Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)
(unaudited)

NOTICE OF NO AUDITOR REVIEW OF UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsubsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed interim consolidated financial statements of the company have been prepared by and are the responsibility of the company's management. The company's independent auditor has not performed an audit or review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants.

ATEX Resources Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Notes	March 31, 2025	September 30, 2024
Assets			
Current			
Cash		44,579,109	4,997,490
Tax recoverable and other receivables		893,793	510,163
Prepaid expenses		339,969	979,560
Total current assets		45,812,871	6,487,213
Non-Current			
Restricted cash		65,791	34,461
Other investments	6	1,538,868	1,538,868
Property and equipment	5	2,968,154	1,801,944
Total assets		**50,385,684**	**9,862,486**
Liabilities			
Current			
Accounts payable and accrued liabilities	9,10	14,165,210	2,918,328
Current portion of lease obligation	7	75,067	12,175
Credit facility	8	-	18,430,088
Total current liabilities		14,240,277	21,360,591
Non-Current			
Long-term lease obligation	7	249,367	-
Total Liabilities		14,489,644	21,360,591
Shareholders' Equity (Deficiency)			
Share capital	9	208,689,885	131,264,836
Share purchase warrants	9	18,632,235	6,936,028
Contributed surplus	9	6,702,813	3,817,093
Accumulated deficit		(198,128,893)	(153,516,062)
Total shareholders’ equity (deficiency)		35,896,040	(11,498,105)
Total liabilities and shareholders' equity (deficiency)		**50,385,684**	**9,862,486**

Nature of operations (Note 1)
Going concern (Note 2b)
Commitments and contingencies (Note 12)
Subsequent events (Note 15)

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 condensed interim consolidated financial statements.

ATEX Resources Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three and Six months ended March 31,
(Unaudited - Expressed in Canadian Dollars)

		Three months ended March 31,		Six months ended March 31,	
		2025	**2024**	**2025**	**2024**
	Notes	**$**	**$**	**$**	**$**
Expenses:					
Exploration and evaluation expenses	6	17,076,418	7,704,989	36,650,133	14,345,789
Consulting	10	63,421	-	102,678	20,336
Salaries and director fees	10	810,778	370,919	1,061,622	640,920
General and administrative costs		139,919	39,077	186,602	111,236
Professional fees		66,691	83,569	122,445	104,844
Travel and shareholder relations		271,999	189,151	421,735	337,172
Stock-based compensation	9	1,833,280	694,648	4,341,273	815,896
Depreciation and amortization	5	11,708	13,757	48,685	27,514
Foreign exchange (gain) loss		(30,767)	(39,334)	536,389	(486,974)
Interest income		(428,980)	(68,882)	(914,988)	(240,635)
Interest on lease liability	7	2,755	735	2,831	1,682
Accretion - interest	8	-	999,514	426,035	1,861,898
Loss on debt settlement	8	-	-	1,683,121	-
Other income		-	(121,374)	-	(121,374)
Net loss and comprehensive loss for the period		**(19,817,222)**	**(9,866,769)**	**(44,668,561)**	**(17,418,304)**
Basic and diluted loss per share		($0.07)	($0.05)	($0.17)	($0.10)
Weighted average number of common shares outstanding		276,283,586	180,868,123	261,489,501	178,159,604

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

ATEX Resources Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)
For the Three and Six Months Ended March 31, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

