Consolidated Financial Statements

For the years ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

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Independent Auditor's Report

To the Shareholders of ATEX Resources Inc.

Opinion

We have audited the consolidated financial statements of ATEX Resources Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. 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.

Key audit matters

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

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Key audit matter *Fair value of investment property*	How our audit addressed the key audit matter
We draw attention to Note 6 of the consolidated financial statements. The investment property is measured at the estimated fair value at each reporting date, determined using internal valuation models incorporating available market evidence. The Company's management has recorded the investment property at an estimated fair value of $1,538,868. We identified the valuation of the fair value of the investment property as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of investment property and the high degree of estimation uncertainty in determining the fair value of investment property. Valuation techniques for the investment property are subjective in nature and involve various key assumptions regarding pricing factors. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.	In this regard, our audit procedures included: – We obtained the investment continuity schedule and agreed balances to accounting records. – We examined all private investments and obtained appropriate support for the reasonability of management's valuations. – We confirmed the existence of private investments and assessed for potential control over private investments to determine whether any additional disclosures are required pursuant to IFRS 10. – We also focused on the adequacy of disclosures about key assumptions. The disclosures on the fair value of the investment properties are included in Note 6 to the consolidated financial statements

Other information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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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 consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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.

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 of the audit resulting in this independent auditor's report is Nicole Louli.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
January 22, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of ATEX Resources Inc. (the “Company”) were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company’s circumstances. The Company’s significant accounting policies are summarized in Note 3 to these consolidated financial statements.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. The Audit Committee also reviews the Company’s Management’s Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

January 22, 2025

(Signed) "Benjamin Pullinger"
Benjamin Pullinger
Chief Executive Officer

(Signed) "Sheila Magallon"
Sheila Magallon
Chief Financial Officer

ATEX Resources Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	September 30, 2024	September 30, 2023
Assets			
Current			
Cash and cash equivalents		4,997,490	13,168,474
Tax recoverable and other receivables		510,163	275,237
Prepaid expenses	10	979,560	757,160
Total current assets		6,487,213	14,200,871
Non-Current			
Restricted cash		34,461	33,520
Other investments	6	1,538,868	1,538,868
Property and equipment	5	1,801,944	1,594,132
Total assets		**9,862,486**	**17,367,391**
Liabilities			
Current			
Accounts payable and accrued liabilities	9,10	2,918,328	1,354,983
Current portion of lease obligation	7	12,175	46,499
Credit facility	8	18,430,088	-
Total current liabilities		21,360,591	1,401,482
Non-Current			
Long-term lease obligation	7	-	12,175
Credit facility	8	-	9,599,411
Total Liabilities		21,360,591	11,013,068
Shareholders' Equity			
Share capital	9	131,264,836	119,038,245
Share purchase warrants	9	6,936,028	9,072,501
Contributed surplus	9	3,817,093	3,887,537
Accumulated deficit		(153,516,062)	(125,643,960)
Total shareholders’ equity		(11,498,105)	6,354,323
Total liabilities and shareholders' equity		**9,862,486**	**17,367,391**

Nature of operations (Note 1)
Going concern (Note 2b)
Commitments and contingencies (Note 13)
Subsequent events (Note 16)

Signed on behalf of the Board of Directors by:

(Signed) “Chris Beer” Director *(Signed) “Craig Nelsen”* Director
Chris Beer Craig Nelsen

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

ATEX Resources Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended September 30,
(Expressed in Canadian Dollars)

	Notes	2024 $	2023 $
Expenses:			
Exploration and evaluation expenses	6, 9	21,709,141	25,712,621
Salaries and management fees	10	1,070,081	983,291
Consulting	10	98,770	146,261
General and administrative costs		243,352	361,311
Professional fees		233,691	134,625
Travel and shareholder relations		632,489	359,671
Stock-based compensation	9,10	2,428,744	1,970,958
Depreciation and amortization	5	55,028	140,670
Foreign exchange gain		(216,104)	(117,147)
Interest income		(386,206)	(330,589)
Interest on lease liability	7	2,500	4,637
Accretion	8	3,714,395	666,212
Dividends received from other investments	6	(121,374)	-
Loss from operations and before taxes		**(29,464,507)**	**(30,032,521)**
Deferred income tax recovery	11	-	1,091,000
Net loss and comprehensive loss for the year		**(29,464,507)**	**(28,941,521)**
Basic and diluted loss per share		($0.15)	($0.19)
Weighted average number of common shares outstanding		191,715,615	153,650,987

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

ATEX Resources Inc.
Consolidated Statements of Changes in Shareholders' Equity
For the Years Ended September 30, 2024 and 2023
(Expressed in Canadian Dollars)

	Notes	Share Capital – Number of Common Shares	Share Capital – Amount	Share purchase warrants	Contributed surplus	Deficit	Total
			$	$	$	$	$
Balance – September 30, 2022		**134,158,145**	**102,999,079**	**8,107,529**	**2,031,023**	**(96,923,711)**	**16,213,920**
Warrants issued pursuant to credit facility, net of deferred tax of $1,091,000	8	-	-	3,085,668	-	-	3,085,668
Debt financing costs	8	-	-	(60,520)	-	-	(60,520)
Shares and warrants issued for mineral property	9b	3,935,749	3,240,875	709,022	-	-	3,949,897
Exercise of warrants	9c	35,792,401	11,804,361	(2,568,275)	-	-	9,236,086
Exercise of stock options	9d	1,500,000	993,930	-	(448,230)	-	545,700
Stock-based compensation	9d	-	-	-	2,325,093	-	2,325,093
Cancelled/expired options and warrants		-	-	(200,923)	(20,349)	221,272	-
Net loss for the year		-	-	-	-	(28,941,521)	(28,941,521)
Balance – September 30, 2023		**175,386,295**	**119,038,245**	**9,072,501**	**3,887,537**	**(125,643,960)**	**6,354,323**
Discounting of debt provided by shareholders	8	-	-	-	-	1,586,092	1,586,092
Private placement	9b,10	337,837	500,000	-	-	-	500,000
Shares issued for RSUs redeemed	9d	299,563	419,708	-	-	-	419,708
Exercise of warrants	9c	30,010,797	9,639,968	(2,136,473)	-	-	7,503,495
Exercise of stock options	9d	2,100,812	1,666,915	-	(753,731)	-	913,184
Cancelled options		-	-	-	(6,313)	6,313	-
Stock-based compensation	9d	-	-	-	689,600	-	689,600
Net loss for the year		-	-	-	-	(29,464,507)	(29,464,507)
Balance – September 30, 2024		**208,135,304**	**131,264,836**	**6,936,028**	**3,817,093**	**(153,516,062)**	**(11,498,105)**

