



Candelaria Mining Corp.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended July 31, 2024 and 2023

Prepared by Management

(Expressed in thousands of Canadian dollars)

Candelaria Mining Corp.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended July 31, 2024 and 2023

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited interim condensed consolidated financial statements of Candelaria Mining Corp, (the "Company") have been prepared by and are the responsibility of Company's management and approved by the Company's Audit Committee and Board of Directors.

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

We hereby give notice that the Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

October 1, 2024

Candelaria Mining Corp.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in thousands of Canadian dollars)

As at:		July 31, 2024	April 30, 2024
	Notes	(\$)	(\$)
Assets			
Current assets:			
Cash		125	282
Other receivables and prepaids expenses	4	38	42
		163	324
Non-current assets:			
Other receivables – non-current	4	1,541	1,668
Exploration and evaluation assets	7	3,257	3,257
		4,798	4,925
Total assets		4,961	5,249
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities		1,893	1,995
Debenture	8	3,130	3,257
Caballo Blanco acquisition payable	7	1,036	1,031
		6,059	6,283
Non-current liabilities:			
Caballo Blanco acquisition payable	7	664	646
Total liabilities		6,723	6,929
Shareholders' equity (deficiency)			
Share capital	9	60,983	60,983
Equity reserves		14,606	14,423
Deficit		(77,351)	(77,086)
Total shareholders' equity (deficiency)		(1,762)	(1,680)
Total liabilities and shareholders' equity (deficiency)		4,961	5,249
Nature of operations and going concern	1		
Subsequent events	16		

Approved by the Board of Directors on October 1, 2024, and signed on the Company's behalf by:

"Hector Gonzalez"
Director

"Luis Chavez"
Director

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

Candelaria Mining Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in thousands of Canadian dollars, except share and per share amounts)

		Three months ended July 31,	
	Note	2024	2023
		(\$)	(\$)
General and administration expenses			
Exploration expense	14	53	349
Consulting and professional fees	11	62	93
General and administrative		18	25
Regulatory and filing fees		3	–
Stock-based compensation	10	–	29
Other (expense) income:			
Finance cost	7 & 8	159	137
Foreign exchange loss		(30)	(94)
Net loss		265	539
Other comprehensive loss			
Items that may be reclassified subsequently to profit or (loss)			
Foreign currency translation adjustment		(183)	(789)
Total loss and comprehensive loss		82	(250)
Weighted average number of common shares outstanding			
Basic and diluted (000's)		149,873	149,873
Loss per share			
Basic and diluted loss per share	13	\$ 0.00	\$ 0.00

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

Candelaria Mining Corp.

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

(Unaudited - Amount expressed in thousands of Canadian dollars, except where indicated)

	Note	Number of common shares (000's)	Share capital (\$)	Equity reserves (\$)	Translation reserves (\$)	Deficit (\$)	Total (\$)
Balance as at April 30, 2024		149,873	60,983	12,294	2,129	(77,086)	(1,680)
Foreign currency translation adjustment		–	–	–	183	–	183
Loss for the period		–	–	–	–	(265)	(265)
Balance as at July 31, 2024		149,873	60,983	12,294	2,312	(77,351)	(1,762)
Balance as at April 30, 2023		149,873	60,983	12,364	1,078	(62,840)	11,585
Stock based compensation	10	–	–	29	–	–	29
Foreign currency translation adjustment		–	–	–	789	–	789
Loss for the period		–	–	–	–	(539)	(539)
Balance as at July 31, 2023		149,873	60,983	12,393	1,867	(63,379)	11,864

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

Candelaria Mining Corp.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed in thousands of Canadian dollars)

	Note	Three months ended July 31,	
		2024	2023
		(\$)	(\$)
Cash (used in) provided by:			
Operating activities:			
Net loss for the period	\$	(265)	(539)
Items not involving cash:			
Unrealized foreign exchange		–	(94)
Stock based compensation		–	29
Finance cost	8	138	65
Accretion	7	21	70
Changes in non-cash working capital:			
Other receivable and prepaid expense		(2)	44
Accounts payable and accruals		(43)	(50)
Cash used in operating activities		(151)	(475)
Effect of foreign exchange rate changes on cash		(6)	5
Effect of foreign exchange rate changes on cash		(6)	5
Decrease in cash		(157)	(470)
Cash, beginning of the period		282	1,089
Cash, end of the period	\$	125	\$ 619

During the three months ended July 31, 2024 and 2023, the Company paid \$nil and \$nil in income taxes, and paid \$nil and \$nil in interest respectively.

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

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

1 Nature of Operations and Going Concern

Candelaria Mining Corp. (“Candelaria” or the “Company”) is a British Columbia public company listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “CAND”. The Company was incorporated under the Business Corporations Act of British Columbia on January 23, 2012. The Company’s registered and records office is located at Suite 1200, 750 West Pender Street, Vancouver, BC, Canada, V6C 2T8. The address of the Company’s head office is 1201 - 1166 Alberni Street, Vancouver, BC V6E 3Z3.

