  | -  | 0.30           | 3,000              | 0.5  |     |
| -              | -                  | -  | 0.30           | 812,500            | 0.6  |     |
| -              | -                  | -  | 0.30           | 20,950             | 0.6  |     |
| 0.12           | 3,810,000          | 0.1  | 0.12           | 3,810,000          | 1.1  |     |
| 0.12           | 141,600            | 0.1  | 0.12           | 141,600            | 1.1  | i   |
| 0.12           | 2,000,000          | 0.4  | 0.12           | 2,000,000          | 1.4  |     |
| 0.12           | 110,000            | 0.4  | 0.12           | 110,000            | 1.4  | ii  |
| 0.12           | 5,500,000          | 0.8  | 0.12           | 6,000,000          | 1.8  |     |
| 0.12           | 252,000            | 0.8  | 0.12           | 252,000            | 1.8  | iii |
| 0.075          | 5,000,000          | 1.7  | -              | -                  | -  |     |
| 0.075          | 6,392,500          | 2.0  | -              | -                  | -  | iv  |
| 0.075          | 243,300            | 2.0  | -              | -                  | -  |     |
| <b>\$ 0.10</b> | <b>23,449,400</b>  | <b>0.7</b>   | <b>\$ 0.15</b> | <b>14,647,550</b>  | <b>1.4</b>   |     |

i On May 18, 2023, 141,600 warrants were issued to agents pursuant to the non-brokered private placement as compensation for services provided by the agents. The estimated fair value of the agents' warrants of \$7,080, or \$0.05 per agents' warrant, has been recorded as a decrease to share capital as a cost of share issuance and an increase to option and warrant reserve, and was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price \$0.10; expected life, 2 years; expected volatility, 91.76%; risk free rate, 4.08%; expected dividends, 0%.

ii On August 29, 2023, 110,000 warrants were issued to agents pursuant to the non-brokered private placement as compensation for services provided by the agents. The estimated fair value of the agents' warrants of \$6,600,

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or \$0.06 per agents' warrant, has been recorded as a decrease to share capital as a cost of share issuance and an increase to option and warrant reserve, and was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price \$0.115; expected life, 2 years; expected volatility, 98.09%; risk free rate, 4.68%; expected dividends, 0%.

- iii On December 27, 2023, 252,000 warrants were issued to agents pursuant to the non-brokered private placement as compensation for services provided by the agents. The estimated fair value of the agents' warrants of \$17,640, or \$0.07 per agents' warrant, has been recorded as a decrease to share capital as a cost of share issuance and an increase to option and warrant reserve, and was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price \$0.12; expected life, 2 years; expected volatility, 102.77%; risk free rate, 3.91%; expected dividends, 0%.
- iv On March 31, 2025, 243,000 warrants were issued to agents pursuant to the non-brokered private placement as compensation for services provided by the agents. The estimated fair value of the agents' warrants of \$7,299, or \$0.03 per agents' warrant, has been recorded as a decrease to share capital as a cost of share issuance and an increase to option and warrant reserve, and was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price \$0.06; expected life, 2 years; expected volatility, 107.60%; risk free rate, 2.46%; expected dividends, 0%.

The Company has recognized an obligation to issue warrants as part of the promissory notes issued during the fifteen-month period ended March 31, 2024 with a fair value of \$38,229, refer to Note 9 for details.