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

ATEX Resources Inc.
Consolidated Statements of Cash Flows
For the Years Ended September 30,
(Expressed in Canadian Dollars)

	Notes	2024 $	2023 $
Operating Activities:			
Net loss for the year		(29,464,507)	(28,941,521)
Adjusted for the following items:			
Depreciation and amortization	5	190,273	140,670
Shares and warrants issued for property acquisition	9b	-	3,949,897
Stock-based compensation	9d	2,852,633	2,423,214
Deferred income tax recovery		-	(1,091,000)
Accretion		3,714,395	496,497
Dividend received from other investments		(121,374)	-
Accrued interest		2,500	174,353
Foreign exchange		(46,505)	53,160
Payment of RSUs		(694,495)	-
		(23,567,080)	(22,794,730)
Net change in non-cash working capital items:			
Tax recoverable and other receivables		(234,925)	(140,265)
Prepaid expenses		(222,400)	(709,979)
Accounts payable and accrued liabilities		343,176	724,524
Net cash used in operating activities		(23,681,229)	(22,920,450)
Investing Activities:			
Restricted cash		-	(13,520)
Other investments	6	-	(1,538,868)
Dividend received from other investments	6	121,374	-
Additions to property and equipment, net of disposals	5	(226,746)	(718,509)
Net cash used in investing activities		(105,372)	(2,270,897)
Financing Activities:			
Proceeds from credit facility	8	6,747,938	13,188,797
Debt financing costs	8	-	(192,611)
Private placement	9b	500,000	-
Payment of lease financing	7	(49,000)	(40,833)
Exercise of stock options		913,184	545,700
Exercise of warrants		7,503,495	9,236,086
Net cash provided by financing activities		15,615,617	22,737,139
Net change in cash		(8,170,984)	(2,454,208)
Cash and cash equivalents – beginning of year		13,168,474	15,622,682
Cash and cash equivalents – end of year		4,997,490	13,168,474
Supplemental information:			
Warrants issued for credit facility		-	4,176,668
Shares issued for RSUs exercised		419,708	-
Change in accounts payable and accrued liabilities on property and equipment		171,339	337,278

1. Corporate Information and Nature of Operations

The business activity of ATEX Resources Inc. (the "Company") is the exploration and evaluation of mineral properties in South America.

The Company was incorporated under the laws of the Province of British Columbia on January 20, 1981 and its common shares are listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "ATX".

These consolidated financial statements include the results of the Company's 100% owned subsidiaries, ATEX Chile SpA ("ATEX Chile") and ATEX Valeriano SpA ("ATEX Valeriano"), both companies incorporated in Chile. The Company's head office is located at 50 Richmond Street East, Lower Level, Toronto, Ontario, M5C 1N7 and its registered and records office is located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The Company also has a local office in Santiago, Chile.

Although the Company has taken customary steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, as necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

2. Basis of Preparation

a) Statement of compliance

These consolidated financial statements are presented in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and International Financial Reporting Interpretations Committee ("**IFRIC**") interpretations as issued by the International Accounting Standards Board ("**IASB**") and have been consistently applied to all the years presented. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

b) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss, and have been prepared using the accrual basis of accounting. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. These consolidated financial statements are presented in Canadian Dollars, which is the Company's functional currency and the functional currency of the Company's subsidiaries.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has no current source of operating cash flow, and there can be no assurances that sufficient funding, including adequate financing, will be available to explore and develop its property and to cover general and administrative expenses necessary for the maintenance of a public company. The Company's status as a going concern is contingent upon raising the necessary funds through the issuance of equity or debt. These consolidated financial statements do not include any adjustments that may result from the inability to continue as a going concern. Such adjustments could be material. See Note 16.

The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The significant accounting policies applied in these consolidated financial statements are based on IFRS issued and effective for the year ended September 30, 2024.

These statements were authorized for issue by the Board of Directors on January 22, 2025.

c) Basis of Consolidation

These consolidated financial statements include all subsidiaries of the Company. Subsidiaries are entities over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

These consolidated financial statements include the accounts of the Company, ATEX Chile and ATEX Valeriano. All significant inter-company transactions and balances have been eliminated.

3. Summary of Material Accounting Policies

a) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortized cost. Cash and cash equivalents consist of cash on deposit with banks and highly liquid short-term interest-bearing securities with maturities at the date of purchase of three months or less. As at September 30, 2024 the company holds $2,250,000 in Guaranteed Investment Certificates (GIC).

b) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”). A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to hold assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statement of loss and comprehensive loss. The Company’s financial instruments are classified and subsequently measured as follows:

Cash and cash equivalents	Amortized cost
Other investments	FVTPL
Other receivables	Amortized cost
Restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
RSU liability	FVTPL
Credit facility	Amortized cost

Fair value hierarchy

The Company classifies financial assets and liabilities that are recognized in the statement of financial position at fair value in a hierarchy that is based on significance of the inputs used in making the measurements. The levels in the hierarchy are:

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

With the availability of quoted prices in an active market, the RSU are classified as Level 1 in the fair value hierarchy as the fair values have been determined based on inputs, including volatility factors, risk-free rate, and stock price, which can be substantially observed or corroborated in the marketplace. As at September 30, 2024 and 2023, the financial instruments measured at fair value after initial recognition include RSU liability, which is estimated using Level 1 inputs, and other investments, which are estimated using Level 3 inputs.

