



PPX Mining Corp.
(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2025 AND 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

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

PPX Mining Corp.

Condensed Interim Consolidated Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

	As at March 31, 2025	As at September 30, 2024
ASSETS		
Current assets		
Cash	\$ 3,884,115	\$ 3,032,136
Restricted cash	67,603	5,123
Amounts receivable (note 5)	1,999,941	242,527
Prepays and advances	29,148	10,653
Total current assets	5,980,807	3,290,439
Non-current assets		
Advances for assets under construction (note 6)	1,406,226	-
Exploration and evaluation assets (note 6)	8,084,506	9,841,271
Property, plant and equipment (note 6)	2,461,971	1,579,603
Total assets	\$ 17,933,510	\$ 14,711,313
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities (notes 7 & 15)	\$ 1,945,805	\$ 1,299,255
Promissory notes (note 8)	215,810	203,594
Environmental rehabilitation provision (note 11)	379,358	356,216
Total current liabilities	2,540,973	1,859,065
Non-current liabilities		
Convertible debenture (note 10)	5,842,297	5,170,206
Derivative liability (note 10)	2,609,752	2,416,994
Gold stream facility (note 9)	3,150,939	2,317,774
Environmental rehabilitation provision (note 11)	586,961	539,292
Loan payable (note 12)	4,076,381	2,182,055
Total liabilities	18,807,303	14,485,386
Shareholders' equity (deficiency)		
Share capital (note 13)	68,781,814	68,781,814
Subscriptions received (note 18)	29,250	-
Reserves (note 13)	8,330,052	8,866,755
Deficit	(78,014,909)	(77,422,642)
Total shareholders' equity (deficiency)	(873,793)	225,927
Total liabilities and shareholders' equity (deficiency)	\$ 17,933,510	\$ 14,711,313

Nature of operations and going concern (note 1)

Commitments and contingencies (note 17)

Subsequent events (note 18)

Approved on behalf of the Board:

/s/ John Thomas

Director

/s/ Bruno Kaiser

Director

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

PPX Mining Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Operating expenses				
Communication and regulatory	\$ 18,968	\$ 19,884	\$ 26,273	\$ 27,321
Consulting fees, salaries and benefits (note 15)	409,323	140,066	538,954	325,023
Depreciation (note 6)	1,057	1,517	2,033	3,196
Office and miscellaneous	65,431	46,710	136,134	129,887
Premises	-	1,127	-	4,610
Professional fees (note 15)	118,708	45,920	289,712	155,269
Share based payments (notes 13 & 15)	-	17,850	-	17,850
Travel and promotion	5,216	6,957	11,933	20,487
Loss from operations	(618,703)	(280,031)	(1,005,039)	(683,643)
Finance and other items				
Loss on derivative liability revaluation (note 10)	(1,054,926)	(2,585,877)	(61,949)	(1,702,749)
Finance expense and other (note 4)	(204,978)	(230,338)	(556,544)	(482,667)
Foreign exchange (loss) gain	237,301	(138,541)	(794,582)	100,696
Gold streaming expense (note 9)	(458,260)	(335,215)	(1,095,633)	(738,218)
Net profit interest income (note 6)	713,293	66,603	3,252,427	165,255
Net smelter royalty (note 9)	(211,579)	(69,919)	(330,947)	(216,185)
Net loss before tax	\$ (1,597,852)	\$ (3,573,318)	(592,267)	(3,557,511)
Income tax recovery	-	351,887	-	416,603
Net loss	\$ (1,597,852)	\$ (3,221,431)	\$ (592,267)	\$ (3,140,908)
Other comprehensive (loss) income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	12,401	(322,721)	(536,703)	(165,013)
Total comprehensive loss	\$ (1,585,451)	\$ (3,544,152)	\$ (1,128,970)	\$ (3,305,921)
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares				
outstanding (basic and diluted)	685,779,474	636,077,828	685,779,474	636,077,828

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

PPX Mining Corp.

Condensed Interim Consolidated Statements of Cash Flows (Expressed in Canadian Dollars) (Unaudited)

	Six Months Ended March 31,	
	2025	2024
Operating activities		
Net loss for the period	\$ (592,267)	\$ (3,140,908)
Adjustments for:		
Accretion expense	295,195	220,842
Depreciation	2,033	3,196
Foreign exchange loss (gain)	794,582	(100,696)
Gain on derivative liability revaluation	61,949	1,702,749
Gold streaming expense	1,095,633	738,218
Interest expense	260,211	260,922
Net profit interest income	(3,252,427)	(165,255)
Net smelter royalty	330,947	216,185
Share based payments	-	17,850
	(1,004,144)	(246,897)
Changes in non-cash operating working capital:		
Increase in receivables	(1,757,414)	(176,629)
(Increase) decrease in prepaids	(18,495)	13,314
Decrease (increase) in accounts payable and accrued liabilities	359,484	(420,637)
Net cash flow used in operating activities	(2,420,569)	(830,849)
Financing activities		
Subscriptions received	29,250	133,333
Proceeds from loan payable	1,720,080	-
Interest paid on loan payable	(73,930)	-
Gold stream facility payments	(514,812)	(629,174)
Sale of royalty	1,433,445	-
Net cash flow from (used in) financing activities	2,594,033	(495,841)
Investing activities		
Additions to exploration and evaluation assets	(373,480)	(514,190)
Additions to property, plant and equipment	(774,451)	-
Advances for assets under construction	(1,406,226)	-
Net profit interest received	3,252,427	1,577,467
Net cash flow from investing activities	698,270	1,063,277
Impact of foreign exchange on cash balances	42,725	21,401
Net change in cash and restricted cash	914,459	(242,012)
Cash and restricted cash, beginning of period	3,037,259	805,761
Cash and restricted cash, end of period	\$ 3,951,718	\$ 563,749
Composition of cash and restricted cash:		
Cash	\$ 3,884,115	\$ 558,625
Restricted cash	67,603	5,124
Cash and cash equivalents, end of period	\$ 3,951,718	\$ 563,749
Increase in restricted cash	\$ (62,480)	\$ (3,114)