	Notes	Share Capital – Number of Common Shares	Share Capital – Amount $	Share purchase warrants $	Contributed surplus $	Deficit $	Total $
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
Exercise of warrants	9c	21,362,331	6,571,601	(1,441,228)	-	-	5,130,373
Exercise of stock options	9d	595,000	379,363	-	(179,313)	-	200,050
Net loss for the period		-	-	-	-	(17,418,304)	(17,418,304)
Balance – March 31, 2024		**197,343,626**	**125,989,209**	**7,631,273**	**3,708,224**	**(141,476,172)**	**(4,147,466)**
Private placement	9b,10	337,837	500,000	-	-	-	500,000
Shares issued for RSU's redeemed	9d	299,563	419,708	-	-	-	419,708
Exercise of warrants	9c	8,648,466	3,068,367	(695,245)	-	-	2,373,122
Exercise of stock options	9d	1,505,812	1,287,552	-	(574,418)	-	713,134
Cancelled options		-	-	-	(6,313)	6,313	-
Stock-based compensation	9d	-	-	-	689,600	-	689,600
Net loss for the period		-	-	-	-	(12,046,203)	(21,912,972)
Balance – September 30, 2024		**208,135,304**	**131,264,836**	**6,936,028**	**3,817,093**	**(153,516,062)**	**(11,498,105)**
Private placements	9	34,176,687	45,131,841	10,576,159	-	-	55,708,000
Share issue costs	9	-	(906,295)	(212,758)	-	-	(1,119,053)
Shares and warrants issued to settle debt	8,9	13,405,610	17,224,545	2,461,711	-	-	19,686,256
Debt settlement transaction costs	8	-	(355,489)	(49,418)	-	-	(404,907)
Shares issued for mineral property	6,9b	7,529,628	10,842,664	-	-	-	10,842,664
Shares issued for RSU's redeemed		20,611	29,886	-	-	-	29,886
Exercise of warrants	9c	12,913,946	4,499,278	(1,075,333)	-	-	3,423,945
Exercise of stock options	9d	1,178,649	958,619	-	(428,731)	-	529,888
Cancelled options		-	-	(4,154)	(51,576)	55,730	-
Stock-based compensation	9d	-	-	-	3,366,027	-	3,366,028
Net loss for the period		-	-	-	-	(44,668,561)	(44,668,562)
Balance – March 31, 2025		**277,360,435**	**208,689,885**	**18,632,235**	**6,702,813**	**(198,128,893)**	**(35,896,040)**

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

ATEX Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the Six months ended March 31,
(Unaudited - Expressed in Canadian Dollars)

	Notes	2025 $	2024 $
Operating Activities:			
Net loss for the period		(44,668,561)	(17,418,304)
Items not involving cash:			
Depreciation and amortization	5	125,906	94,508
Stock-based compensation	9	5,580,319	815,896
Shares issued for property acquisition	6, 9	10,842,664	-
Accretion		426,035	1,861,898
Dividend received from other investments		-	(121,374)
Accrued interest		2,831	1,682
Loss on debt settlement		1,683,121	-
Foreign exchange		594,852	(419,955)
		(25,412,833)	(15,185,649)
Net change in non-cash working capital items:			
Tax recoverable and other receivables		(383,630)	(199,107)
Prepaid expenses		639,591	482,163
Accounts payable and accrued liabilities		9,046,996	1,242,346
Net cash used in operating activities		(16,109,876)	(13,660,247)
Investing Activities:			
Dividend received from other investments		-	121,374
Restricted cash		(30,000)	-
Additions to property and equipment, net of disposals	5	(944,662)	(223,929)
Net cash used in investing activities		(974,662)	(102,555)
Financing Activities:			
Private placements	9	55,708,000	-
Share issue costs	9	(1,119,053)	-
Interest paid on debt settlement	8	(1,449,173)	-
Share issue costs incurred on debt settlement	8	(404,907)	-
Proceeds from credit facility		-	6,747,938
Payment of lease financing		(22,543)	(24,500)
Exercise of stock options		529,888	200,050
Exercise of warrants		3,423,945	5,130,373
Net cash provided by financing activities		56,666,157	12,053,861
Net change in cash		39,581,619	(1,708,941)
Cash and cash equivalents – beginning of period		4,997,490	13,168,474
Cash and cash equivalents – end of period		44,579,109	11,459,533
Supplemental information:			
Shares and units issued to settle debt		19,686,256	-
Shares issued for RSUs exercised		29,886	-
Change in accounts payable and accrued liabilities on property and equipment		15,482	171,339

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

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 condensed interim 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 1001-360 Bay Street, Toronto, Ontario, M5H 2V6 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 condensed interim 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 condensed interim consolidated financial statements are set out below.

b) Basis of Presentation

These condensed interim 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 condensed interim 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 condensed interim 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 condensed interim 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.

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 condensed interim consolidated financial statements are based on IFRS issued and effective as of March 31, 2025.

These condensed interim consolidated statements were authorized for issue by the Board of Directors on May 27, 2025

c) Basis of Consolidation

These condensed interim 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 condensed interim 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

The financial framework and accounting policies applied in the preparation of the condensed interim financial statements are consistent with the policies disclosed in Notes 2 and 3 of the annual consolidated financial statements for the year ended September 30, 2024.

a) 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 January 2020, 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.

b) 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, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded.

