OROSUR MINING INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED AUGUST 31, 2024

(EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Orosur Mining Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in thousands of United States dollars)
Unaudited

		As at August 31, 2024		As at May 31, 2024
ASSETS				
Current assets				
Cash	**$**	**710**	$	1,328
Restricted cash (note 12)		**12**		12
Accounts receivable and other assets (note 5)		**290**		279
Assets held for sale in Uruguay (note 4)		**210**		226
Total current assets		**1,222**		1,845
Non-current assets				
Property and equipment (note 6)		**188**		202
Exploration and evaluation assets (note 7)		**3,111**		3,343
Total assets	**$**	**4,521**	$	5,390
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (note 8)	**$**	**428**	$	445
Liability of Chile discontinued operation (note 4)		**2,417**		2,376
Liabilities held for sale in Uruguay (note 4)		**10,982**		11,208
Total current liabilities		**13,827**		14,029
Equity				
Share capital (note 11)		**69,529**		69,529
Share-based payments reserve		**10,538**		10,538
Warrants (note 14)		**302**		302
Currency translation reserve		**(2,196)**		(1,808)
Accumulated deficit		**(87,473)**		(87,194)
Total equity attributable to owners of the parent		**(9,300)**		(8,633)
Non-controlling interest		**(6)**		(6)
Total equity		**(9,306)**		(8,639)
Total liabilities and equity	**$**	**4,521**	$	5,390

Nature of operations and going concern (note 1)
Subsequent events (note 18)

Approved on behalf of the Board:

(Signed) *"Louis Castro"* Chairman of the Board (Signed) *"Thomas Masney"* Audit Committee Chair

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in thousands of United States dollars)
(except common shares and per share amounts)
Unaudited

	Three Months Ended August 31, 2024	Three Months Ended August 31, 2023
Corporate and administrative expenses (note 16)	**$ (435)**	$ (398)
Exploration expenses	**(76)**	(27)
Other income	**38**	6
Net finance cost	**(3)**	(4)
Foreign exchange gain net	**28**	59
Net loss for the period for continuing operations	**(448)**	(364)
Income (loss) from discontinued operations (note 4)	**169**	(250)
Net loss for the period	**(279)**	(614)
Other comprehensive income (loss):		
Item which may be subsequently reclassified to profit or loss:		
Cumulative translation adjustment	**(388)**	327
Total comprehensive loss for the period	**(667)**	(287)
Basic and diluted net loss per share for continuing operations (note 15)	**$ (0.00)**	$ (0.00)
Basic and diluted net income (loss) per share for discontinued operations (note 15)	**$ 0.00**	$ (0.00)
Weighted average number of common shares outstanding	**193,211,503**	188,560,300

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Orosur Mining Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in thousands of United States dollars)
Unaudited

	Three Months Ended August 31, 2024	Three Months Ended August 31, 2023
Operating activities		
Net loss for the period for continuing and discontinued operations	**$ (279)**	$ (614)
Adjustments for:		
Depreciation / write downs	**5**	2
Foreign exchange and other	**(47)**	109
Changes in non-cash working capital items:		
Accounts receivable and other assets	**(10)**	14
Accounts payable and accrued liabilities	**(215)**	70
Net cash used in operating activities	**(546)**	(419)
Investing activities		
Purchase of property and equipment	**-**	(9)
Exploration and evaluation expenditures	**(85)**	(171)
Net cash used in investing activities	**(85)**	(180)
Net change in cash	**(631)**	(599)
Net change in cash classified within assets held for sale	**13**	37
Cash, beginning of period	**1,328**	3,748
Cash end of period	**$ 710**	$ 3,186
Operating activities		
- continuing operations	**(533)**	(382)
- discontinued operations	**(13)**	(37)
Investing activities		
- continuing operations	**(85)**	(180)

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in thousands of United States dollars)
Unaudited