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

PPX Mining Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital			Reserves					Total Equity (Deficiency)
	Number of shares	Amount	Subscriptions received	Warrants	Share based payments	Other	Accumulated other comprehensive (loss)	Deficit	
Balance, September 30, 2023	636,077,828	\$ 65,853,341	\$ -	\$ 1,010,461	\$ 7,916,194	\$ 47,071	\$ (1,105,613)	\$ (72,095,608)	\$ 1,625,846
Subscriptions received	-	-	133,333	-	-	-	-	-	133,333
Share-based payments	-	-	-	-	17,850	-	-	-	17,850
Net loss	-	-	-	-	-	-	-	(3,140,908)	(3,140,908)
Other comprehensive loss	-	-	-	-	-	-	(165,013)	-	(165,013)
Balance, March 31, 2024	636,077,828	\$ 65,853,341	\$ 133,333	\$ 1,010,461	\$ 7,934,044	\$ 47,071	\$ (1,270,626)	\$ (75,236,516)	\$ (1,528,892)
Balance, September 30, 2024	685,779,474	\$ 68,781,814	\$ -	\$ 1,028,221	\$ 8,884,624	\$ 47,071	\$ (1,093,161)	\$ (77,422,642)	\$ 225,927
Subscriptions received	-	-	29,250	-	-	-	-	-	29,250
Net loss	-	-	-	-	-	-	-	(592,267)	(592,267)
Other comprehensive loss	-	-	-	-	-	-	(536,703)	-	(536,703)
Balance, March 31, 2025	685,779,474	\$ 68,781,814	\$ 29,250	\$ 1,028,221	\$ 8,884,624	\$ 47,071	\$ (1,629,864)	\$ (78,014,909)	\$ (873,793)

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

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

1. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

PPX Mining Corp. ("PPX Mining" or the "Company") is a publicly listed company incorporated under the Alberta Business Corporations Act on July 28, 1987; the Company's shares are traded on the Toronto Venture Exchange (the "TSX Venture Exchange"), and the Lima Stock Exchange (Bolsa De Valores De Lima). Following a number of name changes the Company became Peruvian Precious Metals Corp. on July 2, 2013 and then PPX Mining Corp. on August 4, 2016. The head office, principal address and records office of the Company are located at 82 Richmond Street East, Toronto, ON, M5C 1P1.

The Company is in the business of acquiring, exploring and evaluating mineral properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. As its principal business, the Company acquires and explores mineral properties in areas deemed to have relatively high potential for mining success. The Company's business plan is to engage in these mining activities on a long-term basis.

To maintain positive cash flow, the Company must rely on debt or equity financings, as well as proceeds from net profit interest received from the assignment of the Igor 4 concession to fund its operations. To date the Company's main source of funding has been the cash flow from the assignment of the Igor 4 mining concession and the issuance of equity securities and debt, through private transactions with sophisticated investors or public offerings to institutional and retail investors.

The unaudited condensed interim consolidated financial statements (the "Interim Financial Statements") have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. The Company has incurred operating losses since inception and has accumulated a deficit of \$78,014,909 as at March 31, 2025. As at March 31, 2025 the Company has cash of \$3,884,115 and a working capital of \$3,439,834.

The Company needs to raise funds in order to continue on as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available to cover its required funding or develop its mineral properties and / or cover general and administrative expenses necessary for the maintenance of a public company. The ability of the Company to arrange additional financing in the future depends in part, on the prevailing capital market conditions and mineral property exploration success. The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, interpretations of tax legislation in the emerging markets that the Company operates and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of the higher inflation and market volatility, may create further uncertainty and risk with respect to the prospects of the Company's business. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the Interim Financial Statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities, contingent obligations and commitments other than in the normal course of business and at amounts different from those in the Interim Financial Statements.

2. BASIS OF PRESENTATION

Statement of Compliance

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and follow the same accounting policies and methods of application as the annual consolidated financial statements of the Company for the year ended September 30, 2024, except as noted below under changes in accounting policies. The Interim Financial Statements do not contain all disclosures required by International Financial Reporting Standards ("IFRS") and accordingly should be read in conjunction with the 2024 annual consolidated financial statements and the notes thereto. The Interim Financial Statements were approved by the Board of Directors of the Company on May 28, 2025.

The Interim Financial Statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as set out in the accounting policies in note 3 of the 2024 annual consolidated financial statements.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

2. BASIS OF PRESENTATION (continued)

The preparation of consolidated financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended September 30, 2024.

3. CHANGES IN ACCOUNTING POLICIES AND STANDARDS

Adoption of New Accounting Standards

The Company has adopted the following new standards, along with any consequential amendments, effective October 1, 2024. These changes were made in accordance with the applicable transitional provisions. The adoption of the new standards and consequential amendments did not have a material impact on the Company's unaudited condensed interim consolidated financial statements.

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

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments did not have a material impact on the Company's consolidated financial statements.

Amendments to IAS 1: Non-current Liabilities with Covenants

This amendment specifies that only covenants that an entity is required to comply with on or before the reporting date affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, which must be considered when assessing whether to classify the liability as current or non-current. These amendments did not have a material impact on the Company's consolidated financial statements.

Accounting Standards Issued But Not Yet Effective

Amendments to IAS 21: Lack of Exchangeability

The amendment to IAS 21, The Effects of Changes in Foreign Exchange Rates, contains guidance on when a currency is exchangeable into another currency and how to determine the exchange rate when it is not. The amendment also adds a disclosure requirement when a currency is not exchangeable. The new amendment is effective for annual reporting periods beginning on or after January 1, 2025, with earlier adoption permitted. The Company is currently assessing the impact of these amendments.

IFRS 18: Presentation and Disclosure in Financial Statements

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 also 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 also 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. 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 consolidated financial statements.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements
For the Three and Six Months Ended March 31, 2025 and 2024
(Expressed in Canadian Dollars) (Unaudited)

4. FINANCE EXPENSE AND OTHER

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Gold stream facility interest expense (note 9)	\$ (46,877)	\$ 36,884	\$ 109,869	\$ 100,913
Convertible debenture interest expense and accretion (note 10)	175,717	180,649	337,433	356,523
Promissory note interest expense (note 8)	6,108	5,454	12,216	10,907
Accretion - environmental closure provision (note 11)	6,339	6,723	12,449	13,421
Accretion - loan payable (note 12)	62,842	-	83,439	-
Bank charges and other	849	628	1,138	903
Finance expenses and other	\$ 204,978	\$ 230,338	\$ 556,544	\$ 482,667

5. AMOUNTS RECEIVABLE

	As at March 31, 2025	As at September 30, 2024
Accounts receivable	\$ 1,867,244	\$ -
Sales tax and government receivables	132,697	242,527
	\$ 1,999,941	\$ 242,527

6. EXPLORATION AND EVALUATION ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Period ended March 31, 2025	Exploration and evaluation asset	Property, plant and equipment
Cost		
At September 30, 2024	\$ 9,841,271	\$ 1,747,974
Additions	329,599	774,451
Sale of royalty	(1,433,445)	-
Foreign exchange	(652,919)	120,149
Cost at March 31, 2025	\$ 8,084,506	\$ 2,642,574
Accumulated depreciation		
At September 30, 2024	\$ -	\$ 168,371
Depreciation	-	2,033
Foreign exchange	-	10,199
Accumulated depreciation at March 31, 2025	\$ -	\$ 180,603
Carrying value at March 31, 2025	\$ 8,084,506	\$ 2,461,971