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 March 31, 2025.

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.

(Unaudited - Expressed in Canadian Dollars)

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.

5. Property and Equipment

	Canada				Chile			
	Leasehold Improvements	**Office Furniture**	**ROU assets**	**Exploration Camp**	**Construction in Progress**	**Equipment**	**Vehicles**	**Total**
Cost								
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**	**$2,126,446**
Additions	-	12,745	359,521	581,058	80,843	257,949	-	1,292,116
Disposals and other	-	-	(98,954)	-	-	-	-	(98,954)
Transfers	-	-	-	775,763	(775,763)	-	-	-
At March 31, 2025	**$ 37,654**	**$12,745**	**$ 359,521**	**$ 2,547,448**	**$ -**	**$ 310,436**	**$ 51,804**	**$3,319,608**
Accumulated depreciation and amortization								
At September 30, 2023	**$ 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**
Depreciation and amortization	25,103	637	22,945	63,905	-	9,468	3,848	125,906
Disposals and other	-	-	(98,954)	-	-	-	-	(98,954)
At March 31, 2025	**$ 37,654**	**$ 637**	**$ 11,070**	**$ 277,600**	**$ -**	**$ 15,123**	**$ 9,370**	**$ 351,454**

(Unaudited - Expressed in Canadian Dollars)

	Canada			Chile				
	Leasehold Improvements	Office Furniture	ROU assets	Exploration Camp	Construction in Progress	Equipment	Vehicles	Total
Net book value								
At September 30, 2024	**$ 25,103**	**$ -**	**$ 11,875**	**$ 976,932**	**$ 694,920**	**$ 46,832**	**$ 46,282**	**$1,801,944**
At March 31, 2025	**$ -**	**$ 12,108**	**$ 348,451**	**$2,269,848**	**$ -**	**$ 295,313**	**$ 42,434**	**$2,968,154**

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.

The Company's exploration and evaluation expenditures are as follows:

	Three months ended March 31,		Six months ended March 31,	
	2025	**2024**	**2025**	**2024**
Acquisition costs	$ -	$ -	$ 10,842,664	$ -
Drilling	10,343,149	4,424,912	14,073,862	8,148,841
Value-added tax	2,018,452	978,926	2,729,635	1,738,147
Camp costs	1,296,242	784,515	2,347,706	1,534,877
Salaries, geological consultants, travel	1,375,087	555,734	2,430,678	1,130,532
Land holding and access costs	354,661	266,417	672,575	512,071
Community relations, environmental and permitting	427,607	136,594	907,173	335,757
Consultants and administrative	360,240	183,895	433,116	319,558
Assay and analysis	305,368	216,880	606,061	329,012
Core handling and storage	155,746	123,370	290,396	230,000
Depreciation and amortization	37,459	33,746	77,221	66,994
Share-based compensation	402,407	-	1,239,046	-
Total Valeriano Project	**$ 17,076,418**	**$ 7,704,989**	**$ 36,650,133**	**$ 14,345,789**

Note: Acquisition costs include the acquisition of 100% interest in the Valeriano property, completed through the issuance of common shares with an estimated total value of $10,842,664.

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.

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 2019 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).

Pursuant to an option exercise agreement dated December 19, 2024, the Company acquired 100% interest in Valeriano, satisfying the final payment of $10,842,664 (US$8.0 million) by issuing 7,529,628 common shares (Note 9b).

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. Each unit consisted of one common share and one common share purchase warrant exercisable. As at March 31, 2025, 2 million units had been issued.

Upon the Company earning a full 100% property interest in the Valeriano Project, the project is subject to 2.5% net smelter return royalty.

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 $121,374 (US$90,000) which were recognized as other income. The Company estimates that at March 31, 2025, the fair value of this investment is unchanged at $1,538,868 (September 30, 2024 - $1,538,868).

7. Leases

The Company recorded ROU asset in property and equipment (Note 5) and corresponding lease liability of $331,972. The ROU asset is being amortized over the term of the lease, including the estimated extension of the lease terms. During the six months ended March 31, 2025, the Company recognized amortization in the amount of $22,945 (2024 - $23,749).