Other investments

Purchases and sales of investments are recognized on a trade date basis. Private investments at fair value through profit or loss are initially recognized at fair value, with changes in fair value reported in profit (loss). At each financial reporting period, the Company's management estimates the fair value of its investments based on the criteria below and reflects such valuations in the financial statements.

Transaction costs are expensed as incurred in profit (loss). The determination of fair value requires judgment and is based on market information where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such changes in valuations in the statements of loss and comprehensive loss.

Shares in privately-held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements. These are included in Level 3 as disclosed in Note 15.

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. The Company will take into account general market conditions when valuing the privately-held investments. In the absence of occurrence of any events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

An upward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable.

Downward adjustments to carrying values are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable.

The resulting values may differ from values that would be realized had a ready market existed. The amounts at which the Company's privately-held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Impairment

The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

c) Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment charges. The cost of property and equipment comprises its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated decommissioning and restoration costs associated with the asset.

On initial acquisition, equipment is measured at cost. In subsequent periods, equipment is stated at cost less accumulated depreciation and any impairment charges. Depreciation is provided so as to write off the costs, less estimated residual values of equipment using the straight-line method over their remaining useful lives, or the remaining life of the mine if shorter:

Computer equipment	6 years
Vehicles	7 years
Exploration camp	10 years
Leasehold improvements and furniture	2-3 years

When significant parts of an asset have different useful lives, depreciation is calculated on each separate component. Each asset or component's estimated useful life has due regard to both its own physical life limitations. Estimates of remaining useful lives and residual values are reviewed at least annually. Changes in estimates are accounted for prospectively.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

d) Mineral Exploration and Evaluation Expenditures

i) Pre-Exploration Costs

Pre-exploration costs are expenditures incurred prior to the acquisition of the related mineral rights, or of an option to acquire such rights, or amounts incurred subsequent to such acquisition that are judged on a discretionary basis to be immaterial or of known limited future benefit. Such costs are expensed as incurred.

ii) Exploration and Evaluation Expenditures

Once the legal right to explore a property has been acquired, expenditures directly related to exploration and evaluation activities ("E&E"), including any acquisition costs, are recognized and expensed in the year. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on property and equipment during the exploration phase.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of:
(i) establishing the volume and grade of deposits through drilling of core samples; trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
(ii) determining the optimal methods of extraction and metallurgical and treatment processes;
(iii) studies related to surveying, transportation, and infrastructure requirements;
(iv) permitting activities; and
(v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

License costs paid in connection with a right to explore in an existing exploration area are expensed as incurred.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction' as a component of property and equipment.

e) Credit facilities

Debt is recognized initially at fair value, net of transactions costs incurred, and subsequently measured at amortized cost. Any difference between the amounts originally received and the redemption value of the debt is recognized in the consolidated statements of loss and comprehensive loss over the period to maturity using the effective interest method.

Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount.

Subsequent to initial recognition, debt is measured at amortized cost using the effective interest method, other than those required to or designated to be at FVTPL. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

f) Leases

The Company recognizes a lease liability with a corresponding right-of-use ("ROU") asset on the date at which the leased asset is available for use by the Company. The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that it would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost and decreased by lease payments made over the lease period. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the Company's estimate of any residual amount payable, or if applicable, the Company changes its assessment of whether it will exercise a purchase, extension, or termination option.

The ROU asset is depreciated using the straight-line method from the recognition date to the earlier of the end of the useful life of the asset or the end of the lease term.

Payments associated with short-term leases and leases of low-value assets are expensed as they are incurred in profit or loss. Short-term leases have a lease term of 12 months or less.

g) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share subscriptions and warrants denominated in the functional currency are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Common shares issued for non-monetary consideration are recorded at their market value based upon the trading price of the Company's common shares on the TSXV on the date of share issuance.

h) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of loss and comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, in addition to any consideration paid. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. For those options that expire the recorded value is transferred to deficit.

i) Restricted Share Units ("RSU")

RSUs are granted to directors, officers and employees under the terms of the Company's RSU Incentive Plan. Each RSU represents an entitlement to one common share of the Company, upon vesting. RSUs provide the option of being settled in cash. The fair value of RSUs granted is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in share-based payment liability. The liability is re-measured to fair value at each reporting date and, upon redemption, at the Corporation's closing share price, with any changes in the fair value recognized in the statement of loss and comprehensive loss. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of RSUs that are expected to vest based on an estimate of the forfeiture rate. Upon redemption of the RSU, if shares are issued the liability is transferred to share capital.

j) Loss Per Share

Basic loss per common share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, For the years ended September 30, 2024 and September 30, 2023, all stock options, RSU and warrants were anti-dilutive.

k) Foreign exchange translation

Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the statement of financial position date. Non-monetary items are translated into Canadian dollars at the exchange rate in effect on the respective transaction dates. Revenues and expenses are translated at average rates for the period, except for amortization, which is translated on the same basis as the related asset. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the year unless the monetary item forms part of the reporting entity's net investment in a foreign operation, in which case, exchange gains or losses are reflected in other comprehensive income.

l) Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the yearend date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

m) Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and revegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related properties. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. As of September 30, 2024 and September 30, 2023 the Company does not have any material rehabilitation or restoration obligations.

n) Segment reporting

As the Company primarily focuses its activity on the exploration and development of mineral properties, its operating and reportable segments are Valeriano Project, other exploration projects, and the Company’s corporate administration function. Operating segments are components of an entity that engage in business activities from which they incur expenses and whose operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance. The Chief Executive Officer, the chief operating decision-maker for the Company, obtains and reviews operating results of each operating segment on a monthly basis.

o) Recently adopted accounting pronouncements

The Company adopted the following amendments. These new standards and changes did not have any material impact on the Company’s consolidated financial statements.