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

6. EXPLORATION AND EVALUATION ASSETS AND PROPERTY, PLANT AND EQUIPMENT (continued)

Year ended September 30, 2024	Exploration and evaluation asset	Property, plant and equipment
<i>Cost</i>		
At September 30, 2023	\$ 8,819,586	\$ 1,607,601
Additions	969,971	143,907
Change in environmental rehabilitation provision	41,459	-
Foreign exchange	10,255	(3,534)
Cost at September 30, 2024	\$ 9,841,271	\$ 1,747,974
<i>Accumulated depreciation</i>		
At September 30, 2023	\$ -	\$ 162,836
Depreciation	-	5,797
Foreign exchange	-	(262)
Accumulated depreciation at September 30, 2024	\$ -	\$ 168,371
Carrying value at September 30, 2024	\$ 9,841,271	\$ 1,579,603

Exploration and Evaluation Assets

The Company, through its subsidiary Sienna Minerals S.A.C., has a 100% interest in the Igor Project, located in Northern Peru. The Igor Project totals approximately 1,300 hectares on four concessions. The production from the Igor 4 concessions is subject to the requirements of a gold streaming facility as disclosed in note 9.

During the year ended September 30, 2020, the Company's environmental license at the Igor 1 and 3 exploration projects expired. The Company intends to renew these licenses once exploration is continued. The Company holds an exploitation license for Igor 4 which expires on March 2026.

On January 2024, the Company completed a NI 43-101 Technical Resource Update for the Igor Project. As the Company ramps up the construction of the plant, this information will be used to develop a plan for additional exploration activities on Igor 1 and 3 and the required and relevant permits to complete these activities will be obtained.

As of March 31, 2025, the exploitation license for Igor 4 remains in good standing as the Company has obtained an extension.

The Company's spending in the Igor concessions for the three and six months ended March 31, 2025 and 2024 is as follows:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Drilling, road and site preparation	\$ 56,986	\$ 59,937	\$ 98,412	\$ 105,111
Salaries, claims maintenance and staking	68,648	104,160	129,151	219,004
Social development	32,282	58,993	77,431	164,702
Environmental	13,668	10,737	24,605	25,373
Total additions	\$ 171,584	\$ 233,827	\$ 329,599	\$ 514,190

The Company earned net profit interest income of \$713,293 and \$3,252,427, respectively (three and six months ended March 31, 2024 – \$66,603 and \$165,255, respectively) on the Igor 4 concession, which was recorded as other income in profit or loss during the three and six months ended March 31, 2025.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

6. EXPLORATION AND EVALUATION ASSETS AND PROPERTY, PLANT AND EQUIPMENT (continued)

Exploration and Evaluation Assets (continued)

a) *Agreement with Proyectos La Patagonia S.A.C. ("Patagonia" or "PLP")*

The Company entered into a commercial agreement with Patagonia, a Peruvian mining contractor, whereby the Company granted to Patagonia a right to mine the Igor 4 concession for a certain number of years. During the term of the agreement, the Company and Patagonia share the net profits from the mining operation in the Igor 4 concession, at a ratio of 70%/30% respectively and 75%/25% once the Company builds a processing plant to treat the ore from this concession.

Patagonia is responsible for obtaining all necessary permits and licenses to carry out mining operations on the Igor 4 concession in order to reach certain production milestones. The Company is responsible for building and installing a processing plant with a capacity of at least 150 MTPD and to be expanded to 350 MTPD, while Patagonia has the responsibility to maintain certain operating costs levels.

The Company can terminate the assignment agreement at any time subject to payments to Patagonia as follows:

- if terminated after November 1, 2019, US\$3,000,000 less US\$5 multiplied by the tons of ore extracted;
- if terminated before November 1, 2019, US\$4,000,000 less US\$5 multiplied by the tons of ore extracted;

The assignment agreement represents a joint operation as defined in IFRS 11, Joint Arrangements, and as such the Company recognizes its assets, liabilities, and its share of revenues and expenses from the operation. The Company's Igor 4 project remains in exploration stage and has not reached commercial production based on the criteria established in the 2024 NI 43-101 Technical Report.

On June 5, 2024 the Company subscribed the fourth amendment to the ongoing assignment agreement with PLP, extending the expiration of the assignment until December 31, 2024. This amendment ratified the initial Assignment Agreement, as well as the first, second and third amendments. In addition, it included certain clauses related to earlier termination of the agreement, if certain milestones to conclude negotiations of the new assignment agreement are not met.

On December 10, 2024 the Company signed a new assignment agreement with PLP until 2034 to operate Callanquitas. The main terms of this new assignment agreement are as follows:

- Structured through two contracts, one that regulates the business relationship among the parties before the processing plant becomes operational ("Phase 1 Contract") and a second contract, once the plant is fully operational ("Phase 2 Contract");
- Phase 1 Contract automatically expires once PPX notifies PLP that its new plant is operational and fully permitted;
- The Net Profit Interest ("NPI"), as defined in the Agreement, is split 75% to PPX and 25% to PLP in Phase 1 Contract; while 80% to PPX and 20% to PLP in Phase 2 Contract. In both cases, an improvement to PPX from the initial agreement that contemplated 70% to PPX and 30% to PLP;
- The new term has been set until the end of 2034, with specific early termination clauses, in the event the parties decide to terminate the agreement with or without cause;
- The Agreement contemplates an open book policy in respect to production and accounting records;
- A Steering Committee ("CTAN") composed by senior management representatives of each party was created. The CTAN will mainly coordinate budgeting, exploration, mining, processing and social aspects of the operation;
- Once Phase 2 Contract is in place, PPX will takeover the commercialization of the minerals produced in the Callanquitas Mine;
- The Agreement controls the mechanics for exploration expenses, capital cost and corporate expenses. Also, it provides guidance on how to liquidate assets in a termination event and at expiration of the Agreement; and
- Finally, the Agreement also covers the social and environmental responsibility of each party.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

6. EXPLORATION AND EVALUATION ASSETS AND PROPERTY, PLANT AND EQUIPMENT (continued)

Exploration and Evaluation Assets (continued)

b) Community Agreements

On February 14, 2018, the Company signed a ten-year agreement with the community of Callanquitas in Northern Peru that provides the Company with the Social License to conduct mining and exploration activities at the Igor Project, including the ongoing test-mining and bulk-sampling program at Igor 4 concession. The agreement provides for employment opportunities for the people of Callanquitas, improved road maintenance in the vicinity of the community, and infrastructure improvements to the local elementary school.