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

	Maturity	**Currency**	**Interest rate**	**March 31, 2025**	**September 30, 2024**
Canada	2030	CAD	7.95%	$ 245,827	$ 12,175
Chile	2027	UF(1)	8.22%	$ 78,607	$ -
Total lease obligations				**$ 324,434**	**$ 12,175**
Less: current portion				75,067	12,175
Non-current portion				**$ 249,367**	**$ -**

(1) The Unidad de Fomento (UF) is an inflation-indexed unit of account used in Chile its value is adjusted daily based on the Consumer Price Index (CPI) and it is settled in Chilean Peso.

(Unaudited - Expressed in Canadian Dollars)

The table below summarizes the changes in lease obligations during the six months ended March 31, 2025:

		Amount
As at September 30, 2023	**$**	**58,674**
Additions		-
Accretion		2,500
Lease payments		(49,000)
As at September 30, 2024	**$**	**12,174**

		Amount
As at September 30, 2024	**$**	**12,174**
Additions		331,972
Accretion		2,831
Lease payments		(22,543)
As at March 31, 2025	**$**	**324,434**

Undiscounted and discounted future lease payments are as follows:

	As at March 31, 2025	As at September 30, 2024
Within one year	$ 101,350	$ 12,250
More than one year	281,102	-
Total undiscounted lease obligations	382,452	12,250
Amount representing interest	(58,018)	(76)
Lease obligations - discounted	**$ 324,434**	**$ 12,174**

During the six months ended March 31, 2025, the Company recognized total payments in the consolidated statement of cash flows in the amount of $22,543 (2024 - $24,500).

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

	2025	2026	2027	2028	2029	Thereafter	Total
Total payments	$ 50,599	$ 102,265	$ 78,156	$ 61,458	$ 63,288	$ 26,686	$ 382,452

(Unaudited - Expressed in Canadian Dollars)

8. Credit Facility

	Amount
Balance as at September 30, 2024	**$ 18,430,088**
Interest expense accrued	116,526
Accretion	309,509
Foreign exchange	596,184
Interest paid in cash	(1,449,172)
Carrying value of the debt as at November 1, 2024	18,003,135
Settlement of debt with shares and units	(19,686,256)
Loss on debt settlement recognized in profit and loss	1,683,121
As at March 31, 2025	**$ -**

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. As part of this arrangement Firelight advanced US$5,625,000 ($7,595,000) and received 5,625,000 Facility Warrants.

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.

On November 1, 2024, the Company settled the full US$15 million Credit Facility through the issuance of 7,938,268 units (“Units”) to the Lenders (other than Firelight), at a value of $1.63 per unit, based on the price of the concurrent financing (Note 9b). 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 aggregate fair value of $12,939,376 attributable to the warrants and shares issued to these lenders, compared to their carrying value at the settlement date, resulted in a loss of $1,683,121 on the early settlement of the debt, which is included in the statement of loss.

The Company issued 5,467,432 common shares to settle the carrying value of $6,746,580, due to Firelight. The Company recognized that the settlement of Firelight was completed with Firelight acting in its capacity as a shareholder, and as a result, no gain or loss was recognized from the settlement (Note 9b).

The full interest was paid to the lenders in cash, totaling $1,449,173 (US$1,043,020) of which $547,735 (US$394,224) paid to Firelight.

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 March 31, 2025, there were 277,360,435 common shares issued and outstanding (September 30, 2024 – 208,135,304).

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.

On November 1, 2024, the Company closed a non-brokered private placement with Agnico Eagle Mines Limited ("AEM") and a board member and issued 34,176,687 units ("Units") for gross proceeds of $55,708,000. The company paid $1,119,053 in transaction costs. Each Unit consisted of one common share and one-half common share purchase warrant. The deemed fair value of each full warrant is $0.62, each 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. The fair value of the warrants was estimated at $10,576,159 using the Black-Scholes option pricing method.

In addition, the Company entered into an investor rights agreement with AEM. Under the Investor Rights Agreement, AEM is entitled to certain rights, provided AEM maintains certain ownership thresholds in the Company, including: (a) the right to participate in future issuance of Common Shares (or any securities that are or may become convertible, exchangeable or exercisable into Common Shares) in order to maintain its pro rata ownership interest in the Company or acquire up to a 19.99% ownership interest, on a partially diluted basis; and (b) the right to nominate one person to the board of directors of ATEX, and c) the right to request the formation of, and participate in, a technical committee to provide recommendations and advice to the Company on technical matters.

