

**Form 51-102F4
Business Acquisition Report**

Item 1 Identity of Company

1.1 Name and Address of Company

Fitzroy Minerals Inc. (the “**Company**”)
1055 West Hastings Street, Unit 2250
Vancouver, BC V6E 2E9

1.2 Executive Officer

The name, position and business telephone number of an executive officer who is knowledgeable about this significant acquisition and this Form 51-102F4 – *Business Acquisition Report* (this “**Report**”) is as follows:

Merlin Marr-Johnson
Chief Executive Officer and President
Telephone: +44 7803 712280

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

Pursuant to the terms of a share exchange agreement dated October 30, 2024 (the “**Agreement**”) with Ptolemy Mining Limited (“**Ptolemy**”), a private UK-registered corporation, the Company acquired all of the outstanding common shares of Ptolemy (collectively, the “**Ptolemy Shares**”) from the shareholders of the Ptolemy (collectively, the “**Ptolemy Shareholders**”), in exchange for 88,000,000 common shares (each, a “**Consideration Share**”) in the capital of the Company (the “**Transaction**”).

Ptolemy is a UK-registered private company that, through a wholly-owned Chilean subsidiary, is the legal and beneficial holder of options to acquire the Manto Negro, Buen Retiro and Sierra Fritis properties located in Chile (collectively, the “**Buen Retiro Project**”). The Manto Negro and Buen Retiro concessions are held under a single option agreement (the “**Buen Retiro Option**”). The Sierra Fritis concessions are held under a separate option agreement (the “**Sierra Fritis Option**”).

2.2 Acquisition Date

Closing of the Transaction (the “**Closing**”) occurred on March 31, 2025.

2.3 Consideration

Pursuant to the terms of the Agreement, the Company acquired all of the issued and outstanding Ptolemy Shares from the Ptolemy Shareholders and, as consideration, issued 88,000,000 Consideration Shares at a deemed price of \$0.20 per Consideration Share to the Ptolemy Shareholders on a pro rata basis.

No finder's fees were paid in connection with the Transaction.

Following closing of the Transaction, the Company had 226,259,027 common shares issued and outstanding on an undiluted basis.

2.4 Effect on Financial Position

Upon completion of the Transaction, Ptolemy became a wholly-owned subsidiary of the Company. The business and operations of Ptolemy have been combined with those of the Company and are managed concurrently.

The Company has no current plans or proposals for material changes in its business affairs or the affairs of Ptolemy which may have a significant effect on the financial performance and financial position of the Company.

2.5 Prior Valuations

Not applicable.

2.6 Parties to Transaction

The Transaction was not with an informed person, associate or affiliate of the Company.

2.7 Date of Report

June 4, 2025

Item 3 Financial Statements

The audited financial statements of Ptolemy for the period from incorporation on November 8, 2022 to November 30, 2023 and for the year ended November 2024 are attached hereto as Schedule "A".

The Company has obtained the consent of the auditors to include the audit report on the audited financial statements of Ptolemy for the period from incorporation on November 8, 2022 to November 30, 2023 and for the year ended November 2024 contained in this Report.

SCHEDULE "A"

Ptolemy Financial Statements

[See Attached]

PTOLEMY MINING LIMITED GROUP
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2024 AND PERIOD FROM INCORPORATION ON
NOVEMBER 8, 2022 TO NOVEMBER 30, 2023
EXPRESSED IN U.S. DOLLARS

PTOLEMY MINING LIMITED GROUP

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2024 AND PERIOD FROM INCORPORATION ON
NOVEMBER 8, 2022 TO NOVEMBER 30, 2023

	Page
Independent Auditor's Report	1
Consolidated Statements of Financial Position	4
Consolidated Statements of Loss and Comprehensive Loss	5
Consolidated Statements of Changes in Shareholders' Equity	6
Consolidated Statements of Cash Flows	7
Notes to the Consolidated Financial Statements	8

