SILVER MOUNTAIN RESOURCES INC.

Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

(Expressed in US dollars)

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Independent Auditor's Report

To the Shareholders of Silver Mountain Resources Inc.

Opinion

We have audited the consolidated financial statements of Silver Mountain Resources Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has incurred losses since inception and has an accumulated deficit of $49,883,067 as at December 31, 2025. For the year ended December 31, 2025, the Company incurred a net loss of $35,456,836. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Asset Retirement Obligation

We refer to notes 3(f), 4(b), 14 to the Company's consolidated financial statements. At December 31, 2025, the Company has recorded asset retirement obligation in the amount of $13,222,929.

On September 1, 2025, the Company recognized an asset retirement obligation liability in the consolidated financial statements. The asset retirement obligation is estimated by management based on current regulatory requirements and is recognized at the present value of costs of restoration and reclamation activities. Due to the significant estimates that management uses to estimate the costs of restoration and reclamation activities that are used to measure the asset retirement obligation, and the significant auditor judgment that is required to assess the costs. We have identified the estimation of the forecasted costs of the expected reclamation activities to be a key audit matter.

How the key audit matter was addressed in the audit

To address this key audit matter, we performed the following procedures, among others:

- We assessed the design and implementation of management's controls over their review of the expected costs of reclamation used in the measurement of the asset retirement obligation
- We examined the Company's reports that describe the planned activities in mine closure and the cost of the reclamation activities
- We assessed the independence and qualifications of management's expert that was involved in developing the forecasted cost assisted management in developing the forecasted costs
- We examined the Resolution from the Ministry of Energy and Mines of Peru that describes its review of the Company's mine closure report and estimated restoration costs
- Involved our internal mining professionals with specialized skills and knowledge in evaluating the types of reclamation activities described in the cost forecast.
- Considered the adequacy of the financial statement disclosures for this matter.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Herbert Wong.

BDO Canada LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 30, 2026

SILVER MOUNTAIN RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in US dollars)

	Note	**December 31, 2025**	December 31, 2024
		$	$
ASSETS			
Current			
Cash and cash equivalents		**34,075,413**	4,269,452
Restricted cash	5	**436,204**	263,438
Amounts receivable and other assets		**75,581**	84,437
Prepaid expenses	6	**509,882**	135,592
		35,097,080	4,752,919
Property, plant and equipment	7	**418,928**	283,531
Exploration and evaluation assets	8	**4,160,423**	27,488,329
Development property	9	**43,468,964**	-
Tax credits receivable	10	**5,488,901**	3,920,556
Total assets		**88,634,296**	36,445,335
LIABILITIES			
Current			
Accounts payable and accrued liabilities	11, 16	**3,958,583**	1,160,385
Current portion of lease liability	12	**60,307**	-
Warrant liabilities	13	**44,485,765**	1,576,676
		48,504,655	2,737,061
Lease liability	12	**48,083**	-
Asset retirement obligation	14	**13,222,929**	-
Total liabilities		**61,775,667**	2,737,061
SHAREHOLDERS' EQUITY			
Share capital	15(b)	**75,303,649**	46,743,576
Contributed surplus		**1,438,047**	1,390,929
Deficit		**(49,883,067)**	(14,426,231)
Total shareholders' equity		**26,858,629**	33,708,274
Total liabilities and shareholders' equity		**88,634,296**	36,445,335

Nature of operations
Subsequent events (Note 22)

Approved and authorized for issue on behalf of the Board of Directors.

/s/ Timothy Loftsgard	*/s/ Jose Vizquerra*
Director	Director

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

SILVER MOUNTAIN RESOURCES INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in US dollars, except number of shares)

	Note	Years ended December 31, **2025**	2024
		$	$
Operating expenses			
Administrative expenses		**494,430**	147,738
Advertising and marketing		**726,603**	31,038
Depreciation	7	**20,038**	5,569
Environmental fees		**161**	2,804
Filing and listing fees		**113,377**	218,855
Insurance		**94,478**	86,828
Other expenses		**123,469**	122,167
Professional fees	16	**1,137,147**	876,449
Salaries and benefits	16	**1,410,446**	1,359,210
Share-based compensation	15(d), 16	**110,565**	285,559
Travel, meals and entertainment		**16,879**	9,886
Total operating expenses		**(4,247,593)**	(3,146,103)
Bank charges		**(26,198)**	(7,935)
Interest income		**97,637**	20,792
Accretion expense	12, 14	**(136,655)**	-
Foreign exchange loss	2(e)	**(62,837)**	(108,561)
Gain on expiry of warrant liabilities	13	**-**	98,301
Gain (loss) on settlement of payables	15(b)	**(52,969)**	12,250
Unrealized gain (loss) on revaluation of warrant liabilities	2(e), 13	**(31,028,221)**	1,020,066
Net loss and comprehensive loss		**(35,456,836)**	(2,111,190)
Net loss per share:			
Basic and diluted (Note 1)		**(1.02)**	(0.09)
Weighted average number of common shares:			
Basic and diluted (Note 1)		**34,739,249**	22,665,255

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

SILVER MOUNTAIN RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in US dollars)

	Years ended December 31,	
	2025	2024
	$	$
Operating activities		
Net loss	**(35,456,836)**	(2,111,190)
Adjustments for:		
Depreciation	**20,038**	5,569
Share-based compensation	**110,565**	285,559
Accretion expense	**136,655**	-
Unrealized foreign exchange loss	**395,775**	3,768
Gain on expiry of warrant liabilities	**-**	(98,301)
Loss (gain) on settlement of payables	**52,969**	(12,250)
Unrealized loss (gain) on revaluation of warrant liabilities	**31,028,221**	(1,158,032)
Unit issuance costs expensed through profit or loss	**840,992**	194,441
Extinguished mining rights	**-**	6,241
Changes in non-cash working capital:		
Amounts receivable and other assets	**(1,558,738)**	(442,075)
Prepaid expenses	**(374,290)**	156,693
Accounts payable and accrued liabilities	**779,748**	360,546
Cash used in operating activities	**(4,024,901)**	(2,809,031)
Investing activities		
Exploration and evaluation asset additions	**(2,435,463)**	(3,849,039)
Development property cost additions	**(2,386,815)**	-
Purchase of mining concessions	**-**	(44,058)
Purchase of property, plant, and equipment	**(107,719)**	(4,939)
Restricted cash deposits paid	**(436,204)**	-
Restricted cash refunded	**263,438**	-
Cash used in investing activities	**(5,102,763)**	(3,898,036)
Financing activities		
Proceeds from units issued in prospectus offerings	**39,525,497**	7,031,622
Unit issuance costs	**(2,721,998)**	(715,332)
Proceeds from warrant exercises	**2,061,473**	-
Lease payments	**(5,500)**	-
Cash provided by financing activities	**38,859,472**	6,316,290
Effect of foreign exchange on cash and cash equivalents	**74,153**	-
Net change in cash and cash equivalents	**29,731,808**	(390,777)
Cash and cash equivalents, beginning of the year	**4,269,452**	4,660,229
Cash and cash equivalents, end of the year	**34,075,413**	4,269,452
Composition of cash and cash equivalents:		
Cash	**34,006,229**	4,199,820
Cash equivalents	**69,184**	69,632
	34,075,413	4,269,452
Supplemental cash flow information:		
Depreciation capitalized in exploration and evaluation assets	**42,832**	72,696
Depreciation capitalized in development property	**21,366**	-
Shares issued for settlement of payables	**244,219**	66,500
Increase in accounts payable and accrued liabilities related to exploration and evaluation asset additions	**(2,166,332)**	(691,741)
Fair value of warrant exercised	**827,997**	-

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

SILVER MOUNTAIN RESOURCES INC.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in US dollars, except number of shares)

	Common shares (Note 1)	Share capital	Contributed surplus	Deficit	Total shareholders' equity
	#	$	$	$	$
Balance, December 31, 2023	18,643,990	42,077,668	1,105,370	(12,315,041)	30,867,997
Units issued in prospectus offering	5,842,595	5,120,299	-	-	5,120,299
Unit issuance costs	-	(520,891)	-	-	(520,891)
Shares issued for services	94,493	66,500	-	-	66,500
Share-based compensation	-	-	285,559	-	285,559
Net loss and comprehensive loss	-	-	-	(2,111,190)	(2,111,190)
Balance, December 31, 2024	24,581,078	46,743,576	1,390,929	(14,426,231)	33,708,274
Units issued in prospectus offerings	30,730,300	27,307,390	-	-	27,307,390
Unit issuance costs	-	(1,881,006)	-	-	(1,881,006)
Shares issued for services	346,955	244,219	-	-	244,219
Shares issued from exercise of warrants	1,468,178	2,889,470	(63,447)	-	2,826,023
Shares issued from exercise of broker warrants	108,661	-	-	-	-
Share-based compensation	-	-	110,565	-	110,565
Net loss and comprehensive loss	-	-	-	(35,456,836)	(35,456,836)
Balance, December 31, 2025	**57,235,172**	**75,303,649**	**1,438,047**	**(49,883,067)**	**26,858,629**

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

1. NATURE OF OPERATIONS

Silver Mountain Resources Inc. (the "Company" or "AgMR" or “Silver Mountain”) is incorporated under the Business Corporation Act of Ontario. The Company is primarily in the business of acquiring, exploring, and developing mines and mineral deposits; with the specific focus to develop the Castrovirreyna Project in Huancavelica, Peru. The address of the Company's corporate office and principal place of business is 82 Richmond Street East Toronto, Ontario, M5C 1P1. The Company is currently listed on the OTCQB Venture Market under the symbol "AGMRF", the Lima Stock Exchange under the symbol "AGMR". Subsequent to year end, the Company successfully graduated from the TSX Venture Exchange to the Toronto Stock Exchange ("TSX") and commenced trading on the TSX under the symbol “AGMR” (Note 22).

