

PANORO MINERALS LTD.

Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Expressed in United States dollars, unless otherwise stated)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These unaudited condensed consolidated interim financial statements of Panoro Minerals Ltd. ("the Company") and related information presented in this financial report are the responsibility of the Company's management and have been approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards and reflect management's best estimates and judgments based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls through its Audit Committee, which is comprised of a majority of non-management directors. The Audit Committee reviews the results of the audit and the annual consolidated financial statements prior to their submission to the Board of Directors for approval.

These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

"Luquman A. Shaheen" (signed)

Luquman A. Shaheen
President and Chief Executive Officer

Vancouver, British Columbia

"Michael Malana" (signed)

Michael Malana
Chief Financial Officer

Vancouver, British Columbia

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Financial Position
(Expressed in **United States dollars**, unless otherwise stated)
(Unaudited)

	Note	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		\$ 187,707	\$ 693,612
Marketable securities		300	300
Accounts and advances receivable		233,558	146,075
Prepaid expenses		200,019	175,363
Total current assets		621,584	1,015,350
Non-current assets			
Property and equipment		86,913	123,739
Investment in Antilla Copper		1,721,429	1,885,730
Exploration and evaluation assets	7	50,695,613	49,700,363
Total assets		\$ 53,125,539	\$ 52,725,182
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	10; 11	\$ 1,287,522	\$ 1,308,243
Short term loans	5; 10	1,356,528	-
Current tax liability		42,398	61,381
Current portion of lease liabilities		49,592	48,955
Liabilities under Early Deposit Precious Metals Agreement	8	12,000,000	12,000,000
Total current liabilities		14,736,040	13,418,579
Non-current liabilities			
Long- term portion of lease liabilities		44,928	64,717
Liabilities under Early Deposit Precious Metals Agreement	8	2,000,000	2,000,000
Total liabilities		16,780,968	15,483,296
Shareholders' equity			
Share capital	9(b)	69,496,582	69,443,360
Share-based expense reserve	9(b)	10,213,266	9,600,386
Accumulated other comprehensive income (loss)		(134,102)	30,199
Deficit		(43,231,175)	(41,832,059)
Total shareholders' equity		36,344,571	37,241,886
Total liabilities and shareholders' equity		\$ 53,125,539	\$ 52,725,182
Going concern (note 2)			
Commitments (note 10)			

Approved on behalf of the Board:

"Luquman A. Shaheen"

"William J. Boden"

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

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in **United States dollars**, unless otherwise stated and except per share data)

(Unaudited)

		Three Months Ended		Six Months Ended	
	Note	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Expenses					
Amortization		\$ 14,068	\$ 21,727	\$ 36,826	\$ 52,440
Administration		70,004	81,079	142,285	198,667
Audit and tax		24,323	36,028	41,948	39,788
Consulting fees		7,628	3,295	8,892	10,054
Corporate development, conferences, travel, and shareholder relations		50,088	54,813	76,407	101,236
Directors' fees	10	27,504	33,320	59,715	61,583
Legal		71,875	10,377	74,206	11,461
Property evaluation		4,649	9,965	12,649	37,429
Salaries and benefits	10	186,526	188,118	342,974	321,682
Share-based expense	9(b)	-	-	612,880	-
		(456,665)	(438,722)	(1,408,782)	(834,340)
Interest income		70	10,493	2,610	35,193
Interest expense		(4,028)	(5,150)	(8,695)	(13,532)
Other income	10	-	-	-	6,214
Other expense		(2,569)	-	(12,179)	-
Foreign exchange		(54,702)	(23,887)	27,930	(42,756)
Loss for the period		(517,894)	(457,266)	(1,399,116)	(849,221)
Other comprehensive loss:					
Unrealized loss on marketable securities		-	(23)	-	(23)
Unrealized loss on investment in Antilla Copper	6	(164,301)	-	(164,301)	-
Loss and comprehensive loss for the period		\$ (682,195)	\$ (457,289)	\$ (1,563,417)	\$ (849,244)
Weighted average number of common shares outstanding, basic and diluted		264,501,431	264,375,058	264,438,593	264,375,058
Loss per share, basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)