IAS 1 – In February 2021, the IASB issued ‘Disclosure of Accounting Policies’ with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

IAS 8 – In February 2021, the IASB issued ‘Definition of Accounting Estimates’ to help entities distinguish between accounting policies and accounting estimates.

p) New and future accounting pronouncements

Standards issued but not effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after October 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required, and early adoption is permitted.

Presentation and Disclosure in Financial Statements (IFRS 18)
In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Judgments:

Ability to continue as a going concern: Management has made the determination that the Company will continue as a going concern for the next year.

Impairment of property and equipment: Management has made the determination that the carrying value of the Company's property and equipment is not impaired as at September 30, 2024.

Income, value added, withholding and other taxes: The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments: Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Leases: Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimation uncertainty include estimation of the lease term, determination of an appropriate discount rate and assessment of whether a ROU asset is impaired. Such judgments, estimates and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Rehabilitation provision: costs and the timing of Rehabilitation costs and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

Fair value of investment in securities not quoted in an active market or private company investments: Where the fair values of financial assets recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

Valuation of credit facility: Significant judgment and estimates are required in the valuation of the credit facility components. Management determines the discount rate used in the fair value taking into account the features of the instrument and market data on the basis of the Company's management assumptions.

(Expressed in Canadian Dollars)

5. Property and Equipment

	Canada		Chile				
	Leasehold Improvements	ROU assets	Exploration Camp	Construction in Progress	Equipment	Vehicles	Total
Cost							
At September 30, 2022	**-**	**-**	**-**	**545,681**	**-**	**42,598**	**588,279**
Additions	37,654	98,954	644,946	346,767	22,336	-	1,150,657
Transfers	-	-	545,681	(545,681)	-	-	-
At September 30, 2023	**37,654**	**98,954**	**1,190,627**	**346,767**	**22,336**	**42,598**	**1,738,936**
Additions	-	-	-	348,153	30,151	51,804	430,108
Disposals	-	-	-	-	-	(42,598)	(42,598)
At September 30, 2024	**37,654**	**98,954**	**1,190,627**	**694,920**	**52,487**	**51,804**	**2,126,446**
Accumulated depreciation and amortization							
At September 30, 2022	**-**	**-**	**-**	**-**	**-**	**4,134**	**4,134**
Depreciation and amortization	5,020	39,582	91,250	-	-	4,818	140,670
At September 30, 2023	**5,020**	**39,582**	**91,250**	**-**	**-**	**8,952**	**144,804**
Depreciation and amortization	7,531	47,497	122,445	-	5,655	7,145	190,273
Disposals	-	-	-	-	-	(10,575)	(10,575)
At September 30, 2024	**12,551**	**87,079**	**213,695**	**-**	**5,655**	**5,522**	**324,502**
Net book value							
At September 30, 2023	**32,634**	**59,372**	**1,099,377**	**346,767**	**22,336**	**33,646**	**1,594,132**
At September 30, 2024	**25,103**	**11,875**	**976,932**	**694,920**	**46,832**	**46,282**	**1,801,944**

6. Exploration and Evaluation Expenditures

The Company's exploration properties are located in Chile in South America, and its interest in these resource properties are maintained pursuant to agreements with the titleholders or through direct ownership of mineral claims.

	Year ended September 30, 2024	Year ended September 30, 2023
Drilling	$ 10,212,630	$ 8,956,959
Acquisition costs	-	6,281,572
Salaries, geological consultants, travel	2,872,702	2,242,917
Value-added tax	2,585,295	2,369,621
Camp costs	2,123,506	2,348,439
Land holding and access costs	835,543	426,501
Community relations, environmental and permitting	753,202	435,608
Assay and analysis	704,524	1,010,507
Consultants and administrative	631,797	536,308
Core handling and storage	430,808	555,865
Share-based compensation	423,889	452,256
Depreciation and amortization	135,245	96,068
Total Valeriano Project	**$ 21,709,141**	**$ 25,712,621**

Valeriano Project

In August 2019, the Company, through its wholly-owned Chilean subsidiary, ATEX Valeriano, entered into an option agreement with Sociedad Contractual Minera Valleno ("SCMV") to acquire up to a 100% interest in the 3,705-hectare Valeriano Project located in Region III, Chile.

(Expressed in Canadian Dollars)

During the year ended September 30, 2023, the Company acquired 49% interest in Valeriano Project, for a total consideration of US$4.25 million, with a payment made of US$3.5 million on August 28, 2023 (50% via the issuance of common shares and 50% in cash approximately $2,380,875) (Note 9b).

In connection with earning its 49% interest in Valeriano Project, ATEX Valeriano and SCMV agreed to amend certain administrative and structural terms of the option agreement. Pursuant to the 2023 amendment, ATEX Valeriano is able to acquire a 100% interest in the Valeriano Project, subject to a 2.5% royalty, by paying US$8.0 million by August 29, 2025 (50% of which may be paid via the issuance of common shares, at the optionor's discretion).

If ATEX Valeriano does not exercise the option to acquire the 100% interest in the Valeriano Project, ATEX Valeriano and SCMV will incorporate a new Chilean joint stock company owned by both parties proportionate to each party's respective property ownership interest. See Note 16 for subsequent events.

The option was originally granted by the optionor to SBX Asesorías e Inversiones Limitada ("SBX"). Under a transfer and assignment agreement with SBX (the "SBX Agreement"), the Company paid US$150,000 and granted 0.25% net smelter return royalty and agreed to issue 2 million units. As at September 30, 2024, 2 million units had been issued, 1 million units were issued on August 28, 2023 (Note 9b).

Upon the Company earning a full 100% property interest in the Valeriano Project, ATEX Valeriano shall also grant a 2.0% and 0.50% net smelter return royalty to the optionor and SAFAX Investments Limited Partnership, an associate of SBX, respectively.

