PAMPA METALS CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEAR ENDED DECEMBER 31, 2022

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Pampa Metals Corporation

Opinion

We have audited the consolidated financial statements of Pampa Metals Corporation (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (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 December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 the Company has incurred losses since inception and an accumulated deficit of $8,953,916 as at December 31, 2022. 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be key audit matters to be communicated in our auditor's report.

<table>
<tr><th>KEY AUDIT MATTER</th><th>HOW THE MATTER WAS ADDRESSED IN THE AUDIT</th></tr>
<tr><td>Carrying value of mineral property interests

As disclosed in Note 3 as at December 31, 2022, the Company held capitalized mineral property interests of $4,855,222 in Chile and the Company recorded an impairment of mineral property interests of $1,348,005.

The carrying value of exploration and evaluation expenditure is assessed for impairment by the Company when facts and circumstance indicate that the exploration and evaluation expenditure may exceed its recoverable amount.

We considered this a key audit matter because the determination as to whether there are any indicators of impairment involves a number of judgments including whether the Company has tenure, intends to perform ongoing exploration and evaluation activity, whether there is sufficient information for a decision to be made that the area of interest is not commercially viable.</td><td>Our procedures included, but were not limited to, the following to evaluate the reasonableness of management's assessment of indicators of impairment related to mineral property interests:

• We obtained an understanding of the key processes associated with management's assessment of impairment indicators.
• We tested a sample of exploration expenditures incurred in Chile.
• We tested the Company's right to explore, which included obtaining a legal opinion on the status and ownership of the mineral property interests.
• We evaluated the Company's intention to carry out significant exploration and evaluation activities.
• We agreed the impairment charge to the historic capitalized costs and tested that the costs in included in the impairment charge were determined on a reasonable basis.</td></tr>
</table>

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 International Financial Reporting Standards, 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.

DMCL.

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

April 30, 2023

PAMPA METALS CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

As at	December 31 2022	December 31 2021
ASSETS		
Current assets		
Cash	$ 404,633	$ 1,333,960
GST Recoverable	69,884	70,458
Prepaid expenses	92,720	31,948
Total current assets	567,237	1,436,366
Non-current assets		
Equipment	34,456	44,415
Mineral property interests (Note 3)	4,855,222	5,147,059
Total non-current assets	4,889,678	5,191,474
TOTAL ASSETS	$ 5,456,915	$ 6,627,840
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	$ 280,194	$ 47,292
Total liabilities	280,194	47,292
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	12,159,947	9,858,337
Commitment to issue shares (Note 5)	132,825	-
Warrant reserve (Note 5)	1,049,260	995,314
Contributed surplus (Note 5)	788,605	628,464
Accumulated deficit	(8,953,916)	(4,901,567)
Total shareholders' equity	5,176,721	6,580,548
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 5,456,915	$ 6,627,840

Nature of operations and going concern (Note 1)
Subsequent events (Note 9)

These consolidated financial statements were authorized for issuance by the Board of Directors on April 30, 2023.

Approved by the Board of Directors

"Joseph van den Elsen" Director *"Adrian Manger"* Director

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

PAMPA METALS CORPORATION
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Year ended December 31 2022	Year ended December 31 2021
Expenses		
Consulting fees	$ 260,875	$ 138,750
Depreciation	9,959	4,176
Director and management fees (Note 6)	588,737	639,376
General and administration	148,930	57,855
Investor relations and communication	1,120,763	586,324
Professional fees (Note 6)	259,768	277,684
Share-based compensation (Notes 5 and 6)	160,141	613,449
Shareholder information	70,408	72,451
	2,619,581	2,390,065
Loss before other items	(2,619,581)	(2,390,065)
Other items		
Impairment of mineral property interests (Note 3)	(1,348,005)	-
Gain on debt settlement (Notes 4 and 5)	78,792	-
Interest income	738	5,020
Foreign exchange (loss) gain	(164,293)	59,394
Loss and comprehensive loss	$ (4,052,349)	$ (2,325,651)
Basic and diluted loss per share	$ (0.08)	$ (0.05)
Weighted average number of shares outstanding - basic and diluted	48,434,606	43,714,387