	Share capital	Warrants	Share-based payment reserve	Currency translation reserve	Accumulated deficit	Total equity attributable to owners of the parent	Non-controlling interest	Total equity
Balance, May 31, 2023	**$ 69,341**	**$ -**	**$ 10,539**	**$ (2,725)**	**$ (83,816)**	**$ (6,661)**	**$ -**	**$ (6,661)**
Currency translation adjustment	-	-	-	327	-	327	-	327
Net loss for the period for continuing operations	-	-	-	-	(364)	(364)	-	(364)
Net loss for the period for discontinued operations	-	-	-	-	(250)	(250)	-	(250)
Balance, August 31, 2023	**$ 69,341**	**$ -**	**$ 10,539**	**$ (2,398)**	**$ (84,430)**	**$ (6,948)**	**$ -**	**$ (6,948)**
Balance, May 31, 2024	**$ 69,529**	**$ 302**	**$ 10,538**	**$ (1,808)**	**$ (87,194)**	**$ (8,633)**	**$ (6)**	**$ (8,639)**
Currency translation adjustment	-	-	-	(388)	-	(388)	-	(388)
Net loss for the period for continuing operations	-	-	-	-	(448)	(448)	-	(448)
Net loss for the period for discontinued operations	-	-	-	-	169	169	-	169
Balance, August 31, 2024	**$ 69,529**	**$ 302**	**$ 10,538**	**$ (2,196)**	**$ (87,473)**	**$ (9,300)**	**$ (6)**	**$ (9,306)**

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of operations and going concern

Orosur Mining Inc. ("Orosur" or "the Company") is a minerals explorer and developer with operations in Colombia, Argentina and Nigeria.

Orosur was incorporated and is domiciled in Canada and is governed by the corporate laws of the Yukon Territory, Canada. The Company's shares are listed on the TSX Venture Exchange (TSXV) in Canada and the Alternative Investment Market (AIM) of the London Stock Exchange in the United Kingdom. The Company's registered office is 200-204 Lambert Street, Whitehorse, YT, Y14 1Z4, and principal place of business is Suite 200, 82 Richmond Street East, Toronto, ON, M5C 1P1.

Going concern uncertainty

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis under the historical cost method except for certain financial assets and liabilities that are accounted as assets and liabilities held for sale. Assets held for sale are measured at the lower of cost or recoverable amount. This accounting treatment is applied to the activities in Uruguay. In line with negotiations and the final agreement (the "Agreement") as of December 17, 2018 with creditors in Uruguay (see note 4), the Company's Uruguayan subsidiary Loryser S.A. ("Loryser") is required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business based on the payment plan agreed. The Agreement was ratified by the Court in September 2019, which makes it legally binding on all trade creditors and the Intervenor's control over Loryser ceased. Accordingly, the activities of Uruguay are consolidated in the financial statements as assets and liabilities held for sale and profit or loss from discontinued operations. As at August 31, 2024, Loryser had agreed and paid for the settlements with all of its former employees. It had finalised the reclamation and remediation works on the tailings dam and sold all of its remaining assets, including its plant and equipment, and is distributing the proceeds on a pro rata basis, to Loryser's trade creditors via a Court approved paying agent.

As at August 31, 2024, the Company had cash of $710 (May 31, 2024 - $1,328) and a net working capital deficiency of $12,605 (May 31, 2024 – $12,184). As at August 31, 2024, the Company carried an accumulated deficit of $87,473 (May 31, 2024 - $87,194).

The Company's continuance as a going concern is dependent on its ability to obtain adequate financing. There is a material uncertainty related to the foregoing conditions that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. Although the Company has been successful in the past in obtaining financing, with a private placement in February 2024 which raised gross proceeds of £500,000 ($630); a private placement announced on September 30, 2024, which raised gross proceeds of £835,000 ($1,119) , and; it was successful in reaching a payment plan agreement with creditors in Uruguay in December 2018, (Court approval received September 13, 2019), there is no assurance on how the agreement with creditors in Uruguay will conclude, or that the Company will be able to obtain adequate financing in the future on terms advantageous to the Company or at all.

The unaudited condensed interim consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was no longer applicable. These adjustments could be material.

2. Material accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of October 29, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as were followed in the most recent annual financial statements as at and for the year ended May 31, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending May 31, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements.

Functional and presentation currency

The functional and presentation currency of the Company is the United States dollar.

All of the Company's entities have the United States dollar as the functional currency, except for Waymar Resources Ltd., Cordillera Holdings International Ltd., Minera Anzá S.A., Fortune Valley Resources Inc. and Fortune Valley Resources Inc. BVI, whose functional currency is the Canadian dollar and Minera Anzá S.A. (Colombia branch), whose functional currency is the Colombian pesos.

The results of operations and financial position of all the Company's entities that have a functional currency different from the presentation currency (United States dollar) are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
c) All resulting exchange differences are recognized in other comprehensive income under the caption "Currency translation reserve".

New accounting standards adopted

<u>Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)</u>

Disclosure of Accounting Policies (Amendments to IAS 1) is effective for fiscal years ending after January 1, 2023. This amendment:

- requires companies to disclose material accounting policies rather than their significant policies
- clarifies that accounting policies relating to immaterial transactions need not to be disclosed
- clarifies not all accounting policies that relate to material transactions are material to a company's financial statements.

