MONTERO MINING AND EXPLORATION LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended March 31, 2024 and 2023
Expressed in Canadian Dollars
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Montero Mining and Exploration Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

MONTERO MINING AND EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian dollars)

	Notes	As at March 31, 2024	As at December 31, 2023
		$	$
ASSETS			
Current assets			
Cash		292,484	9,641
Other receivables		4,114	3,207
Prepaid expenses and deposits		26,896	29,889
Total current assets		323,494	42,737
Non-current assets			
Plant and equipment	4	398	431
Exploration and evaluation assets	5	864,010	819,541
Total non-current assets		864,408	819,972
TOTAL ASSETS		**1,187,902**	**862,709**
LIABILITIES			
Current liabilities			
Trade and other payables	6,8,9	864,205	1,356,969
Loans payable	7,9	269,261	266,120
Total current liabilities		1,133,466	1,623,089
SHAREHOLDERS' EQUITY (DEFICIT)			
Share capital	6,8,9	19,112,094	18,116,063
Share based payment reserve	8	8,836,549	8,836,549
Foreign currency translation reserve		1,047,560	1,047,560
Accumulated deficit		(28,941,767)	(28,760,552)
Total shareholders' equity (deficit)		54,436	(760,380)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		**1,187,902**	**862,709**

Note 1 – Nature and continuance of operations

On behalf of the Board:

"Antony Harwood"
Antony Harwood, Director

"Andrew Thomson"
Andrew Thomson, Director

See accompanying notes to the condensed interim consolidated financial statements.

MONTERO MINING AND EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian dollars)

	Notes	Three Months ended March 31, 2024	Three Months ended March 31, 2023
		$	$
EXPENSES			
Consulting, administrative and management fee	9	53,939	61,105
Director's fee		-	9,875
Depreciation	4	33	48
General and administrative	9	39,199	36,936
Professional fees		12,447	14,428
Project investigation costs		6,813	-
Shareholder and regulatory		7,569	5,227
OPERATING EXPENSES		(120,000)	(127,619)
OTHER ITEMS			
Interest expense	7	(3,141)	(825)
Loss on settlement of debt	6,8	(51,839)	-
Foreign exchange gain (loss)		(6,235)	8,291
TOTAL OTHER ITEMS		(61,215)	7,466
NET AND COMPREHENSIVE LOSS		**(181,215)**	**(120,153)**
Loss per share, basic and diluted	**8**	**(0.00)**	**(0.00)**
Weighted average number of shares outstanding		**43,441,637**	**38,647,485**

See accompanying notes to the condensed interim consolidated financial statements

MONTERO MINING AND EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(Unaudited - Expressed in Canadian dollars)

	Share Capital					
	Number of shares	Amount	Share Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Deficit	Total Equity (Deficit)
		$	$	$	$	$
Balance, December 31, 2022	38,647,485	18,116,063	8,836,549	1,047,560	(28,161,006)	(160,834)
Net loss and comprehensive loss	-	-	-	-	(120,153)	(120,153)
Balance, March 31, 2023	**38,647,485**	**18,116,063**	**8,836,549**	**1,047,560**	**(28,281,159)**	**(280,987)**
Net loss and comprehensive loss	-	-	-	-	(479,393)	(479,393)
Balance, December 31, 2023	**38,647,485**	**18,116,063**	**8,836,549**	**1,047,560**	**(28,760,552)**	**(760,380)**
Shares issued for cash	5,332,997	799,950	-	-	-	799,950
Share issue costs	-	(55,758)	-	-	-	(55,758)
Shares issued for debt	1,300,813	251,839	-	-	-	251,839
Net loss and comprehensive loss	-	-	-	-	(181,215)	(181,215)
Balance, March 31, 2024	**45,281,295**	**19,112,094**	**8,836,549**	**1,047,560**	**(28,941,767)**	**54,436**

See accompanying notes to the condensed interim consolidated financial statements.