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

PAMPA METALS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended December 31 2022	Year ended December 31 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (4,052,349)	$ (2,325,651)
Items not affecting cash:		
Impairment of mineral property interests	1,348,005	-
Share-based compensation	160,141	613,449
Shares issued for services	118,000	-
Unrealized foreign exchange effect	(1,551)	-
Depreciation of equipment	9,959	4,176
Changes in non-cash operating working capital items		
GST Recoverable	574	(50,174)
Prepaid expenses	(60,772)	91,410
Accounts payable and accrued liabilities	397,691	(282,592)
Net cash used in operating activities	(2,080,302)	(1,949,382)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(48,950)
Expenditures on mineral properties	(1,056,168)	(2,496,369)
Net cash used in investing activities	(1,056,168)	(2,545,319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares, net of share issuance costs	2,205,473	2,538,039
Net cash provided by financing activities	2,205,473	2,538,039
Effect of exchange rate changes on cash	1,670	360
Change in cash	(929,327)	(1,956,302)
Cash, beginning	1,333,960	3,290,262
Cash, ending	$ 404,633	$ 1,333,960
Non-cash investing an financing activities		
Shares issued for mineral property interests	$ -	$ 556,231
Cancellation of shares for mineral property interests	$ -	$ 1,037,096

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

PAMPA METALS CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Commitment to issue shares	Warrant reserve	Contributed surplus	Deficit	**Total equity**
Balance as at December 31, 2020	39,189,683	$ 7,892,540	$ -	$ 903,937	$ 15,015	$ (2,575,916)	$ 6,235,576
Issuance of common shares for property	1,090,649	556,231	-	-	-	-	556,231
Issuance of units in private placement	6,115,062	2,751,778	-	-	-	-	2,751,778
Share issuance costs	-	(213,739)	-	-	-	-	(213,739)
Fair value of broker warrants issued	-	(91,377)	-	91,377	-	-	-
Cancellation of common shares as consideration for option on property interest	(2,963,132)	(1,037,096)	-	-	-	-	(1,037,096)
Share-based compensation	-	-	-	-	613,449	-	613,449
Net loss and comprehensive loss	-	-	-	-	-	(2,325,651)	(2,325,651)
Balance as at December 31, 2021	43,432,262	9,858,337	-	995,314	628,464	(4,901,567)	6,580,548
Issuance of common shares for services	393,332	118,000	-	-	-	-	118,000
Issuance of units in private placement	9,891,808	2,184,389	-	49,820	-	-	2,234,209
Commitment to issue shares for debt settlement	-	-	164,908	-	-	-	164,908
Issuance of common shares committed to issue	194,444	32,083	(32,083)	-	-	-	-
Share issuance costs	-	(28,736)	-	-	-	-	(28,736)
Fair value of broker warrants issued	-	(4,126)	-	4,126	-	-	-
Stock-based compensation	-	-	-	-	160,141	-	160,141
Net loss and comprehensive loss	-	-	-	-	-	(4,052,349)	(4,052,349)
Balance as at December 31, 2022	53,911,846	$ 12,159,947	$ 132,825	$ 1,049,260	$ 788,605	$ (8,953,916)	$ 5,176,721

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Pampa Metals Corporation (the "Company" or "Pampa") is a mining exploration company focused on exploration of copper and gold projects in northern Chile. The Company was incorporated under the British Columbia Business Corporations Act in 1999. The Company's head office and records office is 501 – 543 Granville Street, Vancouver, British Columbia. The Company's registered office is 1200 - 750 West Pender Street, Vancouver, British Columbia. The Company trades on the Canadian Securities Exchange (the "CSE"; CSE: PM); the Frankfurt Stock Exchange (FSE: FIRA); and on the OTCQB Best Market (OTCQB: PMMCF).

The Company's financial statements have been prepared on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company is in the process of exploring its mineral property interests and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of mineral property interests is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of its mineral properties and upon future profitable production.

Several conditions cast doubt on the validity of the going concern assumption. The Company has incurred losses since inception and an accumulated deficit of $8,953,916 as at December 31, 2022. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The ability of the Company to continue as a going concern and meet its commitments as they become due, including the acquisition and exploration of mineral property interests, is dependent on the Company's ability to obtain necessary financing. Management is planning to raise additional capital to finance operations and exploration activities. The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. These circumstances indicate that material uncertainties exist that may cast significant doubt about the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

Basis of Measurement

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

Functional and Presentation Currency

The consolidated financial statements have been prepared in Canadian dollars ("CAD"), which is the Company's presentation currency. The functional currency of the Company and its subsidiary is the Canadian dollar.