These consolidated financial statements for the years ended December 31, 2025 and 2024 (the “financial statements”) have been prepared on the assumption 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 in the ordinary course of business.

As at December 31, 2025, the Company has incurred losses since inception and has an accumulated deficit of $49,883,067 (December 31, 2024 - $14,426,231). As at December 31, 2025, the Company had cash and cash equivalents of $34,075,413 (December 31, 2024 - $4,269,452) and a working capital deficit of $13,407,575 (December 31, 2024 - working capital surplus of $2,015,858). For the year ended December 31, 2025, the Company incurred a net loss of $35,456,836 (2024 - $2,111,190). The Company expects to incur further losses in the exploration, evaluation and development of its mineral properties.

During the year ended December 31, 2025, the Company made the decision to proceed to the development stage. The Company’s ability to continue as a going concern and fund its development activity for at least the next twelve-month period is dependent on the Company being able to draw down on its current cash, maintain cost control measures and raise additional capital. The Company has had success raising capital in the past as disclosed in Note 15. The ability to continue as a going concern remains dependent on the Company’s capacity to obtain the additional financing necessary to continue to fund its mineral properties, the realization of future profitable production, proceeds from the disposition of its mineral interests, and/or other sources. These conditions indicate the existence of material uncertainties which may cast significant doubt on the Company’s ability to continue as a going concern.

Share consolidation

On March 28, 2025, the Company consolidated all of the issued and outstanding class A common shares of the Company since one (1) post-consolidation class A common share for every fifteen (15) pre-consolidation class A common share (the “Share Consolidation”). Unless otherwise specified, all historical share and per share data, including the number of common shares, weighted average number of common shares, loss per share and stock options have been retrospectively adjusted to reflect the Share Consolidation.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on April 30, 2026.

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

b) Basis of presentation

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

c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the Company and its subsidiary is U.S. dollars. The financial statements are presented in U.S. dollars, except as otherwise noted. References to “C$” are to Canadian dollars, references to “PEN” are to Peruvian sol.

2. BASIS OF PREPARATION (continued)

d) Basis of consolidation

These financial statements include the accounts of the Company and its 99.99% owned subsidiary, Sociedad Minera Reliquias S.A.C. ("AgMR Peru"), which was acquired on May 7, 2021 in conjunction with the reverse takeover transaction. Pursuant to Peruvian General Corporate Law requirements that a Peruvian company have more than one shareholder, in September 2021, the Company issued 1 common shares in AgMR Peru for PEN 1.00 to a shareholder of the Company. Because this non-controlling interest in AgMR Peru is not material, it has not been recorded in the Company's financial statements.

All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

e) Reclassification of prior amounts

The Company has reclassified certain comparative information on the consolidated statements of loss and comprehensive loss and statements of cash flows to conform with the current period presentation by nature of expenses.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS

a) Property, plant and equipment, and accumulated depreciation

Property, plant, and equipment are presented at their acquisition cost minus accumulated depreciation and, if any, the accumulated amount of impairment losses. The carrying amounts of property, plant, and equipment are depreciated to their estimated residual values over the estimated useful lives of the specific assets concerned or the estimated life-of mine ("LOM"), if shorter. The major categories of property, plant and equipment and their estimated useful lives are indicated below as follows:

Building and facilities	5 and 20 years on a straight-line basis
Mining equipment	5 years on a straight-line basis
Office equipment and furniture	4 to 10 years on a straight-line basis
Leased equipment	5 years on a straight-line basis

The historical acquisition cost includes the disbursements directly attributable to the acquisition of the assets. Useful life, residual values, and the depreciation method are periodically reviewed to ensure that the depreciation method and period are consistent with the expected pattern of future economic benefits. Subsequent disbursements and major renovations are recognized as assets when it is probable that the Company will obtain future economic benefits derived from them, and their cost can be reliably valued.

Where an item of property, plant and equipment is comprised of major components with different useful lives, the components are accounted for as separate items of property, plant and equipment. Costs incurred for major overhaul of existing equipment are capitalized as property, plant and equipment and are subject to depreciation once they are available for use, for example when the mine is considered in commercial production. Major overhauls include improvement programs that increase the productivity or extend the useful life of an asset beyond that initially envisaged. The costs of routine maintenance and repairs that do not constitute improvement programs are accounted for as an expense in the statement of loss and comprehensive loss.

By selling or retiring items of property, plant, and equipment, the Company eliminates the cost and the corresponding accumulated depreciation. Any gain or loss resulting from their disposal is included in the consolidated statements of net and comprehensive loss.

b) Exploration and evaluation costs

Mining concessions are recorded at acquisition cost and are not amortized until the start of their exploitation, and as long as the mineral content offer expectations of future production. If these expectations are not offered, they will be recognized as expenses in the statement of loss and comprehensive loss.

Acquisition, exploration and evaluation costs are capitalized and deferred to exploration and evaluation cost assets until such time as the technical feasibility and commercial viability of extracting a mineral reserve for a particular property or project are demonstrable or the property or project is disposed of, either through sale or abandonment, or becomes impaired.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

Once the technical feasibility and commercial viability of extracting minerals for a particular property are demonstrable and/or approved by the Board of Directors, the capitalized amounts are first tested for impairment and then transferred to property, plant and equipment. If a property is put into production, the carrying value will be amortized over the life of the property based on estimated economic resources or reserves. If a property is abandoned, the carrying value will be written off to the consolidated statements of net and comprehensive loss.

c) Development properties

An exploration and evaluation asset is reclassified as a development property when a mine plan has been prepared, and the board has made the decision to proceed with development. Such a decision would take into account historical data, technical studies and the probability of successfully mining minerals in the future. Specifically, for Silver Mountain, the Company has decided to commercially develop the property. Such decision was based on historical activities and data from the project, new economic assessments and technical studies, and other internal information. At the point of transitioning from exploration to development, the Company performs an impairment test.

Construction and development expenditures as well as costs associated with the commissioning of new assets, and costs incurred in the pre-commercial period before assets are operating in the way intended by management, are capitalized to development properties. Development expenditures are capitalized separately for each area of interest in which economically recoverable mineral resources have been identified and are reasonably assured.

All expenditures incurred prior to the commencement of commercial levels of production from each development property are carried forward to the extent that recovery of expenditures is reasonably assured from revenue generated from production or from the sale of the respective property. No amortization or depletion is recorded in respect of development properties as they are considered assets not yet available for use. Following the commencement of commercial production, development properties are classified as mineral properties. Commercial production is deemed to have commenced when operations reach an average mining rate of 400 tonnes per day over a period of 30 days.

d) Impairment of exploration and evaluation costs and non-financial assets

The carrying amount of the Company's exploration and evaluation costs, development properties and property, plant and equipment are periodically assessed for impairment when indicators of potential impairment are identified to exist. If an indication of impairment is identified, an estimate of the asset's recoverable amount is calculated to determine the extent of the impairment loss, if any. The recoverable amount is determined as the higher of the fair value less costs of disposal for the asset and the asset's value in use. In assessing the fair value, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment is determined on an asset-by-asset basis, whenever possible. If it is not possible to determine impairment on an individual asset basis, then impairment is considered on the basis of a cash generating unit ("CGU"). CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or the Company's other group of assets.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired, and an impairment loss is charged immediately to the consolidated statements of net and comprehensive loss, so as to reduce the carrying amount to its recoverable amount.