Other investments

On January 23, 2023, the Company, through ATEX Valeriano, acquired a 10% interest in Valleno, the optionor of the Valeriano Project, for a purchase price of $1,538,868 (US$1,150,000). As a result of this acquisition, the Company became an owner of 10% of the outstanding shares of Valleno. The Company recognized the cost as being the fair value at the time of acquisition and it is recognized as other investments in the statement of financial position. At the end of each financial reporting period, the Company's estimates the fair value of its investment. In January 2024, the Company received dividends of US$90,000 ($121,374) which were recognized as other income. The Company estimates that at September 30, 2024, the fair value of this investment is unchanged at $1,538,868.

7. Leases

The Company recorded ROU asset in property and equipment (Note 5) and corresponding lease liability of $98,954. The ROU asset is being amortized over the term of the lease, including the estimated extension of the lease terms. During the year ended September 30, 2024, the Company recognized amortization in the amount of $47,497 (2023 - $39,582).

The lease obligation associated with the ROU asset is summarized as follows:

	Maturity	**Currency**	**Interest rate**	**September 30, 2024**	**September 30, 2023**
Total lease obligations	2025	CAD	7.45%	$ 12,250	$ 58,675
Less: current portion				12,250	46,499
Non-current portion				**$ -**	**$ 12,175**

The table below summarizes the changes in lease obligations during the year ended September 30, 2024:

(Expressed in Canadian Dollars)

		Amount
As at September 30, 2022	**$**	**-**
Additions		94,870
Accretion		4,637
Lease payments		(40,833)
As at September 30, 2023	**$**	**58,674**
Additions		-
Accretion		2,500
Lease payments		(49,000)
As at September 30, 2024	**$**	**12,174**

The undiscounted and discounted future lease payments are as follows:

	Year ended September 30, 2024	Year ended September 30, 2023
Within one year	$ 12,250	$ 49,000
More than one year	-	12,250
Total undiscounted lease obligations	12,250	61,250
Amount representing interest	(76)	(2,576)
Lease obligations - discounted	$ 12,174	$ 58,674

During the year ended September 30, 2024, the Company recognized total payments in the consolidated statement of cash flows in the amount of $49,000 (2023 - $40,833).

Scheduled future undiscounted lease payments, comprising principal and interest, are as follows:

	2025	Total
Total payments	$ 12,250	$ 12,250

8. Credit Facility

The Company entered into a credit agreement of a US$15 million unsecured credit facility (the "Credit Facility") from a group led by existing strategic shareholders Firelight Investments LLC ("Firelight") a company controlled by a shareholder of the Company, Beedie Investments Ltd. ("Beedie") and Trinity Capital Partners Corporation (collectively the “Lenders”).

The Facility bears interest at a rate of 6.0% per annum and all outstanding principal and accrued interest are due and payable to the Lenders on July 17, 2025. In addition, the Company may repay any principal and interest outstanding under the Credit Facility in advance without penalty. On the closing date, the Company received US$10 million (“First Tranche”) and issued 15,000,000 non-transferable warrants to purchase an aggregate of 15,000,000 common shares of the Company to the Lenders (“Facility Warrants”), with each Facility Warrant entitling the holder to acquire one common share of the Company at an exercise price of $1.30 per Facility Warrant Share until the July 11, 2025.

(Expressed in Canadian Dollars)

On February 21, 2024 the Company drew down the second and final installment of US$5 million in funding under the Credit Facility. The Company recognized an increase in its debt of $5,161,846 representing the difference between the discounted value and cash consideration received, a gain of $1,586,092 was recorded as a gain in Deficit resulting from the Lenders acting in their capacity as owners.

Included in this arrangement is an amount of US$5,625,000 ($7,595,000) which was advanced from Firelight, and $424,540 (2023 - $61,674) of interest is payable to Firelight at September 30, 2024 under the terms of the credit agreement. In connection with this funding from Firelight, 5,625,000 warrants were issued.

	Amount
Principal amount of the Credit Facility	**$ 13,188,797**
Transaction costs	(192,611)
Value allocated to the Facility Warrants	(4,116,148)
Value allocated to the Facility	8,880,038
Interest expense accrued	169,716
Accretion	496,496
Foreign exchange	53,161
As at September 30, 2023	**$ 9,599,411**
Final installment received	5,161,846
Interest expense accrued	1,117,211
Accretion	2,597,184
Foreign exchange	(45,564)
As at September 30, 2024	**$ 18,430,088**

The First Tranche of the Facility was initially recognized at $8,880,038, which represents the difference between the fair value of the financial instrument as a whole and the fair value of Facility Warrants and transaction costs. Subsequently, the debt component is recognized at amortized cost using the effective interest rate method.

Transaction costs incurred on issuance of the Credit Facility totaling $132,091 have been offset against the carrying amount of the Credit Facility and are being amortized to net income using the effective interest method resulting in an effective interest rate of 25%, including the 6% coupon.

As of September 30, 2024, the Company has drawn US$15 million under the Facility recognized at amortized cost using the effective interest rate method. On November 1, 2024 the Company settled in full the Credit Facility through the issuance of shares and warrants. See Note 16 for further information.

9. Share Capital

a) Authorized

Authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

b) Issued and fully paid

On September 30, 2024, there were 208,135,304 common shares issued and outstanding (September 30, 2023 - 175,386,295).

On August 28, 2023, the Company secured a 49% interest in the Valeriano Project by issuing 2,935,749 common shares having a deemed aggregate value of $2,380,875 (US$ 1.75 million) determined based on an $0.81 market price representing the volume-weighted average market price of the Company's common shares for the five business days preceding payment date. (Note 6).

(Expressed in Canadian Dollars)

Additionally, on August 28, 2023, pursuant to the SBX Agreement (Note 6), the Company issued 1,000,000 units. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.86 per common share until August 27, 2027. The fair value of the warrants was estimated at $709,022 using the Black-Scholes option pricing method.

On June 13, 2024, the Company issued 337,837 shares at $1.48 for gross proceeds of $500,000 pursuant to a private placement with a director of the Company.