Concurrently with the transactions above, and as part of the settlement of the $15 million Credit Facility, the Company issued 13,405,610 common shares and 3,969,134 warrants, the fair value of the warrants was estimated at $2,461,711 ($0.62 per warrant) using the Black-Scholes option pricing method. Transactions costs of $404,907 were incurred relating to the repayment of debt and issuance of shares and units to the Lenders.

On December 19, 2024, the Company acquired 100% interest in Valeriano through by issuing 7,529,628 common shares having an estimated aggregate value of $10,842,664 determined based on the quoted market price on the date of issuance of $1.44 (Note 6).

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 six months ended March 31, 2025:

(Unaudited - Expressed in Canadian Dollars)

	Warrants	Amount $	Weighted average exercise price per common share
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**
Issued pursuant to private placement, net of transaction costs	17,088,343	10,363,401	2.50
Issued on debt settlement, net of transaction costs	3,969,134	2,412,293	2.50
Exercised	(12,913,946)	(1,075,333)	0.27
Expired	(70,175)	(4,154)	0.22
Balance, March 31, 2025	**44,793,498**	**18,632,235**	**$ 2.40**

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	**November 1, 2024**
Number of warrants issued	21,057,477
Fair Value, net of transaction costs	$ 12,775,694
Valuation inputs:	
Expected volatility	86.34%
Risk-free interest rate	3.12%
Expected life of warrants	3 years
Dividends expected	Nil

Details of common share purchase warrants outstanding at March 31, 2025 are:

Expiry date	**Outstanding warrants**	**Carrying value**	**Remaining contractual life in years**	**Exercise price ($/share)**
July 11, 2025	15,000,000	$ 3,025,148	0.3	1.30
August 25, 2025	8,036,021	2,335,078	0.4	1.00
August 28, 2027	700,000	496,315	2.4	0.86
November 1, 2029	21,057,477	12,775,694	4.6	2.50
	44,793,498	**$ 18,632,235**		**1.80**

d) Share-based payments

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

	Three months ended		**Six months ended**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Stock option expense- general and administration	$ -	$ -	**$2,126,980**	$ -
RSU expense	1,833,280	694,648	2,214,293	815,896
	1,833,280	**694,648**	**4,341,273**	**815,896**
Stock option – exploration and evaluation	402,407	-	1,239,046	-
	$ 2,235,687	**$ 694,648**	**$ 5,580,319**	**$ 815,896**

(Unaudited - Expressed in Canadian Dollars)

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, 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**
Granted	2,540,870	1.69
Exercised	(1,178,649)	0.45
Cancelled	(39,870)	1.61
Balance, March 31, 2025	**8,695,853**	**$ 0.77**

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:

Grant date	**May 27, 2024**	**August 23, 2024**	**October 28, 2024**	**March 10, 2025**
Number of stock options granted	430,000	180,000	2,290,870	250,000
Term	5 years	5 years	5 years	5 years
Vesting	Immediate	Immediate	Immediate	Immediate
Share-based compensation expense	$ 496,766	$ 192,835	$2,963,620	$402,407
Grant date fair value per option	$ 1.16	$ 1.33	$ 1.29	$ 1.61
Weighted average Black-Scholes option pricing model inputs:				
Exercise price per common share	$ 1.43	$ 1.30	$ 1.63	$ 2.19
Dividends expected	Nil	Nil	Nil	Nil
Expected volatility	111.98%	111.62%	111.69%	110.07%
Risk-free interest rate	3.64%	2.96%	3.16%	2.83%
Expected life of options	5 years	5 years	5 years	5 years

(Unaudited - Expressed in Canadian Dollars)

During six months ended March 31, 2025 and 2024, a total of 2,540,870 and Nil stock options were granted to directors and executive officers.