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

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in **United States dollars**, unless otherwise stated)

(Unaudited)

	Number of shares	Share capital \$	Share-based expense reserve \$	Accumulated other comprehensive loss \$	Deficit \$	Total \$
Balance, December 31, 2023	264,375,058	69,443,360	9,600,386	(7,258)	(40,630,601)	38,405,887
Other comprehensive loss	-	-	-	(23)	-	(23)
Loss for the period	-	-	-	-	(849,221)	(849,221)
Balance, June 30, 2024	264,375,058	69,443,360	9,600,386	(7,281)	(41,479,822)	37,556,643
Balance, December 31, 2024	264,375,058	69,443,360	9,600,386	30,199	(41,832,059)	37,241,886
Shares issued for options exercised (note 9(b))	500,000	53,222	-	-	-	53,222
Share-based expense (note 9(b))	-	-	612,880	-	-	612,880
Other comprehensive loss	-	-	-	(164,301)	-	(164,301)
Loss for the period	-	-	-	-	(1,399,116)	(1,399,116)
Balance, June 30, 2025	264,875,058	69,496,582	10,213,266	(134,102)	(43,231,175)	36,344,571

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

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in **United States dollars**, unless otherwise stated)
(Unaudited)

		Six Months Ended	
	Note	June 30, 2025	June 30, 2024
Operating activities:			
Loss for the period		\$ (1,399,116)	\$ (849,221)
Items not involving the use of cash:			
Amortization		36,826	52,440
Share-based expense	9(b)	612,880	-
Interest expense on lease liabilities		5,060	17,568
Foreign exchange loss		2,588	4,073
Taxes paid		(18,983)	(22,592)
Interest income		(2,610)	(35,193)
Interest received		2,610	35,193
		(760,745)	(797,732)
Changes in non-cash operating working capital items:			
Accounts and advances receivable		(87,483)	2,022,814
Prepaid expenses		(24,656)	(25,281)
Accounts payable and accrued liabilities		468,331	(41,707)
Cash provided by (used in) operating activities		(404,553)	1,158,094
Investing activities:			
Exploration and evaluation expenditures	7	(1,484,303)	(1,261,267)
Cash used in investing activities		(1,484,303)	(1,261,267)
Financing activities:			
Options exercised during the period	9(b)	53,222	-
Proceeds from short term loans	5	1,356,528	-
Interest payment on lease liabilities		(5,060)	(17,568)
Repayment of lease liabilities		(19,151)	(53,490)
Cash provided by (used in) financing activities		1,385,539	(71,058)
Effect of foreign exchange on cash held		(2,588)	(4,073)
Decrease in cash and cash equivalents		(505,905)	(178,304)
Cash and cash equivalents, beginning of period		693,612	256,533
Cash and cash equivalents, end of period		\$ 187,707	\$ 78,229

Supplementary cashflow information is disclosed in note 13.

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

PANORO MINERALS LTD.

Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in **United States dollars**, unless otherwise stated)
For the three and six months ended June 30, 2025 and 2024
(Unaudited)

1. Nature of operations

Panoro Minerals Ltd. is incorporated under the *Business Corporations Act* in the Province of British Columbia. The Company's principal place of business is located at 480 – 505 Burrard Street, Vancouver, BC, Canada V7X 1M3. Panoro Minerals Ltd. and its subsidiaries are referred to as "Panoro" or the "Company."

The Company is an exploration-stage company engaged principally in the acquisition, exploration, and development of mineral properties in Perú and trades on the TSX Venture Exchange (the "Exchange") as a Tier 2 mining issuer under the trading symbol "PML". The Company also trades on the Bolsa de Valores de Lima under the same trading symbol, and on the OCTQB under the symbol "POROF".