See Note 16 for subsequent events.

c) Share Purchase Warrants

The following table summarizes the change in the number of issued and outstanding share purchase warrants and the associated equity classified warrants during the year ended September 30, 2024:

	Warrants	Amount $	Weighted average exercise price per common share
Balance, September 30, 2022	**87,503,298**	**8,105,529**	**$ 0.32**
Facility Warrants (Note 8)	15,000,000	3,085,668	1.30
Issued pursuant to option agreement – August 28, 2023	1,000,000	709,022	0.86
Exercised	(35,792,401)	(2,568,275)	0.26
Expired	(979,958)	(200,923)	1.00
Balance, September 30, 2023	**66,730,939**	**9,072,501**	**$ 0.59**
Exercised	(30,010,797)	(2,136,473)	0.25
Balance, September 30, 2024	**36,720,142**	**6,936,028**	**$ 0.86**

The fair value of the Company's warrants was estimated using the Black-Scholes option pricing method and Level 2 fair value inputs as follows:

Grant date	**August 28, 2023**
Number of warrants issued	1,000,000
Fair Value, net of transaction costs	$ 709,022
Valuation inputs:	
Expected volatility	130.87%
Risk-free interest rate	4.17%
Expected life of warrants	4 years
Dividends expected	Nil

Details of common share purchase warrants outstanding at September 30, 2024 are:

Expiry date	Outstanding warrants	Carrying value	Remaining contractual life in years	Exercise price ($/share)
December 2, 2024 (Note 16)	12,182,997	$ 721,165	0.2	0.22
July 11, 2025	15,000,000	3,025,148	0.8	1.30
August 25, 2025	8,537,145	2,480,693	0.9	1.00
August 28, 2027	1,000,000	709,022	2.9	0.86
	36,720,142	**$ 6,936,028**		**0.86**

(Expressed in Canadian Dollars)

d) Share-based payments

The share-based payments recognized in these financial statements are as follows:

	September 30, 2024	September 30, 2023
Stock-option expense- general and administration	$ 265,711	$ 1,872,837
RSU expense	2,163,033	98,121
	2,428,744	**1,970,958**
Stock-option – exploration and evaluation (Note 6)	423,889	452,256
	$ 2,852,633	**$ 2,423,214**

The Company maintains a Stock option plan and a Restricted Share Units ("RSU") plan for certain employees and officers of the Company, whereby the maximum number of common shares reserved for issue under the plans shall not exceed 10% of the outstanding common shares. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the outstanding number of common shares at the date of the grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the outstanding number of common shares at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV). Options may be granted for a maximum term of five years from the date of the grant and are non-transferable.

Stock Options

The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV). Options may be granted for a maximum term of five years from the date of the grant, are non-transferable and expire within 30 days of termination of employment or holding office as Director or officer of the Company and, in the case of death, expire within one year.
The continuity of stock options outstanding is as follows:

	Outstanding number of stock options	Weighted average exercise price per common share
Balance, September 30, 2022	**5,660,000**	**$ 0.39**
Granted	4,765,926	0.67
Exercised	(1,500,000)	0.36
Cancelled	(50,000)	0.62
Balance, September 30, 2023	**8,875,926**	**$ 0.54**
Granted	610,000	1.39
Exercised	(2,100,812)	0.43
Cancelled	(11,612)	0.70
Balance, September 30, 2024	**7,373,502**	**$ 0.64**

The grants and the inputs used in the determination of the fair values of the stock options using the Black-Scholes option pricing model are as follows:

(Expressed in Canadian Dollars)

Grant date	November 2, 2022	January 3, 2023	January 25, 2023	September 18, 2023	September 28, 2023	May 27, 2024	August 23, 2024
Number of stock options granted	2,255,000	250,000	25,000	125,000	2,110,926	430,000	180,000
Term	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Vesting	Immediate	Immediate	Immediate	Immediate	Immediate	Immediate	Immediate
Share-based compensation expense	$ 917,711	$ 162,960	$ 21,904	$ 74,912	$1,147,607	$ 496,766	$ 192,835
Grant date fair value per option	$ 0.41	$ 0.65	$ 0.88	$ 0.60	$ 0.54	$ 1.16	$ 1.33
Weighted average Black-Scholes option pricing model inputs:							
Exercise price per common share	$ 0.62	$ 0.77	$ 1.00	$ 0.77	$ 0.70	$ 1.43	$ 1.30
Dividends expected	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility	124.3%	113.1%	130.8%	112.9%	113.1%	111.98%	111.62%
Risk-free interest rate	3.48%	3.34%	2.88%	4.04%	4.30%	3.64%	2.96%
Expected life of options	5 years	5 years	5 years	5 years	5 years	5 years	5 years

During the year ended September 30, 2024 a total of 200,000 (2023 – 3,725,000) stock options were granted to directors and executive officers. Details of stock options outstanding at September 30, 2024:

Expiry date	Outstanding and exercisable stock options	Vested stock Options	Remaining contractual life in years	Exercise price	Fair value
June 10, 2025	156,666	156,666	0.7	0.15	0.10
January 4, 2026	475,000	475,000	1.3	0.30	0.25
January 28, 2026	100,000	100,000	1.3	0.35	0.31
December 16, 2026	1,375,000	1,375,000	2.2	0.36	0.36
June 16, 2027	855,000	855,000	2.7	0.72	0.68
November 2, 2027	1,525,000	1,525,000	3.1	0.62	0.41
January 3, 2028	250,000	250,000	3.3	0.77	0.65
September 18, 2028	125,000	125,000	4.0	0.77	0.60
September 28, 2028	1,901,836	1,901,836	4.0	0.70	0.54
May 27, 2029	430,000	430,000	4.7	1.43	1.16
August 23, 2029	180,000	180,000	4.9	1.30	1.07
	7,373,502	**7,373,502**	**3.68**	**$ 0.64**	**$ 0.52**

RSU

A summary of the change in the number of RSU is as follows:

	RSU
Balance, September 30, 2022	**-**
Granted	1,244,157
Forfeited	(8,000)
Balance, September 30, 2023	**1,236,157**
Balance, September 30, 2023	**1,236,157**
Granted	1,366,558
Redeemed	(495,315)
Forfeited	(10,400)
Balance, September 30, 2024	**2,097,000**

(Expressed in Canadian Dollars)

On April 5, 2023, the Company granted 601,300 RSUs to officers, employees and consultants as part of their annual performance award, with fair value of $1,022,210 based on the quoted price on the date of grant. 50% RSUs vest one year after the grant date and the remaining 50% vest two years after the grant date. Included in this grant were 425,900 RSU's issued to executive officers.