Basis of consolidation

The consolidation of the financial statements incorporate the financial statements of the Company and its wholly owned subsidiary. The results of subsidiaries acquired or disposed of during the years presented are included in these consolidated statements of loss from the effective date of control and up to the effective date of disposal or loss of control, as appropriate. An investor controls an investee if the investor has the power over the investee, has the exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investee's returns. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The Company has one wholly owned subsidiary, Pampa Metals Chile SpA which is incorporated in Chile.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Accounting standard amendment issued but not yet effective

IAS 1 - Presentation of Financial Statements

In January 2020, the IASB issued an amendment to IAS 1, Presentation of Financial Statements, to clarify one of the requirements under the standard for classifying a liability as non-current in nature. The amendment includes:

- Specifying that an entity's right to defer settlement must exist at the end of the reporting period;
- Clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- Clarifying how lending conditions affect classification; and
- Clarifying if the settlement of a liability refers to the transfer of cash, equity instruments, other assets or services.

The Company will perform an assessment of the amendment on its financial statements prior to the effective date of January 1, 2024. Based on the currently available information, the Company does not anticipate any material impact from this amendment on its financial statements.

Financial Instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and
- those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting date. All other financial assets are measured at their fair values at each subsequent reporting date, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

- amortized cost;
- FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,
- FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost or FVTOCI are included in the fair value of the instrument on

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial Instruments (cont'd…)

Classification and Measurement (cont'd…)

initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

The Company's financial assets consists of cash, which is classified and subsequently measured at FVTPL. The Company's financial liabilities consist of accounts payable and accrued liabilities which are classified and measured at amortized cost using the effective interest method.

Loss per share

The Company presents basic and diluted loss per share ("EPS") data for its common shares, calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted EPS is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted EPS assumes that the proceeds to be received on the exercise of dilutive stock options, and warrants are used to repurchase common shares at the average market price during the period. Diluted EPS does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is antidilutive.

Mineral properties

Exploration and evaluation expenditures incurred prior to the acquisition of a mineral property interest or the right to explore are obtained are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to mineral property interests. Exploration and evaluation expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential. These costs would also include periodic fees such as license and maintenance fees. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement.

Management assesses mineral properties for impairment when facts or circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. When this is the case, the Company would carry out an impairment test on the asset or group of assets, which requires estimates and judgments in determining the recoverable amount with reference to the fair value of the assets or group of assets less costs to sell or a value-in-use calculation. Where the recoverable amount is determined to be less than the carrying amount, an impairment loss may arise. If a mineral property interest is abandoned, the acquisition costs will be written off to the consolidated statement of loss and comprehensive loss.

Once an economically viable resource has been determined for an area and the decision to proceed with development has been approved, mineral property interests attributable to that area are first tested for impairment and then reclassified to capital work in progress. Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If the property is put into production, the costs of acquisition and exploration and evaluation will be amortized over the life of the property. If a project does not prove viable, all non-recoverable costs associated with the project net of any impairment provisions are written down to its recoverable amount.

Share-based compensation transactions

Stock options and broker warrants

The fair value of stock options granted to employees, officers, and directors and broker warrants are determined using the Black-Scholes option pricing model with market related inputs as of the date of grant. The fair value of stock options or broker warrants granted are measured at the fair value of goods and services received from these parties or by using the Black-Scholes option pricing model if the fair value of goods or services received cannot be measured reliably.

When stock options or broker warrants are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes

Income tax on these consolidated statements of loss and comprehensive loss for the years presented comprises current and deferred tax. Income tax is recognized in these consolidated statements of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to taxable temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions as at December 31, 2022 and December 31, 2021.

Foreign currencies

The functional currency of the parent company and its subsidiary is the Canadian dollar. The Canadian dollar is also the currency in which it presents these consolidated financial statements. The Company and its subsidiary recognize transactions in currencies other than the Canadian dollar at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the consolidated statements of loss and comprehensive loss using the end of reporting period exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated at each reporting date.

Valuation of equity units issued in private placements

The Company has adopted the residual value method with respect to the measurement of common shares and warrants issued as private placement units, whereby the carrying amount of the warrants is determined based on any differences between gross proceeds and the estimated fair market value of the common shares. If the proceeds from the offering are less than or equal to the estimated fair market value of common shares issued, no value is assigned to the warrants. Warrants that are issued as payment to a finder or other transaction costs are accounted for as share-based payments.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Significant Accounting Estimates and Judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout these consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

- Going concern - management must make an assessment as to the going concern basis of accounting and uncertainties associated with the Company's ability to raise additional capital and/or obtain financing to advance its exploration properties;
- Impairment of Mineral Property Interests - The application of the Company's accounting policy for impairment of mineral property interests requires judgment in determining if the facts and circumstances suggests that the carrying amount exceeds the recoverable amount; and
- Share-based compensation – management prepares fair value estimates in determining the amount of share-based compensation expense to record in the Company's consolidated statement of loss and comprehensive loss associated with the Company's share compensation plan. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. Option-pricing models require the use of highly subjective estimates and assumptions including an expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measurement of the fair value of the Company's stock options.