For property, plant and equipment, exploration and evaluation assets, development properties and a previously recognized impairment loss is reversed if there has been a change in the estimates previously used to determine the asset's recoverable amount since the last impairment loss was recognized. The impairment reversal is limited to the carrying value that would have been determined, net of any applicable depreciation, had no impairment charge been recognized previously.

e) Tax credits receivable

The tax credit is composed of the value added tax from purchases of goods and services. According to applicable laws it could be applied to value added tax generated by local sales. If sales are exported the Company has the right to request the refund of the value added tax as a balance in favor matter of benefit of the exporter with a limit of 18 percent of the exported freight on board value.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

f) Decommissioning or restoration provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

When the provision for decommissioning or restoration is initially recorded, the corresponding cost is capitalized to the related property and is reported in the year in which it is incurred. The Company subsequently allocates the cost to expense using a systematic and rational method over its useful life and records the accretion of the liability as a charge to the statement of loss and comprehensive loss. Changes in estimates to the provision are accounted for as a change in the corresponding capitalized cost. The provision is reviewed at the end of each reporting period for changes in estimated costs, obligations, legislation or discount rates and are adjusted to reflect the best estimate at the end of the period.

g) Share capital

If the completion of a share equity transaction is considered likely, professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

<u>Unit offerings</u>

The Company follows the residual value method to allocate proceeds in unit offerings to the common share and warrant component, where both components are considered equity items. Under the residual value method, unit offering proceeds are allocated first to share capital up to the fair value of the common share with the residual amount of proceeds, if any, allocated to the reserve for warrants. If and when the warrants are exercised, consideration paid by the warrant holder, together with the amount previously recognized in warrant reserve, a component of contributed surplus, is recorded as an increase to share capital.

h) Share-based compensation

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

The fair value of share-based compensations to non-employees and other share-based compensations are based on the fair value of the goods or services received. If the Company cannot estimate reliably the fair value of the goods or services received, the Company is required to measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted at the date the Company receives the goods or services.

If and when the stock options are exercised, the applicable fair values are transferred from contributed surplus to share capital. When vested options are forfeited or not exercised at the expiry date, the amount previously recognized in share- based compensations is revised from contributed surplus to deficit.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

i) Warrant liability

The Company determined that the warrants issued in connection with the financings are free standing financial instruments, that are legally detachable and separately exercisable from the common stock included in the financings. The Company determined that the warrants with the exercise price is denominated in a foreign currency are required to be classified as a financial liability, since its nature is that of a financial derivative because its value is subject to change due to the fluctuation of the foreign exchange rate. In accordance with the accounting guidance, the outstanding warrants are recognized as a warrant liability on the balance sheet and are measured at their inception date fair value and subsequently re-measured at each reporting period with changes being recorded as a component of other income in the statement of operations. The fair value of the warrant liability was measured using the Black-Scholes methodology and subsequently valued at its trading market price or Black-Scholes for tranches that are not quoted.

j) Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), or at amortized cost. The Company determines the classification of its financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial instruments and their contractual cash flow characteristics. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or if the Company has opted to measure them at FVTPL.

A summary of the Company's classification of financial instruments under IFRS 9 *Financial Instruments* is as follows:

Financial instrument	Classification
Financial assets:	
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Amounts receivable and other assets	Amortized cost
Financial liabilities:	
Accounts payable and accrued liabilities	Amortized cost
Lease liability	Amortized cost
Warrant liabilities	FVTPL

<u>Measurement</u>

Financial assets and financial liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized as income or loss in the period in which they arise. Where management has opted to recognize financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets at amortized cost are initially recognized at fair value plus transaction costs and are subsequently carried at amortized cost less any impairment. Financial liabilities at amortized cost are initially recognized at fair value minus transaction costs and are subsequently carried at amortized cost.

<u>Impairment of financial assets at amortized cost</u>

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

The Company shall recognize through profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

k) Income taxes

Current

The current income tax is considered as the amount payable to the tax authority. It is calculated based on the taxable income determined for tax purposes.

Deferred

Deferred income tax is calculated using the balance sheet liability method, which consists of determining the temporary differences between financial and tax assets and liabilities and applying the income tax rate to those differences.

Deferred tax assets are recognized for all deductible differences and tax loss carry forward, to the extent that it is probable that there is taxable profit against which temporary deductible differences can be compensated, and any carried forward tax loss can be used.

Deferred tax liabilities are recognized for all temporary taxable differences, in which the timing of reversals of temporary differences can be controlled, and it is probable that temporary differences will not be reversed in the foreseeable future.

The carrying amount of the deferred tax asset is reviewed on each date of the consolidated statements of financial position and is reduced to the extent that it is unlikely that there is sufficient taxable profit against which all or part of the deferred tax asset to be used can be compensated. Unrecognized deferred tax assets are revalued on each date of the consolidated statements of financial position and are recognized to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are recognized regardless of the moment when it is estimated that the temporary differences are annulled.

Deferred tax assets and liabilities are measured at the legal rates expected to be applied in the year in which the asset is realized, or the liability is liquidated, based on the rates that have been promulgated or substantially promulgated on the date of the consolidated statements of financial position. Deferred tax assets and liabilities are compensated if there is a legal right to compensate current taxes against current liabilities, and deferred taxes relate to the same entity and the same tax authority.

Uncertain tax positions

The Company assesses at each consolidated financial statement closing whether each uncertain tax treatment is considered separately or together with one or more uncertain tax treatment and uses the approach that best predicts the resolution of the uncertainty. The Company applies significant judgment when identifying uncertainties about income tax treatments.

l) Contingencies

Contingencies are assets or liabilities that arise due to past events, the existence of which will be confirmed only if future events occur that are not entirely under the control of the Company.

Contingent assets are not recorded in the consolidated financial statements but are disclosed in notes to the consolidated financial statements when their degree of contingency is probable.

Contingent liabilities are not recorded in the consolidated financial statements and are disclosed in notes to the consolidated financial statements only when there is a possible obligation.

m) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

n) Foreign currency transactions

For foreign currency transactions, the Company translates each transaction by applying the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At the end of the reporting period, monetary assets and liabilities denominated in foreign currency are restated using the closing exchange rate at the reporting date, and non-monetary assets and liabilities measured at fair value are translated using the exchange rate at the date when fair value was measured. Exchange differences are recognized in profit or loss for the period in which they arise. However, if fair value changes for a non-monetary item measured at fair value are recognized in other comprehensive income, the exchange difference component of the change in fair value is also recognized in other comprehensive income.

o) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset, either explicitly or implicitly and should be physically distinct. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

If a contract is assessed to contain a lease, a lease liability is initially recognized at the present value of the lease payments that are unpaid at the commencement date and discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease obligation is measured at amortized cost using the effective interest method. The Company also recognizes a right-of-use ("ROU") asset that will generally be equal to the lease obligation at adoption. The ROU asset is subsequently amortized over the life of the contract.

Leases associated with the exploration for and use of mineral resources are not accounted for as described above and are expensed as incurred.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is re-measured when there is a change in future lease payments arising from a change in index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

p) Recent IFRS Accounting Standards pronouncements

The Company decided to adopt at the time of its effectiveness and not adopt early the accounting standards and interpretations issued by the IASB, and that will be effective as of January 1, 2025, or later.

The standards and amendments to IFRS® Accounting Standards that have been issued up to the date of issue of these financial statements and that apply to the Company, but are not yet in force, are described below. The impact that its initial application will have on the financial statements is unknown since its amount cannot be reasonably estimated. The Company intends to adopt these new and modified standards and interpretations, if applicable when they become effective.

<u>IFRS 18 *Presentation and Disclosure in Financial Statements*</u>

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements* ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 *Statements of Cash Flows* ("IAS 7") were issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 *Earnings per Share* were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its condensed consolidated financial statements.

<u>Amendments to the Classification and Measurement of Financial Instruments</u>

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the ‘solely payments of principal and interest’ criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to exercise significant judgments in applying the Company’s accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require material adjustments to the Company’s financial statements. Revisions to accounting estimates are accounted for prospectively.

Significant estimates and judgments exercised by management in applying the Company’s accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

a) Significant accounting judgements

Classification of development property

The Company has decided to progress its Reliquias Mine to the development stage, upon having a mine plan, historical supportable project data and sufficient confidence from new economic assessments. No final feasibility study has been published for the project, and no proven and probable reserves have been established. Despite the lack of such final feasibility study (as defined by CIM and NI43-101 guidance), the Company has decided to commercially develop its property. The application of the Company’s accounting policy for development expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure has been capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

Exploration and evaluation

Management's judgment is used in determining the eligible expenditures used in the recognition of tax credits receivable and assessing the tax receivables in Peru for impairment. The Peruvian tax credit is composed of the value added tax from purchases of goods and services for Sociedad Minera Reliquias S.A.C. According to article 25 of the Peruvian General Sales Tax and Selective Consumption Tax Law (Supreme Decree No. 055-99-EF), states that the tax credit must be applied until its exhaustion in the following months against tax debits originated. Likewise, the law mentioned above does not state that such tax credit is time-barred or irrecoverable. The Company estimates that it will be applied during its first years of production, which is planned to start during the second half of 2026, and according to the budget, the company estimates that such tax credit will be applied against tax debits originated by its mine operation until 2028.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Management's judgment is used in determining the technical feasibility and commercial viability point in time for exploration and evaluation properties and this takes into account, among other factors, a combination of (i) the extent to which feasibility has been defined in a technical report in accordance with *National Instrument 43-101, Standards for Disclosure for Mineral Projects*; (ii) the results of further studies and technical evaluation carried out to mitigate project risks; (iii) status of environmental and other permits, (iv) status of mining leases; and (v) the availability of financial resources necessary to commence required mine development activities and reach commercial production.