2. Going concern

These consolidated financial statements have been prepared on a going concern basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at June 30, 2025, the Company had an accumulated deficit of \$43,231,175 (December 31, 2024 – \$41,832,059) and a working capital deficiency, being current assets less current liabilities, of \$14,114,456 (December 31, 2024 – \$12,403,229). For the six months ended June 30, 2025, the Company recorded a loss of \$1,399,116 (2024 – \$849,221), had no operating revenue, had not yet achieved profitable operations and expects to incur further losses in the development of its business. The Company does not have sufficient funds to meet its committed obligations for the next twelve months from June 30, 2025.

The Company will require further funding to continue its exploration and evaluation activities, and ultimately develop its properties. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company. These conditions create a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders, and other investors and/or achieve operating profitability and generate positive cash flows. The Company is in the business of exploring and developing mineral property interests, and as such, must continually seek sources of financing to further develop and explore its mineral exploration and evaluation assets and to support general and administrative expenses.

The Company will continue to seek additional financing through the sale of mineral property interests, debt financing and/or equity financing. However, it is not certain that such financing will be available. The Company may be adversely impacted by a lack of normal available financing, inability to maintain mining licenses, and continued uncertainty in the exchange and commodity markets.

These condensed consolidated interim financial statements do not reflect adjustments to the carrying values of its assets and liabilities, the reported income and expenses, and the classification used in the condensed consolidated interim statements of financial position, which may be required should the Company be unable to continue as a going concern. These adjustments could be material.

3. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's audited consolidated financial statements for the year ended December 31, 2024 and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") in compliance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. Accordingly,

PANORO MINERALS LTD.

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in **United States dollars**, unless otherwise stated)

For the three and six months ended June 30, 2025 and 2024

(Unaudited)

certain disclosures normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024.

These condensed consolidated interim financial statements of the Company for the three and six months ended June 30, 2025, were approved and authorized for issuance by the Board of Directors on August 29, 2025.

(b) Critical accounting estimates

The preparation of financial statements requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of estimates and assumptions relate to the review of asset carrying values and determination of impairment charges relating to non-current assets if an indicator of impairment is identified. Actual results could differ from those estimates. Key estimates made by management with respect to the areas noted previously have been disclosed in the notes to these condensed consolidated interim financial statements as appropriate.

(c) Use of judgements

Significant areas requiring judgement relate to assessing exploration and evaluation assets for indicators of impairment, the going concern assessment as discussed in note 2, the fair market valuation of the Company's investment in Antilla Copper S.A. as disclosed in note 5 and determining the appropriate accounting for the Wheaton Precious Metals Purchase Agreement ("Wheaton PMPA") with Wheaton Precious Metals International Ltd. ("Wheaton Metals") as disclosed in note 7.

4. Material accounting policy information

Future accounting changes

Effective for annual periods beginning on or after January 1, 2027, the Company is required to adopt IFRS 18, Presentation and Disclosure in Financial Statements, with early adoption permitted. IFRS 18 will replace IAS 1; many of the existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7, Statement of Cash Flows. The Company is assessing the potential impact of the application of the standards.

5. Short term loans

During the six months ended June 30, 2025, the Company entered into a \$900,000 loan agreement with Wheaton Metals the terms of which include an interest rate equal to 18% per annum and a maturity date of September 30, 2025.

During the six months ended June 30, 2025, the Company entered into loan agreements totaling \$456,528 with several shareholders of the Company including two shareholders who are also key management personnel

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(see note 10). Each loan agreement has an interest rate equal to 18% per annum and a maturity date of September 30, 2025.

6. Investment in Antilla Copper

On December 3, 2021, the Company completed a sale of 75% of its interest in the Company's subsidiary, Antilla Copper S.A. ("Antilla Copper") which holds the Antilla project, an advanced stage mineral exploration project (the "Antilla Project"). The acquisition payments were staged and the acquiror, Heeney Capital Acquisition Company ("HCAC") initially acquired 75% of the shares of Antilla Copper for \$7,383,000 (C\$10,000,000) paid at the time of sale, and \$2,032,540 (C\$2,753,000) (the "Second Payment"), originally receivable at the earlier of HCAC going public on an internationally recognized stock exchange or ten months from the closing of the transaction, being October 3, 2022. During the year ended December 31, 2023, the Company amended the Antilla Copper sale agreement with Calisto Cobre Resources Corp. (formerly HCAC) ("Calisto") in which both parties agreed to defer the Second Payment to March 31, 2024 and in which Calisto agreed to pay interest on any Second Payment outstanding amounts at a rate of 6.7%. Upon signing the amended sale agreement, Calisto made a payment of \$222,630 (C\$300,000) towards the Second Payment. During the year ended December 31, 2024, the Company received \$1,978,259 from Calisto comprised of \$1,807,398 (C\$2,453,000), the outstanding balance of the Second Payment and \$170,861 (C\$231,893), the outstanding balance of accrued interest receivable as at the payment date.