2. Material accounting policies (continued)

The Company adopted the amended standard on June 1, 2023, and it did not have a material impact on the Company's consolidated financial statements.

New and revised standards and interpretations issued but not yet effective

The Company has performed an assessment of new and revised standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its consolidated financial statements would not be material.

3. Critical accounting estimates, judgments and assumptions

The preparation of the Company's unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of expenses, gains and losses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. By definition, estimates and assumptions seldom equal actual results and may lead to material adjustments to the carrying amounts of assets and liabilities. The areas that require management to make significant judgments, estimates and assumptions are discussed below.

Discontinued operations

The Company is accounting for its activities in Chile and Uruguay as discontinued. Chile was recognized as a discontinued operation after all of its mining assets were sold or returned. In Uruguay, the operations have been closed and all assets have been sold by the Company's subsidiary, Loryser S.A. which is well advanced in the liquidation of its liabilities and commitments in other than the normal course of business.

Exploration and evaluation expenditure

The recoverability of amounts shown for capitalized exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves. Management reviews the carrying amount of capitalized exploration and evaluation costs and discloses significant judgments in relation to the intention for development at least annually. The review is based on the Company's intention for development of the underlying asset.

Environmental rehabilitation provisions

The rehabilitation provision is determined according to the net present value of estimated future costs based on feasibility and engineering studies on a site by site basis. While care was taken to estimate the rehabilitation provision, these amounts are estimates of expenditures that are not due until future years; the Company assesses its provision on an ongoing basis or when new material information becomes available.

4. Discontinued operations

Uruguay

On June 14, 2018, Loryser, S.A. ("Loryser", the Company's operating subsidiary in Uruguay) applied to commence reorganization proceedings under Uruguayan legislation (Act N°18.387) (the "Loryser Reorganization Proceedings"). The Board of Directors actively decided to apply for the Loryser Reorganization Proceedings and creditor protection was made in consultation with the Company's legal and financial advisors and the Company's management believed it to be in the best interests of Loryser, the Company and their stakeholders.

(Expressed in thousands of United States dollars)

4. Discontinued operations (continued)

Uruguay (continued)

In December 2018, Loryser reached a payment plan agreement with creditors in Uruguay ("Agreement") with 71.48% support of its trade creditors by value had adhered to the Agreement.

The Agreement was approved by the Reorganization court in Montevideo and the Court decree was publicly posted on September 12, 2019 and became final and binding for all trade creditors on September 20, 2019.

On December 6, 2019, 10,000,000 common shares of Orosur were issued to a trust for the benefit of Loryser's creditors as contemplated in the Court Agreement (note 12).

In line with negotiations and the Agreement with creditors in Uruguay, Loryser S.A. was require to realize its assets and liquidate its liabilities and commitments in other than the normal course of business based on the payment plan agreed. The Agreement contemplated that the net proceeds from the sale of Loryser's assets in Uruguay together with the sale of the issued 10 million common shares of Orosur shall satisfy all amounts owing to Loryser's creditors, as well as provide funds for Loryser to pay its former employees and to conduct this process and close the operation responsibly.

During the year ended 2022, Loryser agreed and paid for the settlements with all of its former employees, with the proceeds received from the sale of certain of its assets including the 10 million common shares issued to the trust. The Company has finalized the reclamation and remediation works on the tailings dam and has successfully concluded a one-year post-closure control phase. In addition, Loryser has sold all of its remaining assets included in the Agreement, including its plant and equipment, in accordance with the Creditors Agreement, and expects to distribute the proceeds, on a pro rata basis, to be paid to Loryser's trade creditors in accordance with the Creditors' Agreement, via a court approved paying agent.

Uruguay - Net liabilities of discontinued operations held for sale

		As at August 31, 2024		As at May 31, 2024
ASSETS				
Cash	**$**	**136**	$	149
Accounts receivable and other assets (1)		**67**		69
Marketable securities		**7**		8
Total assets	**$**	**210**	$	226
LIABILITIES				
Commercial suppliers	**$**	**8,725**	$	8,920
Mining royalties and other taxes		**727**		758
Borrowings (2)		**1,400**		1,400
Environmental rehabilitation provision		**130**		130
Total liabilities	**$**	**10,982**	$	11,208
Net liabilities of discontinued operations held for sale	**$**	**(10,772)**	$	(10,982)

(1) Miscellaneous receivables and other assets
(2) These borrowings will be treated equivalently to other accounts payable as part of the Loryser Reorganization Proceedings as they rank pari passu with trade creditors (commercial suppliers).