Management applied its judgement in concluding that the Company has met sufficient criteria to advance its Reliquias Mine from exploration and evaluation phase to development phase.

Lease liability

The Company applies judgment in determining whether the contract contains an identified asset, whether they have the right to control the asset, and the lease term. The lease term is based on considering facts and circumstances, both qualitative and quantitative, that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option.

b) Sources of estimation uncertainty

Asset retirement obligation

The Company has recognized an asset retirement obligation in connection to its Reliquias Mine. Based upon the prevailing economic environment, assumptions have been made which management believes are reasonable upon which to estimate the future liability. These estimates consider any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the rehabilitation provisions may be higher or lower than currently provided for.

Impairment of exploration and evaluation assets prior to reclassification to development property

The Company has performed an impairment test for its Reliquias Mine prior to be reclassified to development property, as such an estimate of its recoverable amount is performed, and an impairment charge is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or CGU of assets is measured at the higher of the fair value less costs of disposal for the asset (“FVLCTD”) or the asset’s value in use (“VIU”).

The determination of FVLCTD and VIU requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, discount rates, mineral resources, operating costs, taxes, and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reversed with the impact recorded in profit or loss.

Share-based compensation

The Company determines costs for share-based compensations 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.

(Expressed in US dollars, except where noted)

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Warrant liability

For non-publicly traded warrants, the Company determines the fair value for warrant liabilities using market-based 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 exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

5. RESTRICTED CASH

As at December 31, 2025, the Company had a cash deposit of $436,204 (PEN 1,541,547) (December 31, 2024 - $263,438 (PEN 990,000)) held as a guarantee to the Peruvian Ministry of Mines in connection with the mine closure plan associated with the Company's Reliquias mine (the "Mine Closure Plan"). During the year ended December 31, 2025, $263,438 (PEN 990,000) of previous deposit was returned to the Company and was replaced with a $436,204 (PEN 1,541,547) deposit made on January 13, 2025.

A summary of the Company's restricted cash is as follows:

	$
Balance, December 31, 2023	267,206
Foreign exchange gain	(3,768)
Balance, December 31, 2024	263,438
Additions	436,204
Returned	(263,438)
Balance, December 31, 2025	**436,204**

6. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	December 31, 2025	December 31, 2024
	$	$
Prepaid expenses	348,186	65,408
Advances to suppliers	150,696	70,184
Deposits	11,000	-
	509,882	**135,592**

(Expressed in US dollars, except where noted)

7. PROPERTY, PLANT AND EQUIPMENT

A summary of the Company's property, plant and equipment is as follows:

	Land	Building and facilities	Mining equipment	Office equipment and furniture	Intangibles	Right-of-use asset	Total
	$	$	$	$	$	$	$
Cost							
Balance, December 31, 2023	36,041	151,544	859,610	245,030	-	-	1,292,225
Additions	-	-	-	4,939	-	-	4,939
Balance December 31, 2024	36,041	151,544	859,610	249,969	-	-	1,297,164
Additions	-	40,152	-	39,501	28,066	111,914	219,633
Balance, December 31, 2025	**36,041**	**191,696**	**859,610**	**289,470**	**28,066**	**111,914**	**1,516,797**
Accumulated depreciation							
Balance, December 31, 2023	-	68,101	787,935	79,331	-	-	935,367
Depreciation	-	15,973	22,257	40,036	-	-	78,266
Balance, December 31, 2024	-	84,074	810,192	119,367	-	-	1,013,633
Depreciation	-	12,973	18,448	38,826	-	13,989	84,236
Balance, December 31, 2025	**-**	**97,047**	**828,640**	**158,193**	**-**	**13,989**	**1,097,869**
Carrying amount							
Balance, December 31, 2024	36,041	67,470	49,418	130,602	-	-	283,531
Balance, December 31, 2025	**36,041**	**94,649**	**30,970**	**131,277**	**28,066**	**97,925**	**418,928**

During the year ended December 31, 2025, depreciation of $42,832 was capitalized in exploration and evaluation assets (2024 - $72,696).

During the year ended December 31, 2025, depreciation of $21,366 was capitalized in development property (2024 - $nil).

8. EXPLORATION AND EVALUATION ASSETS

In 2018, AgMR Peru acquired certain liquidated assets from Corporación Minera Castrovirreyna ("CMC") that comprised the Castrovirreyna Project and the Reliquias mine (the "Reliquias Mine"). The Castrovirreyna Project and the Reliquias Mine are located near the town of Castrovirreyna, department of Huancavelica, province of Castrovirreyna, Peru. The Castrovirreyna Project is comprised of Dorita, El Milagro, Jose Picasso Perata processing plant, Uchuputo Sector, Lira de Plata and a tailings storage facility.

AgMR owns 100% of its concessions which are currently held in the name of its subsidiary, AgMR Peru.

a) Reliquias

Between April and December 2022, AgMR conducted an underground drilling program. Simultaneously, an extensive underground channel sampling program was conducted, which together with the drilling and other exploration activities is aimed at converting current historical resources into NI 43-101 compliant resources. Underground rehabilitation of historic mine workings and detailed topographic surveys have started to expand the Company's knowledge of the Reliquias underground mine and provide access to other prospective vein structures.

On June 26, 2024, the Company filed the Preliminary Economic Assessment ("PEA") results for the Reliquias mine in Peru. The PEA highlighted a silver and base metals project with a pre-tax net present value of C$107 million using a 5% discount rate. The PEA encompassed an updated resource estimate, geotechnical and hydrological assessments of the Reliquias mine, revisions to existing studies on tailings dam stability, and comprehensive environmental baseline studies.

On July 16, 2025, the Company entered into a 20-year surface land use agreement with the Community of Salcca Santa Ana, marking the final approval required to restart operations at the Company's Reliquias Mine. As a result, on September 1, 2025, the Company transferred the exploration and evaluation assets with carrying amount of $25,806,201 under the Reliquias Mine to development property (Note 9).

(Expressed in US dollars, except where noted)

8. EXPLORATION AND EVALUATION ASSETS (continued)

b) Castrovirreyna Project

Dorita

At the Dorita block of properties, exploration work consisted of more than 14 km^2 of geological mapping, extensive rock and soil sampling programs, and preparation of the most promising geological targets for future drilling. Additionally, the Company has conducted underground channel sampling activities at accessible mine workings. The Dorita property block includes mining concessions that contain historic small scale underground operations in veins with polymetallic ore. Previous exploitation activities were carried out under the ownership of CMC; however, these operations were suspended in the late 1980s. AgMR is working to obtain the required permits to expand its exploration activities in this area, including geophysical surveys and drilling.

In addition, on September 1, 2023, AgMR was notified of the approval of the Dorita Environmental Impact Statement, which allows the Company to execute 21 drilling platforms. The validity of this legal instrument is 5 years.

Other

Other projects include exploration related to the El Milagro, Jose Picasso Perata processing plant, Uchuputo Sector, Lira de Plata and a tailings storage facility. The Company´s El Milagro project is characterized by Ag-Pb-Zn mineralization in veins and replacement bodies, historically, the area has seen diamond drilling, underground development and rock sampling.

A review of the property in 2022 lead to the completion of a NI 43-101 compliant technical report, identifying historical resources in the central property of the project.