**6. Equipment**

|                                   | Machinery<br>equipment | Furniture<br>and<br>fixtures | Computer<br>hardware | Land              | Mill Plant          | Total               |
|-----------------------------------|------------------------|------------------------------|----------------------|-------------------|---------------------|---------------------|
| <b>Balance, December 31, 2022</b> | <b>\$ 523,707</b>      | <b>\$ 13,719</b>             | <b>\$ 6,356</b>      | <b>\$ -</b>       | <b>3,015,085</b>    | <b>3,558,867</b>    |
| Additions                         | 4,619                  | -                            | -                    | 304,347           | 754,548             | 1,063,514           |
| Adjustment                        | -                      | 11,083                       | -                    | -                 | -                   | 11,083              |
| Depreciation                      | (100,978)              | (6,373)                      | (2,425)              | -                 | (171,919)           | (281,695)           |
| Foreign exchange                  | (56,900)               | (3,093)                      | (1,259)              | -                 | (192,894)           | (254,146)           |
| <b>Balance, March 31, 2024</b>    | <b>\$ 370,448</b>      | <b>\$ 15,336</b>             | <b>\$ 2,672</b>      | <b>\$ 304,347</b> | <b>\$ 3,404,820</b> | <b>\$ 4,097,623</b> |
| Additions                         | 54,546                 | -                            | 1,072                | -                 | 464,776             | 520,394             |
| Adjustment                        | -                      | -                            | -                    | -                 | 108,555             | 108,555             |
| Depreciation                      | (75,024)               | (5,572)                      | (946)                | -                 | (504,653)           | (586,195)           |
| Foreign exchange                  | 33,184                 | 1,242                        | 246                  | 27,633            | 200,761             | 263,066             |
| <b>Balance, March 31, 2025</b>    | <b>\$ 383,154</b>      | <b>\$ 11,006</b>             | <b>\$ 3,044</b>      | <b>\$ 331,980</b> | <b>\$ 3,674,259</b> | <b>\$ 4,403,443</b> |

**7. Asset retirement obligations**

The Company's reclamation and closure obligations relates to the cost of removing and restoring the Farellon Property and El Penon processing plant in Chile. Significant reclamation and closure activities include land rehabilitation, demolition of buildings and mine facilities, ongoing care and maintenance and other costs. This estimate depends on the development of an environmentally acceptable mine closure plan.

As at March 31, 2025, the Company, set up provisions for the asset retirement and reclamation obligations. The estimated undiscounted cash flow required to settle the asset retirement obligation for the El Penon processing

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plant is \$198,416 and is projected to be disbursed no earlier than 2029. A discount rate of 11.25% and an inflation rate of 12.80% per annum was used to evaluate this provision.

|  |                   |
|--|-------------------|
| <b>Balance, December 31, 2022</b>          | <b>\$ 138,291</b> |
| Accretion                                  | 19,445            |
|  | <hr/>             |
| <b>Balance, March 31, 2024</b>             | <b>\$ 157,736</b> |
| Accretion                                  | 11,779            |
| Change in estimate                         | 108,697           |
| Derecognition Farellon Property obligation | (97,961)          |
|  | <hr/>             |
| <b>Balance, March 31, 2025</b>             | <b>\$ 180,521</b> |

**8. Right-of-use asset/lease liability**

In November 2020, the Company signed lease agreements for land to be used as the location of its future mill and processing facility. The land hosts power, water and transportation infrastructure to support the plant. The incremental rate of borrowing for these leases were estimated by management to be 16% per annum.

During the fifteen-month period ended March 31, 2024, one of the lease agreements was set to expire on October 31, 2023. During the period the Company entered into a lease extension to extend the expiry date for six months.

During the fifteen-month period ended March 31, 2024, the Company exercised its purchase option under the lease agreement to purchase the property for \$313,487.

Effective January 1, 2025, the Company amended the remaining lease agreement to extend the lease term from January 1, 2025 to August 31, 2025 and increase the monthly payment from CLP 2,000,000 to CLP 3,000,000 per month. Under the amended lease agreement the property purchase price is set at CLP 250,000,000, however if the sale is not executed by September 15, 2025, the purchase deadline extends to March 16, 2026, with the purchase price increasing to CP 300,000,000 and monthly rent during this period increasing to CLP 4,000,000 per month.

The Company recognized a right of use asset for its lease agreements as follows:

|                                  |                   |
|----------------------------------|-------------------|
| <b>Balance, December 31,2022</b> | <b>\$ 731,615</b> |
| Modification                     | (94,798)          |
| Purchase of right of use asset   | (313,579)         |
| Foreign exchange                 | (40,998)          |
|                                  | <hr/>             |
| <b>Balance, March 31, 2024</b>   | <b>\$ 282,240</b> |
| Modification                     | 42,199            |
| Foreign exchange                 | 27,084            |
|                                  | <hr/>             |
| <b>Balance, March 31, 2025</b>   | <b>\$ 351,523</b> |

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(Expressed in Canadian Dollars)