An additional 15% of the Company's shares in Antilla Copper is to be sold for a contingent \$5,293,000 (C\$7,000,000) twelve months after the earlier of drilling permits and community land use agreements being obtained or a pre-feasibility or feasibility study is completed on the Antilla Project which will result in Calisto having a 90% interest in Antilla Copper. The Company and Calisto are to contribute their pro-rata portion of all exploration and development expenditures.

The agreement also includes a further contingent payment of \$7.6 million (C\$10.0 million) if a feasibility study estimates the net present value at an 8% discount rate ("Antilla NPV8") of the Antilla Project to be above \$310 million; or up to \$37.8 million (C\$50.0 million) if the Study estimates the Antilla NPV8 to be above \$360 million.

The total potential cash payable (excluding accrued interest) by Calisto to the Company is \$52.5 million (C\$69.8 million) comprised of the purchase price of \$14.7 million (C\$19.8 million) and a contingent payment of up to \$37.8 million (C\$50.0 million).

The net smelter returns royalty ("NSR") to Panoro over the life of the Antilla Project will include an existing 2.0% NSR; and an additional 1.0% NSR if the Company's ownership in Antilla Copper is diluted to below 5%. If this occurs, the Company will have a total 3.0% NSR on the Antilla Project, subject to a buyback right for the 1.0% NSR for \$3.0 million (C\$4.0 million).

From the time of sale until May 31, 2024, the Company accounted for its interest in Antilla Copper as an equity investment. During the five months ended May 31, 2024, the Company recorded its share of net loss of \$17,745 and dilution gain of \$13,193 from its investment in Antilla Copper in the statement of loss.

On May 31, 2024, Antilla Copper ceased to be an associate thus the Company discontinued the use of the equity method and commenced accounting for its investment in Antilla Copper as an equity instrument. As a result, the Company recorded a loss of \$1,509,528 in the statement of loss, the difference between the carrying value of the investment at May 31, 2024 of \$3,357,990 and the fair value estimate of the investment of \$1,848,462 on the same date.

During the period from June 1, 2024 to December 31, 2024, the Company recorded a gain of \$37,268 in the statement of comprehensive loss, the difference between the fair value estimate of the investment at May 31, 2024 of \$1,848,462 and the fair value estimate of the Company's investment as at December 31, 2024 of \$1,885,730.

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(Unaudited)

During the six months ended June 30, 2025, the Company recorded a loss of \$164,301 in the statement of other comprehensive loss, the difference between the fair value estimate of the investment at December 31, 2024 of \$1,885,730 and the fair value estimate of the Company's investment as at June 30, 2025 of \$1,721,429.

As at June 30, 2025, the Company retains an interest of 13.12% (December 31, 2024 –14.55%) in Antilla Copper.

Should Panoro's interest in Antilla Copper fall below 5%, the Company's then remaining shares in Antilla Copper will be cancelled and the Company will receive a 1.0% NSR on mineral production from the Antilla Project. In addition to its existing 2.0% NSR, the Company would have a total 3.0% NSR over the life of the Antilla Project subject to a buyback right for the 1.0% NSR for \$3.0 million (C\$4.0 million).

7. Exploration and evaluation assets

The investment in, and expenditures on, mineral interests comprise a significant portion of the Company's assets. The realization of the Company's investment in these assets is dependent upon the confirmation of legal ownership of the properties and the attainment of successful production from the properties or from the proceeds of their disposal. Although the Company has taken steps to verify the title to mineral properties 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 or transfers and title may be affected by undetected defects.