A summary of the Company's exploration and evaluation assets is as follows:

	Reliquias	Castrovirreyna Project		
	Mine	Dorita	Other	Total
	$	$	$	$
Balance, December 31, 2023	19,918,755	3,610,796	690,967	24,220,518
Exploration costs				
Depreciation	72,696	-	-	72,696
Mine rehabilitation	778,633	-	-	778,633
General on-site expenses	927,231	-	-	927,231
Geological mapping, sampling & other	4,929	-	-	4,929
Right of use	(10,816)	-	-	(10,816)
Salaries and benefits	820,173	-	-	820,173
Topography and geophysics	53,759	-	-	53,759
Complementary environmental services	583,389	-	-	583,389
Acquisition costs				
Mining rights	15,398	21,940	6,720	44,058
Impairment (1)	-	(6,241)	-	(6,241)
Balance, December 31, 2024	23,164,147	3,626,495	697,687	27,488,329
Exploration costs				
Depreciation (Note 7)	42,832	-	-	42,832
Mine rehabilitation	206,674	-	-	206,674
General on-site expenses	631,955	44,353	-	676,308
Right of use	873,420	-	-	873,420
Salaries and benefits	295,046	-	-	295,046
Topography and geophysics	6,019	-	-	6,019
Complementary environmental services	350,417	-	-	350,417
Acquisition costs				
Mining rights	4,213	14,361	9,005	27,579
Transfer	231,478	20,165	(251,643)	-
Transferred to development property (Note 9)	(25,806,201)	-	-	(25,806,201)
Balance, December 31, 2025	**-**	**3,705,374**	**455,049**	**4,160,423**

(1) During the year ended December 31, 2024, the Company lost two mining concessions in Dorita (2,000 hectares) at auction due to regulatory overlap issues.

(Expressed in US dollars, except where noted)

9. DEVELOPMENT PROPERTY

On October 28, 2024, the Company filed an amended and restated preliminary economic assessment for its Reliquias Mine in central Peru with an effective date of May 15, 2024 which when combined with prior development and operational activities and data from the mine, enhanced the level of technical feasibility and commercial viability of the project to a level that the Board of Directors was comfortable to proceed into development phase.

In addition, on July 16, 2025, the Company entered into a 20-year surface land use agreement (the "Surface Agreement") with the Community of Salcca Santa Ana, marking the final approval required to restart operations at the Company's Reliquias Mine. This agreement requires the Company to complete annual payments of $435,000 (PEN 1,500,000) plus VAT (18%), adjusted by the Peruvian annual inflation rate.

As a result, on September 1, 2025, the Company transferred the exploration and evaluation assets with carrying amount of $25,806,201 under the Reliquias Mine to development property. Prior to the transfer, the carrying amount was tested for impairment and no impairment was identified.

A summary of Company's development property is as follows:

	Reliquias Mine
	$
Balance, December 31, 2024 and 2023	-
Transferred from exploration and evaluation assets (Note 8(a))	25,806,201
Asset retirement obligation (Note 14)	13,088,250
Development costs	4,574,513
Balance, December 31, 2025	**43,468,964**

10. TAX CREDITS RECEIVABLE

As of December 31, 2025, the Company maintains in its non-current assets a tax credit for general sales tax in Peru ("Impuesto General a las Ventas" or "IGV") of $5,488,901 (December 31, 2024 - $3,920,556), that is expected to be applied to the IGV generated by local sales. If sales are exported, the Company has the right to request a refund of the value-added tax with a limit of 18 percent of the exported freight on board value. According to Peruvian tax legislation, IGV does not have an expiration date.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	December 31, 2025	December 31, 2024
	$	$
Trade accounts payable	**584,606**	524,125
Taxes payable	**37,876**	18,734
Accrued liabilities	**2,601,756**	91,133
Payroll liabilities	**158,034**	264,478
Other amounts payable	**576,311**	261,915
	3,958,583	1,160,385

12. LEASE LIABILITY

On October 1, 2025, the Company entered a two-year premises lease. The lease liability for the lease was discounted at a rate of 7%, which is the Company's estimated incremental borrowing rate.

A summary of the Company's lease liability is as follows:

	$
Balance, December 31, 2024	-
Additions	111,914
Accretion expense	1,976
Lease payments	(5,500)
Balance, December 31, 2025	**108,390**
Current portion	60,307
Non-current portion	48,083

A summary of the Company's future undiscounted minimum lease payments related to the premises under finance lease is as follows:

	December 31, 2025
	$
Less than one year	66,000
One to two years	49,500
Total future minimum lease payments	115,500
Effects of discounting	(7,110)
Total present value of minimum lease payments	**108,390**

13. WARRANT LIABILITIES

Certain warrants issued by the Company are classified as derivative liabilities under the principles of IFRS 9 *Financial Instruments*, as the exercise price is denominated in Canadian dollars while the functional currency of the Company is US dollars. As a result, the fair value of these warrants is presented as a liability at issuance and any foreign exchange or change in the fair value of the warrants subsequent to their initial recognition is recorded in the statement of loss and comprehensive loss.

Following the share consolidation (Note 1), warrant holders of certain tranches are required to exercise fifteen warrants to receive one share. The quantities presented below reflect the actual number of shares that would be received upon exercise.

(Expressed in US dollars, except where noted)

13. WARRANT LIABILITIES (continued)

A summary of the Company's warrant liabilities is as follows:

	Number of common shares underlying outstanding warrants	Weighted average exercise price	Warrant liabilities
	#	C$	$
Balance, December 31, 2023	2,798,333	9.11	921,686
Expired	(1,763,333)	10.50	(98,301)
Issued	5,842,595	2.03	1,911,323
Unrealized gain on revaluation	-	-	(1,020,066)
Currency translation effect	-	-	(137,966)
Balance, December 31, 2024	6,877,595	2.74	1,576,676
Issued	21,223,811	2.72	12,346,587
Exercised	(738,182)	1.78	(893,030)
Unrealized loss on revaluation	-	-	31,028,221
Currency translation effect	-	-	427,311
Balance, December 31, 2025	**27,363,224**	**2.75**	**44,485,765**

A summary of the Company's outstanding warrants as at December 31, 2025 is as follows:

Date of expiry	Symbol	Number of common shares underlying outstanding warrants	Weighted average exercise price	Weighted average remaining life
		#	C$	Years
February 9, 2026 (Note 22)	AGMR.WT.A(1)	1,035,000	6.75	0.11
May 18, 2026	Not applicable	5,750,000	3.25	0.38
July 29, 2027	Not applicable	9,062,800	1.70	1.58
November 18, 2027	Not applicable	5,750,000	3.90	1.88
April 24, 2028	AGMR.WT.B(2)	5,765,424	2.03	2.32
		27,363,224	**2.75**	**1.49**

(1) Presented on a post-consolidation basis. 15 warrants are exercisable for C$6.75 per common share on a post-consolidation basis.
(2) Presented on a post-consolidation basis. 15 warrants are exercisable for C$2.03 per common share on a post-consolidation basis.

- On February 9, 2023, the Company issued warrants exercisable to acquire 1,035,000 common shares, at an exercise price of C$6.75 per common share, in connection with a bought deal prospectus offering. Each warrant expires on February 9, 2026. The fair value of the warrants upon issuance was determined to be $1,626,917. Upon commencement of the warrants trading on the TSXV on May 10, 2024 under the symbol "AGMR.WT.A", the fair value of these warrants is measured using level 1 fair value inputs. During the year ended December 31, 2025, the Company recorded an unrealized loss on revaluation of these warrants of $224,786 (2024 - unrealized gain of $730,863).

- On February 2, 2024, 1,763,333 warrants were issued in connection with the Company's initial public offering on February 2, 2022 expired. As a result, the Company recorded a gain on expiry of warrant liabilities of $98,301. These warrants were trading at a price of C$0.075 on the expiry date.

- On April 24, 2024, the Company issued warrants exercisable to acquire 5,842,595 common shares at an exercise price of C$2.025 per common share in connection with the prospectus offering (Note 15(b)). Each warrant expires on April 24, 2028. The fair value of these warrants upon issuance was determined to be $1,911,323 using the Black-Scholes option pricing model. Upon commencement of the warrants trading on the TSXV on May 10, 2024 under the symbol "AGMR.WT.B", the fair value of these warrants is measured using level 1 fair value inputs. During the year ended December 31, 2025, the Company recorded an unrealized loss on revaluation of these warrants of $9,020,516 (2024 - unrealized gain of $289,203).

(Expressed in US dollars, except where noted)

13. WARRANT LIABILITIES (continued)

A summary of the Company's inputs used in the Black-Scholes option pricing model for these warrants is as follows:

	April 24, 2024
Share price	C$0.08
Exercise price	C$0.14
Expected life	4.00 years
Risk-free interest rate	3.79%
Expected volatility	63.00%
Expected annual dividend yield	0.00%

- On July 29, 2025, the Company issued 9,615,150 warrants in connection with the bought deal prospectus offering (Note 15(b)). Each warrant is exercisable into one common share at a price of C$1.70 per common share and expires on July 29, 2027. The fair value of these warrants upon issuance was determined to be $5,697,929 using the Black-Scholes option pricing model. These warrants are not publicly traded and subsequently measured using the Black-Scholes option pricing model and level 3 fair value inputs. During the year ended December 31, 2025, the Company recorded an unrealized loss on revaluation of these warrants of $14,064,977 (2024 - $nil).