(Expressed in thousands of United States dollars)

4. Discontinued operations (continued)

Uruguay (continued)

Net income (loss) and comprehensive income (loss) from discontinued operations

	Three Months Ended August 31, 2024	Three Months Ended August 31, 2023
Care and maintenance	**$ (9)**	$ (28)
Net foreign exchange	**222**	(178)
Income (loss) before income tax	**213**	(206)
Net income (loss) and comprehensive income (loss)	**$ 213**	$ (206)

Cash flows from discontinued operations

	Three Months Ended August 31, 2024	Three Months Ended August 31, 2023
Operating activities - discontinued operations		
Net income (loss) for the period	**$ 213**	$ (206)
Changes in non-cash working capital items:		
Accounts receivable and other assets	**(9)**	(5)
Accounts payable and accrued liabilities	**(217)**	174
Net cash used in operating activities	**(13)**	(37)
Net change in cash	**(13)**	(37)
Cash, beginning of period	**149**	118
Cash, end of period	**$ 136**	$ 81

Chile

In October 2009, Fortune Valley Resources Chile S.A. (“FVRC”), a wholly owned subsidiary of the Company, entered into an option agreement with Anglo American Norte S.A (“Anglo”), a subsidiary of Anglo American plc, for the Pantanillo gold exploration project.

In May 2018, the Company terminated the option agreement.

Following the relinquishment by FVRC of the Pantanillo project, Anglo sought the payment of minimum royalties and requested arbitration. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US$1,600 plus interest at Chile´s current interest rate calculated from December 2015 until its effective payment. The Tribunal´s decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal nor was Orosur a party to the relevant agreements. The Company has made a provision of $2,417 ($1,900 plus interest) in relation to this decision as at August 31, 2024 for FVRC (May 31, 2024 - $2,204 ($1,900 plus interest)).

(Expressed in thousands of United States dollars)

4. Discontinued operations (continued)

Chile - Net liabilities of discontinued operations

		As at August 31, 2024		As at May 31, 2024
ASSETS				
Cash	**$**	**5**	$	8
Total assets	**$**	**5**	$	8
LIABILITIES				
Accounts payable and accrued liabilities	**$**	**2,417**	$	2,376
Total liabilities		**2,417**		2,376
Liabilities of Chile discontinued operation	**$**	**2,417**	$	2,376

Net loss and comprehensive loss from Chile discontinued operations

		Three Months Ended August 31, 2024		Three Months Ended August 31, 2023
Foreign exchange loss	**$**	**(3)**	$	-
Finance cost		**(41)**		(44)
Net loss and comprehensive loss for the period	**$**	**(44)**	$	(44)

5. Accounts receivable and other assets

Accounts receivable and other assets

		August 31, 2024		May 31, 2024
Tax receivable [(1)]	**$**	**103**	$	75
Deposit with suppliers		**98**		98
Miscellaneous receivable		**89**		106
Total accounts receivable and other assets	**$**	**290**	$	279

(1) Tax receivable consists of refunds to be collected for Canadian GST / HST.

(Expressed in thousands of United States dollars)

6. Property and equipment

Property and equipment from continuing operations

Cost		Tangible fixed assets
Balance, May 31, 2023	$	193
Additions		79
Foreign exchange		3
Balance, May 31, 2024		275
Balance, August 31, 2024	**$**	**275**

Accumulated depreciation		Tangible fixed assets
Balance, May 31, 2023	$	70
Depreciation for the year		17
Foreign exchange		(14)
Balance, May 31, 2024	$	73
Depreciation for the period		5
Foreign exchange		9
Balance, August 31, 2024	**$**	**87**

Carrying amount		Tangible fixed assets
Balance, May 31, 2024	$	202
Balance, August 31, 2024	**$**	**188**

7. Exploration and evaluation costs

Three months ended August 31, 2023		Argentina		Brazil		Colombia		Nigeria		Total
Balance, May 31, 2023	$	335	$	30	$	2,969	$	-	$	3,334
Additions		60		53		58		-		171
Foreign exchange		-		-		282		-		282
Balance, August 31, 2023	$	395	$	83	$	3,309	$	-	$	3,787

Three months ended August 31, 2024		Argentina		Brazil		Colombia		Nigeria		Total
Balance, May 31, 2024	$	589	$	-	$	2,302	$	452	$	3,343
Additions		25		-		46		14		85
Foreign exchange		-		-		(317)		-		(317)
Balance, August 31, 2024	**$**	**614**	**$**	**-**	**$**	**2,031**	**$**	**466**	**$**	**3,111**