Details of stock options outstanding at March 31, 2025:

Expiry date	Outstanding and exercisable stock options	Vested stock Options	Remaining contractual life in years	Exercise price	Fair value
January 4, 2026	209,000	209,000	0.8	0.30	0.25
January 28, 2026	100,000	100,000	0.8	0.35	0.31
December 16, 2026	1,125,000	1,125,000	1.7	0.36	0.36
June 16, 2027	735,000	735,000	2.2	0.72	0.68
November 27, 2027	1,275,000	1,275,000	2.6	0.62	0.41
January 3, 2028	250,000	250,000	2.8	0.77	0.65
September 18, 2028	125,000	125,000	3.5	0.77	0.60
September 28, 2028	1,765,853	1,765,853	3.5	0.70	0.54
May 27, 2029	430,000	430,000	4.2	1.43	1.16
August 23, 2029	180,000	180,000	4.4	1.30	1.07
October 28, 2029	2,251,000	2,251,000	4.6	1.63	1.29
March 10, 2030	250,000	250,000	4.9	2.19	1.61
	8,695,853	**8,695,853**	**3.28**	**$ 0.97**	**$ 0.77**

RSU

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

	RSU
Balance, September 30, 2023	**1,236,157**
Granted	1,366,558
Redeemed	(495,315)
Forfeited	(10,400)
Balance, September 30, 2024	**2,097,000**
Granted	717,208
Redeemed	(47,777)
Forfeited	(89,881)
Balance, March 31, 2025	**2,676,550**

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.

(Unaudited - Expressed in Canadian Dollars)

On October 28, 2024 the Company granted 422,098 RSUs to directors with a fair value of $662,694 based on the quoted price on the date of grant. 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.

On February 3, 2025, the Company granted 295,110 RSUs to its employees, as part of their annual performance award. These RSU have a one-year vesting period with a fair value of $543,002 based on the quoted price on the date of grant. Included in this grant were 172,510 RSU's issued to executive officers.

As at March 31, 2025, the RSUs had a fair value of $3,690,824 (September 30, 2024 - $1,566,659), which was recorded in accounts payable and accrued liabilities in the Condensed Interim Consolidated Statements of Financial Position. The Company recorded share-based compensation expense related to RSUs of $2,214,293 for the six months ended March 31, 2025 (March 31, 2024 - $815,896). During the six months ended March 31, 2025 the Company settled a total of 20,611 RSUs in shares with a total value of $29,886.

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, Senior Vice President of Exploration & Business Development and its directors and their compensation is included in the following:

	Three months ended March 31,		**Six months ended March 31,**	
	2025	**2024**	**2025**	**2024**
Salaries	$ 669,441	$ 230,001	$ 876,941	$ 455,001
Directors' fees	18,582	15,000	37,114	30,000
Consulting fees	30,000	-	60,000	-
Stock-based compensation (Note 9d)	-	576,570	1,906,722	670,934
	$ 718,023	**$ 821,571**	**$ 2,880,777**	**$ 1,155,935**

Amounts due to directors and officers of the Company are included in accounts payable, accrued liabilities and prepaid expenses. As at March 31, 2025, $Nil (September 30, 2024 - $2,275) was owed to directors and officers. These amounts are unsecured, non-interest bearing and due on demand.

On July 1, 2023 ATEX Valeriano entered into a lease office space in Santiago with a party related to the former Chief Executive Officer for approximately US$1,000 per month plus applicable taxes. This agreement has been terminated subsequent to the end of the period.

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

11. 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, all 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.

12. Commitments and 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 $90,000 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.

Leases - see Note 7.

13. 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 six months ended March 31, 2025 and 2024.

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 March 31, 2025, the Company believes it is compliant with the policies of the TSXV.

14. 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.

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.

(Unaudited - Expressed in Canadian Dollars)

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 six months ended March 31, 2025, 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 March 31, 2025:

	US Dollar	Chilean Peso
Financial assets:		
Cash	$ 4,761,960	$ 1,527,634
Other receivables	-	760,113
Financial liabilities:		
Accounts payable and accrued liabilities	(2,342,819)	(7,164,950)
Net financial assets (liabilities)	**$ 2,419,141**	**$ (4,877,203)**

As at March 31, 2025, with other variables unchanged, a 10% change in the value of the Canadian dollar against the US dollar would result in an approximate $242,000 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 $488,000 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 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 March 31, 2025	Level 1	Level 2	Level 3
RSU Liability	$ 3,690,824	$ -	$ -
Other investments	-	-	1,538,868
	$ 3,690,824	$ -	$ 1,538,868

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

15. Subsequent Events

In addition to other events noted herein, the following has occurred during the period subsequent to March 31, 2025:

- 1,185,541 Common Share purchase warrants were exercised for proceeds of $1,087,541, 282,210 stock options were exercised for proceeds of $420,002 and a total of 362,912 RSUs were redeemed in shares.