3. MINERAL PROPERTY INTERESTS

Copper Exploration Properties

During the year-ended December 31, 2020, the Company acquired a 100% interest in eight copper exploration properties consisting of the Morros Blancos, Cerro Blanco, Cerro B. Aires, Red Veronica, Block 2, Block 3, Block 4 and Arrieros projects (collectively the "projects") in northern Chile from Revelo Resources Corp. ("Revelo").

The projects are subject to the following royalty agreements:

Project Name	Royalty Holder	Royalty
Arrieros	Maverix Metals Inc.	1.00% Net Smelter Return ("NSR") on all minerals
Arrieros	EMX Chile SpA	1.00% NSR on all minerals
Redondo Veronica	EMX Royalty Corp.	1.00% NSR on all minerals
Block 2	EMX Royalty Corp.	1.00% NSR on all minerals
Block 3	EMX Royalty Corp.	1.00% NSR on all minerals
Block 4	EMX Royalty Corp.	1.00% NSR on all minerals
Cerro Blanco	Minera Hochschild Chile SCM	1.00% NSR on all minerals
Cerro Blanco	EMX Royalty Corp.	1.00% NSR on all minerals
Cerro B. Aires	Minera Hochschild Chile SCM	1.00% NSR on all minerals
Cerro B. Aires	EMX Royalty Corp.	1.00% NSR on all minerals
Morros Blancos	Minera Fuego Limitada	2.00% NSR on precious metals, and 1.00% NSR on base metals
Morros Blancos	EMX Royalty Corp.	1.00% NSR on all minerals

3. MINERAL PROPERTY INTERESTS (Cont'd…)

The Company acquired the projects in Chile by paying Revelo US$300,000 in cash and issuing 7,798,747 common shares. In addition, Revelo may receive contingent payments of US$2,000,000 on a project-by-project basis (up to a total of US$16,000,000) on the completion of the first bankable feasibility study on a given project, and a further contingent payments of US$3,000,000 on a project-by-project basis (up to a total of US$24,000,000) upon the initiation of commercial production on a given project.

During the year ended December 31, 2021, the Company issued 1,090,649 common shares to Revelo to satisfy an anti-dilution right held by Revelo.

As at December 31, 2022, the timeline for the completion of the first bankable feasibility study and the initiation of commercial production on any of the projects has not been determined.

During the year-ended December 31, 2022, the Company abandoned one of the eight copper projects acquired from Revelo (the "Block 2 project") and concurrently reduced the footprint of another project (the "Arrieros project"). As a result, management determined that the recoverable value of the Block 2 project was $Nil as at December 31, 2022 and a full impairment was taken of $287,101. Management estimated the recoverable value of the Arrieros project based on the remaining 900 hectares retained for exploration on the project, and a partial impairment was recorded of $936,819 as at December 31, 2022.

On July 23, 2021, the Company entered into an option agreement (the "Agreement") with Revelo as a subsidiary of Austral Gold Limited ("Austral") that grants Austral an option to earn up to an 80% joint venture ownership interest in two of the projects named Cerro Blanco and Morros Blancos (collectively, the "Properties") held by the Company.

As consideration for the option, Austral returned 2,963,132 common shares to the Company, terminated certain rights of Austral including a board nomination right, an anti-dilution right and certain rights to contingent payments on the Properties and refunded the pro rata portion of the Company's 2021 annual license fee incurred on the Properties. On August 10, 2021, the Company cancelled the 2,963,132 common shares returned, credited the amount of $1,037,096 against the mineral property interest and credited the refunded license fee of $59,381 against the mineral property interest.

VerAI Discoveries, Inc.

During the year-ended December 31, 2022, the Company signed a definitive agreement with VerAI Discoveries, Inc. ("VerAI"), whereby the Company could acquire up to a 75% joint venture ownership interest in certain exploration permits granted to VerAI's Chilean subsidiary through meeting minimum exploration expenditures over a five-year period. In December 2022, the Company terminated its agreement with VerAI with both parties mutually declaring that they have performed each of their obligations under the agreement. As a result of the agreement termination, the recoverable value of the mineral property interest was determined to be $Nil and a full impairment was recorded of $124,085 as at December 31, 2022.