  A summary of the Company's inputs used in the Black-Scholes option pricing model for these warrants is as follows:

	December 31, 2025	**July 29, 2025**
Share price	C$4.04	C$1.47
Exercise price	C$1.70	C$1.70
Expected life	1.58 years	2.00 years
Risk-free interest rate	2.55%	2.77%
Expected volatility	111.46%	112.58%
Expected annual dividend yield	0.00%	0.00%

- On October 6, 2025, the Company issued warrants exercisable to acquire 108,661 common shares at an exercise price of C$2.025 per common share upon the exercise of certain broker warrants (Note 15(e)). As the fair value of the warrants is higher than the share price on the exercise date, all proceeds of $128,480 were allocated to warrant liability. Each warrant expires on April 24, 2028. During the year ended December 31, 2025, the Company recorded an unrealized loss on revaluation of these warrants of $71,351 (2024 - $nil).

- On November 18, 2025, the Company issued an aggregate of 11,500,000 warrants in connection with its prospectus offering (Note 15(b)), comprising of 5,750,000 6-month purchase warrants ("Series A Warrants") and 5,750,000 24-month purchase warrants ("Series B Warrants"). Each Series A Warrant is exercisable into one common share at a price of C$3.25 per common share and expires on May 18, 2026. Each Series B Warrant is exercisable into one common share at a price of C$3.90 per common share and expires on November 18, 2027.

  The fair value of Series A and B Warrants upon issuance was determined to be $1,428,714 and $5,091,464, respectively, using the Black-Scholes option pricing model. These warrants are not publicly traded and subsequently measured using the Black-Scholes option pricing model and level 3 fair value inputs. During the year ended December 31, 2025, the Company recorded an unrealized loss on revaluation of these Series A warrants of $2,928,669 (2024 - $nil) and an unrealized loss on revaluation of these Series B warrants of $4,717,922 (2024 - $nil).

  A summary of the Company's inputs used in the Black-Scholes option pricing model for the warrants issued on is as follows:

	December 31, 2025		**November 18, 2025**	
	Series A	**Series B**	**Series A**	**Series B**
Share price	C$4.04	C$4.04	C$2.51	C$2.51
Exercise price	C$3.25	C$3.90	C$3.25	C$3.90
Expected life	0.38 years	1.88 years	0.50 year	2.00 years
Risk-free interest rate	2.55%	2.55%	2.55%	2.55%
Expected volatility	60.98%	114.47%	80.52%	113.63%
Expected annual dividend yield	0.00%	0.00%	0.00%	0.00%

(Expressed in US dollars, except where noted)

13. WARRANT LIABILITIES (continued)

- During the year ended December 31, 2025, the Company issued 738,182 common shares pursuant to the exercise of warrants with a weighted average exercise price of C$1.78 per common share for gross proceeds of $947,498 (C$1,315,305). As a result, the Company transferred $893,030 from warrant liabilities to share capital.

14. ASSET RETIREMENT OBLIGATION

The Company has an obligation to undertake decommissioning, restoration, rehabilitation and environmental work when environmental disturbance is caused by the development and ongoing production of a mining operation. A summary of the Company's asset retirement obligation is as follows:

	Asset retirement obligation
	$
Balance, December 31, 2024 and 2023	-
Additions	7,800,496
Accretion expense	134,679
Change in estimate	5,287,754
Balance, December 31, 2025	**13,222,929**
Current	-
Non-current	13,222,929

On September 1, 2025, the Company determined that its Reliquias mine began the development stage, which among other legal and constructive factors, required the Company to concurrently recognize an asset retirement obligation. The provision for asset retirement obligation as at December 31, 2025 was estimated with the following inputs:

	December 31, 2025
Average annual inflation rate	2.25%
Discount rate	4.18%
Undiscounted cash flows	15,377,386

The majority of cash flow expenditures related to the asset retirement obligation are projected between 2027 and 2042.

A provision for asset retirement obligation is estimated based on current regulatory requirements and is recognized at the present value of such costs. The expected timing of cash flows in respect of the provision is based on the estimated life of the Company's mining operations.

15. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Pursuant to the Share Consolidation, the Company consolidated all of the issued and outstanding class A common shares of the Company on the basis of one (1) post-consolidation class A common share for every fifteen (15) pre-consolidation class A common share (Note 1). All historical share and per share data, including the number of common shares, weighted average number of common shares, loss per share, stock options and warrants have been retrospectively adjusted to reflect the Share Consolidation.

b) Issued and outstanding

During the year ended December 31, 2025, the Company had the following share capital transactions:

15. SHARE CAPITAL (continued)

- On January 14, 2025, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on September 18, 2024, the Company issued 113,230 common shares at a price of $0.55 for an aggregate value of $62,044 as consideration for director and board advisory fees owing from October 1, 2024 to December 31, 2024 of $63,750. As a result, the Company recorded a gain on settlement of payables of $1,706.

- On April 8, 2025, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on September 18, 2024, the Company issued 102,740 common shares at a price of $0.37 for an aggregate value of $37,632 as consideration for director and board advisory fees owing from January 1, 2025 to March 31, 2025 of $63,750. As a result, the Company recorded a gain on settlement of payables of $26,118.

- On July 11, 2025, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on September 18, 2024, the Company issued 130,985 common shares at a price of $1.10 for an aggregate value of $144,543 as consideration for director and board advisory fees owing of April 1, 2025 to June 30, 2025 of $63,750. As a result, the Company a loss on settlement of payables of $80,793.

- On July 29, 2025, the Company completed a bought deal prospectus offering and issued 16,722,000 units at a price of $0.945 (C$1.30) per unit for gross proceeds of $15,800,655 (C$21,738,600). In connection with the exercise of the over-allotment option, the Company issued an additional 2,508,300 units at a price of $0.945 (C$1.30) per unit for additional gross proceeds of $2,370,099 (C$3,260,790). Each unit is comprised of one common share and one-half warrant. Each whole warrant is exercisable into one common share at a price of C$1.70 per common share and expires on July 29, 2027 (Note 13).

  Gross proceeds of $18,170,754 (C$24,999,390) were first allocated to the warrant liability measured at fair value in the amount of $5,697,929 (C$7,839,232) and the residual amount of $12,472,825 (C$17,160,158) was allocated to share capital. The Company incurred unit issuance costs of $1,199,254, which included underwriters' commissions of $1,019,581 (C$1,403,994) and other costs of $179,673 (C$267,041). Of the total unit issuance costs, $376,058 (C$523,998) related to the warrant portion were expensed through profit or loss and $823,196 (C$1,147,037) related to the common share portion were allocated to share capital.

- On October 6, 2025, the Company issued 108,661 common shares and warrants exercisable to acquire 108,661 common shares at a price of C$2.025 per common share pursuant to the exercise of broker warrants for gross proceeds of $179,291 (Note 15(e)). Each issued warrant expires on April 24, 2028.

- On November 18, 2025, the Company completed a bought deal prospectus offering and issued 10,000,000 units at a price of $1.857 (C$2.60) per unit for gross proceeds of $18,569,342 (C$26,000,000). In connection with the exercise of the over-allotment option, the Company issued an additional 1,500,000 units at a price of $1.857 (C$2.60) per unit for additional gross proceeds of $2,785,401 (C$3,900,000). Each unit includes one common share, one-half of a Series A Warrant, and one-half of a Series B Warrant. Each whole Series A Warrant is exercisable into one common share at a price of C$3.25 per common share and expires on May 18, 2026. Each whole Series B Warrant is exercisable into one common share at a price of C$3.90 per common share and expires on November 18, 2027 (Note 13).

  Gross proceeds of $21,354,744 (C$29,900,000) were first allocated to the warrant liability measured in the fair value of $6,520,178, of which $1,428,714 (C$2,000,425) related to Series A Warrants and $5,091,464 (C$7,128,850) related to Series B Warrants (Note 13). The residual amount of $14,834,565 (C$20,770,725) was allocated to share capital. The Company incurred unit issuance costs of $1,522,744, which included underwriters' commissions of $1,249,431 (C$1,749,167) and other costs of $273,313 (C$377,217). Of the total unit issuance costs, $464,934 (C$649,242) related to the warrant portion were expensed through profit or loss and $1,057,810 (C$1,477,142) related to the common share portion were allocated to share capital.

- During the year ended December 31, 2025, the Company issued 738,182 common shares pursuant to the exercise of warrants with a weighted average exercise price of C$1.78 per common share for gross proceeds of $947,497 (C$1,315,305). As a result, the Company transferred $893,030 from warrant liabilities to share capital.

- During the year ended December 31, 2025, the Company issued 729,996 common shares pursuant to the exercise of warrants with a weighted average exercise price of $1.35 per common share for gross proceeds of $985,496. As a result, the Company transferred $63,447 from contributed surplus to share capital.