On November 20, 2018, the Company signed an agreement with the Igor community in Northern Peru that provides the Company with the Social License to build and operate the heap leach facility for processing of the ore from the Igor 4 concession. The agreement provides for employment opportunities for the people of the Igor community, improved road maintenance in the vicinity of the community, and infrastructure improvements to local schools and medical facility.

On August 18, 2023, the Company concluded a community meeting and workshop to update its environmental impact study (for small producers) with the objective of completing the requirements to amend its existing beneficiation plant permit (heap leach) to one in line with the new plant configuration that the Company is planning to build (CIL and flotation).

Property, Plant and Equipment

Property, plant and equipment at March 31, 2025 includes \$1,517,680 (September 30, 2024 - \$1,226,570) for construction expenses related to the gold and silver processing facility being built by the Company on the Igor 4 concession including spending for permits, design and engineering work. Advances for assets under construction at March 31, 2025 include \$1,406,226 (September 30, 2024 - \$nil) advanced for machinery and equipment to be received.

On February 14, 2024, the Company received from the regional authority of the Energy and Mines Ministry of Peru approval of the amendment of the Environmental Impact Study (EIAsd) for the IGOR Project beneficiation plant. This approval constitutes the acceptance of the F1 environmental portion of the permitting application that will allow the Company to build its CIL and Flotation processing plant at site. Days after this approval, the Company completed the submission of the final detail engineering portion of the permit application (F2). On September 19, 2024 the Company received its final construction permit for the CIL and Flotation plant.

Property, plant and equipment at March 31, 2025 include \$374,017 (September 30, 2024 - \$351,200) for land and \$565,414 (September 30, 2024 - \$nil) for work in progress.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	As at March 31, 2025	As at September 30, 2024
Trade payables	\$ 869,544	\$ 627,271
Due to related parties	240,000	-
Taxes payable	-	108,341
RIVI NSR accrual	836,261	563,643
Total accounts payable and accrued liabilities	\$ 1,945,805	\$ 1,299,255

The fair value of accounts payable and accrued liabilities approximates their carrying amount. Trade payables relate mainly to general admin, salary, and contractor services. These payables do not accrue interest and no guarantees have been granted.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (continued)

During the year ended September 30, 2024, the Company entered into a debt settlement agreement with a certain vendor to settle \$20,000 of outstanding trade payables by issuing 400,000 units of the Company (the "Units") at a deemed issue price of \$0.05 per Unit. On May 28, 2024, the Company issued 400,000 Units to settle the outstanding trade payables. Each Unit is comprised of one common share (a "Common Share") and one common share purchase warrant of the Company (a "Warrant"). Each Warrant is exercisable into one Common Share at a price of \$0.07 per Common Share and expires on May 28, 2026. The fair value of the common share portion of the Units issued was \$22,000 based on a fair value of \$0.055 per common share, and the fair value of the warrant portion of the Units issued was estimated to be \$17,760 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.055, risk free interest rate of 4.28%, expected volatility of 190.17%, dividend yield of 0%, forfeiture rate of 0%, and an expected life of 2 years (note 13).

8. PROMISSORY NOTES

On June 30, 2019, the Company entered into an unsecured promissory note agreement to repay amounts owing to the former CFO of the Company. The promissory note has a principal amount of \$112,160, bears interest at 12% per annum payable semi-annually, starting on December 31, 2019, and matured on June 30, 2020.

	Six Months Ended March 31, 2025	Year Ended September 30, 2024
Balance, beginning of period/year	\$ 203,594	\$ 181,781
Accrued interest	12,216	21,813
Balance, end of period/year	\$ 215,810	\$ 203,594

9. LONG TERM DEBT

	Six Months Ended March 31, 2025	Year Ended September 30, 2024
GEOs produced on top of principal portion of the stream facility		
Balance, beginning of period/year	\$ 2,317,774	\$ 1,333,909
Gold streaming expense	1,095,633	1,455,872
Gold stream facility payments	(514,812)	(691,213)
Interest expense	109,869	234,866
Foreign exchange	142,475	(15,660)
Balance, end of period/year	3,150,939	2,317,774
Non-current portion	\$ 3,150,939	\$ 2,317,774

On October 10, 2016, the Company entered into an agreement with RIVI Opportunity Fund LP ("RIVI") to provide the Company with an investment of US\$5 million in return for a Metal Purchase Agreement ("Gold Stream Facility" or the "Facility") on future precious metal production from the Company's Igor 4 concession, further amended on November 21, 2017. RIVI is entitled to receive the greater of 10% of the Company's portion of the combined production of gold and silver ounces from the Igor 4 concession on a Gold Equivalent Ounce ("GEO") basis and 50 GEOs at a price per GEO of the lesser of US\$400 or 80% the market price of gold on a monthly basis.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

9. LONG TERM DEBT (continued)

The Company received the first tranche of US\$2.5 million on October 11, 2016 and the second tranche on December 13, 2017 (total net proceeds of US\$4.550 million (\$5,907,855), net of US\$225,000 finder and restructuring fees for each tranche). The Company incurred total transaction costs of \$875,940 in relation to the gold stream facility, including \$584,833 (US\$450,000) for the finder and restructuring fees; \$288,113 and \$587,827 of the transaction costs were incurred respectively, during the years ended September 30, 2018 and 2017.

The Facility was classified as a financial liability at FVTPL and is revalued at its fair value on each subsequent reporting date with the changes in the fair value recorded in profit or loss. Due to the uncertainty of the total expected ounces to be delivered and the timing of cash flows, the Facility is currently recorded at its face value with the derivative measured at a nominal value.

The first tranche payment was subject to interest of 10% per annum, payable quarterly in US\$ and accruing on daily balances until the end of the third month after certain production milestones were met. The amended agreement signed on November 21, 2017 (the "Amended Agreement") provides for interest at 12%, payable quarterly in US\$ and accruing daily on the full amount of the investment of US\$5 million, until a contractual production threshold at Igor 4 has been met. Such threshold was met during the year ended September 30, 2022.

The amended agreement provides that until equivalent dollar amount of 20,000 GEOs have been delivered to RIVI, the GEOs will include:

- all production from the Igor 4 concession and any other sources from the first 700 tons of ore processed at the Company's plant in any given day;
- production from only Igor 4 for any production above the 700 tons of ore processed in any given day and after 20,000 GEOs have been delivered to RIVI.

The principal balance of US\$5 million is reduced as the GEOs are delivered to RIVI. The amount of reduction for each period is determined based on the GEOs from the Igor 4 pre-production, multiplied by the difference between the market price of gold and the lesser of US\$400 or 80% the market price of gold. The face value of the gold stream facility at March 31, 2025 and September 30, 2024 was \$nil. Upon expiry of the term which is the earlier of 40 years and depletion of the mine, any balance remaining unpaid shall be refunded to RIVI.