MONTERO MINING AND EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian dollars)

	Three Months ended March 31, 2024	Three Months ended March 31, 2023
	$	$
OPERATING ACTIVITIES		
Net loss for the period	(181,215)	(120,151)
Adjustments for non-cash items:		
Depreciation	33	48
Loss on settlement of debt	51,839	-
Interest expense	3,141	825
Net changes in non-cash working capital items:		
Other receivables	(907)	(1,378)
Prepaid expenses and deposits	2,993	9,486
Trade and other payables	(306,300)	40,239
Net cash used in operating activities	(430,416)	(70,931)
INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	(44,469)	(24,413)
Net cash used in investing activities	(44,469)	(24,413)
FINANCING ACTIVITIES		
Advance from related party	-	94,407
Proceeds from issue of shares, net of share issue costs	757,728	-
Net cash provided by financing activities	757,728	94,407
NET INCREASE (DECREASE) IN CASH	282,843	(937)
CASH, BEGINNING OF THE PERIOD	9,641	4,718
CASH, END OF THE PERIOD	**292,484**	**3,781**

Note 12 – Supplemental cash flow information.

See accompanying notes to the condensed interim consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Montero Mining and Exploration Ltd ("Montero" or the "Company") was incorporated on October 5, 2006, under the laws of British Columbia, Canada. Montero is engaged in the acquisition and exploration of mineral properties.

Montero is a publicly listed company with its shares listed on the TSX Venture Exchange ("TSX-V"). The Company's registered office is located at 1040 West Georgia Street, Suite 1900, Vancouver, BC, V6E 4H3 and its head office address is 750 West Pender Street, Suite 401, Vancouver, BC V6C 2T7.

Going Concern

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2024, the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. When further funds are required, they will be financed through a private placement of common shares or by debt instruments.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company. These condensed interim consolidated financial statements do not contain all of the information required for full annual consolidated financial statements. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's most recent annual consolidated financial statements for the year ended December 31, 2023, which were prepared in accordance with IFRS as issued by the IASB.

The preparation of condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed in Note 3.

The condensed interim consolidated financial statements for the three months ended March 31, 2024 were authorized for issue on May 30, 2024 by the Audit Committee of the Company.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on an accrual basis and are based on the historical cost basis as modified by any revaluation of financial assets measured at fair value. The condensed interim consolidated financial statements are presented in Canadian dollars ("CAD"), which is also the Company's functional currency.

(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Basis of Consolidation

The condensed interim consolidated financial statements include the accounts of Montero, the parent company, and its controlled subsidiaries, after the elimination of all intercompany balances and transactions. Control is achieved when the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceased. The condensed interim financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on managements' experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Areas requiring a significant degree of estimation relate to the recoverability of deferred tax assets, fair value measurements of financial instruments and share-based payments.

4. PLANT AND EQUIPMENT

	Field Equipment	Furniture and Fixtures	TOTAL
	$	$	$
Cost:			
Balance, March 31, 2024 and December 31, 2023	**39,994**	**3,086**	**43,080**
Accumulated Depreciation:			
Balance, December 31, 2023	39,576	3,073	42,649
Depreciation	31	2	33
Balance, March 31, 2024	**39,607**	**3,075**	**42,682**
Net Book Value			
Balance, December 31, 2023	418	13	431
Balance, March 31, 2024	**387**	**11**	**398**

(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION PROJECTS

Details of the Company's exploration and evaluation activity for the three months ended March 31, 2024 and year ended December 31,2023 are as follows:

	Avispa Copper Molybdenum Project
	$
Balance, December 31, 2023	819,541
Costs incurred during the period	
Consultants	21,964
Field and camp costs	238
Licenses and claims	14,881
Project and administration	7,386
Total costs	44,469
Balance, March 31, 2024	**864,010**

	Isabella Gold/Silver Project	**Avispa Copper Molybdenum Project**	**Total**
	$	$	$
Balance, December 31, 2022	97,917	461,777	559,694
Costs incurred during the year			
Assays	-	13,211	13,211
Consultants	-	83,010	83,010
Field and camp costs	-	7,660	7,660
Licenses and claims	-	230,776	230,776
Project and administration	-	22,227	22,227
Travel and accommodation	-	880	880
Total costs	-	357,764	357,764
Impairment	(97,917)	-	(97,917)
Balance, December 31, 2023	**-**	**819,541**	**819,541**

5. EXPLORATION AND EVALUATION PROJECTS (continued)

a. CHILE

Isabella Gold Silver Project

On August 5, 2020, the Company signed a Binding Purchase and Sale Agreement to acquire a 100% interest in a private Chilean company Minera Joy SpA ("ChileCo"). At that time ChileCo directly held 100% of the mineral rights to 38 mineral exploration concessions and had two subsidiaries with additional minerals rights. The 38 mineral exploration concessions were not renewed and have been allowed to lapse.