INDEPENDENT AUDITOR’S REPORT

To the Directors of Ptolemy Mining Limited Group

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ptolemy Mining Limited Group (the “Company”), which comprise the consolidated statements of financial position as at November 30, 2024 and 2023 and the consolidated statements of loss and comprehensive loss, changes in shareholders’ equity and cash flows for the year ended November 30, 2024 and the period from incorporation on November 8, 2022 to November 30, 2023, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2024 and 2023 and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards (“IFRS”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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 in the consolidated financial statements, which indicates that the Company will need additional financing to continue exploring, and if successful, develop its properties to bring it to the production stage. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicates that a material uncertainty exists that may cast a 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor’s report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to Note 3 – Material accounting policies – Critical accounting judgments and key sources of estimation uncertainty, Note 3 – Material accounting policies – Exploration and evaluation assets and Note 4 – Exploration and evaluation assets</i>	Evaluated the reasonableness of management’s assessment of impairment indicators, which included the following:
Management assesses at each reporting period whether	<ul style="list-style-type: none"> • Assessed the completeness of the factors that could be

there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.

- Confirmed that the Company's right to explore the property had not expired.
- Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.
- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
March 24, 2025

PTOLEMY MINING LIMITED GROUP

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2024 AND 2023

(Expressed in U.S. Dollars)

	Notes	November 30, 2024	November 30, 2023
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash		74,147	200,710
Prepaid expenses and deposits		3,452	2,920
TOTAL CURRENT ASSETS		77,599	203,630
NON-CURRENT ASSETS			
Exploration and evaluation assets	4	2,043,403	887,289
TOTAL ASSETS		2,121,002	1,090,919
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	7	28,320	32,294
TOTAL CURRENT LIABILITIES		28,320	32,294
SHAREHOLDERS' EQUITY			
Share capital	5	2,187,099	145
Share subscriptions	5	18,291	1,069,638
Deficit		(31,755)	(12,216)
Accumulated other comprehensive income (loss)		(80,953)	1,058
TOTAL SHAREHOLDERS' EQUITY		2,092,682	1,058,625
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,121,002	1,090,919

The financial statements were approved by the Board of Directors on March 24, 2025 and were signed on its behalf by:

"M. W. Gordon" Director
M. W. Gordon

"Gilberto Schubert" Director
Gilberto Schubert

The notes form part of these consolidated financial statements

PTOLEMY MINING LIMITED GROUP

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER
8, 2022 TO NOVEMBER 30, 2023

(Expressed in U.S. Dollars)

	Notes	Year Ended November 30, 2024	Period from incorporation on November 8, 2022 to November 30, 2023
		\$	\$
OPERATING EXPENSES			
Accounting fees		13,372	3,048
Legal fees		6,022	9,103
Foreign exchange loss		145	65
NET LOSS FOR THE PERIOD		(19,539)	(12,216)
OTHER COMPREHENSIVE INCOME (LOSS)			
Exchange differences on translating foreign operations		(82,011)	1,058
COMPREHENSIVE LOSS FOR THE PERIOD		(101,550)	(11,158)
Basic and diluted loss per share		(0.002)	(0.02)
Weighted average number of Ordinary shares outstanding		8,236,033	731,286

The notes form part of these consolidated financial statements

PTOLEMY MINING LIMITED GROUP

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER 8, 2022 TO NOVEMBER 30, 2023
(Expressed in U.S. Dollars)

	Ordinary		Share capital Ordinary A		Ordinary B		Share subscriptions	Deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number of shares #	Value \$	Number of shares #	Value \$	Number of shares #	Value \$				
Issued at incorporation on November 8, 2022	-	-	10	12	10	12	-	-	-	24
Ordinary shares issued	1,000,000	121	-	-	-	-	-	-	-	121
Share subscriptions	-	-	-	-	-	-	1,069,638	-	-	1,069,638
Net loss - from incorporation on November 8, 2022 to November 30, 2023	-	-	-	-	-	-	-	(12,216)	-	(12,216)
Exchange differences on translating foreign operations	-	-	-	-	-	-	-	-	1,058	1,058
Balance at November 30, 2023	1,000,000	121	10	12	10	12	1,069,638	(12,216)	1,058	1,058,625
Ordinary shares issued	8,380,874	2,186,954	-	-	-	-	(1,069,638)	-	-	1,117,316
Share subscriptions	-	-	-	-	-	-	18,291	-	-	18,291
Net loss - year ended November 30, 2024	-	-	-	-	-	-	-	(19,539)	-	(19,539)
Exchange differences on translating foreign operations	-	-	-	-	-	-	-	-	(82,011)	(82,011)
Balance at November 30, 2024	9,380,874	2,187,075	10	12	10	12	18,291	(31,755)	(80,953)	2,092,682