During the three and six months ended March 31, 2025, the Company paid to RIVI \$469,307 and \$514,812, respectively (three and six months ended March 31, 2024 – \$497,437 and \$629,174, respectively) related to GEOs produced. The stream facility at March 31, 2025 and September 30, 2024 entirely relates to amounts due to RIVI for GEOs produced and not yet paid until that respective date.

During the period ended March 31, 2025, resulting from additional GEOs produced, the Company accrued an additional amount of \$1,095,633 (US\$771,174) (period ended March 31, 2024 - \$738,218 (US\$543,774)) in gold streaming expense.

Seventy-two months after the Monthly Production Milestone has been met, or when 20,000 GEOs have been delivered under the Gold Stream Agreement (whichever occurs first), the Company has the option to reduce RIVI's entitlement to 5% of the GEOs produced on the Igor 4 concession by making a one-time payment of US\$5 million to RIVI, subject to the price of gold being greater than US\$1,200 per ounce. These conditions have not yet been met as at March 31, 2025.

The Company granted RIVI a first and preferred mining tenements mortgage of US\$5 million on the Igor concession and surface land and general security interest (the "Security") over all of the present and after-acquired assets within the property. The Security provided to RIVI will cease once the Company has fully paid the US\$5 million investment by RIVI.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

9. LONG TERM DEBT (continued)

On April 30, 2021, the Company signed a Net Smelter Royalty Agreement with RIVI, whereby RIVI is granted an option to acquire a royalty equal to 2% of Net Smelter Returns ("NSR") over the Igor, Igor 3 and Igor 4 concessions, in exchange for reducing \$637,000 (US\$500,000) of the amounts owed to RIVI by the Company. In addition, the Company has the option to repurchase 1% of the NSR royalty for US\$750,000 until October 21, 2021. The \$637,000 (US\$500,000) reduction in the amounts owed to RIVI by the Company was recorded to reduce the Company's exploration and evaluation assets and to reduce the accrued interest during the year ended September 30, 2021.

On June 1, 2023, the Company entered into a letter agreement with RIVI, whereby the Net Smelter Royalty Agreement was amended such that the royalty obligation thereunder shall not commence (and none shall be deemed to have accrued) until January 1, 2023, in consideration for US\$540,000 payable to RIVI by the Company. From and after January 1, 2023, the royalty obligations shall commence in accordance with the terms of the Net Smelter Royalty Agreement. In addition, the option to repurchase 1% of the NSR royalty is extended in perpetuity at the same price, US\$750,000, but limited to the Igor and Igor 3 concessions. The Igor 4 concession in which the Callanquitas mine is located is excluded from this repurchase extension. During the year ended September 30, 2023, the Company made the payment in the amount of \$732,903 (US\$540,000) and recognized a gain on the amendment of the Net Smelter Royalty Agreement in the amount of \$294,478.

During the three and six months ended March 31, 2025, the Company recorded NSR expense of \$153,250 and \$272,618, respectively (three and six months ended March 31, 2024 – \$69,919 and \$216,185, respectively).

On February 19, 2023, the Company entered into an amended and restated gold and silver purchase agreement (the "Amended and Restated GPA") with RIVI, whereby the Company and RIVI have agreed, to restructure the Company's streaming and payment obligations under the original gold and silver purchase agreement dated October 10, 2016 between the Company and RIVI, as amended (the "Original GPA").

The Amended and Restated GPA provides for the following material changes to the Original GPA:

- Convertible Debenture

The due and outstanding balance of US\$5,399,946 owing to RIVI under the Original GPA as at September 30, 2022 will be entirely satisfied by the issuance by the Company of a secured convertible debenture to RIVI for this amount (the "Convertible Debenture"). The Convertible Debenture will mature on the third anniversary of the date of issue and bears interest at a rate of 5% per annum, payable semi-annually. RIVI may convert all or any part of the principal amount outstanding into common shares of the Company (the "Shares"), at a conversion price of US\$0.04 per Share (subject to adjustment), subject to a restriction on any conversion which would result in RIVI owning, on a post-conversion basis, more than 19.9% of the outstanding Shares with the approval of the TSX Venture Exchange. The Company may prepay all or any portion of the Principal Amount without penalty. The obligations under the Convertible Debenture will be secured by the same security package granted under the Original GPA (and which continue under the Amended and Restated GPA) (note 10).

- Restructuring of Stream Obligations

The Original GPA contemplated monthly delivery obligations to RIVI equal to 10% of the gold equivalent ounces produced in its Callanquitas Mine (the "Stream Percentage"), currently operated by Patagonia and subject to certain production milestones. Even though the Amended and Restated GPA continues to accrue gold equivalent ounces under the same Stream Percentage, the maximum delivery obligation is linked to 30% of the monthly collected net profit interest attributable to the Company from Patagonia (the "NPI"), rather than the number of gold equivalent ounces produced in the Callanquitas mine. Any refined metals required to be delivered in excess of the monthly maximum will accrue in a stream account (with interest at 2.00% per month) until repaid in full. When the Company receives an annual bulk payment from Patagonia, it must use up to 40% of such payment to satisfy any accrued stream obligations and interest.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

9. LONG TERM DEBT (continued)

- Removal of Default NSR Royalty Provisions

In the Amended and Restated GPA, all default provisions under the Original GPA that would have required the Company to grant to RIVI a net smelter returns royalty were eliminated (including any net smelter returns royalties that RIVI may have earned, but not granted, prior to the entering into of the Amended and Restated GPA).

During the period ended March 31, 2025, the Company accrued interest of \$109,869 (US\$64,164) (period ended March 31, 2024 - \$100,913 (US\$74,236)) related to the refined metals required to be delivered in excess of the monthly maximum per the Amended and Restated GPA. As at March 31, 2025, there was \$381,197 (US\$265,162) (September 30, 2024 - \$271,327 (US\$200,998)) accrued interest outstanding.