The Company's main mineral property interest is Cotabambas, an advanced stage exploration property. As at December 31, 2024, the Company's other fully held mineral property interests are all in various stages of exploration. All exploration and evaluation asset interests are 100% held by the Company through wholly owned direct and indirect subsidiaries of the Company that were created to hold the various mineral property interests.

The Company performs an ongoing review of its properties, and based on the analysis of the properties, there were no indicators of impairment with respect to the mineral property interests with capitalized exploration and evaluation costs at June 30, 2025 and December 31, 2024.

Humamantata

At June 30, 2025, the Company has \$1.0 million (December 31, 2024 – \$0.7 million) in capitalized exploration and evaluation costs with respect to the Humamantata Project.

Kusiorcco

On December 28, 2017, the Company entered into an agreement with a subsidiary of Hudbay Minerals Inc. ("Hudbay"), whereby Hudbay acquired the Company's concessions comprising the Kusiorcco Property. The Company retained a 2.0% NSR (the "Kusiorcco NSR") from mineral production on the project.

In October 2024, the Company entered into a loan agreement with Hudbay (the "Hudbay Loan Agreement") in which the Company borrowed \$2.0 million (the "Principal") from Hudbay at an interest rate of 12% per annum.

In December 2024, Hudbay provided notice to Panoro of its intention to purchase and cancel the Kusiorcco NSR from Panoro for a price of \$2.0 million (the "Purchase Price"). Both parties agreed to offset the Principal against the Purchase Price in full satisfaction of the payment required for the purchase of the Kusiorcco NSR. The purchase and cancellation of the Kusiorcco NSR was registered in the Peru Public Registry in February 2025.

As at June 30, 2025 and December 31, 2024, included in accounts payable and accrued liabilities is \$28,229, the outstanding balance of accrued interest payable to Hudbay as per terms of the Hudbay Loan Agreement.

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Exploration and evaluation assets at June 30, 2025 and expenditures for the six months then ended are as follows:

	Cotabambas	Other	Total
Acquisition costs:			
Balance, June 30, 2025 and December 31, 2024	\$ 3,636,153	\$ 122,837	\$ 3,758,990
Exploration and evaluation expenditures:			
Balance, December 31, 2024	\$45,151,837	\$ 789,536	\$45,941,373
Incurring during the period:			
Camp and site	62,445	-	62,445
Community relations	113,759	-	113,759
Engineering and studies	98,231	-	98,231
Environmental	6,142	-	6,142
Geology	128,304	-	128,304
Recording and concession fees	454,807	131,562	586,369
	863,688	131,562	995,250
Exploration and evaluation expenditures capitalized at June 30, 2025	46,015,525	921,098	46,936,623
Total exploration and evaluation assets at June 30, 2025	\$49,651,678	\$ 1,043,935	50,695,613
Salaries and benefits allocation included in above amounts:			
Camp and site	\$ 30,121	\$ -	\$ 30,121
Community relations	96,406	-	96,406
Engineering and studies	97,684	-	97,684
Geology	127,136	-	127,136
	\$ 351,347	\$ -	\$ 351,347

Exploration and evaluation assets at December 31, 2024 and expenditures for the year then ended are as follows:

	Cotabambas	Other	Total
Acquisition costs:			
Balance, December 31, 2024 and December 31, 2023	\$ 3,636,153	\$ 122,837	\$ 3,758,990
Exploration and evaluation expenditures:			
Balance, December 31, 2023	\$43,105,187	\$ 543,737	\$43,648,924
Incurring during the year:			
Camp and site	141,909	-	141,909
Community relations	317,118	-	317,118
Drilling	21,247	-	21,247
Engineering and studies	254,570	-	254,570
Environmental	170,874	-	170,874
Geology	280,550	-	280,550
Recording and concession fees	860,382	245,799	1,106,181
	2,046,650	245,799	2,292,449
Exploration and evaluation expenditures capitalized at December 31, 2024	45,151,837	789,536	45,941,373
Total exploration and evaluation assets at December 31, 2024	\$48,787,990	\$912,373	\$49,700,363

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Salaries and benefits allocation included in above amounts:

Camp and site	\$ 78,051	\$ -	\$ 78,051
Community relations	272,649	-	272,649
Drilling	1,196	-	1,196
Engineering and studies	194,172	-	194,172
Environmental	1,598	-	1,598
Geology	253,121	-	253,121
	\$ 800,787	\$ -	\$ 800,787

Capital commitments pertaining to the Company's mineral properties are disclosed in note 11.