The notes form part of these consolidated financial statements

PTOLEMY MINING LIMITED GROUP

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER
8, 2022 TO NOVEMBER 30, 2023
(Expressed in U.S. Dollars)

	Year Ended November 30, 2024	Period from incorporation on November 8, 2022 to November 30, 2023
	\$	\$
OPERATING ACTIVITIES		
Net loss for the period	(19,539)	(12,216)
Add items not affecting cash:		
Expenses paid by shareholder	-	12,216
Changes in non-cash working capital:		
Prepaid expenses and deposits	(532)	(2,920)
Accounts payable and accrued liabilities	13,371	3,048
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(6,700)	128
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(1,737,306)	(352,052)
Recovery of exploration and evaluation expenditures	480,648	-
NET CASH USED IN INVESTING ACTIVITIES	(1,256,658)	(352,052)
FINANCING ACTIVITIES		
Share subscriptions received	1,135,421	551,576
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,135,421	551,576
EFFECT OF FOREIGN EXCHANGE	1,374	1,058
INCREASE (DECREASE) IN CASH	(126,563)	200,710
Cash, beginning of period	200,710	-
Cash, end of period	74,147	200,710
Supplemental cash flow information		
Expenses paid by Ptolemy Capital Limited on behalf of the Company	-	12,216
Exploration and evaluation expenditures paid by Ptolemy Capital Limited on behalf of the Company	186	505,991
Accounts payable included in exploration and evaluation assets	11,901	29,246

The notes form part of these consolidated financial statements

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER 8, 2022 TO NOVEMBER 30, 2023

(Expressed in U.S. Dollars)

1. STATUTORY INFORMATION AND NATURE OF OPERATIONS

Ptolemy Mining Limited Group (the “Company”) is a private company, incorporated on November 8, 2022 and registered in England and Wales. The company's registered number is 14469229 and registered office address is Easton Glebe, Laundry Lane, Little Easton, Essex, United Kingdom.

The Company is primarily engaged in the acquisition, exploration, and development of mineral properties. All of the Company's activities to date have been of an exploratory nature.

On October 30, 2024, the Company entered into a Share Exchange Agreement (“SEA”) with Fitzroy Minerals Inc. (“Fitzroy”), pursuant to which the Company's shareholders agreed to sell the issued Ordinary shares of the Company in exchange for 88,000,000 Fitzroy common shares. Concurrent with closing the acquisition, Fitzroy shall close a CAD\$3,000,000 financing. See Note 4.

These financial statements were approved by the Board of Directors on March 24, 2025.

Going concern

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of its properties.

While the Company's consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

At November 30, 2024, the Company had working capital of \$49,279 (November 30, 2023 - \$171,336) and a net loss of \$19,539 (period from incorporation on November 8, 2022 to November 30, 2023 – \$12,216) for the year then ended.

The Company does not have sufficient funds available to bring its mineral properties to production, if possible, which would allow it to be self-sustaining. The Company will need additional financing to continue exploring, and, if successful, develop its properties to bring them to the production stage. While in the past the Company has been successful in obtaining funding from equity financings, option agreements, loans or other arrangements, there is no assurance that these initiatives will be successful in the future.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and Interpretations of the International Reporting Interpretations Committee (IFRIC) applicable to the preparation of financial statements.

Basis of presentation

These consolidated financial statements were prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value.

Basis of consolidation

The Group financial statements consolidate the financial statements of Ptolemy Mining Limited (“PML”) and PML's wholly-owned Chilean subsidiaries Ptolemy Technical Services SpA (“PTS”) and Ptolemy Mining Chile SpA (“PMC”). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so to obtain benefits from its activities.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER** **8, 2022 TO NOVEMBER 30, 2023** **(Expressed in U.S. Dollars)**

2. BASIS OF PREPARATION – continued

Basis of consolidation

Assets, liabilities, revenues, and expenses of the subsidiaries are recognized in accordance with the Company's accounting policies. Intercompany transactions are eliminated at consolidation.

Functional and presentational currency

PML's functional currency is the U.S. Dollar ("U.S.") and PTS's functional currency is the Chilean peso ("CLP"). The consolidated financial statements are presented in U.S., which is the Company's presentation currency.