On September 28, 2023, the Company granted 642,857 RSUs to its non-executive directors with a fair value of $450,000 based on the quoted price on the date of grant, which will vest on the date of termination, provided that the non-executive director has continuously been a non-executive director for at least two years.

On March 11, 2024, the Company granted 775,929 RSUs to its employees, as part of their annual performance award with a fair value of $993,189 based on the quoted price on the date of grant. 50% RSUs vest one year after the grant date and the remaining 50% vest two years after the grant date. Included in this grant were 538,488 RSU's issued to executive officers.

On May 27, 2024, the Company granted 498,487 RSUs to certain directors and executive officers with a fair value of $712,836 based on the quoted price on the date of grant. Of the RSU's 253,732 vest over three years from grant date and 244,755 vest on the date of retirement of membership on the Board. On May 31, 2024, the Company granted 92,142 RSUs to a new director, this grant shall vest on the date of retirement of membership on the Board provided that on such date such director has been a continuous member of the Board for at least a two-year period, the fair value of this grant was $136,370 based on the quoted price on the date of grant.

As at September 30, 2024, the RSUs had a fair value of $1,566,659 (September 30, 2023 - $98,121), which was recorded in accounts payable and accrued liabilities in the Consolidated Statements of Financial Position. The Company recorded share-based compensation expense related to RSUs of $2,163,033 for the year ended September 30, 2024 (September 30, 2023 - $98,121). During the year ended September 30, 2024, the Company settled a total of 299,563 RSUs in shares and 195,752 RSUs in cash with a total value of $694,495.

10. Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel are the Chief Executive Officer, Chief Financial Officer, Vice President of investor Relations & Business Development and its directors and their compensation is included in the following:

	Years ended September 30, 2024	2023
Salaries	$ 910,987	$ 875,000
Directors' fees	65,516	60,000
Consulting fees	45,000	-
Stock-based compensation (Note 9d)	1,691,311	1,673,064
	$ 2,712,814	**$ 2,608,064**

Amounts due to directors and officers of the Company are included in accounts payable, accrued liabilities and prepaid expenses. As at September 30, 2024, $2,275 (September 30, 2023 - $36,201) was owed to directors and officers and were paid subsequent to year-end. These amounts are unsecured, non-interest bearing. As at September 30, 2023 a total of $8,760 was included in prepaid expenses as advances to directors and officers.

On July 1, 2023 Atex Valeriano entered into a lease office space in Santiago with a party related to a director of the Company for approximately US$1,000 per month plus applicable taxes.

See additional related party transactions in Note 8 and Note 9.

(Expressed in Canadian Dollars)

11. Income Taxes

Taxation in the Company and its subsidiaries' operational jurisdictions is calculated at the rate prevailing in its respective jurisdiction.

The difference between tax expense for the year and expected income taxes based on statutory tax rate of 26.5% (2023 – 26.5%) arises as follows:

	Years ended September 30, 2024 $	2023 $
Loss before income taxes	$ (29,464,507)	$ (30,032,521)
Expected income tax recovery	(7,808,000)	(7,959,000)
Share based compensation	663,000	642,000
Non-deductible expenses	(54,000)	(56,000)
Change in benefit of tax rates not recognized	7,199,000	6,282,000
Deferred tax recognized directly in equity	-	(1,091,000)

Deferred Tax Assets and Liabilities

Deferred income taxes and liabilities have been recognized in respect to the following:

	As at September 30, 2024	2023
Recognized deferred tax assets and liabilities:		
Non-capital loss carryforwards	$ -	$ 1,091,000
Credit Facility	-	(1,091,000)
Deferred income tax liability	$ -	$ -

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/(liabilities) have been recognized are attributable to the following:

	As at September 30, 2024	2023
Unrecognized deductible temporary differences:		
Non-capital loss carryforwards (Canada)	$ 15,468,000	$ 13,861,000
Share issuance costs (Canada)	698,000	1,077,000
Capital losses carryfowards (Canada)	25,360,000	25,360,000
Exploration and evaluation assets (Chile)	60,493,000	37,469,000
Other temporary differences	145,000	145,000
	$ 102,164,000	$ 77,912,000

As at September 30, 2024, the Company has estimated non-capital losses for Canadian tax purposes of $19,584,772 (2023 – $13,861,000) that may be carried forward to reduce taxable income derived in future years. These losses expire from 2026 to 2044.

12. Segmented information

The Company is principally engaged in the acquisition, exploration and development of mineral properties in South America. The information regarding property and equipment and exploration and evaluation costs presented in Notes 5 and 6, respectively, represent the manner in which management reviews its business performance, materially all of the Company's property and equipment and evaluation and exploration costs relate to Valeriano Project in Chile. Materially all of the Company's administrative costs are incurred by the Canadian parent, where materially all of the Company's cash is held in the normal course of business until it is required to be deployed to the Company's South American subsidiaries in support of ongoing and planned work programs.

13. Commitments and Contingencies

Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

In the ordinary course of business, the Company is involved in and potentially subject to legal actions and proceedings. The Company records provisions for such claims when considered material and an outflow of resources is considered probable. The Company is subject to tax audits from various tax authorities on an ongoing basis. As a result, from time to time, tax authorities may disagree with the positions and conclusions taken by the Company in its tax filings or legislation could be amended or interpretations of current legislation could change, any of these events could lead to reassessments. The Company records provisions for such claims when an outflow of resources is considered probable.