8. Early Deposit Precious Metals Agreement

On March 21, 2016 (the "Agreement Date"), the Company entered into the Wheaton PMPA in respect of the Cotabambas project located in Perú. The term of the Wheaton PMPA continues in effect for 20 years and automatically renews for successive ten-year periods until Wheaton Metals terminates the Wheaton PMPA. The principal terms of the Wheaton PMPA are such that Wheaton Metals will pay the Company upfront cash payments totaling \$140.0 million (the "Deposit") for 25% of the payable gold production and 100% of the payable silver production (decreasing to 16.67% of the payable gold production and 66.67% of the payable silver production), after a certain production volume has been delivered to Wheaton Metals from the Company's Cotabambas Project in Perú.

In addition, Wheaton Metals will make production payments to the Company of the lesser of the market price and \$450 per payable ounce of gold and \$5.90 per payable ounce of silver delivered to Wheaton Metals, increasing annually by 1%, four years after commencement of commercial production, over the life of the Company's Cotabambas Project. Any excess of the market price and the fixed payments will be credited against the Deposit ("Early Deposit") until the Early Deposit is \$nil. If by the expiry of the term of the Wheaton PMPA, the Company has not delivered enough production to reduce the Early Deposit to nil, the uncredited balance will be repaid to Wheaton Metals.

From the Agreement Date to December 31, 2023, the Company has received payments totaling \$14.0 million, the full amount of the Early Deposit which is the portion of the Deposit to be advanced to the Company prior to the completion of a feasibility study on the Cotabambas project.

The balance of the Deposit of \$126.0 million (the "Initial Construction Payment") is payable in instalments during construction of the Cotabambas Project, should Wheaton Metals elect to proceed with the Agreement. Under provisions of the Initial Construction Payment, the Company must meet certain minimum working capital requirements. Wheaton Metals may terminate the Wheaton PMPA at any point up to 90 days following delivery of a feasibility study on the Cotabambas project upon giving the Company six months' notice, in which case all Early Deposit amounts advanced less \$2.0 million will become repayable. Wheaton Metals can elect to be repaid in cash or shares, with the deferral of cash payments under certain conditions for up to two years. If Wheaton Metals elects to terminate the Wheaton PMPA and be repaid with cash, interest will accrue at prime plus 8% per annum if repayment has not been made within two years of notice of termination. Wheaton Metals may also terminate the Wheaton PMPA at different points during the term of the Wheaton PMPA if certain production delays occur, in which case the uncredited deposit will be repayable to Wheaton Metals.

Following a change of control, subject to certain conditions, the Company has a one-time option to repurchase 50% of the precious metals stream with a payout based on the greater of: (i) a minimum fixed return (ii) a return based on appreciation of precious metals prices over the term of the Wheaton PMPA and (iii) a return based on appreciation of the share price of the Company over the term of the Wheaton PMPA.

PANORO MINERALS LTD.

Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in **United States dollars**, unless otherwise stated)
For the three and six months ended June 30, 2025 and 2024
(Unaudited)

9. Share capital

(a) Authorized

Unlimited common shares without par value.

Issued and outstanding:

264,875,058 common shares as at June 30, 2025 and December 31, 2024.

(b) Stock options

Stock options to purchase common shares have been granted to directors, employees, contractors, and consultants at exercise prices determined by reference to the market value on the date of the grant.