(Expressed in Canadian Dollars)

3. MINERAL PROPERTY INTERESTS (Cont'd…)

Below is the continuity of mineral property interests capitalized to the statement of financial position for the years ended December 31, 2022 and December 31, 2021:

	Copper Exploration Properties [1]	Block 2	Arrieros	VerAI Discoveries	**Total Mineral Property Interests December 31 2022**
Acquisition costs December 31, 2022 and 2021	1,492,305	250,746	548,930	-	**2,291,981**
Exploration costs, Opening	2,370,122	15,088	469,868	-	**2,855,078**
Geophysics	335,031	6,887	2,295	47,303	**391,516**
Geochemistry	227,846	1,161	-	18,615	**247,622**
Land fees	200,270	10,343	28,091	47,871	**286,575**
Other exploration costs	113,860	2,876	3,423	10,296	**130,455**
Subtotal, exploration costs	877,007	21,267	33,809	124,085	**1,056,168**
Exploration costs, Closing	3,247,129	36,355	503,677	124,085	**3,911,246**
Impairment	-	(287,101)	(936,819)	(124,085)	**(1,348,005)**
MINERAL PROPERTY INTERESTS	$4,739,434	$ -	$ 115,788	$ -	**$ 4,855,222**

	Copper Exploration Properties [1]	Block 2	Arrieros	VerAI Discoveries	**Total Mineral Property Interests December 31 2021**
Acquisition costs, Opening	$2,163,822	$ 209,585	$ 458,821	$ -	**$ 2,832,228**
Acquisition costs:					
Cash	-	-	-	-	**-**
Common shares	424,960	41,161	90,109	-	**556,230**
Subtotal, acquisition costs	424,960	41,161	90,109	-	**556,230**
Option sold:					
Cash	(59,381)	-	-	-	**(59,381)**
Common shares	(1,037,096)	-	-	-	**(1,037,096)**
Subtotal, options sold	(1,096,477)	-	-	-	**(1,096,477)**
Acquisition costs, Closing	1,492,305	250,746	548,930	-	**2,291,981**
Exploration costs, Opening	286,233	1,243	11,851	-	**299,327**
Geophysics	700,723	-	392,583	-	**1,093,306**
Drilling	869,465	-	-	-	**869,465**
Professional fees	29,002	-	-	-	**29,002**
Geochemistry	121,622	-	-	-	**121,622**
Land fees	308,910	13,845	65,193	-	**387,948**
Other exploration costs	54,167	-	241	-	**54,408**
Subtotal, exploration costs	2,083,889	13,845	458,017	-	**2,555,751**
Exploration costs, Closing	2,370,122	15,088	469,868	-	**2,855,078**
Impairment	-	-	-	-	**-**
MINERAL PROPERTY INTERESTS	$3,862,427	$ 265,834	$1,018,798	$ -	**$ 5,147,059**

[1] Copper Exploration Properties consist of Morros Blancos, Cerro Blanco, Cerro B. Aires, Red Veronica, Block 3, and Block 4 projects.

(Expressed in Canadian Dollars)

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31 2022		December 31 2021
Accounts payable	$	164,956	$	22,030
Accrued liabilities		115,238		25,262
	$	280,194	$	47,292

During the year-ended December 31, 2022, the Company entered into debt settlement agreements with former and current management and directors to settle outstanding fees owing of $358,500 (2021 - $Nil) through the issuance of cash and common shares with a total value of $279,708, resulting in a gain on debt settlement of $78,792. As at December 31, 2022, there was $75,600 recorded in accounts payable and accrued liabilities and $132,825 recorded as a commitment to issue shares related to the debt settlements.

5. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares.