7. Exploration and evaluation costs (continued)

Anzá Project

On September 10, 2018, the Company completed an agreement with Newmont Colombia S.A.S. ("Newmont"), a wholly-owned subsidiary of Newmont Corporation for the Anzá project. The agreement includes a three-phase earn-in structure allowing Newmont to earn up to a 75% ownership interest in the Anzá Project by spending a minimum of $30 million in qualifying expenditures over twelve years, completing an NI 43-101 compliant feasibility study and making cash payments to Orosur equalling a total of $4 million over Phases 1 and 2. In Phase 1, Newmont may earn a 51% ownership interest by spending $10 million in qualifying expenditures over four years and making cash payments to Orosur equalling a total of $2million during the first two years of the Phase 1 earn-in period. Upon Newmont's completion of Phase 1, it may elect, in its sole discretion, to exercise its option to form a joint venture with Orosur. In Phase 2, Newmont may elect to earn an additional 14% ownership interest in the Anzá Project by sole funding $20 million in qualifying expenditures within four years, completing an NI 43-101 compliant pre-feasibility study and making cash payments to Orosur equalling a total of $2 million. In Phase 3, Newmont may elect to earn an additional 10% ownership interest in the Anzá Project by completing an NI 43-101 compliant feasibility study within four years. During the year ended May 31, 2021, Newmont Corporation entered into a Joint Venture Agreement with Agnico Eagle Mines Limited ("Agnico"), with Agnico operator of the Joint Venture. The Joint venture is, owned 50:50 by Newmont and Agnico and is named Minera Monte Aguila SAS ("MMA").

On September 8, 2022, MMA provided the Company with a Phase 1 Earn-In Notice, having completed all of the Phase 1 obligations, including investing $10 million in the Project. During year ended May 31, 2023, MMA announced it would advance into Phase 2 of the project and it made the $2 million Phase 2 payment.

On September 10, 2024 the Company entered into a sale and purchase agreement ("SPA") to acquire MMA, thereby reassuming 100% of the Company's flagship Anza Gold Project in Colombia.Under the SPA, Orosur's wholly owned Canadian subsidiary, Waymar Resources Ltd., will purchase all of the issued shares of MMA from wholly owned subsidiaries of Newmont and Agnico resulting in Orosur regaining 100% ownership of the Project (the "Acquisition"). No cash is payable up front, with all consideration deferred and wholly contingent upon commercial production from the Anza Project. The agreed consideration payable to Newmont and Agnico consists of a net smelter royalty of an aggregate amount of 1.5% on all future mineral production, plus a further royalty of an aggregate amount of US$75 per ounce of gold or gold equivalent ounce for the first 200,000 gold equivalent ounces of mineral production. The TSXV has approved the Acquisition and Completion is now subject only to customary closing conditions.

Lithium West Project ("Project")

On October 16, 2023, the Company entered in a Joint Venture agreement ("JV agreement") with Jurassic Mines Ltd. ("Jurassic"), whereby the Company, may earn up to 70% equity in the Project. The JV agreement includes a two phases earn-in structure allowing the Company's wholly owned subsidiary, Lithium West to earn up to 70% ownership interest in the Project by spending a minimum of $3 million over a maximum of three years for phase 1 for 51% and additional $2 million for an additional 19% over a maximum of two years for phase 2. As of November 31, 2023, the Project is owned 51:49 by the Company and its JV partner Mineral Alliance Ltd., respectively.

The Project at inception comprised four exploration licenses across Nigeria's primary pegmatite belt, covering a total of circa 322Km^2. As at August 31, 2024, no indicators of impairment were noted on the Company's Lithium West Project.

(Expressed in thousands of United States dollars)

7. Exploration and evaluation costs (continued)

Ariquemes Project

On January 14, 2022, the Company signed a joint venture agreement with Meridian Mining UK Societas (“Meridian”) in relation to the Ariquemes tin project ("Project") in Brazil. Whilst the Company’s exploration programs on the Project had met with some success, including the identification of two prospects, as a result of a Company review to prioritise the use of its capital, a decision was taken to no longer pursue activity on its Brazilian project. Accordingly, on May 3, 2024, Orosur terminated its JV agreement with Meridian on the Project and the capitalized E&E costs of $133 were written off at that time.

8. Accounts payable and accrued liabilities

	August 31, 2024	May 31, 2024
Commercial suppliers	**$ 426**	$ 443
Salaries, labour benefits and social security contributions	**2**	2
Total accounts payable and accrued liabilities	**$ 428**	$ 445

9. Borrowings

Term debt of discontinued operations (Uruguay)

	August 31, 2024	May 31, 2024
Borrowings (1)	**$ 1,400**	$ 1,400
	$ 1,400	$ 1,400

(1) Related to the line of credit in the amount of $1,500. These borrowings will be treated equivalently to other accounts payable as part of the Loryser Reorganization Proceedings as they rank pari passu with trade creditors (note 4).