At each financial position reporting date, PTS's monetary and non-monetary assets and liabilities denominated in its functional currency are translated to the Company's presentation currency at the rates prevailing at each reporting date. Exchange differences arising from the translation of PTS's functional currency amounts into the Company's presentation currency are recorded directly to accumulated other comprehensive income or loss.

3. MATERIAL ACCOUNTING POLICIES

Critical accounting judgments and key sources of estimation uncertainty

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

Critical Accounting Judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Impairment of non-financial assets

The Company reviews and evaluates its property, including exploration and evaluation assets, for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting year. The asset's recoverable amount is estimated if an indication of impairment exists.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

Impairment losses reducing the carrying value to the recoverable amount are recognized in profit and loss. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Title to exploration and evaluation assets

Although the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER** **8, 2022 TO NOVEMBER 30, 2023** **(Expressed in U.S. Dollars)**

3. MATERIAL ACCOUNTING POLICIES – continued

Going concern

The assessment of the Company's ability to continue as a going concern involves critical judgment based on historical experience and expectations of the Company's ability to generate adequate financing. Significant judgment is used in the Company's assessment of its ability to continue as a going concern.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss), and
- Those to be measured after initial recognition at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. These are the measurement categories under which the Company classifies its debt instruments:

- Subsequently measured at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER** **8, 2022 TO NOVEMBER 30, 2023** **(Expressed in U.S. Dollars)**

3. MATERIAL ACCOUNTING POLICIES – continued

interest rate method.

- Fair value through profit or loss (“FVTPL”): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented in the statement of loss and comprehensive loss in the year which it arises.

Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit loss. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and subsequently measured at amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Foreign currencies

The financial results of foreign operations that have a functional currency different from the Company’s presentation currency are translated into the presentation currency. Income and expense transactions of foreign operations are translated at the average rate of exchange in effect for the year except for significant individual transactions, which are translated at the rate of exchange in effect at the transaction date. All assets and liabilities are translated at the rate of exchange in effect at the reporting date.

Foreign exchange differences arising on translation of foreign operations that have a functional currency different from the Company’s presentation currency are recognized as other comprehensive income or loss. Foreign exchange differences arising on translation of companies with a functional currency the same as the Company’s presentation currency as recognized in net income or loss.

Exploration and evaluation assets

Exploration and evaluation expenditures are capitalised once the legal right to explore a property has been acquired. Exploration and evaluation assets are recorded at cost less accumulated impairment losses. Direct costs related to the acquisition, exploration and evaluation of mineral properties are capitalised until the commercial viability of the asset is established, at which time the capitalised costs are reclassified to mineral properties under development. To the extent that the expenditures are spent to establish ore reserves within the rights to explore, the company will consider those costs as intangible in nature.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of the project are deemed to be impaired. As a result, those exploration and

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER
8, 2022 TO NOVEMBER 30, 2023
(Expressed in U.S. Dollars)

3. MATERIAL ACCOUNTING POLICIES – continued

expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

Management reviews the facts and circumstances suggesting if the carrying amount of the exploration and evaluation assets exceeds their recoverable amount on a regular basis. If the facts and circumstances suggest the carrying value exceeds the recoverable amount, the Company will perform an impairment test on the property in accordance with the provisions of IFRS 6.

Exploration stage assets and development stage assets are considered separate CGUs for impairment testing purposes.

The amount shown for mineral properties does not necessarily represent present or future values. Recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's Ordinary, Ordinary A and Ordinary B shares are classified as equity instruments.

Accounting pronouncements not yet adopted

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

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company does not expect these standards to have a material impact on its consolidated financial statements.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER 8, 2022 TO NOVEMBER 30, 2023

(Expressed in U.S. Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Buen Retiro Project
	\$
Balance November 8, 2022	-
Acquisition costs	50,000
Finder's fees	300,000
Exploration costs	537,289
Balance November 30, 2023	887,289
Exploration costs	1,669,835
Recoveries	(480,648)
Foreign exchange movement	(33,073)
Balance November 30, 2024	2,043,403

Buen Retiro Project – Chile

The Buen Retiro Project in Chile consists of the following mineral properties under option to the Company, as detailed below:

Buen Retiro Property

On June 30, 2023 (the “Buen Retiro Effective Date”), as amended April 24, July 29, December 31, 2024 and February 18, 2025, Sociedad Contractual Minera Buen Retiro (“SCMBR”) and Sociedad Punta del Cobre S.A. (“Pucobre”) (together, the “Buen Retiro Optionors”) granted PML, through PMC, options (the “Buen Retiro Property Options”) to acquire the Buen Retiro Mining Concessions, located in the Atacama Region of Chile (the “Buen Retiro Property”).