The number of shares available for options to be granted under the Company's rolling stock option plan is 10% of the number of shares outstanding (the "Plan"), as approved by shareholders at the Company's Annual General Meeting held on June 20, 2024 and as amended at the Company's Annual General Meeting held on June 26, 2025. Options granted under the Plan vest immediately or over a period of time at the discretion of the Board of Directors.

During the six months ended June 30, 2025, the Company granted 4,825,000 stock options with an exercise price of \$0.20 (C\$0.29) exercisable up to five years from the date of grant to directors, officers and employees of the Company. The fair value of the share-based compensation recognized was \$612,880 as determined using the Black-Scholes Option Pricing Model with weighted average assumptions of a risk-free rate of return of 3.14%, expected life of 5 years, expected volatility of 75.4% and expected dividend yield of 0%.

During the six months ended June 30, 2025, 500,000 stock options were exercised by directors of the Company at an exercise price of \$0.11 per stock option for gross proceeds of \$53,222.

The following were changes to the Company's stock options for the six months ended June 30, 2025 and the year ended December 31, 2024:

	Number of Options	Weighted average exercise price
Balance, December 31, 2023	14,200,000	\$0.11 (C\$0.15)
Stock options expired	(4,000,000)	\$0.11 (C\$0.15)
Stock options cancelled	(300,000)	\$0.11 (C\$0.15)
Balance, December 31, 2024	9,900,000	\$0.11 (C\$0.15)
Stock options granted	4,825,000	\$0.20 (C\$0.29)
Stock options exercised	(500,000)	\$0.11 (C\$0.15)
Balance, June 30, 2025	14,225,000	\$0.14 (C\$0.20)

The weighted average life of exercisable options outstanding as at June 30, 2025 is 3.20 years (December 31, 2024 – 3.01 years).

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The following stock options were outstanding and exercisable as at June 30, 2025:

Expiry date	Number of options	Weighted average exercise price
August 26, 2027	500,000	\$0.09 (C\$0.12)
January 11, 2028	8,900,000	\$0.11 (C\$0.15)
January 10, 2030	4,825,000	\$0.20 (C\$0.29)
	14,225,000	\$0.14 (C\$0.20)

10. Related party transactions

Key management personnel are those persons that have the authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management includes the Company's directors and members of the senior management group.

For the six months ended June 30, 2025, key management personnel compensation included salaries, fees and benefits recorded in loss and as part of additions to exploration and evaluation assets of \$553,556 (2024 – \$549,599).

During the six months ended June 30, 2025, the Company received other income of \$nil (2024 – \$6,214) from Calisto with respect to support services provided in relation to the Antilla project.

As at June 30, 2025, included in accounts payable and accrued liabilities was \$314,173 (December 31, 2024 – \$67,181) in fees and expenses payable to related parties.

During the six months ended June 30, 2025, the Company entered into loan agreements totaling \$206,528 with two key management personnel. Each loan agreement includes an interest rate equal to 18% per annum and a maturity date of September 30, 2025.

11. Commitments

The Company has the following commitments and payments due at June 30, 2025:

	2025	2026	2027	Total
Office lease (Vancouver)	\$ 40,398	\$ 81,608	\$ 48,079	\$ 170,085
Accrued vigencias	605,381	-	-	605,381
Accounts payable and accrued liabilities	682,141	-	-	682,141
Short term loans	1,356,528			1,356,528
Current tax liability	42,398	-	-	42,398
	\$ 2,726,846	\$ 81,608	\$ 48,079	\$ 2,856,533

Vigencias (or recording and concession fees) are not commitments rather annual payments required to maintain mineral concessions in good standing with the Peruvian government. The ultimate amount to be paid is based on a formula relating to exploration costs incurred, offset against the basic fee and penalty. Penalties are reduced, based on exploration activity on the concessions the reduction of which is determined each year by the Peruvian government.

The Company entered into an office lease in Vancouver effective August 1, 2021 for a period of six years. The Company leases warehouses in Cusco which are renewed annually. The Company is in the process of finalizing its commitments under community agreements with respect to ongoing operations at the Cotabambas project.