The Company recognized a lease liability for its lease agreements as follows:

|                                   |                   |
|-----------------------------------|-------------------|
| <b>Balance, December 31, 2022</b> | <b>\$ 714,754</b> |
| Modification                      | (9,933)           |
| Lease payments                    | (50,158)          |
| Purchase price paid               | (313,487)         |
| Foreign exchange                  | (47,669)          |
|                                   | <hr/>             |
| <b>Balance, March 31, 2024</b>    | <b>\$ 293,507</b> |
| Modification                      | 36,776            |
| Lease payments                    | (39,636)          |
| Interest expense                  | 53,193            |
| Foreign exchange                  | 28,345            |
|                                   | <hr/>             |
| <b>Balance, March 31, 2025</b>    | <b>\$ 372,185</b> |

The Company's lease liability is presented in the statement of financial position as follows:

| As at   | March 31<br>2025  | March 31<br>2024  |
|---------|-------------------|-------------------|
| Current | <u>\$ 372,185</u> | <u>\$ 293,507</u> |
|         | <hr/>             | <hr/>             |
|         | <b>\$ 372,185</b> | <b>\$ 293,507</b> |

**9. Loans, promissory notes and interest payable**

Loans

On April 18, 2023, the Company entered into a concentrate offtake and loan agreement (the "Offtake Agreement") with ArrowMetals Asia Pte. Ltd. ("ArrowMetals").

Pursuant to the Offtake Agreement, Altiplano will sell copper concentrates produced at the El Peñón processing facility located 15 km from the Farellon Iron-Oxide-Copper-Gold mine in Chile, on an exclusive basis to ArrowMetals until December 31, 2025, and the agreement may be further extended. Pursuant to a Term Loan Facility Agreement dated April 18, 2023 (the "Facility"), ArrowMetals has also agreed to make available to Altiplano up to USD\$1.5 million as a loan facility, which may be repaid by delivery of such concentrates. The Facility will be by way of multiple drawdowns on request of Altiplano, with the first drawdown being for USD\$500,000 (CAD 672,250), which will be repaid with interest in monthly instalments, against Altiplano's future shipments of concentrates over an agreed 12-month schedule.

Under the Offtake Agreement, Altiplano will ship the concentrates at the rate of 300 dry metric ton ("DMT") per month during the term of the Offtake Agreement, until a minimum quantity of 10,000 DMT has been delivered. Provided certain conditions are met for metal content, ArrowMetals will pay 90% of the concentrate value based on the copper and gold content in the delivery month. Pricing will be established either one month after delivery or four months after delivery, as may be declared prior to delivery, less treatment, refining, shipping and insurance charges. Final settlement will take place within 3 months. Interest will be charged on the loaned amount due to ArrowMetals from time to time at a rate of SOFR plus 4.70%.

## ALTIPLANO METALS INC.

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On August 20, 2024, the Company terminated the Offtake Agreement with ArrowMetals and paid off outstanding loan facility of USD\$299,160 (\$408,922).

#### Promissory notes

In December 2023 and January 2024, the Company entered into a debt financing and issued \$442,000 in promissory notes. The promissory notes are unsecured, bear interest at 12% per annum and are repayable by the Company in 24 equal instalments of principal and interest, commencing after one year, and thereafter on the first business day of each month until the maturity date.

As compensation to the lenders for the risk of repayment of the loans, the Company will issue non-transferable warrants (the "Bonus Warrants") equal to 100% of the principal amount of the loans divided by \$0.20 per share. The Bonus Warrants are exercisable at an exercise price of \$0.20 per warrant share and are exercisable for a period of 3 years.

For accounting purposes, the promissory notes and Bonus Warrants were separated into liability and equity components. Fair value of the liability component is first determined by discounting the face value and interest to present value at the inception date of the promissory notes which amounted to \$259,271. The effective interest rate for the liability component was 16% with a maturity dates three years from the date of signing of the promissory note. The equity component related to the Bonus Warrants is then estimated by subtracting the fair value of the liability component from the gross proceeds of the promissory note which amounted to \$38,229.

As at March 31, 2025, the Company had not yet issued the Bonus Warrants subject to exchange approval. The value of \$56,794 was allocated to the bonus warrants and classified in equity.

On August 1, 2024, the Company entered into a debt financing and issued a \$450,000 in promissory note. The promissory note is unsecured, bears interest at 12% per annum and are repayable by the Company in 12 equal instalments of principal and interest, commencing after one year, and thereafter on the first business day of each month until the maturity date.