Issued and outstanding

Year-ended December 31, 2022

(i) On March 7, 2022, the Company issued 315,401 common shares in consideration for services provided at a fair value of $94,620 based on the Company's share price on the date of issuance;

(ii) On March 21, 2022, the Company completed the first tranche of a private placement offering of 3,786,699 units at a price of $0.30 per unit for gross proceeds to the Company of $1,136,010. Each unit is comprised of one common share and one-half warrant of the Company. Each whole warrant is exercisable into one common share of the Company at an exercise price of $0.50 per share for a period of 24 months. The Company may reduce the exercise period of the warrants to 30 days from the date the Company provides notice to the warrant holders that the weighted average trading price of the common shares of the Company on the CSE is $0.90 or greater for a period of 10 consecutive trading days. There was no residual value associated with the warrants issued in the private placement;

Included in the offering, 700,000 units were issued to the former CEO of the Company. Of the proceeds raised, $608,000 was repaid to certain subscribers and included in investor relations and communications expense, and $182,010 was repaid to certain subscribers and included in consulting expense;

(iii) On May 6, 2022, the Company closed the second tranche of a private placement offering of 1,660,666 units at a price of $0.30 per unit for gross proceeds of $498,199. Each unit is comprised of one common share and one-half warrant of the Company. Each whole warrant is exercisable into one common share of the Company at an exercise price of $0.50 per share for a period of 24 months from the closing date. The Company may reduce the exercise period of the warrants to 30 days from the date the Company provides notice to the warrant holders that the weighted average trading price of the common shares of the Company on the CSE is $0.90 or greater for a period of 10 consecutive trading days. The residual value of the 830,333 warrants was estimated as $49,820 using the share price on the CSE on May 6, 2022 of $0.27.

The Company issued 31,500 broker warrants as finder's fees for the private placement. The fair value of the 31,500 broker warrants was estimated at $4,126 using the Black-Scholes Option Pricing Model with the following assumptions: share price on issuance date of $0.27, risk-free rates between 2.69%, dividend rate of 0%, expected life of between 2 years, and volatility of 119%;

(iv) On May 3, 2022, the Company issued 77,931 common shares in consideration for services provided at a fair value of $23,379 based on the Company's share price on the date of issuance;

5. SHARE CAPITAL (cont'd…)

Issued and outstanding (cont'd…)

(v) In October 2022, the Company signed debt settlement agreements to settle director and management fees owing up to September 2022. The agreements stipulated that total fees owing of $358,500 were to be settled through cash payments of $114,800, and through the issuance 999,444 common shares with a fair value of $164,908 recognized as a commitment to issue shares. As a result of the terms of the debt settlements, the Company recorded a gain on debt settlement of $78,792 on the consolidated statement of loss and comprehensive loss;

(vi) On November 10, 2022, the Company closed the first tranche of a private placement offering of 4,444,443 units at a price of $0.135 per unit for gross proceeds of $600,000. Each unit is comprised of one common share and one common share purchase warrant of the Company. Each warrant is exercisable into one common share of the Company at an exercise price of $0.19 per share for a period of 36 months from the closing date. There was no residual value associated with the warrants issued in the private placement;

The Company issued 194,444 common shares at a fair value of $32,083 to settle a portion of its commitment to issue shares; and

(vii) The Company incurred $28,736 in cash share issuance costs related to the March, May and November private Placements

Year-ended December 31, 2021

(i) On March 18, 2021, the Company completed a financing of 6,115,062 units for gross proceeds of $2,751,780. Each unit was comprised of one common share and one-half warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.60 per share for 24 months. The Company may reduce the exercise period of the warrants to 30 days from the date the Company provides notice to the holders of the warrants that the weighted average trading price of the common shares of the Company on the CSE is $0.90 or greater for a period of 10 consecutive trading days.

The Company issued 310,118 broker warrants in the private placement. The fair value of the 310,118 broker warrants was estimated at $91,377 using the Black-Scholes Option Pricing Model with the following assumptions: share price on issuance date of $0.51, risk-free rates between 0.27%, dividend rate of 0%, expected life of between 2 years, and volatility of 121%.

The Company incurred share issuance costs of $213,739 related to the March 18, 2021 financing.

(ii) On March 18, 2021, the Company issued 1,090,649 common shares to Austral in relation to the acquisition of the copper exploration properties in northern Chile (Note 3).