15. SHARE CAPITAL (continued)

During the year ended December 31, 2024, the Company had the following share capital transactions:

- On April 24, 2024, the Company completed a prospectus offering and issued 5,454,567 units at a price of $1.20 (C$1.65) per unit for gross proceeds of $6,564,626 (C$9,000,035). The Company issued an additional 388,028 units at a price of $1.20 (C$1.65) for additional gross proceeds of $466,996 (C$640,247), in connection with the partial exercise of the over-allotment option. Each unit is comprised of one common share and one warrant. Each warrant is exercisable into one common share at a price of C$2.03 per common share and expires on April 24, 2028 (Note 13).

  The gross proceeds of $7,031,622 (C$9,640,282) were first allocated to the warrant liability measured at fair value in the amount of $1,911,323 (C$2,620,404) and the residual amount of $5,120,299 (C$7,019,878) was allocated to share capital. The Company incurred unit issuance costs of $715,332 (C$980,713), which include underwriters' commissions of $392,325 (C$537,873) and other costs of $323,007 (C$442,839). Of the total unit issuance costs, $194,441 (C$266,576) related to the warrant portion were expensed through profit or loss and $520,891 (C$714,137) related to the common share portion were allocated to share capital.

- On November 5, 2024, the Company issued 94,493 common shares at a price of $0.70 as consideration for director fees for the period from July 1, 2024 to September 30, 2024 of $78,750, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on September 18, 2024.

c) Warrants

Certain warrants issued by the Company are classified as equity instruments in accordance with the principles of IAS 32 *Financial Instruments: Presentation*, as their exercise price is denominated in US dollars, which is the Company's functional currency.

During the year ended December 31, 2025, the Company had the following warrant transactions:

- The Company issued 729,996 common shares pursuant to the exercise of warrants with a weighted average exercise price of $1.35 for gross proceeds of $985,495. As a result, the Company transferred $63,447 from contributed surplus to share capital (Note 15(b)).

A summary of Company's warrant activity is as follows:

	Number of common shares underlying warrants	Weighted average exercise price
	#	$
Balance, December 31, 2023	3,190,325	5.61
Expired	(1,117,325)	13.50
Balance, December 31, 2024	2,073,000	1.35
Exercised	(729,996)	1.35
Balance, December 31, 2025	**1,343,004**	**1.35**

A summary of the Company's outstanding warrants as at December 31, 2025 is as follows:

Date of expiry	Number of common shares underlying outstanding warrants	Weighted average exercise price	Weighted average remaining life
	#	$	Years
November 10, 2026	1,226,556	1.35	0.86
December 7, 2026	116,448	1.35	0.93
	1,343,004	**1.35**	**0.87**

(Expressed in US dollars, except where noted)

15. SHARE CAPITAL (continued)

d) Stock options

On September 17, 2021, the Board of Directors of the Company approved the establishment of the Company's stock option plan relating to the Company's directors, officers, employees and consultants, and to reserve up to 10% of the common shares in the capital of the Company issued and outstanding from time to time for issuance thereunder.

During the year ended December 31, 2025, the Company completed the following stock option transactions:

- On February 27, 2025, the Company granted 486,668 stock options to certain directors, officers and employees of the Company. These stock options have an exercise price of C$0.90 per common share and expire on February 27, 2029. These options will vest at the later of the first anniversary of the date of grant; or the mining operations reaching commercial production as defined in Note 3.

- On October 1, 2025, the Company granted 30,000 stock options to a director of the Company. These stock options have the exercise price of C$3.25 and expire on October 30, 2030. One-half of these options will vest on October 1, 2026, one-fourth will vest on October 1, 2028, and one-fourth will vest of October 1, 2029.

During the year ended December 31, 2024, the Company completed the following stock option transactions:

- On February 22, 2024, the Company granted stock options to certain directors, officers and employees of the Company to purchase up to 493,333 common shares of the Company, exercisable at a price of C$1.50 per common share and expiring on February 22, 2028. These options will vest at the later of the first anniversary of the date of grant; or the mining operations reaching commercial production as defined in Note 3.

A summary of the Company's inputs used in the Black-Scholes option pricing model for stock options granted during the years ended December 31, 2025 and 2024, is as follows:

	October 1, 2025	**February 27, 2025**	**February 22, 2024**
Share price	C$3.08	C$0.68	C$1.13
Exercise price	C$3.25	C$0.90	C$1.50
Expected life	5.00 years	4.00 years	4.00 years
Risk-free interest rate	2.67%	2.63%	3.72%
Expected volatility	107.00%	103.00%	100.00%
Expected annual dividend yield	0.00%	0.00%	0.00%

A summary of the Company's stock option activity is as follows:

	Number of stock options	**Weighted average exercise price**
	#	C$
Balance, December 31, 2023	528,666	6.25
Granted	493,333	1.50
Forfeited	(2,000)	1.50
Balance, December 31, 2024	1,019,999	3.96
Granted	516,668	1.04
Expired	(176,000)	6.22
Forfeited	(272,000)	1.72
Balance, December 31, 2025	**1,088,667**	**2.77**

(Expressed in US dollars, except where noted)

15. SHARE CAPITAL (continued)

A summary of the Company's stock options outstanding as at December 31, 2025 is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	C$	Years
February 2, 2026 (Note 22)	66,000	66,000	7.50	0.09
June 28, 2026	44,000	44,000	7.50	0.49
December 1, 2026	167,666	167,666	5.70	0.92
April 1, 2027	43,333	32,500	5.70	1.25
February 22, 2028	371,000	-	1.50	2.15
February 27, 2029	366,668	-	0.90	3.16
October 1, 2030	30,000	-	3.25	4.75
	1,088,667	**310,166**	**2.77**	**2.14**

During the year ended December 31, 2025, the Company recorded net share-based compensation expense of $110,565 (2024 - $285,559) related to stock options vesting and forfeitures.

e) Broker warrants

In connection with the prospectus offering on April 24, 2024, the Company issued broker warrants to two agents exercisable for a period of 24 months to acquire units of the Company comprised of 217,323 common shares and warrants exercisable to acquire 217,323 common shares.

On October 6, 2025, broker warrants were exercised to acquire units comprised of 108,661 common shares and 108,661 warrants (Note 13 and 15(b)).

Subsequent to December 31, 2025, broker warrants were exercised to acquire an additional 108,661 common shares and 108,661 warrants (Note 22).

16. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those with the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, officers and companies controlled by key management personnel.

A summary of the Company's related party transactions is as follows:

	Year ended December 31,	
	2025	2024
	$	$
Board advisory fee [(1)]	**30,000**	15,000
Director and chair fees [(2)]	**214,239**	240,000
Management salaries [(2)]	**978,553**	1,024,873
Share-based compensation	**47,704**	193,913
	1,270,496	1,473,786

(1) Board advisory fee is included under professional fees on the statements of loss and comprehensive loss.
(2) Director and chair fees and management salaries are included under salaries and benefits on the statements of loss and comprehensive loss.

16. RELATED PARTY TRANSACTIONS (continued)

The Company has paid board advisory fees and director and chair fees through the issuance of common shares (Note 15(b)).

As at December 31, 2025, $121,444 was included in accounts payable and accrued liabilities for amounts due to related parties (December 31, 2024 - $63,750). The amounts due are unsecured, due on demand and are non-interest bearing. The related party transactions are with companies owned and controlled by directors and officers of the Company for consulting fees in the normal course of business.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted cash, amounts receivable, subscription receivable, and accounts payable and accrued liabilities, lease liability, and warrant liabilities.

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in the valuation techniques used to measure fair value as follows:

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

The Company's warrant liabilities are classified as fair value through profit or loss. The Company has issued warrant liabilities that are quoted and are recorded at fair value using their unadjusted quoted prices in active markets and are therefore classified as level 1 within the fair value hierarchy. Additionally, the Company has issued warrant liabilities that are not quoted and are recorded at fair value using Level 3 inputs which are updated periodically.

As at December 31, 2025, financial instruments comprised of cash and cash equivalents, restricted cash, amounts receivable, accounts payable and accrued liabilities, and lease liability are classified as and measured at amortized cost. The carrying value of cash and cash equivalents, restricted cash, amounts receivable, accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these financial instruments.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfil its contractual obligations. The Company's credit risk relates primarily to cash and cash equivalents and restricted cash, amounts receivable, and subscription receivable. Cash equivalents include guaranteed investment certificates.