On December 13, 2024, the Company signed a definitive silver royalty agreement (the "Agreement") with Silver Crown Royalties Inc. ("SCRI"). The Agreement contemplates the sale of a royalty (the "Royalty") for up to 15% of the cash equivalent of silver produced from PPX's Mina Callanquitas at its Igor 4 mining concession, located in La Libertad, Peru (the "Project"), less customary deductions, for aggregate proceeds of US\$2,470,000. The first tranche of US\$1,000,000 is to be paid on closing ("Closing"), which was received on February 6, 2025, with the second tranche of US\$1,470,000 (the "Second Tranche") to be paid within six months of Closing. Upon Closing, SCRI will be granted a Royalty for 6% of the cash equivalent of silver produced from the Project, which will automatically be increased to 15% upon completion of the Second Tranche. If the Second Tranche is not completed within 6 months of Closing, PPX will have the right to repurchase the royalty for US\$1,000,000, less any Royalty payments made to date. The Royalty will be payable immediately, based on current operations at the Project and will provide for minimum deliveries of the cash equivalent of 14,062.5 ounces of silver per quarter up to a total of 225,000 ounces. Minimum deliveries will be applicable the earlier of: a) October 1, 2025; and b) the startup of metallurgical operations at the beneficiation plant, currently under construction. Upon the delivery of the cash equivalent of 225,000 ounces of silver to SCRI, the silver royalty will automatically terminate. The \$1,433,445 (US\$1,000,000) received for the closing of the first tranche was recorded to reduce the Company's exploration and evaluation assets during the period ended March 31, 2025.

During the three and six months ended March 31, 2025, the Company recorded NSR expense of \$58,329 (three and six months ended March 31, 2024 - \$nil).

10. CONVERTIBLE DEBENTURE

On February 19, 2023, the Company issued a convertible debenture to RIVI in connection to the stream restructuring totaling \$7,282,907 (US\$5,399,946) (note 9). The conversion feature does not meet the fixed-for-fixed criteria and therefore is an embedded derivative that is assessed separately from the host liability. The fair value of the derivative liability on initial recognition was estimated to be \$1,596,617 using the Black-Scholes model with the following assumptions: share price of \$0.02, risk free interest rate of 3.87%, expected volatility of 125.9%, and an expected life of 3 years. The derivative liability was revaluated as at March 31, 2025 to \$2,609,752 (September 30, 2024 - \$2,416,994) using the Black-Scholes model with the following assumption: share price of \$0.04, risk free interest rate of 3.87%, expected volatility of 160.9%, and an expected life of 1.75 years (September 30, 2024 - share price of \$0.04, risk free interest rate of 3.87%, expected volatility of 162.8%, and an expected life of 1.39 years). The host liability was accreted using an effective interest rate of 8.28% over their term, such that the carrying amount will equal the total face value at maturity.

During the year ended September 30, 2024, RIVI opted to convert US\$500,000 principal amount of its convertible debenture for 12,500,000 common shares of the Company to RIVI at a deemed issue price of US\$0.04 per common share. On April 23, 2024, the Company issued 12,500,000 common shares at a total value of \$1,355,463, resulting in \$589,913 of the host liability and \$765,550 of the derivative liability being transferred from loan to equity.

During the period ended March 31, 2025, the Company and RIVI agreed to defer the maturity date of the convertible debenture from February 19, 2026 to December 31, 2026.

During the year ended September 30, 2024, the Company repaid \$101,301 (US\$75,000) of interest payable.

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

10. CONVERTIBLE DEBENTURE (continued)

Convertible debentures as at March 31, 2025 includes \$545,579 (US\$379,507) (September 30, 2024 - \$380,683 (US\$282,009)) of interest payable.

Convertible debenture	Liability Component	Derivative Liability Component	Total
Balance, September 30, 2023	\$ 5,086,098	\$ 2,133,864	\$ 7,219,962
Accretion and interest expense	685,532	-	685,532
Foreign exchange	89,790	26,546	116,336
Interest payment	(101,301)	-	(101,301)
Shares issued for conversion of convertible debenture	(589,913)	(765,550)	(1,355,463)
Loss on derivative liability revaluation	-	1,022,134	1,022,134
Balance, September 30, 2024	\$ 5,170,206	\$ 2,416,994	\$ 7,587,200
Accretion and interest expense	337,433	-	337,433
Foreign exchange	334,658	130,809	465,467
Loss on derivative liability revaluation	-	61,949	61,949
Balance, March 31, 2025	\$ 5,842,297	\$ 2,609,752	\$ 8,452,049

The maturity analysis of the undiscounted contractual balances of the convertible debenture is as follows:

As at March 31, 2025

Less than one year	\$ -
One to three years	5,606,562
Total undiscounted convertible debenture	5,606,562
Amount representing implicit interest	235,735
Convertible debenture	\$ 5,842,297

11. ENVIRONMENTAL REHABILITATION PROVISION

	Six Months Ended March 31, 2025	Year Ended September 30, 2024
Balance, beginning of year	\$ 895,508	\$ 828,558
Accretion	12,449	27,329
Change in estimates	-	41,459
Foreign exchange	58,362	(1,838)
Balance, end of year	966,319	895,508
Current portion	379,358	356,216
Non-current portion	\$ 586,961	\$ 539,292

The environmental rehabilitation provision is calculated using a risk free-rate of 4.375% and inflation rate of 3.24%, with the rehabilitation and remediation spending expected to incur starting 2023. The total undiscounted estimated rehabilitation provision at March 31, 2025 is \$963,716 (US\$670,364) (September 30, 2024 – \$904,925 (US\$670,364)).

As at March 31, 2025, \$379,358 (September 30, 2024 – \$356,216) of the environmental rehabilitation provision is classified as current as the exploration permits for the Igor and Igor 3 concessions have expired and have not been renewed.

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Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

12. LOAN PAYABLE

On December 29, 2023, the Company and a major shareholder entered into a definitive agreement for a US\$6,000,000 debt facility to fund most of the capital cost for the CIL and flotation plant that the Company intends to build in its Igor Project, located in La Libertad, Peru. The plant will process oxides and sulfides currently mined from its high-grade Callanquitas Mine, and other important satellite deposits that constitute part of the project in the near future. The first tranche of the US\$6,000,000 debt facility will be funded once certain conditions precedent are met.

The key terms of this financing are as follows:

- US\$6,000,000 total debt facility to be disbursed in 4 tranches;
- 11.75% annual interest rate;
- 1.5 years grace period, paying only interest, to cover the construction and commissioning periods;
- 3 years principal repayment period, following the grace period;
- The facility will be administered through a trust structure that will guarantee the repayment of the loan obligations as it is secured by the Company's NPI with PLP. In addition, other trusts will be established to ensure the construction funding flow and to protect the surface rights and shares of the Peruvian subsidiary holding the construction and processing permits;
- Total and partial prepayments are authorized with no penalties; and
- A 3% finder's fee payable in shares of the Company is applicable to this transaction.

On September 19, 2024, the Company closed the first tranche of the construction facility (the "Loan") provided by its major shareholder and received gross proceeds of \$2,424,240 (US\$1,800,000). On September 25, 2024, in connection with the loan agreement, the Company issued 5,634,545 common shares at a fair value of \$0.045 per share for a total value of \$253,555 as payment for finder's fee (note 13).