Pursuant to the terms of the Buen Retiro Option Agreement, in order to exercise the Buen Retiro Property Options and acquire the Buen Retiro Property, PMC must complete the following:

- i. Incur exploration expenditures of at least \$2,000,000 by December 31, 2025 (the “Stage 1 Exploration Operations”), including not less than 12,000 metres of drilling, with a minimum of 1,500 metres of drilling per calendar quarter (to be completed);
- ii. Incur exploration expenditures of at least an additional \$5,000,000 after the completion of the Stage 1 Exploration Operations by June 30, 2027 (“Stage 2 Exploration Operations”), with no less than \$1,000,000 of expenditures being incurred over any consecutive twelve-month period (to be completed); and
- iii. Upon completion of the Stage 2 Exploration Operations, incur additional expenditures as necessary to integrate new and existing data into a technical report (“Stage 3 Exploration Operations”) and make a cash payment of \$4,000,000 to the Buen Retiro Optionors to exercise the Buen Retiro Property Options (to be completed).

Upon the exercise of the Buen Retiro Property Options, PMC will also grant to each of SCMBR and Pucobre a 1.0% net smelter returns royalty (“NSR”) (2.0% total) on the Buen Retiro Project, with a right for PMC to repurchase half (0.5%) of the NSR royalty (1.0% total) from each of SCMBR and Pucobre for a cash payment of \$2,500,000 each (\$5,000,000 total).

In connection with the Buen Retiro Option Agreement, the Company has also agreed to maintain the Buen Retiro Mining Concessions in good standing, including the payment of all applicable mining concession fees, until such time as the option is exercised or terminated. The Company has further agreed to provide periodic reporting on exploration activities and allow the Buen Retiro Optionors to audit such reports.

In connection with the Buen Retiro Option Agreement, the Company has also granted Pucobre the right, after PMC exercises the Buen Retiro Property Options, to buy back up to 30% of the Buen Retiro Project via the purchase of 30% of PMC’s issued and outstanding shares (the “Pucobre Call Option”).

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER** **8, 2022 TO NOVEMBER 30, 2023** **(Expressed in U.S. Dollars)**

4. EXPLORATION AND EVALUATION ASSETS – continued

The purchase price of the shares under the Pucobre Call Option will be 3 times 30% of the addition of the following amounts: (i) a fixed amount of \$300,000 and (ii) all the Eligible Expenses effectively incurred by PMC to complete the Option, including the \$4,000,000 to be paid to the Buen Retiro Optionors upon PMC exercising the Buen Retiro Option.

Sierra Fritis Property

On October 6, 2023 (the “Sierra Fritis Effective Date”), as amended September 27, 2024, Inversiones AMP LTDA (“AMP” or the “Sierra Fritis Optionor”) granted PML, through PMC, the option (the “Sierra Fritis Property Option”) to acquire the Sierra Fritis Mining Concessions, located in Chile (the “Sierra Fritis Property”).

Pursuant to the terms of the Sierra Fritis Option Agreement, in order to exercise the Sierra Fritis Property Option and acquire the Sierra Fritis Property, PMC must complete the following:

- i. Incur exploration expenditures of at least \$500,000 by December 31, 2024 (the “Stage 1 Exploration Operations”) (to be completed);
- ii. Incur exploration expenditures of at least an additional \$2,100,000 within 48 months of the Sierra Fritis Effective Date (“Stage 2 Exploration Operations”), including not less than \$350,000 of expenditures being incurred over any consecutive twelve-month period (to be completed);
- iii. Undertake to allocate a maximum amount of \$250,000, as eligible expenditures associated with Stage 1 Exploration Operations, to cover overdue mining concession fees on the Sierra Fritis Mining Concessions (completed);
- iv. Complete integration of new and existing geological data into a technical report (“Stage 3 Exploration Operations”) (to be completed); and
- v. Complete the following cash payments to AMP:
 - (a) \$50,000 at the Sierra Fritis Effective Date (paid);
 - (b) \$50,000 on or before December 31, 2024 (to be paid);
 - (c) \$50,000 on or before the two-year anniversary of the Sierra Fritis Effective Date (to be paid);
 - (d) \$50,000 on or before the three-year anniversary of the Sierra Fritis Effective Date (to be paid);
 - (e) \$50,000 on or before the four-year anniversary of the Sierra Fritis Effective Date (to be paid);
 - and
 - (f) \$50,000 upon exercising the Sierra Fritis Property Option (to be paid).