10. Environmental rehabilitation provision

The Company’s environmental rehabilitation provision relates to the retirement and remediation of the San Gregorio operation in Uruguay. The environmental rehabilitation provision has been determined by calculating the net present value of estimated future costs.

The following table summarizes the movements in the environmental rehabilitation provision for the three months ended August 31, 2024 and year ended May 31, 2024:

Environmental rehabilitation provision discontinued operations (Uruguay)

	August 31, 2024	May 31, 2024
Balance, beginning of period	**$ 130**	$ 164
Accretion expense (reverse)	**-**	(34)
Balance at end of period	**$ 130**	$ 130
Less: current portion	**(130)**	(130)
Balance, end of period	**$ -**	$ -

(Expressed in thousands of United States dollars)

10. Environmental rehabilitation provision (continued)

Loryser had a legal and constructive obligation to restore the San Gregorio operation. This estimate is revised annually. The Company advances rehabilitation work in accordance with DINACEA (formerly DINAMA) the Uruguayan environmental agency.

Uruguayan mining and environmental legislation requires environmental obligations to be supported by guarantees. As a result, rehabilitation guarantee letters of credit with a total amount of $1,326 (May 31, 2024 - $1,326) had been provided by local Uruguayan insurance companies and financial institutions. Pursuant to a Settlement Agreement with DINACEA, Loryser finalized the reclamation of the tailings dam and DINACEA paid $1,326 (from third-party guarantee proceeds in instalments on completion of a six-phased closure plan. All of the payments totalling $1,326 had been received by January 2024 by the Company.

11. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount $
Balance, May 31, 2023 and August 31, 2023	188,560,300	$ 69,339

	Number of common shares	Amount $
Balance, May 31, 2024 and August 31, 2024	**205,584,452**	**$ 69,529**

12. Shares held by Trust and Restricted Cash

In December 2018, Loryser reached an agreement with the majority of its creditors (the “Agreement”), achieving a support level of approximately 72% of creditors by value, comprising 67 different creditors. The Agreement was ratified by the Court in September 2019. The ratification by the Court means that the Agreement is legally binding on all trade creditors and that Intervenor’s control over Loryser ceases. In December 2019, as part of the consideration to be applied to the creditors’ liabilities, Orosur issued 10,000,000 common shares of Orosur to the San Gregorio Trust. The Trust was an independent legal body established by Orosur (the “Settlor”) with an independent Trustee whose sole purpose it is to sell the shares at the best possible price and pay that money to Loryser’s creditors who were the Beneficiaries of the Trust pursuant to the Agreement. The Trustee was appointed in the Trust Deed and the Settlor cannot remove the Trustee. The Trustee was not an employee nor a director of Orosur or any of its subsidiaries and did not receive instructions from Orosur. In November 2023, the Trust was duly terminated by the Trustee as it had concluded its object.

(Expressed in thousands of United States dollars)

12. Shares held by Trust and Restricted Cash (continued)

The Restricted Cash is related to the funds net of costs raised by the Trust from the sale of the common shares held by the Trust. All of the 10,000,000 common shares have been sold for the benefit of Loryser's creditors as contemplated in the Court-approved Creditors Agreement. During the year ended May 31, 2024, the Trustee disposed of 4,355,500 common shares to the market, raising proceeds of $1,228 and $2,150 had been released to Loryser. During the three months ended August 31, 2024, $nil had been released to Loryser to be applied in accordance with the Court ratified Creditors Agreement.

As of August 31, 2024, the remaining restricted cash balance was $12 (May 31, 2024 - $12).

13. Equity incentive plan

In November 2023, the Company's Board approved the Equity Incentive Plan (the "Plan), which included Options, Restricted Share Unit ("RSU"), and Deferred Share Unit ("DSU") for officers, directors, employees and consultants of the Company. The Plan was approved by shareholders at the Company's AGM in December 2023. The maximum number of common shares that may be issued upon exercise or settlement of awards granted under the Equity Incentive Plan shall not exceed 18,856,030, representing 10% of the then issued and outstanding common shares of the Company.