On January 15, 2025, the Company closed the second tranche of the Loan provided by its major shareholder and received gross proceeds of \$1,720,080 (US\$1,200,000).

During the period ended March 31, 2025, the Company repaid \$73,930 (US\$52,875) of the principal balance.

Balance, September 30, 2023	\$ -
Proceeds received, net of issuance costs	2,170,685
Accretion and interest expense	2,617
Foreign exchange	8,753
Balance, September 30, 2024	2,182,055
Proceeds received	1,720,080
Accretion and interest expense	83,439
Foreign exchange	164,737
Principal payment	(73,930)
Balance, March 31, 2025	\$ 4,076,381

The maturity analysis of the undiscounted contractual balances of the loan is as follows:

As at March 31, 2025

Less than one year	\$ -
One to three years	4,240,618
Total undiscounted loan payable	4,240,618
Amount representing implicit interest	(164,237)
Loan payable	\$ 4,076,381

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

13. SHARE CAPITAL

a) Authorized

Unlimited number of common shares, without par value; and unlimited number of preference shares, without par value.

b) Issued

On April 18, 2024, the Company closed its non-brokered private placement (the "Private Placement") of 30,000,000 units of the Company (the "Private Placement Units") at a price of \$0.045 per Private Placement Unit for gross proceeds of \$1,350,000. Each Private Placement Unit is comprised of one common share and one common share purchase warrant of the Company (a "Private Placement Warrant"). Each Private Placement Warrant is exercisable into one common share at a price of \$0.07 per common share and expires on April 18, 2026.

The gross proceeds of \$1,350,000 were allocated between share capital (in the amount of \$1,350,000) and the warrant reserve within reserves (in the amount of \$nil) based on the residual value method. In connection with the Private Placement, the Company issued 1,167,101 Private Placement Units as finder's fee. The Company incurred share issuance costs of \$105,065, including legal fees of \$52,545 and \$52,520 in finder's Units. The entire value of the finder's Units were allocated to the share portion and \$nil was allocated to the warrant portion.

See note 7 for common shares issued for settlement of payables, note 10 for common shares issued for partial conversion of the convertible debenture, and note 12 for common shares issued as payment for finder's fee.

c) Reserves

Share purchase options

Pursuant to the Company's share option plan (the "Option Plan"), the Company may grant incentive share options to directors, officers, employees and consultants of the Company or any subsidiary thereof. The total number of shares issuable pursuant to the Option Plan is up to a maximum of 10% of the issued and outstanding common shares of the Company at any given time. The exercise price of each share option shall not be lower than the market price or such discount from the market price as may be permitted by the stock exchange on which the common shares are listed and provided that no share option shall have a term exceeding ten years (or such longer period as is permitted by the stock exchange on which the common shares are listed). The Board of Directors determines the vesting terms of the options which may vary between grants.

The number of share options issued to insiders of the Company within a one-year period cannot exceed 10% of the number of common shares outstanding; no one eligible optionee can hold share options that represent more than 5% of the total common shares issued and outstanding. Finally, there may not be issued to any one insider and such insider's associates, within a one-year period, a number of share options exceeding 5% of the number of common shares outstanding.

Movements in the Company's share options for the period ended March 31, 2025 and year ended September 30, 2024 are as follows:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, September 30, 2023	30,000,000	0.04
Granted	16,750,000	0.07
Balance, September 30, 2024 and March 31, 2025	46,750,000	0.05

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Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

13. SHARE CAPITAL (continued)

c) Reserves (continued)

On March 1, 2024, the Company granted 1,000,000 share options to certain employees of the Company. The options vested immediately at the date of grant, are exercisable at a price of \$0.05 per share and expire on March 1, 2031. The fair value of the options granted was estimated to be \$17,850 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.02, risk free interest rate of 3.42%, expected volatility of 129.71%, dividend yield of 0%, forfeiture rate of 0%, and an expected life of 7 years.

On April 26, 2024, the Company granted 15,750,000 share options to certain directors and officers of the Company. The options vested immediately at the date of grant, are exercisable at a price of \$0.07 per share and expire on March 28, 2031. The fair value of the options granted was estimated to be \$950,580 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.065, risk free interest rate of 3.81%, expected volatility of 133.66%, dividend yield of 0%, forfeiture rate of 0%, and an expected life of 6.92 years.

Option pricing models require the input of subjective assumptions including the expected price volatility and the expected option life. Expected price volatility was calculated based on the Company's historical share prices. Changes in these assumptions can materially affect the estimated fair value of the stock options granted.

During the three and six months ended March 31, 2025, the Company recorded share-based payments \$nil (three and six months ended March 31, 2024 – \$17,850).

The summary of the Company's options outstanding and exercisable as at March 31, 2025 is as below:

Share purchase options (continued)

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
September 22, 2029	0.04	4.48	15,000,000	15,000,000
March 3, 2030	0.04	4.93	15,000,000	15,000,000
March 1, 2031	0.05	5.92	1,000,000	1,000,000
March 28, 2031	0.07	5.99	15,750,000	15,750,000
	0.05	5.16	46,750,000	46,750,000

Warrants

Movements in the Company's warrants for the period ended March 31, 2025 and year ended September 30, 2024 are as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, September 30, 2023	-	-
Granted in the Private Placement (note 13(b))	31,167,101	0.07
Granted for Settlement of Payables (note 7)	400,000	0.07
Balance, September 30, 2024 and March 31, 2025	31,567,101	0.07

The summary of the Company's warrants outstanding and exercisable as at March 31, 2025 is as below:

PPX Mining Corp.

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(Expressed in Canadian Dollars) (Unaudited)

13. SHARE CAPITAL (continued)

c) Reserves (continued)

Warrants (continued)

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Warrants Outstanding
April 18, 2026	0.07	1.05	31,167,101
May 28, 2026	0.07	1.16	400,000
	0.07	1.05	31,567,101

14. SEGEMENT INFORMATION

The Company operates in one reportable operating segment, being mineral exploration. Geographic segment information of the Company as at March 31, 2025 and September 30, 2024, and for the six months ended March 31, 2025 and 2024 is as follows:

	As at March 31, 2025			As at September 30, 2024		
	Canada	Peru	Total Company	Canada	Peru	Total Company
Total assets	\$ 1,553,117	\$ 16,380,393	\$ 17,933,510	\$ 700,194	\$ 14,011,119	\$ 14,711,313
Total non-current assets	\$ -	\$ 11,952,703	\$ 11,952,703	\$ -	\$ 11,420,874	\$ 11,420,874
Total liabilities	\$ 13,134,485	\$ 5,852,437	\$ 18,986,922	\$ 10,669,456	\$ 3,815,930	\$ 14,485,386

	Six Months Ended March 31, 2025			Three Months Ended March 31, 2024		
	Canada	Peru	Total Company	Canada	Peru	Total Company
Net income (loss)	\$ (3,461,179)	\$ 2,689,293	\$ (771,886)	\$ (3,598,400)	\$ 457,492	\$ (3,140,908)

15. RELATED PARTY TRANSACTIONS

The Company's key management personnel consist of the Company's officers, directors and companies associated with them.