The Company minimizes its credit risk related to cash and cash equivalents by placing cash and cash equivalents with major financial institutions. The Company considers the credit risk to be minimal.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's primary exposure to liquidity risk is through accounts payable and accrued liabilities. As at December 31, 2025, the Company has cash and cash equivalents of $34,075,413 (December 31, 2024 - $4,269,452) in order to meet its current liabilities of $48,504,655 (December 31, 2024 - $2,737,061), which includes warrant liabilities of $44,485,765 (December 31, 2024 - $1,576,676). As at December 31, 2025, the Company had accounts payable and accrued liabilities of $3,958,583 (December 31, 2024 - $1,160,385), which have contractual maturities of 90 days or less. The warrant liabilities are not expected to require a cash outflow, which carries a low liquidity risk.

(Expressed in US dollars, except where noted)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

c) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company is exposed to foreign exchange risk from fluctuations in the U.S. dollar to the Canadian dollar and the Peruvian sol. A 5% change in the U.S. dollar exchange rate relative to the Canadian dollar would change the Company’s net loss by approximately $2,061,404; and a 5% change in the U.S. dollar exchange rate relative to the Peruvian sol would change the Company’s net loss by approximately $4,064.

A summary of the Company’s financial assets and liabilities as at December 31, 2025 that are denominated in the Canadian dollar and the Peruvian sol is as follows:

	CAD	PEN
	$	$
Financial assets		
Cash and cash equivalents	3,292,743	22,813
Restricted cash	-	436,204
Amounts receivable and other assets	-	6,664
	3,292,743	465,681
Financial liabilities		
Accounts payable and accrued liabilities	35,066	546,970
Warrant liabilities	44,485,765	-
	44,520,831	546,970
Net liabilities	**(41,228,088)**	**(81,289)**

18. CAPITAL MANAGEMENT

For capital management purposes, the Company includes shareholders’ equity and cash and cash equivalents in the definition of capital. The objective is to safeguard the Company's ability to continue as an ongoing business to provide returns to its shareholders and benefits for stakeholders and to maintain an optimal structure that reduces the cost of capital. There have been no changes in objectives, policies, or procedures during the year ended December 31, 2025.

19. SEGMENTED INFORMATION

Operating segment:

The Company has one operating segment, the acquisition, exploration and evaluation of mineral assets.

Geographic segments:

A summary of the Company's assets and liabilities by geographic area as at December 31, 2025 is as follows:

	Canada	Peru	Total
	$	$	$
Current assets	33,874,945	1,222,135	35,097,080
Exploration and evaluation assets	-	4,160,423	4,160,423
Development property	-	43,468,964	43,468,964
Non-current assets	139	5,907,690	5,907,829
Total assets	**33,875,084**	**54,759,212**	**88,634,296**
Current liabilities	44,833,287	3,671,368	48,504,655
Non-current liabilities	-	13,271,012	13,271,012
Total liabilities	**44,833,287**	**16,942,380**	**61,775,667**

(Expressed in US dollars, except where noted)

19. SEGMENTED INFORMATION (continued)

A summary of the Company's assets and liabilities by geographic area as at December 31, 2024 is as follows:

	Canada	**Peru**	**Total**
	$	$	$
Current assets	3,015,231	1,737,688	4,752,919
Exploration and evaluation assets	-	27,488,329	27,488,329
Non-current assets	884	4,203,203	4,204,087
Total assets	**3,016,115**	**33,429,220**	**36,445,335**
Current liabilities	1,717,780	1,019,281	2,737,061
Total liabilities	**1,717,780**	**1,019,281**	**2,737,061**

A summary of the Company's expenses and other income by geographic area during the year ended December 31, 2025 is as follows:

	Canada	**Peru**	**Total**
	$	$	$
Operating expenses	(2,059,904)	(2,187,689)	(4,247,593)
Other income (expenses)	(31,503,823)	294,580	(31,209,243)
	(33,563,727)	**(1,893,109)**	**(35,456,836)**

A summary of the Company's expenses and other income by geographic area during the year ended December 31, 2024 is as follows:

	Canada	**Peru**	**Total**
	$	$	$
Operating expenses	(1,526,864)	(1,619,239)	(3,146,103)
Other income (expenses)	1,111,727	(76,814)	1,034,913
	(415,137)	**(1,696,053)**	**(2,111,190)**

20. COMMITMENTS

In December 2023, the Company signed a 20-year community agreement (the “Community Agreement”) with the Castrovirreyna community granting use of land for the planned 2025 restart of Reliquias Mine. The Community Agreement has a $80,972 (PEN 300,000) plus VAT (18%) annual commitment starting 2024 for 20 years (the “Annual Commitment”). As per the Community Agreement, the Annual Commitment amount will be adjusted by the Peruvian annual inflation rate.

As at December 31, 2025, the Company paid $163,270 (PEN 606,810) pursuant to the Annual Commitment. Assuming that the Peruvian annual inflation rate from 2024 will remain the same for the duration of the Community Agreement, the total undiscounted commitment is approximately $1,845,931 (PEN 6,881,629).

In July 2025, the Company signed the Surface Agreement with the Community of Salcca Santa Ana. The Surface Agreement has an annual commitment of $435,000 (PEN 1,500,000) plus VAT (18%), adjusted annually for Peruvian inflation.

As at December 31, 2025, the Company paid $435,000 (PEN 1,500,000) pursuant to the Annual Commitment. Assuming that the Peruvian annual inflation rate from 2024 will remain the same for the duration of the Community Agreement, the total undiscounted commitment is approximately $8,265,000 (PEN 28,500,000).

(Expressed in US dollars, except where noted)

21. INCOME TAXES

A summary of the Company's reclassification of income taxes at statutory rates for the years ended December 31, 2025 and 2024, is as follows:

	Years ended December 31, **2025**	2024
	$	$
Net loss for the year	**(35,456,836)**	(2,111,190)
Combined federal and provincial statutory income tax rates	**27%**	27%
Expected income tax recovery	**(9,396,062)**	(559,465)
Adjustments to expected income tax recovery:		
Non-deductible expenditures on warrants and non-taxable revenues	**8,415,303**	(190,723)
Change in statutory, foreign tax, foreign exchange rates and other	**(201,467)**	(50,923)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	**15,893**	-
Change in deferred income tax asset not recognized	**1,166,333**	801,111
	-	-

A summary of the Company's deferred tax assets and liabilities significant components is as follows:

	December 31, 2025	December 31, 2024
	$	$
Deferred income tax assets (liabilities)		
Share issuance costs and financing fees	**873,520**	316,358
Canadian non-capital losses carried forward	**2,308,861**	2,083,446
Foreign losses carried forward	**7,430,342**	5,774,695
Property, plant and equipment including right of use assets	**(28,088)**	623
Mining property and concessions	**(10,870,138)**	431,968
Exploration and evaluation costs	**(721,054)**	(6,053,228)
Pre-operational expenses	**4,263,410**	2,959,173
Asset retirement obligation	**3,900,764**	-
Lease liability	**31,975**	-
	7,189,592	5,513,035
Less: unrecognized deferred tax assets	**(7,189,592)**	(5,513,035)
	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	December 31, 2025	**Expiry date range**	December 31, 2024	Expiry date range
	$		$	
Temporary differences:				
Share issuance costs and financing fees	**3,296,301**	**2046 to 2049**	1,193,804	2045 to 2048
Non-capital losses	**22,293,737**	**See below**	18,413,273	See below
Property, plant and equipment	**3,019**	**No expiry date**	2,350	No expiry date
Non-capital losses by country				
Canada	**8,712,682**	**2040 to 2045**	7,862,060	2040 to 2044
Peru	**13,581,055**	**No expiry date**	10,551,213	No expiry date

22. SUBSEQUENT EVENTS

On January 18, 2026, 25,000 stock options of the Company with an exercise price of C$5.70 forfeited.

On January 13, 2026, the Company issued 108,661 common shares and warrants exercisable to acquire 108,661 common shares at an exercise price of $1.65 (C$2.025) pursuant to the exercise of broker warrants for gross proceeds of $179,291 (C$220,039).

On January 28, 2026, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on January 27, 2026, the Company issued 44,945 common shares with the fair value of $3.65 per share for an aggregate fair value of $164,004 as consideration for director and board advisory fees owing from July 1, 2025 to December 31, 2025 of $116,739. As a result, the Company recorded a loss on settlement of payables of $47,265.

On February 2, 2026, 66,000 stock options of the Company with an exercise price of $7.50 expired unexercised (Note 15(d)).

On February 9, 2026, 1,035,000 warrants of the Company with an exercise price of $6.75 expired unexercised (Note 13).

On February 12, 2026, 25,000 stock options of the Company with an exercise price of C$5.70 forfeited.

On February 20, 2026, 30,000 stock options of the Company with an exercise price of C$3.25 forfeited.

On February 26, 2026, the Company’s common shares commenced trading on the TSX under the symbol “AGMR”.

Subsequent to December 31, 2025, the Company issued 3,362,585 common shares pursuant to the exercise of warrants of the Company for gross proceeds of $6,533,122.