Options

Options under the Plan are typically granted in numbers that reflect the responsibility of the particular optionee and his or her contribution to the business and activities of the Company. Options granted under the Plan have a term between 5 and 10 years. Except in specified circumstances, options are not assignable and terminate on the optionee ceasing to be employed by or associated with the Company. The terms of the Plan further provide that the price at which shares may be issued under the Plan cannot be less than the market price (net of permissible discounts) of the shares when the relevant options were granted.

The following table summarizes information regarding the Company's outstanding options as at August 31, 2024:

	Number of stock options ('000)	Weighted average exercise price (CDN $)
Balance, May 31, 2023 and August 31, 2023	11,190	$ 0.26
Balance, May 31, 2024 and August 31, 2024	**10,632**	**$ 0.27**

(Expressed in thousands of United States dollars)

13. Equity incentive plan (continued)

Options (continued)

The following table reflects the stock options issued and outstanding as of August 31, 2024:

Expiry date	Exercise price (CDN $)	Weighted average remaining contractual life (years)	Number of options outstanding ('000)	Number of options vested (exercisable) ('000)
November 14, 2024	0.050	0.21	372	372
May 4, 2025	0.040	0.68	440	440
January 29, 2026	0.460	142	300	300
March 11, 2027	0.220	2.53	4,020	4,020
December 10, 2030	0.325	6.28	5,500	5,500
	0.27	4.28	10,632	10,632

During the three months ended August 31, 2024 and August 31, 2023, no options were issued and recorded.

Restricted Share Units ("RSUs")

Employees, consultants, directors, and officers of the Company are eligible to receive tranche of RSUs, entitling the holder to receive one common share for each RSU, a cash payment, or a combination of common shares and cash, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement.

As at August 31, 2024 and May 31, 2024, no RSUs were issued.

Deferred Share Units ("DSUs")

Directors, and officers of the Company are eligible to receive DSUs, entitling the holder to receive one common share for each RSU, a cash payment, or a combination of common shares and cash, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement.

As at August 31, 2024 and May 31, 2024, no DSUs were issued.

14. Warrants

	Number of warrants ('000)	Weighted average exercise price
Balance, May 31, 2023 and August 31, 2023	-	$ -
Balance, May 31, 2024 and August 31, 2024	**18,644**	**$ 0.05**

(Expressed in thousands of United States dollars)

14. Warrants (continued)

Warrants outstanding as at August 31, 2024:

Expiry date	Grant date fair value ($)	Exercise price ($)	Remaining contractual life (years)	Number of Warrants outstanding
February 21, 2026 (1)	240	0.0558	1.48	16,949
February 21, 2029 (2)	62	0.0372	4.48	1,695
	302		1.75	18,644

(1) Warrants and (2) broker warrants are exercisable into 1 common share.

15. Loss per share

For the three months ended August 31, 2024, basic and diluted loss per share for continued operations has been calculated based on the loss attributable to common shareholders of $448 (three months ended August 31, 2023 - loss of $364) and the weighted average number of common shares outstanding of 193,211,503 (three months ended August 31, 2023 - 188,560,300). Diluted loss per share did not include the effect of stock options as they are anti-dilutive.

(Expressed in thousands of United States dollars)

16. Related parties

Subsidiaries:

The unaudited condensed interim consolidated financial statements include the financial statements of the Company's subsidiaries:

Name of subsidiary	Country of incorporation	Equity interest as of August 31, 2024	Equity interest as of May 31, 2024	Functional currency
International Mining Holdings Limited (IMHL)	Barbados	100%	100%	US dollar
Loryser S.A.	Uruguay	100%	100%	US dollar
Minera San Gregorio S.A.	Uruguay	100%	100%	US dollar
Cinco Rios S.A.	Uruguay	100%	100%	US dollar
Nafypel S.A.	Uruguay	100%	100%	US dollar
Triselco S.A.	Uruguay	100%	100%	US dollar
Kevelux S.A.	Uruguay	100%	100%	US dollar
Glendora S.A.	Uruguay	100%	100%	US dollar
Dalvàn S.A.	Uruguay	100%	100%	US dollar
Bolir S.A.	Uruguay	100%	100%	US dollar
Brimol S.A.	Uruguay	100%	100%	US dollar
Montemura S.A.	Uruguay	100%	100%	US dollar
Ugdev S.A.	Uruguay	100%	100%	US dollar
Fortune Valley Resources Inc.	Canada	100%	100%	Canadian dollar
Fortune Valley Resources Inc. BVI	BVI	100%	100%	Canadian dollar
Fortune Valley Resources Chile S.A.	Chile	100%	100%	US dollar
Waymar Resources Ltd.	Canada	100%	100%	Canadian dollar
Cordillera Holdings International Ltd. BVI	BVI	100%	100%	Canadian dollar
Minera Anzá S.A. (BVI)	BVI	100%	100%	Canadian dollar
Minera Anzá S.A. (Colombia branch)	Colombia	100%	100%	Colombian peso
Minera Alta Vista S.A.S.	Colombia	100%	Nil	Colombian peso
Anillo SPA	Chile	100%	100%	US dollar
Dorado Mining Holding Inc.	Canada	100%	100%	US dollar
Deseado Dorado SAS. (1)	Argentina	100%	100%	US dollar
Maracana Mining Holding Inc.	Canada	51%	51%	US dollar
Madeira Mineracao LTDA.	Brazil	51%	51%	US dollar
Lithium West Limited (2)	United Kingdom	100%	Nil	US dollar
Lithium Holdings Limited (2)	BVI	100%	Nil	US dollar
West Africa Lithium Ltd.(2)	BVI	51%	Nil	US dollar
Jurassic Mines Ltd.	Nigeria	51%	Nil	US dollar