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12. Financial instruments and capital management

(a) Fair value of financial instruments

The fair values of the Company's cash and cash equivalents, accounts and advances receivable and accounts payable and other liabilities, including liabilities under the Early Precious Metals Agreement, approximate their carrying values because of the actual or potential short-term nature of these instruments. At June 30, 2025 and December 31, 2024, the Company held 6,667 common shares in Fidelity Minerals Corp. ("Fidelity"), at a book value of \$10,000 and an estimated fair value of \$300. These shares have been recognized at fair value in the consolidated statement of financial position with gains or losses on revaluation recognized in other comprehensive income (loss).

IFRS 13 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value.

The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Marketable securities are determined based on a market approach reflecting the closing price of each particular security at the reporting date. The closing price is a quoted market price obtained from the exchange that is the principal active market for the particular security. As a result, these financial assets have been included in Level 1 of the fair value hierarchy.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, for substantially the full contract term.

Level 3: Inputs for the financial asset or liability are not based on observable market data.

The fair value of the investment in Antilla Copper was estimated by a combination of a cost approach and market approach. The cost approach was considered the most appropriate primary valuation approach for the investment particularly given that the Antilla Project is in the exploration stage with no production history. The market approach, specifically the analysis of comparable transactions and publicly available market data, was used to support and validate the value conclusion derived under the cost method. As a result, this financial asset has been included in Level 3 of the fair value hierarchy.

(b) Financial risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and certain market risks including foreign currency and interest rate risk.

Credit risk

The Company manages its credit risk through its counterparty ratings and credit limits. The Company is mainly exposed to credit risk on its bank accounts and accounts and advances receivable. Bank accounts and short-term investments are primarily with Canadian Schedule 1 banks and Banco de Credito in Peru. The Company has accounts and advances receivable primarily related to IGV receivable from the Peruvian government. As at June 30, 2025, the total of cash and cash equivalents, and accounts and advances receivable of \$421,265 (December 31, 2024 – \$839,687) represents the maximum credit exposure. As at June 30, 2025 and December 31, 2024, the Company has not identified any significant increase in credit risk with respect to its financial assets and has not identified any allowances for credit losses.

Liquidity risk

The Company manages its liquidity risk by ensuring, as far as possible, that there is sufficient liquidity to meet short-term business requirements, after considering the Company's holdings of cash. The Company's

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cash and cash equivalents are primarily invested in bank accounts, bankers' acceptances, and US government treasury bills, which are available on demand.

Contractual commitments that the Company is obligated to pay in future years are disclosed in note 11. Accounts payable and accrued liabilities, shareholder loans and current tax liability require payment within one year. Also see note 2, Going Concern.

Market risk

The significant market risks to which the Company is exposed are foreign currency risk and interest rate risk.

Foreign currency risk

The Company maintains its financial statements in United States dollars. The Company is exposed to foreign currency fluctuations to the extent mineral interests, exploration expenditures and operating expenses incurred by the Company are not denominated in United States dollars.

The Company does not use derivatives or other instruments to manage foreign currency risk. The Company's operations in Perú make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company's operating results, and cash flows are affected to varying degrees by changes in the United States dollar exchange rate vis-a-vis the Peruvian Nuevo Sol and the Canadian Dollar.

The Company purchases foreign currencies as the need arises to fund its exploration activities. Corporate expenditures are primarily incurred in Canadian and US dollars. As at June 30, 2025, a 10% change in applicable foreign exchange rates would not have a significant impact on the Company's financial results.

Interest rate risk

The Company's cash and cash equivalents earn interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to changes in short-term rates; however, based on the cash and cash equivalent balance as at June 30, 2025 and December 31, 2024, a 1% change in interest rates would not have a significant impact on the Company's financial results.

(c) Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to pursue the exploration and development of its mineral property interests, while maintaining a flexible capital structure. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. The Company is not currently subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the six months ended June 30, 2025 and the year ended December 31, 2024.

13. Supplementary cash flow information

	Six Months Ended	
	June 30, 2025	June 30, 2024
Non-cash activities:		
Decrease (increase) in accounts payable and accrued liabilities		
associated with exploration and evaluation expenditures	\$ 489,053	\$ 135,564