The Company, through ChileCo, held an 85% equity interest in Subsidiary 1 which held 16 exploration mining concessions ("Isabelle West Concessions") which due to poor exploration results have not been renewed and have been allowed to lapse.

Due to poor drilling results, during the year ended December 31, 2022, the Company recorded an impairment of $294,965 relating to costs incurred on the Isabella West exploration mining concessions that were allowed to lapse.

The Company, through ChileCo, holds 100% interest in Subsidiary 2 (Minera Joy East SpA) which was earning an 85% interest in 151 exploration mining concessions ("Isabella East Concessions") held by a local party, by making cash payments totaling US $450,000 by August 2022.

Due to poor drilling results on the Isabella East Concessions the Company elected to terminate the earn-in option agreement and rights to the Isabella East concessions on August 31, 2021 resulting in an impairment of $1,018,964. ChileCo now only holds 6 exploration mining concessions (the "Roy Claims") which are located east of the Isabella east concessions. The carrying value of the Isabella Gold Silver Project at December 31, 2023 and 2022 consists of costs relating to the Roy Claims.

During year end 2023, the Company recorded an impairment of $97,917 relating to costs incurred on the Isabella Gold Silver project as management does not expect to renew the Roy Claims.

Avispa Copper Molybdenum Project

The Company applied for exploration mining concessions in northern Atacama in October 2019 to explore for copper and molybdenum and these were awarded in October 4, 2020. The Company submitted further applications in April 2021 and on March 14, 2022, and was awarded further exploration concessions that includes the original Avispa and recently awarded and adjacent Abeja exploration concessions.

During the three months ended March 31, 2024, the Company capitalized $44,469 (December 31,2023 - $357,764) in costs related to the Avispa Copper Molybdenum Project.

b. TANZANIA

Montero's Wigu Hill Rare Earth Element Retention License was expropriated by the Tanzanian government in 2018 when the Mining (Local Content) Regulations 2018, published on January 10, 2018, cancelled all previously issued Retention Licenses. The Company commenced exploration activities on the project in March 2008 under a prospecting license, before obtaining a five-year Retention License for the property in 2015. On January 10, 2018 the Government of Tanzania cancelled all Retention Licenses at which point they ceased to have any legal effect.

The Company is seeking damages from the Tanzanian government over the expropriation of the Retention Licenses before the International Centre for Settlement of Investment Disputes, part of the World Bank group. An arbitration process is underway, but the outcome remains uncertain at this time (Note 11).

(Unaudited - Expressed in Canadian dollars)

6. TRADE AND OTHER PAYABLES

The components of trade and other payables is as follows:

	March 31, 2024	December 31, 2023
	$	$
Trade payables	46,778	142,921
Amounts due to related parties (Note 9)	748,177	1,153,048
Accrued liabilities	69,250	61,000
Total	**864,205**	**1,356,969**

On February 29, 2024, The Company settled $200,000 of trade payables owed various creditors and amounts owing to a related party, by issuing an aggregate of 1,300,813 common shares of the Company with a fair value of $251,839 (Note 8). The Company recognized loss on settlement of debt of $51,839 in the condensed interim consolidated statement of loss and comprehensive loss.

7. LOANS PAYABLE

On March 19, 2020, the Company received a loan of $50,000 from an officer of the Company. The loan is unsecured, bore interest at 5% and was due on December 30, 2020. The loan maturity was extended to December 31, 2024. No demand for repayment has been made, therefore, loan remains unpaid and continues to accrue interest.

During the year ended December 31, 2023, the Company received additional loans from an officer of the Company for an aggregate amount of $202,000. The loans are unsecured, bear interest at 5% per annum and are due and payable in full including accrued interest on or before December 31, 2024.

During the three months ended March 31, 2024, the Company recorded accrued interest of $3,141 on the loans (three months ended March 2023 - $825). As at March 31, 2024, the loans payable balance including accrued interest were $269,261 (December 31, 2023 - $266,120) (Note 9).

8. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

At March 31, 2024, there were 45,281,295 issued and fully paid common shares outstanding (December 31, 2023 - $38,647,485).

Shares transactions during the three months ended March 31, 2024

On January 18, 2024, the Company closed a non-brokered private placement of 5,332,997 common shares at the price of $0.15 per share, for aggregate proceeds of $799,950. In connection with the private placement, the Company recorded $55,758 of share issuance costs including the $33,000 cash finders’ fee.

On February 29, 2024, The Company settled $200,000 of trade payables owed various creditors and amounts owing to a related party, by issuing an aggregate of 1,300,813 common shares of the Company with a fair value of $251,839 (Note 6).

(Unaudited - Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Stock options

The Company has established a Stock Option Plan (the "Plan") for directors, officers, employees and consultants. The number of common shares that are available for grants of options under the Plan shall not at any time exceed 10% of the number of outstanding common shares, calculated at the time of grant. Options granted under the Plan generally have a term of five years and vest on the date of the grant.

As at March 31, 2024, the Company had no options outstanding.

No stock options were granted during the three months ended March 31, 2024 and 2023.

Share Based Payment Reserve

As at March 31, 2024, the Company's share-based payment reserve is comprised of the following:

Expired warrants	$	6,149,340
Expired stock options		2,687,209
Balance, March 31, 2024	**$**	**8,836,549**

The share-based payment reserve records items recognized as stock-based compensation expense, the fair value of expired warrants associated with private placements and the fair value of agent's warrants. If the stock options are exercised prior to expiry, the corresponding amount will be transferred to share capital.

Warrants

The Company has no warrants outstanding as at March 31, 2024, and December 31, 2023.

Loss Per Share

Basic loss per share amounts are calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the period. The basic and diluted loss per share are the same since the Company reported a loss for three months ended March 31, 2024 and 2023.

	Three months ended March 31,	
	2024	**2023**
Net loss attributable to owners of the parent company	(181,215)	(120,153)
Weighted average number of ordinary shares outstanding	43,441,637	38,647,485
Basic and diluted loss per ordinary share	(0.00)	(0.00)

(Unaudited - Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with management, directors, officers, or companies which have directors in common, or in which the directors have significant influence and interests.

	Three Months ended March 31,	
	2024	**2023**
	$	$
Consulting and management [(1)(2)]	47,520	23,478
Director's fee	-	9,875
General and administrative	2,494	6,176
Total remuneration of directors and key management personel	**50,014**	**39,529**

[(1)] Consulting and management fees includes accounting, administrative and corporate services provided by a company controlled by the CFO.

[(2)] Consulting and management fees includes services provided by the CEO.

The amounts due to related parties that are included in trade and other payables (Note 6) represent amounts due to directors and officers or companies which have directors in common, or in which the directors have significant influence and interests. These amounts are unsecured, non-interest bearing and are due within twelve months.

The loans payable are due to an officer of the Company (Note 7)

On February 29, 2024, The Company partially settled $139,274 of related party loan owing to the CEO by issuing 905,849 common shares of the Company (Note 6).

10. SEGMENTED INFORMATION

The Company has one business segment being the exploration and evaluation of mineral resources. The Company is organized by geographic area and its reportable geographic segment is located in Chile.

11. COMMITMENTS AND CONTINGENCIES

The Company has no lease commitments.

On January 8, 2021, Montero completed a Litigation Funding Agreement (the “Agreement”) with Omni Bridgeway Canada Limited (“Omni Bridgeway”) in the amount of US $2.32M. The Agreement provides for funds to be drawn from a financing facility to meet all fees and expenses relating to the pursuit of certain claims against the Government of Tanzania for the illegal expropriation and loss of the Wigu Hill Project, including all costs associated with legal proceedings and, if necessary, enforcement, of any awards. Montero has initiated international arbitration proceedings in accordance with the bilateral investment treaties (“BIT”) between Canada and the United Republic of Tanzania. Compensation being sought for expropriation of the Wigu Hill rare earth element Project may include, but will not be limited to, the value of the historic investment made by Montero in Tanzania, the value of the project at the time that tenure was expropriated and damages the Company has suffered as a result of Tanzania’s acts and omissions (Note 5).