Upon the exercise of the Sierra Fritis Property Option, PMC will also grant AMP a 2.0% NSR on the Sierra Fritis Property, with a right for PMC to repurchase half (1.0%) of the NSR for a cash payment of \$5,000,000.

Finder’s Agreement

In the early stages of negotiations regarding The Buen Retiro Project, the Company entered into a finder’s agreement (the “Buen Retiro Finder’s Agreement”) with AMP (the “Finder”), pursuant to which the following finder’s consideration was paid:

- (a) Upon signing of Heads of Agreement for both the Buen Retiro Property Options and the Sierra Fritis Property Option, the Company paid a \$100,000 milestone payment to the Finder; and
- (b) Upon signing the Buen Retiro Property Options and Sierra Fritis Option agreements, the Company paid a further \$200,000 milestone payment to the Finder.

Share Exchange Agreement with Fitzroy

On June 25, 2024 the Company entered into an Exclusivity Agreement with Fitzroy, pursuant to which Fitzroy was granted the exclusive 90-day right to complete technical, financial and legal due diligence investigations and to negotiate a definitive acquisition agreement to acquire all of the assets and issued and ordinary shares of PML. On September 22, 2024, this due diligence period was extended an additional 90 days to December 22, 2024, with PML and Fitzroy ultimately signing the SEA on October 30, 2024.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER** **8, 2022 TO NOVEMBER 30, 2023** **(Expressed in U.S. Dollars)**

4. EXPLORATION AND EVALUATION ASSETS – continued

Pursuant to these agreements, the Company has received CLP 466,998,000 (\$480,648) in exclusivity and extension payments and advances towards exploration expenditures. These amounts have been recorded as recoveries of exploration and evaluation costs previously incurred.

5. SHARE CAPITAL

a. Issued share capital

As at November 30, 2024: 9,380,874 Ordinary, 10 Ordinary A and 10 Ordinary B shares.

The Company's controlling Ordinary shareholder, PCL, has the right to elect two directors to the Company's Board of Directors, while the Company's Ordinary A shareholder and Ordinary B shareholder each have the right to elect one director to the Board of Directors. The controlling shareholder of PCL shall be Chairman of the Company's Board of Directors.

The Company's Ordinary A and Ordinary B shareholders have performance rights that entitle their shares to be converted to Ordinary shares at resulting Ordinary share equity percentages, calculated based on the ratio of the value of concessions acquired under the Buen Retiro Property Options and/or Sierra Fritis Property Option, determined by a valuer acceptable to all parties engaged at the Company's expense, divided by invested capital, multiplied by a factor of two (2), less the percentages into which Ordinary A and Ordinary B shares may have been converted into Ordinary shares pursuant to a prior early exit opportunity ("EEO"), as described below. The percentages of equity ownership of Ordinary shares resulting from conversion of Ordinary A or Ordinary B shares into Ordinary shares shall be capped at 10% per converted class (20% total).

In the event PCL elects to participate in an EEO, whereby PCL's interest in the Buen Retiro Project is to be sold entirely or in part, both Ordinary A and Ordinary B shareholders may also elect to participate in the EEO. Either both Ordinary A and Ordinary B shareholders shall elect to participate in the EEO or otherwise neither shall participate.

An EEO shall be effected via the sale of the Company's Ordinary shares. In the event all parties elect to participate in an EEO, to enable participation in the EEO, the Company's Ordinary A and Ordinary B shares shall be converted to Ordinary shares on the basis of the number of Ordinary shares that PCL wishes to sell pursuant to the EEO, divided by total issued outstanding Ordinary shares, multiplied by 100.