(1) Deseado Dorado SAS. is in a hyper-inflation jurisdiction.
(2) Lithium West Limited, Lithium Holdings Limited and West Africa Lithium Ltd were registered in October 2023.

(Expressed in thousands of United States dollars)

16. Related parties (continued)

Compensation of key management personnel

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel include the members of the Board of Directors of the Company (executive and non-executive) and the Chief Executive Officer and Chief Financial Officer. The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The Chief Executive Officer is also a director of the Company.
The compensation paid or payable to key management was as follows:

	Three Months Ended August 31, 2024	Three Months Ended August 31, 2023
Fees included in corporate and administrative expenses(1)	**$ 9**	$ 10
Fees to CEO and directors included in corporate and administrative expenses	**$ 131**	$ 163

(1) The Company expensed fees to Marrelli Support Services Inc. ("Marrelli Support") for the Chief Financial Office services provided to the Company. In addition, Marrelli Support also provides bookkeeping services to the Company.

17. Geographical information

The Company's activities comprise one reportable segment, identifying and advancing mineral projects. The carrying amounts of the Company's non-current assets on a geographical basis are as follows:

	Argentina	Colombia	Nigeria	Canada	Total
As at August 31, 2024					
Property, plant and equipment	**$ 82**	**$ 98**	**$ 6**	**$ 2**	**$ 188**
Exploration and evaluation	**$ 614**	**$ 2,031**	**$ 466**	**$ -**	**$ 3,111**

	Argentina	Colombia	Nigeria	Canada	Total
As at May 31, 2024					
Property, plant and equipment	$ 88	$ 106	$ 6	$ 2	$ 202
Exploration and evaluation	$ 589	$ 2,302	$ 452	$ -	$ 3,343

18. Subsequent events

On September 10, 2024 the Company entered into a sale and purchase agreement ("SPA") to acquire MMA, which will, on Completion, lead to the Company reassuming 100% of the Company's flagship Anza Gold Project in Colombia.

18. Subsequent events (continued)

Under the SPA, Orosur's wholly owned Canadian subsidiary, Waymar Resources Ltd., will purchase all of the issued shares of MMA from wholly owned subsidiaries of Newmont and Agnico resulting in Orosur regaining 100% ownership of the Project (the "Acquisition"). No cash is payable up front, with all consideration deferred and wholly contingent upon commercial production from the Anza Project.

The agreed consideration payable to Newmont and Agnico consists of a net smelter royalty of an aggregate amount of 1.5% on all future mineral production, plus a further royalty of an aggregate amount of US$75 per ounce of gold or gold equivalent ounce for the first 200,000 gold equivalent ounces of mineral production. The Acquisition has been approved by the TSXV and Completion is now subject only to customary closing conditions.

In relation to the Company's discontinued operations in Chile, the Company has made a provision of $2,417 ($1,900 plus interest) as at May 31, 2024 for FVRC, as more fully set out in (note 4) of these unaudited condensed interim consolidated financial statements.

On September 30, 2024 the Company announced that it had raised the sum of £835,000 (before expenses) through a placing of 30,035,971 new common shares of no par value ("Placing Shares" or "New Common Shares") at a price of 2.78 pence per Placing Share, together with a grant of one unlisted warrant to purchase one additional common share exercisable at US$0.0494 (approximately 3.697p) for every two Placing Shares, exercisable for a period of 2 years from the date of issuance. The Company also issued 3,003,597 broker warrants ("Broker Warrants"). Each Broker Warrant can be exercised for one common share at an exercisable price of $0.03715 for a period of 5 years from the date of issuance.