(iii) On August 10, 2021, the Company cancelled the 2,963,132 common shares returned to it by Austral, credited the amount of $1,037,096 against the mineral property interest which represents the fair value of the common shares returned on August 10, 2021 (Note 3).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd…)

Warrants and broker warrants

A summary of the Company's share purchase warrants and broker warrants for the years ended December 31, 2022 and 2021 are as follows:

	Outstanding		Weighted average exercise price
As at December 31, 2020	5,852,256	$	0.60
Warrants issued in private placement	3,057,530		0.60
Broker warrants issued in private placement	310,118		0.60
As at December 31, 2021	9,219,904	$	0.60
Warrants issued in private placement	7,168,126		0.31
Broker warrants issued in private placement	31,500		0.50
Warrants and broker warrants expired	(5,852,256)		0.60
As at December 31, 2022	10,567,274	$	0.40

As at December 31, 2022, the following warrants and broker warrants are outstanding:

Expiry date		Exercise price	Outstanding
Warrants			
March 18, 2023	$	0.60	3,057,530
March 21, 2024	$	0.50	1,893,350
May 6, 2024	$	0.50	830,333
November 10, 2025	$	0.19	4,444,443
			10,225,656
Broker warrants			
March 18, 2023	$	0.60	310,118
May 6, 2024	$	0.50	31,500
			341,618
Total warrants and broker warrants			10,567,274

Subsequent to December 31, 2022, 3,057,530 warrants and 310,118 broker warrants expired unexercised.

Stock options

The movement in the Company's share options for the years ended December 31, 2022 and 2021 are as follows:

	Outstanding		Weighted average exercise price
As at December 31, 2020	3,000,000	$	0.45
Granted	600,000		0.45
As at December 31, 2021	3,600,000		0.45
Cancelled	(1,000,000)		0.45
As at December 31, 2022	2,600,000		0.45

On October 7, 2021, the Company granted 600,000 stock options to a consultant of the Company. The stock options have an exercise price of $0.45 per share and are exercisable for a period of five years from the date of grant. The stock options had a three-year vesting period with one-third vesting at the end of 12 months from the date of grant, one-third at 24 months from the date of grant and one-third at 36 months from the date of grant. The fair value of the stock options of $160,898 was determined using the Black-Scholes option pricing model with the following assumptions: 5 years expected life; share price at the grant date of $0.315; 121% volatility; risk free

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd…)

Stock options (cont'd…)

interest rate of 1.13%; and a dividend yield of 0%.

The Company recorded share-based compensation of $160,141 (2021 - $613,449) for the year ended December 31, 2022.

The outstanding and exercisable stock options as at December 31, 2022 were as follows:

Expiry date	Exercise price	Outstanding	Exercisable
November 18, 2023	$ 0.45	400,000	400,000
December 1, 2023	$ 0.45	400,000	400,000
December 22, 2025	$ 0.45	1,800,000	1,200,000
		2,600,000	2,000,000

On November 28, 2022, the Company accelerated the vesting date of 400,000 stock options expiring on December 22, 2025, where they were originally to vest on December 22, 2022. The expiry date of 400,000 stock options was set to early expire on November 18, 2023, and the expiry date of an additional 400,000 stock options was set to early expire on December 1, 2023.

6. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members, other key management individuals and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's CEO, CFO and members of the Company's Board of Directors.

Compensation awarded to key directors and management personnel is as follows:

For the year-ended	December 31, 2022	December 31, 2021
Directors and management compensation	$ 600,249	$ 639,376
Share-based payments	160,141	613,449
	$ 760,390	$ 1,252,825

During the year-ended December 31, 2022, the Company entered into debt settlement agreements with former and current management and directors to settle outstanding fees owing of $358,500 (2021 - $Nil) through the issuance of cash and common shares with a total value of $279,708, resulting in a gain on debt settlement of $78,792.

As at December 31, 2022, there was $44,441 (2021 - $Nil) owed to key management personnel recorded in accounts payable and accrued liabilities, and $66,413 recorded as a commitment to issue shares.

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS

The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The mineral property interests in which the Company currently has an interest in are at the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional mineral properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2022. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

The three levels of the fair value hierarchy are:

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - inputs that are not based on observable market data.

The Company enters into financial instrument contracts to finance its operations in the normal course of business. The fair values of cash, accounts payable and accrued liabilities approximate their carrying values due to the short-term maturity of these instruments.

The fair value of the Company's financial instruments have been classified within the fair value hierarchy as at December 31, 2022 and December 31, 2021 as follows:

			December 31 2022		December 31 2021
Financial assets - amortized cost:					
Cash	Level 1	$	404,633	$	1,333,960
Financial liabilities - amortized cost:					
Accounts payable and accrued liabilities	Level 1	$	280,194	$	47,292

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, foreign currency risk and commodity price risk). Risk management is carried out by the Company's management team, with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance on overall risk management.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's cash is largely held with Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with a Schedule A financial institution, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities that require the use of cash. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at December 31, 2022, the Company had working capital of $287,043 (2021 - $1,389,074).