As compensation to the lender for the risk of repayment of the loan, the Company issued 1,058,823 common shares (the "Bonus Shares") equal to 20% of the principal amount of the loans divided by \$0.085 per share.

For accounting purposes, the promissory note and Bonus Shares were separated into liability and equity components. Fair value of the liability component is first determined by discounting the face value and interest to present value at the inception date of the promissory note which amounted to \$414,685. The effective interest rate for the liability component was 16% with a maturity dates three years from the date of signing of the promissory note. The equity component related to the Bonus Shares is then estimated by subtracting the fair value of the liability component from the gross proceeds of the promissory note which amounted to \$35,315. On February 12, 2025, the Company issued the Bonus Shares. The value of \$35,315 for the residual value and an additional \$70,568 of share based compensation for the fair value of the Bonus Shares has been allocated to the Bonus Shares and classified in equity.

During the fifteen-month period ended March 31, 2024, the Company obtained loans from officers and Companies controlled by officers of the Company in the amount of \$171,640, the loans are non-interest bearing and due on demand. During the fifteen-month period ended March 31, 2024, the Company made repayments on these loans in the amount of \$55,000. During the twelve-month period ended March 31, 2025, the Company obtained additional loans from officers and Companies controlled by officers of the Company in the amount of \$542,745.

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(Expressed in Canadian Dollars)

The following table outlines the activity for Loan, promissory notes and interest payable:

|                                       |                          |
|---------------------------------------|--------------------------|
| <b>Balance December 31, 2022</b>      | <b>\$ 125,935</b>        |
| Issuance of ArrowMetals loan facility | 679,250                  |
| Issuance of promissory notes          | 297,500                  |
| Issuance of demand loans              | 171,640                  |
| Equity portion                        | (38,229)                 |
| Interest                              | 112,815                  |
| Repayment of loans and interest       | (448,457)                |
| Foreign exchange                      | (13)                     |
| <b>Balance, March 31, 2024</b>        | <b>\$ 900,441</b>        |
| Issuance of promissory notes          | 450,000                  |
| Issuance of demand loans              | 92,745                   |
| Equity portion                        | (35,315)                 |
| Interest                              | 159,537                  |
| Repayment of loans and interest       | (714,371)                |
| Foreign exchange                      | 11,436                   |
| <b>Balance, March 31, 2025</b>        | <b>\$ 864,473</b>        |
| Current portion                       | \$ 595,572               |
| Long-term portion                     | 268,901                  |
| Total                                 | <b><u>\$ 864,473</u></b> |

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(Expressed in Canadian Dollars)

The following table outlines the loans and promissory note maturities outstanding at March 31, 2025 and 2024:

|                  | Start Date               | Maturity Date            | Interest Rate | Carrying Value<br>March 31,<br>2025 | Carrying Value<br>March 31,<br>2024 |
|------------------|--------------------------|--------------------------|---------------|-------------------------------------|-------------------------------------|
| ArrowMetals      | April 18, 2023           | April 18, 2024           | SOFR* + 4.70% | \$ -                                | \$ 389,678                          |
| Promissory notes | December 2022            | December 2025            | 12%           | 58,998                              | 128,156                             |
| Promissory notes | January/February<br>2023 | January/February<br>2026 | 12%           | 138,428                             | 265,967                             |
| Promissory note  | August 1, 2024           | August 1, 2026           | 12%           | 457,662                             | -                                   |
| Demand loan      | August 30, 2023          | Due on demand            | 0%            | 50,000                              | 50,000                              |
| Demand loan      | October 30, 2023         | Due on demand            | 0%            | 66,640                              | 66,640                              |
| Demand loan      | May 21, 2024             | Due on demand            | 0%            | 69,745                              | -                                   |
| Demand loan      | July 22, 2024            | Due on demand            | 0%            | 23,000                              | -                                   |
| <b>Total</b>     |                          |                          |               | <b>\$ 864,473</b>                   | <b>\$ 900,441</b>                   |

**10. Inventory**

Inventories consist primarily of minerals stock, copper and iron concentrate, and are presented at the lower of weighted average cost and net realizable value.

|                    | March 31,<br>2025 | March 31,<br>2024 |
|--------------------|-------------------|-------------------|
| Minerals stock     | \$ 47,445         | \$ -              |
| Copper concentrate | 8,205             | -                 |
| Iron concentrate   | 64,928            | -                 |
|                    | <b>\$ 120,578</b> | <b>\$ -</b>       |

During the twelve month period ended March 31, 2025, the Company sold inventory with a value of \$476,508 (2024 - \$Nil) which are included in operating expenses.