(Unaudited - Expressed in Canadian dollars)

12. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash transactions that occurred during the three months March 31, 2024 and 2023 are as follows:

		Three Months ended March 31, 2024		Three Months ended March 31, 2023
Supplemental cash flow information:				
Non-cash transactions:				
Expenditures on exploration and evaluation assets in accounts payable	$	-	$	38,201
Shares issued for debt settlement	$	251,839	$	-
Share issuance costs in accounts payable and accrued liablilities	$	13,535	$	-

13. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern, while supporting the Company's business and maximizing the return to its stakeholders. The Company's capital structure is adjusted based on management's decisions to issue debt or equity instruments to fund expenditures. In order to maximize ongoing exploration efforts, the Company does not pay dividends. The Company's Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business. The capital of the Company consists of equity attributable to owners of the parent comprised of share capital, stock options and warrants.

The Company's principal activities are in the exploration and evaluation stage and, as a result, the Company currently has no source of operating cash flow. In order to facilitate the management of capital and exploration of its mineral properties, the Company needs to raise capital as and when required to complete its projects and for working capital. The sources of future funds presently available to the Company are through the issuance of new share capital, through the exercise of stock options and/or warrants or through borrowings from related parties.

The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to arrange additional financing, when required, on terms satisfactory to the Company.

Management prepares operating budgets to forecast its financing requirements in advance and they review their capital management approach on an ongoing basis and believe that this approach is reasonable, given the relative size of the Company. The Company's investment policy is to hold excess cash in interest-bearing accounts at high credit quality financial institutions to minimize risk and maximize liquidity. The Company's overall strategy remains unchanged from the prior year. The Company is not subject to any externally imposed capital requirements.

14. RISK MANAGEMENT

The Company operates in the mining industry and faces a number of risks that could adversely affect the Company's operations. These risks include industry risk, credit risk, liquidity risk, interest rate risk, foreign currency risk, commodity price risk. Management reviews and develops policies for managing each of these risks which are summarized below.

Industry Risk
The Company is engaged in the mineral exploration field, which is subject to inherent risks of success as well as compliance with environmental, political and regulatory requirements. The Company is potentially at risk for environmental reclamation obligations associated with resource property interests. As well, the Company operates in foreign countries and is subject to local political risks, as well as local regulatory requirements regarding ownership and maintenance of mineral licenses. Management is of the opinion that they have the expertise to address these risks and makes all efforts to conduct their business in compliance with local industry standards, however environmental and local industry laws and practices are complex, and there is no certainty that all exposure to liability or costs have been mitigated.

Credit Risk
Credit risk is the risk of loss associated with a counter-party's ability to fulfill its payment obligations. The Company's primary exposure to credit risk is attributable to its cash and cash equivalents, as well as other receivables. This risk relating to cash and cash equivalents is considered low since the Company only invests its cash in major banks which are high credit quality financial institutions. The other receivables primarily comprise local sales tax refunds due from governmental agencies and, as such, management considers the risk with their collection minimal. The cash and cash equivalents are invested in short-term investment certificates for periods less than 90 days and the other receivables are due in less than 90 days.

Liquidity Risk
Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available cash in order to meet its liquidity requirements and to develop budgets to forecast cash requirements in advance of their requirements. The Company currently does not have a source of operating cash flow and must raise funds for its exploration and evaluation programs and for general working capital. There are risks associated with raising the funds required, and there can be no assurances that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company.

Interest Rate Risk
Interest rate risk refers to the risk that the fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk on its cash equivalents which represents excess cash invested in short-term investments and these accrue interest at variable market rates. The Company monitors these investments with its need for cash flow and is satisfied with the return on these investments, given the timing of the need for cash in the Company. The effect of interest rate changes on the Company is insignificant.

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 operates in Canada and Chile and portions of its expenditures are incurred in US Dollar and Chilean Peso. At March 31, 2024 and December 31,2023, the value of financial assets and liabilities denominated in currencies other than the functional currency of the entity to which they relate is not significant.

Commodity Price Risk
The Company is exposed to price risk with respect to commodity prices. Commodity price risk is the potential adverse impact on earnings and economic value of its exploration and evaluation assets, due to commodity price movements and volatilities. The Company monitors commodity prices (primarily gold and silver) to determine the appropriate course of action to be taken by the Company.