7. FINANCIAL INSTRUMENTS

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar and substantially all expenditures of the parent company are denominated in Canadian dollars and substantially all expenditures in Pampa Metals Chile SpA are denominated in the Chilean Peso. A 10% appreciation (depreciation) of the Chilean Peso against the Canadian dollar, with all other variables held constant, would not result in any significant changes to the Company's loss and comprehensive loss for the year.

8. INCOME TAXES

The reported recovery of income taxes differs from amounts computed by applying the statutory income tax rates to the reported loss before income taxes due to the following:

For the years ended		December 31 2022		December 31 2021
Loss before income taxes	$	(4,052,349)	$	(2,325,651)
Canadian federal and provincial income tax rates		27.00%		27.00%
Expected income tax recovery at statutory income tax rate		1,094,134		628,000
Non deductible expenditures		(112,585)		(240,000)
Adjustment to prior year provision versus statutory tax returns		(3,380)		805,000
Change in unrecognized tax benefit		(978,170)		(1,193,000)
Income tax recovery	$	(1)	$	-
Current income tax recovery	$	-	$	-
Deferred income tax recovery	$	(1)	$	-

The temporary differences and unused tax losses that give rise to the deferred income tax balances are presented below:

Deferred income tax assets (liabilities)		December 31 2022		December 31 2021
Non-capital losses	$	2,089,459	$	1,372,000
Share issue costs and other		122,416		149,000
Exploration and evaluation		346,295		59,000
		2,558,170		1,580,000
Unrecognized deferred tax assets		(2,558,170)		(1,580,000)
Net deferred income tax asset (liability)	$	-	$	-

The significant components of the Company's deferred tax assets that have not been included in the statement of financial position are as follows:

		December 31 2022	Expiry date range		December 31 2021	Expiry date range
Non-capital losses	$	7,738,738	2039 to 2041	$	5,153,000	2038 to 2041
Share issue costs and other	$	453,391	N/A	$	551,852	N/A
Exploration and evaluation	$	6,137,795	N/A	$	6,137,795	N/A

At December 31, 2022, the potential benefit of these losses and deductible temporary differences in excess of the deferred tax liabilities have not been recognized in these financial statements as it is not considered probable that sufficient future taxable income will allow the deferred tax assets to be recovered.

9. SUBSEQUENT EVENTS

(i) In March 2023, the Company completed the second tranche of a private placement offering of 14,644,334 units at a price of $0.15 per unit for gross proceeds to the Company of $2,196,650. Each unit is comprised of one common share and one common share purchase warrant of the Company entitling the holder to acquire one additional common share of the Company at a price of $0.21 for a period of 36 months from the closing date. Concurrently with the private placement, the Company settled its commitment to issue shares as at December 31, 2022 of $132,825 through the issuance of 805,000 common shares.

In connection with the private placement offering, the Company paid total cash commissions of $94,724 and issued 1,041,023 finder's warrants and 344,143 finder's shares. Each finder's warrant is exercisable into one common share of the Company at an exercise price of $0.21 for a period of 36 months from the closing date;

(ii) In March 2023, the Company completed a private placement offering of 2,399,999 units at a price of $0.15 per unit for gross proceeds of $360,000. Each unit is comprised of one common share and one common share purchase warrant of the Company entitling the holder to acquire one additional common share of the Company at a price of $0.21 for a period of 36 months from the closing date.

In connection with the private placement offering, the Company paid total cash commissions of $1,750 and issued 324,333 finder's warrants and 156,333 finder's shares. Each finder's warrant is exercisable into one common share of the Company at an exercise price of $0.21 for a period of 36 months from the closing date;

(iii) In March 2023, the Company entered into debt settlement agreements to settle $25,500 in debts owing to consultants through the issuance of 166,667 units. Each unit is comprised of one common share and one common share purchase warrant with an exercise price of $0.21, expiring 3 years from issuance;

(iv) In March 2023, the Company entered into a debt settlement agreement to settle $63,000 in debts owing to consultants through the issuance of 364,954 common shares of the Company;

(v) In April 2023, the Company issued 4,250,000 stock options to directors and management with an exercise price of $0.21 and a 5 year term;

(vi) In April 2023, the Company amended its option agreement entered into with Austral on July 23, 2021 to exclude the Cerro Blanco property; and

(vii) In April 2023, the Company cancelled 600,000 $0.45 stock options held by directors and management and granted 750,000 incentive stock options to a consultant with an exercise price of $0.21 and a 5 year term.