In August 2024, the Dirección General de Aguas (the "DGA") issued a resolution assessing fines totalling approximately $87,000 related to the location of where water was extracted for the Phase IV program. The Company has engaged Chilean counsel to assist and advise it in this matter.

Commitments

The Company is party to certain management contracts and is committed to minimum payments upon termination or change of control of approximately $1,390,000 pursuant to the terms of these contracts as of September 30, 2024. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Property option payments and royalties - see Note 6 and leases - see Note 7.

14. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration of its mineral properties. Therefore, the Company monitors the level of risk incurred in its mineral property expenditures relative to its capital structure which is comprised of working capital and shareholders' equity.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity or debt if available on favourable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Company's investment policy is to hold excess cash in interest bearing bank accounts.

There has been no change in the Company's approach to capital management during the years ended September 30, 2024 and 2023.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

As of September 30, 2024, the Company believes it is compliant with the policies of the TSXV.

15. Financial Instruments and Risk Management

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments.
The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has implemented and monitors compliance with risk management policies as set out below.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are subject to credit risk for the Company consist primarily of cash and cash equivalents. The Company manages credit risk by investing its cash and cash equivalents with high credit-worthy financial institutions and completing due diligence on significant counterparties that the Company has entered into contracts.

b) Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

The Company's accounts payable and accrued liabilities are generally due within 30 days and are subject to normal trade terms. Refer to Notes 7 and 8 for repayment details on the Company's lease liability and credit facility.

c) Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in commodities prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

(Expressed in Canadian Dollars)

d) Market Risk

Market risk consists of currency risk, interest rate risk and price risk related to investment. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign Currency Risk: Foreign currency risk is the risk that a variation in exchange rate between the Canadian and US dollar or other foreign currencies will affect the Company's operations and financial results. As such the Company has exposure to foreign currency exchange rate fluctuations. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign currency risks.

The Company is exposed to market risk in its other investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. For the year ended September 30, 2024 and 2023, a 10% (decrease) increase in the price of other investments would result in an estimated increase (decrease) in net loss of $153,887.

The following table reflects the Company's foreign currency exposure from US dollars and Chilean Pesos as of September 30, 2024:

	US Dollar	Chilean Peso
Financial assets:		
Cash	$ 1,651,323	$ 299,829
Other receivables	-	606,486
Financial liabilities:		
Accounts payable and accrued liabilities	(18,685)	(1,057,925)
Credit Facility	(18,430,088)	-
Net financial liabilities	**$ (16,797,450)**	**$ (151,610)**

As at September 30, 2024, with other variables unchanged, a 10% change in the value of the Canadian dollar against the US dollar would result in an approximate $1,680,000 decrease or increase in loss and comprehensive loss, and 10% change in the value of the Canadian dollar against the Chilean peso would result in an approximate $15,000 decrease or increase of loss and comprehensive loss.

e) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Credit Facility bears interest at a fixed rate. The Company considers this risk to be immaterial.

f) Fair value of financial instruments

The following table provides information about financial assets and liabilities measured at fair value in the consolidated statements of financial position and categorized by level according to the significance of the inputs used in making the measurements.

As at September 30, 2024	Level 1	Level 2	Level 3
RSU Liability	$ 1,566,659	$ -	$ -
Other investments	-	-	1,538,868
	$ 1,566,659	-	$ 1,538,868

(Expressed in Canadian Dollars)

As at September 30, 2023	**Level 1**	**Level 2**	**Level 3**
RSU Liability	$ 98,120	$ -	$ -
Other investments	-	-	1,538,868
	$ 98,120	-	$ 1,538,868

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 as at September 30, 2024 and 2023. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized and unrealized gain are recognized in the statements of loss.

Investments, fair value	**September 30, 2024**	**September 30, 2023**
Balance, beginning of year	$ 1,538,868	$ -
Purchase - shares	-	1,538,868
Change in fair value	-	-
Balance - end of year	**$ 1,538,868**	**$ 1,538,868**

16. Subsequent Events

The Company acquired 100% interest in Valeriano through an option exercise agreement dated December 19, 2024, between ATEX Valeriano and SCMV. Prior to the transaction, the Company held a 49% interest in Valeriano and in exchange for acquiring the remaining 51% interest in the Project, ATEX issued approximately 7.5 million shares to SCMV at a price of $1.52 per share, fully satisfying the final US$8 million payment.

On November 1, 2024, the Company closed a non-brokered private placement with Agnico Eagle Mines Limited (“AEM”) and issued 33,869,939 units (“Units”) for gross proceeds of $55,208,000. Each Unit consisted of one common share and one-half common share purchase warrant (“AEM Warrant”). Each AEM Warrant entitles the holder to acquire one common share at a price of $2.50 for a period of five years following the closing date and is subject to acceleration in certain circumstances. On the same date, the Company issued 306,748 units pursuant to a private placement with a board member for gross proceeds of $500,000, each unit consisted of one common share and one-half common share purchase warrant, at a price of $1.63.

Concurrently with the transactions above, the Company settled its US$15M Credit Facility through the issuance of 7,938,268 units (“Units”) to the Lenders (other than Firelight). Each Unit consisted of one common share and one-half common share purchase warrant (“Warrant”). Each Warrant entitles the holder to acquire one common share at a price of $2.50 for a period of five years following until November 1, 2029. The total amount advanced by Firelight was settled through the issuance of 5,467,432 common shares with a deemed issue price of $1.42.

In addition to other events noted herein, the following has occurred during the period subsequent to September 30, 2024:

- 12,201,507 common share purchase warrants were exercised for proceeds of $2,750,759 and 455,983 stock options were exercised for proceeds of $279,588 with 70,175 warrants expiring on December 2, 2024.
- 2,290,870 stock options were granted to employees, of which 1,474,650 were granted to officers of the Company and 422,098 RSUs were granted to directors of the Company.