In the event the shareholders agree the Company, its subsidiaries or the Buen Retiro Project should be sold during the five years from June 30, 2023, Ordinary A and Ordinary B shares shall convert to Ordinary shares on the calculation basis under Ordinary A and Ordinary B shareholders' performance rights, less the percentages these shares may have been converted into Ordinary shares previously pursuant to a prior EEO.

b. Share capital issuances

For the year ended November 30, 2024

- i. On January 4, 2024, PML issued 7,000,000 Ordinary shares for \$806,080 and a further 1,000,000 Ordinary shares for \$1,000,000.
- ii. On November 29, 2024, PML issued 380,874 Ordinary shares for \$380,874.

For the period from incorporation on November 8, 2022 to November 30, 2023

- i. On November 8, 2022, PML issued 1,000,000 Ordinary shares for \$121 (£100), 10 Ordinary A shares for \$12 (£10) and 10 Ordinary B shares for \$12 (£10).

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER
8, 2022 TO NOVEMBER 30, 2023
(Expressed in U.S. Dollars)

5. SHARE CAPITAL – continued

c. Share subscriptions

During the year ended November 30, 2024, the Company's controlling shareholder, Ptolemy Capital Limited ("PCL"), advanced \$1,135,421 to the Company and paid \$186 of expenses on behalf of the Company. These amounts were recorded as share subscriptions to be applied towards the future issuance of shares. \$2,186,954 of prior amounts advanced to or paid on behalf of the Company were applied towards 8,380,874 Ordinary shares issued to PCL during the year ended November 30, 2024, and as at November 30, 2024, \$18,291 remained to be applied towards future share capital issuances.

During the period from incorporation on November 8, 2022 to November 30, 2023, PCL advanced \$551,431 to the Company and paid \$518,207 of expenses on behalf of the Company. These amounts were recorded as share subscriptions to be applied towards the future issuance of shares as at November 30, 2023.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. Cash and cash equivalents is the only financial asset that is measured at fair value subsequent to initial recognition, which is measured based on level 1 input of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's cash and cash equivalents is held in a major Canadian financial institution which is considered to have high credibility. Management believes that the Company has no significant credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations associated with its financial liabilities as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. The Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

As at November 30, 2024, the Company had \$74,147 (2023 – \$200,710) of cash on hand to settle \$84,187 (2023 – \$33,851) of liabilities.

c) 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 risk comprises three types of risk: interest rate risk, foreign currency, and other price risks.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management believes that risks related to interest rates are not significant to the Company at this time.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER 8, 2022 TO NOVEMBER 30, 2023

(Expressed in U.S. Dollars)

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to minimal foreign currency risk at this time.

7. RELATED PARTY TRANSACTIONS

During the year ended November 30, 2024, the Company incurred \$125,190 (period from incorporation on November 8, 2022 to November 30, 2023 – \$67,307) of consulting fees earned by a company controlled by a Company director. As at November 30, 2024, the Company owed this company \$Nil (2023 – \$13,461).

8. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to raise the necessary equity financing to fund its exploration projects and to manage the equity funds raised which best optimizes its exploration programs and the interests of its equity shareholders at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity.

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. In order to maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate.

There were no changes in the Company's approach to capital management during the year ended November 30, 2024. The Company is not subject to externally imposed capital requirements.

9. INCOME TAXES

A reconciliation of the Company's income tax provision at statutory rates to the reported income tax provision is as follows:

	November 30, 2024	November 30, 2023
	\$	\$
Loss for the period	19,539	12,216
	25.00%	25.00%
Income tax recovery	4,885	3,054
Increase in deferred tax assets	(4,885)	(3,054)
Total income taxes	-	-

The significant components of the Company's deferred income tax assets are as follows:

	November 30, 2024	November 30, 2023
	\$	\$
Trading losses	8,000	3,000
	8,000	3,000
Valuation allowance	(8,000)	(3,000)
Net deferred income tax assets	-	-

Deferred tax benefits, which may arise as a result of these losses and other tax assets, have not been recognized in these consolidated financial statements due to the uncertainty of their realization.

PTOLEMY MINING LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED NOVEMBER 30, 2024 AND PERIOD FROM INCORPORATION ON NOVEMBER
8, 2022 TO NOVEMBER 30, 2023
(Expressed in U.S. Dollars)

9. INCOME TAXES – continued

As at November 30, 2024, the Company had approximately \$32,000 of accumulated trading losses which can be carried forward indefinitely and applied to reduce future taxable trading income.