**11. Prepayments and deposits**

The prepayments and deposits consist of payments made to suppliers for future services to be provided by suppliers.

|                            | March 31<br>2025 | March 31<br>2024 |
|----------------------------|------------------|------------------|
| Contractor prepaid         | \$ 26,294        | \$ 46,540        |
| Prepaid insurance expenses | 5,000            | 5,150            |
| Prepaid marketing expenses | 27,000           | 16,667           |
| Deposit for office rent    | 10,126           | 10,817           |
| Other prepaid              | 19,314           | 8,642            |
|                            | <b>\$ 87,734</b> | <b>\$ 87,816</b> |

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**12. Amounts receivable**

|                                | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|--------------------------------|--------------------------|--------------------------|
| Concentrate sales receivable   | \$ 189,794               | \$ 197,842               |
| Goods and services tax credit  | 9,203                    | 9,657                    |
| Provisional invoice receivable | 68,814                   | -                        |
| Other receivable               | 18,666                   | -                        |
|                                | <b>\$ 286,477</b>        | <b>\$ 207,499</b>        |

The Company has recognized value added tax receivable (“VAT receivable”) of \$87,452 (March 31, 2024 - \$512,793) as a long-term asset as the amount will not be fully recovered within the subsequent 12 months. The VAT receivable is only refundable for the amounts spent on property, plant & equipment additions. During the twelve-month period ended March 31, 2025, the Company recognized a loss on write-off of value added tax receivable of \$101,060 (Fifteen-month period ended March 31, 2024 - \$194,575).

**13. Accounts payable and accrued liabilities**

|  | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|--|--------------------------|--------------------------|
| Trade payables                             | \$ 1,427,849             | \$ 857,983               |
| Accrued liabilities                        | 631,136                  | 208,465                  |
| Corporate and management fees payable      | 258,191                  | 333,992                  |
| Royalties payable                          | 203,214                  | 268,640                  |
| Salaries, benefits and payroll tax payable | 138,691                  | 99,779                   |
| Value-added tax payable                    | 136,901                  | 191,722                  |
|  | <b>\$ 2,795,982</b>      | <b>\$ 1,960,581</b>      |

**14. Financial instruments and risk management**

*Fair value of financial instruments*

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

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

The Company’s cash and listed equity investments are classified as Level 1, whereas accounts receivable, accounts payable and accrued liabilities and promissory notes are classified as Level 2, and non-listed equity investments are classified as Level 3. As at March 31, 2025, the Company believes that the carrying values of cash, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

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### Notes to the Consolidated Financial Statements

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#### *Financial instruments risk*

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, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

#### 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. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

#### Foreign exchange risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and Chilean peso will affect the Company's operations and financial results. The operating results and financial position of the Company are reported in Canadian dollars. The Company's operations are in Canada and Chile. The foreign exchange exposure at March 31, 2025 is with the Chilean Peso and a 10% increase in the exchange rate would have an impact of \$163,570 (March 31, 2024 - \$124,210) on the Company's results and a 10% decrease in the exchange rate would have an impact of \$148,700 (March 31, 2024 - \$112,918) on the Company's results.

#### Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company interest-bearing financial liabilities are with fixed interest rates; therefore, interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

#### Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company has a limited number of customers which creates concentration of credit risk. The Company is exposed to credit risk from customers. In order to reduce its credit risk, the Company deals only with financially sound counterparties and, accordingly, does not anticipate loss for non-performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. All of accounts receivable is current and was collected subsequent to year-end. The amounts disclosed in the balance sheet represent the maximum credit risks. Credit risk that arises from accounts receivable is considered low. The Company's cash is also exposed to credit risk. Cash is held with a major financial institution, consequently, the risk is assessed as low.

#### Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

## ALTIPLANO METALS INC.

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To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board.