Compensation includes consulting and professional fees paid to a company in which the Chief Executive Officer is an owner, a company in which the Chief Financial Officer is an owner, and amounts paid to the Executive Chairman.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Consulting fees, salaries and benefits	\$ 366,000	\$ 91,000	\$ 462,000	\$ 200,000
Professional fees	12,000	-	24,000	12,000
	\$ 378,000	\$ 91,000	\$ 486,000	\$ 212,000

Accounts payable and accrued liabilities at March 31, 2025 includes \$240,000 (September 30, 2024 – \$nil) due to related parties. The balances owing are non-interest bearing. Related party transactions are conducted in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

The Company has agreements with certain members of key management. In the event that there is a change of control as defined by the agreements, the Company is committed to pay severance payments of salary which amounts to a total of \$408,000. In the event of termination without notice or cause, certain senior management would be entitled to a total of \$204,000.

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Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

16. FINANCIAL INSTRUMENTS

Carrying values of financial instruments

The carrying values of the financial assets and liabilities at March 31, 2025 and September 30, 2024 are as follows:

	As at March 31, 2025	As at September 30, 2024
Financial Assets		
<i>At fair value through profit or loss</i>		
Cash	\$ 3,884,115	\$ 3,032,136
Restricted cash	67,603	5,123
<i>At amortized cost</i>		
Accounts receivable (note 5)	1,867,244	-
	\$ 5,818,962	\$ 3,037,259
Financial Liabilities		
<i>At fair value through profit or loss</i>		
Gold stream facility (note 9)	\$ 3,150,939	\$ 2,317,774
Derivative liability (note 10)	2,609,752	2,416,994
<i>At amortized cost</i>		
Accounts payable and accrued liabilities (note 7)	1,945,805	1,299,255
Promissory notes (note 8)	215,810	203,594
Convertible debenture (note 10)	5,842,297	5,170,206
Loan payable (note 12)	4,076,381	2,182,055
	\$ 17,840,984	\$ 13,589,878

Fair values of financial instruments

The fair value of amounts receivables, accounts payable and accrued liabilities, promissory notes, convertible debenture, and loan payable approximate their carrying amounts due to their short terms to maturity.

The fair value hierarchy of financial instruments measured at fair value on the statement of financial position is as follows:

	As at March 31, 2025	As at September 30, 2024
	Level 1	Level 1
Cash	\$ 3,884,115	\$ 3,032,136
Restricted cash	\$ 67,603	\$ 5,123
	Level 3	Level 3
Gold stream facility (note 9)	\$ 3,150,939	\$ 2,317,774
Derivative liability (note 10)	\$ 2,609,752	\$ 2,416,994

PPX Mining Corp.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Six Months Ended March 31, 2025 and 2024 (Expressed in Canadian Dollars) (Unaudited)

17. COMMITMENTS AND CONTINGENCIES

The Company has ongoing commitments with the Callanquitas and Igor communities as described in the Community Agreement section of note 6.

As at March 31, 2025, the Company has undiscounted environmental closure costs (note 11) for remediation and rehabilitation work on the Company's Igor properties of \$963,716 (US\$670,364).

During the year ended September 30, 2021, the Company was notified of a claim filed by Patagonia against the Company, for damages as a result of incomplete construction of the processing plant. On November 5, 2023, the Supreme Court of Lima dismissed the case on the basis that any dispute between the parties must be settled by arbitration, as per the terms of the assignment agreement between Sienna Minerals SAC and PLP. As at March 31, 2025, no arbitration claim has been filed by PLP.

On August 5, 2016, Peruvian Precious Metals Corp. (former name of PPX Mining Corp.) was notified of a claim filed by Abraham Gleiser Ludmir requesting the payment of an unpaid finder's fee. The Company's local counsel is in the view that the case shall be dismissed on the bases that the Company honoured such payment to a related third party of Mr. Gleiser which signed the finder's fee agreement with the Company. During the fiscal year the court resolved in favour of Mr. Gleiser. Following to that decision, the Company filed an appeal to the next court level.

Based on Peruvian laws governing mining concessions, the Company is required to achieve certain minimum production requirements within the twentieth year counted from the year following the year in which the mining concessions title is granted to avoid certain penalties.

On October 19, 2024, the Company subscribed an Engineering Procurement and Construction (EPC) Agreement with Sertecpet de Peru S.A. to build most of PPX's 350 tpd CIL and Flotation plant at the Igor Project. The budget of the EPC contract is US\$5,719,442, plus applicable sales taxes.

On November 18, 2024 the Company announced a contract with JPC EC for the construction of leaching tanks for the 350 tpd CIL and Flotation plant. The budget of the JPC EC contract is US\$817,000, plus applicable sales taxes.

On December 10, 2024, the Company also entered into a settlement with PLP regarding past past claims between the parties. This settlement reset the relationship between the Company and PLP. The main terms of the settlement are:

- Both parties agreed to terminate past legal claims in respect to certain unfulfilled obligations; and
- As part of the settlement the Company renegotiated how the NPI distribution was being calculated. The revised calculation of the net profit interest that was subsequently agreed upon is to be applied retrospectively to the calendar 2023 year, resulting in an additional settlement payment of S/3,667,911 that is to be paid to the Company by PLP through monthly instalments between fiscal year 2025 to 2027.

18. SUBSEQUENT EVENTS

On May 5, 2025, the Company closed its non-brokered private placement (the "Offering") of 17,828,945 units of the Company (the "Units") at a price of \$0.045 per Unit for gross proceeds of \$802,303. Each Unit is comprised of one common share and one common share purchase warrant of the Company. Each warrant is exercisable into one common share at a price of \$0.07 per common share and expires on May 5, 2027. During the period ended March 31, 2025, the Company received \$29,250 of the gross proceeds and was recorded as subscriptions received as at March 31, 2025.

In connection with the Offering, the Company issued 572,096 units (the "Finder's Units") to arm's length finders of the Company as consideration for finder's fees. Each Finder's Unit is comprised of one common share and one non-transferable common share purchase warrant of the Company (a "Finder's Warrant"). Each Finder's Warrant is exercisable into one common share at a price of \$0.07 per common share and expires on May 5, 2027.