As at March 31, 2025, the Company's current liabilities exceeded current assets by \$3,311,092. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

#### Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

|                                     | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|-------------------------------------|--------------------------|--------------------------|
| Financial assets at amortized cost: |                          |                          |
| Cash                                | \$ 226,759               | \$ 97,374                |
| Accounts receivable                 | 208,460                  | 197,842                  |
| Inventory                           | 120,578                  | -                        |
| Financial assets at FVTPL:          |                          |                          |
| Provisional invoice receivable      | 68,814                   | -                        |
| Investments                         | 313                      | 313                      |
|                                     | <b>\$ 624,924</b>        | <b>\$ 295,529</b>        |

Financial liabilities included in the statement of financial position are as follows:

|  | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|--|--------------------------|--------------------------|
| Non-derivative financial liabilities:    |                          |                          |
| Accounts payable and accrued liabilities | \$ 2,795,982             | \$ 1,960,581             |
| Promissory notes                         | 864,473                  | 900,441                  |
|  | <b>\$ 3,660,455</b>      | <b>\$ 2,861,022</b>      |

#### Determination of fair value

The statements of financial position carrying amounts for cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

#### Capital management

In the management of capital, the Company includes components of stockholders' equity. The Company aims to manage its capital resources to ensure financial strength and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity and debt to fund continued growth. The Company sets the amount of capital in proportion to risk and based on the availability of funding sources. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Issuance of equity has been the primary source of capital to date. Additional debt and/or equity financing may be pursued in future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, the Company may issue new shares, take on additional debt or sell assets

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to reduce debt. There are no external restrictions on the management of capital. There was no change to the Company's approach to capital management during the twelve months ended March 31, 2025.

**15. Related party transactions**

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

| <b>For the period ended</b>  | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|--|--------------------------|--------------------------|
| Management fees paid to key management and directors                     | \$ 251,000               | \$ 347,000               |
| Rent paid to a corporation controlled by key management                  | 40,200                   | 50,250                   |
| Office and admin fees paid to a corporation controlled by key management | -                        | 59,900                   |
| Share-based compensation   | <b>70,568</b>            | 247,500                  |
|  | <b>\$ 361,768</b>        | <b>\$ 704,650</b>        |

Key management compensation

Key management includes directors and key officers of the Company, including the Chairman, Chief Executive Officer and Chief Financial Officer. The remuneration of key management personnel is summarized below:

|                      | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|----------------------|--------------------------|--------------------------|
| Short term benefits  | \$ 251,000               | \$ 347,000               |
| Share-based payments | -                        | 247,500                  |
|                      | <b>\$ 251,000</b>        | <b>\$ 594,500</b>        |

At March 31, 2025, accounts payable and accrued liabilities include \$477,016 (March 31, 2024 - \$529,498) due to key management, directors of the Company and companies controlled by management or directors for services provided. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at March 31, 2025, \$812,221 is due to directors and officers related to outstanding promissory notes and interest (See Note 8).

During the period ended March 31, 2025, the Company issued 6,000,000 (2024 – 1,455,000) common shares for proceeds of \$300,000 (2024 - \$145,500) raised during private placement from key management and directors.

During the period ended March 31, 2025, the Company recognized a gain on forgiveness of debt of \$90,000 (2024 - \$Nil) related to management fees owing to a director that were forgiven for consideration of \$nil.

During the period ended March 31, 2025, there were nil options (2024 – 2,750,000) issued to key management and directors resulting in share-based compensation expense of \$nil (2024 - \$247,500).

During the period ended March 31, 2025, the Company recognized share-based payments of \$70,568 (2024 - \$nil) related to the fair value of 1,058,823 bonus shares issued to a Company controlled by directors and officers of the Company.

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**16. Deferred income taxes**

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

|                                   | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|-----------------------------------|--------------------------|--------------------------|
| Tax losses - Canada               | \$ 1,756,000             | \$ 1,781,000             |
| Tax losses – Chile                | 4,297,000                | 1,756,000                |
| Share issuance costs              | 22,000                   | 40,000                   |
| Equipment                         | (113,000)                | 30,000                   |
| Exploration and evaluation assets | 1,587,000                | 2,231,000                |
| Asset retirement obligation       | 49,000                   | -                        |
| Right-of-use asset                | (81,000)                 | -                        |
| Lease liability                   | 86,000                   | -                        |
|                                   | <b>\$ 7,603,000</b>      | <b>\$ 5,838,000</b>      |

The tax losses expire between 2030 and 2043. Deferred tax assets have not been recognized in respect of the preceding items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits.

In assessing whether the deferred tax assets are realizable, management considers whether it is probable that some portion or all of the deferred tax assets will be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. As at March 31, 2025, the Company has not recognized any deferred tax assets (March 31, 2024 - \$nil).

The provision for income taxes recorded in the financial statements differs from the amount which would be obtained by applying the combined statutory income tax rate of approximately 23% (2024 – 27%) to the net loss before income taxes for the periods as follows:

|  | <b>March 31<br/>2025</b> | <b>March 31<br/>2024</b> |
|--|--------------------------|--------------------------|
| Expected tax recovery from operations      | \$ (383,000)             | \$ (422,000)             |
| Changes resulting from:                    |                          |                          |
| Non-deductible amounts                     | (1,382,000)              | (3,110,000)              |
| Change in unrecognized deferred tax assets | 1,765,000                | 3,532,000                |
| Income tax recovery                        | <b>\$ -</b>              | <b>\$ -</b>              |

**17. Segment information**

**Operating segments**

The Company's Chief Operating Decision Maker, its Chief Executive Officer, reviews the operating results, assesses the performance and makes capital allocation decisions of the Company viewed as a single operating segment engaged in mineral exploration and in Chile. All amounts disclosed in the consolidated financial statements represent this single reporting segment. The Company's corporate division only earns interest income that is considered

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incidental to the activities of the activities of the Company and does not meet the definition of an operating segment as defined in IFRS 8, *Operating Segments*.

**Geographical segments**

The Company is in the business of mineral exploration in Chile. Information regarding the Company's geographic locations are as follows:

| Revenue              | For the twelve-month period<br>ended March 31, 2025 |                  | For the fifteen-month period<br>ended March 31, 2024 |                  |
|----------------------|---|------------------|--|------------------|
| Chile                | \$  | 2,420,284        | \$   | 4,325,226        |
| <b>Total revenue</b> | <b>\$</b>   | <b>2,420,284</b> | <b>\$</b>  | <b>4,325,226</b> |

During the twelve months ended March 31, 2025, the Company generated 81% (2024 – 96%) of its revenue from three (2024 – two) customers totalling \$1,948,605 (2024 - \$4,149,915). The breakdown of revenues from significant customers were 34% - customer A, 28% - customers B and 18% - customer C (2024 – 80% - Customer A, 0% - Customer B, and 16% Customer C) of total revenues respectively.

| Non-current assets              | March 31, 2025 |                  | March 31, 2024 |                  |
|---------------------------------|----------------|------------------|----------------|------------------|
| Canada                          | \$             | 313              | \$             | 313              |
| Chile                           |                | 4,803,016        |                | 4,892,656        |
| <b>Total non-current assets</b> | <b>\$</b>      | <b>4,803,329</b> | <b>\$</b>      | <b>4,892,969</b> |

**18. Supplementary cash flow information**

|  | For the twelve-<br>month period<br>ended<br>March 31, 2025 |        | For the fifteen<br>month period<br>ended<br>March 31, 2024 |         |
|--|--|--------|--|---------|
| Interest paid                                    | \$   | 69,553 | \$   | 91,497  |
| Equipment purchases included in accounts payable |  | -      |  | 135,800 |
| Income taxes paid                                |  | -      |  | -       |

**19. Subsequent events**

- a) On June 10, 2025, the Company completed the final tranche of a non-brokered private placement consisting of 1,690,000 Units at a price of \$0.05 per Unit, for total gross proceeds of \$84,500. Each Unit consisted of one (1) common share and one-half of a Warrant. Each whole Warrant entitles the holder to purchase one (1) common share of the Company at an exercise of \$0.075 per common share until June 9, 2027.
- b) On July 7, 2025, the Company entered into an agreement to modify the terms and extend the option to purchase the Santa Beatriz Project to July 31, 2029.

The significant modified terms of the option agreement are as follows:

- Monthly rent on the mine increased from CLP 3,500,000 to CLP 5,000,000. With an annual increase of 5% if the annual copper price exceeds USD 4.50/lb.
- Share of net profits was reduced from 15% to 10% of net monthly profit.
- Exclusivity payments of CLP 20,000,000 due January 7, 2026 and January 7, 2028.

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APN retained the right to purchase the mine, at any time during the option, with no underlying royalty for a one-time cash payment of CLP 350,000,000.