The Company’s principal business activities include the acquisition, exploration and development of resource properties in the Americas.

Going Concern

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has not yet generated income or cashflow from operations. As at July 31, 2024, the Company had cash of \$125 (April 30, 2024 - \$282), a working capital deficit of \$5,896 (April 30, 2024 - \$5,959) and an accumulated deficit of \$77,351 (April 30, 2024 - \$77,086). For the period ended July 31, 2024, the Company incurred a net loss of \$265 (July 31, 2023 – loss of \$539). The Company will require additional financing, through various means including but not limited to equity financings, to continue with its exploration and development programs and to meet its future obligations and administrative expenses. There is no assurance that the Company will be successful in raising the additional required funds.

These events and conditions indicate that a material uncertainty exist that may cast significant doubt on the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2 Basis of Presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed interim consolidated financial statements were approved for issuance by the Board of Directors on October 1, 2024.

Certain amounts have been reclassified in the prior year financial statements to conform to the current year presentation.

Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The functional and the presentation currency of these condensed interim consolidated financial statements is the Canadian dollars; therefore, references to \$ means Canadian dollars, US\$ are to U.S. dollars and MXN\$ to Mexican pesos.

Use of estimates and judgments

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

The preparation of financial statements in conformity with IFRS, requires management to select accounting policies and make estimates and judgments that may have a significant impact on the condensed interim financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The Company's critical accounting judgements and estimates were presented in Note 2 of the annual audited consolidated financial statements as at April 30, 2024 and have been consistently applied in the preparation of these condensed interim consolidated financial statements. No new estimates and judgements were applied for the period ended July 31, 2024.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company, and the entities controlled by the Company (its subsidiaries), as follows:

Subsidiary	Place of Incorporation	Functional Currency	Beneficial Interest
Candelaria Mining Corp. (Parent company)	Canada	Canadian dollar	N/A
Grupo Minero Candelaria, S.A.P.I. de C.V.	Mexico	Canadian dollar	100%
Maquila de Minerales, S.A. de C.V.	Mexico	Canadian dollar	100%
Minera Apolo, S.A. de C.V. ("Apolo")	Mexico	Canadian dollar	100%
Minera Catanava, S.A. de C.V.	Mexico	Canadian dollar	100%
Minera Caballo Blanco, S.A. de C.V.	Mexico	Canadian dollar	100%

Control exists when the Company has power over an investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Company's returns. All intercompany balances and transactions have been eliminated upon consolidation.

3 Material Accounting Policy Information

These condensed interim consolidated financial statements do not include all note disclosures required by IFRS for annual financial statements and, therefore, should be read in conjunction with the audited annual financial statements for the year ended April 30, 2024. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the three months ended July 31, 2024, are not necessarily indicative of the results that may be expected for the year ending April 30, 2025.

The following new standards and amendments to standards and interpretations, which become effective for current periods.

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current. The amendment clarified the guidance on whether a liability should be classified as either current or non-current. The amendments are applied retrospectively for annual periods beginning on or after January 1, 2024.
- Amendments to IFRS 16 – Lease liability in a Sale and Leaseback. The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. These amendments are effective for annual periods beginning on or after January 1, 2024.
- Amendments to IAS 7 – Requiring entities to provide qualitative and quantitative information about their supplier finance arrangements. In connection with the amendments to IAS 7, the IASB also issued amendments to IFRS 7 requiring entities to disclose whether they have accessed, or have access to, supplier finance arrangements that would

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

provide the entity with extended payment terms or the suppliers with early payment terms. These amendments are effective on January 1, 2024

The Company did not encounter any material effects from the implementation of new standards or amendments in 2024.

4 Other Receivables and Prepaid Expenses

	July 31, 2024	April 30, 2024
Other receivables	\$ 24	\$ 17
IVA receivables*	1,541	1,668
Prepaid expenses	14	25
	\$ 1,579	\$ 1,710
Current portion	\$ 38	\$ 42
Non current portion	\$ 1,541	\$ 1,668

*IVA receivables are value added tax receivables in Mexico that generally apply to all imports, supplies of goods, and the provision of services by a taxable person unless specifically exempted by a particular law. The tax is imposed by the federal government of Mexico and ordinarily applies on each level of the commercialization chain.

5 Financial Instruments

As at July 31, 2024, the Company's financial instruments comprise cash, other receivables, accounts payable and accrued liabilities, debenture, and Caballo Blanco payable. The fair values of the Company's financial instruments approximate their carrying values due to their short-term maturity.

Fair value of financial instruments:

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The three levels of the fair value hierarchy are:

- 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
- Level 3 – Inputs that are not based on observable market data.

The Company's activities expose it to financial risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are credit risk, liquidity risk and currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and other receivables. The Company's cash is held through large Canadian and Mexican financial institutions, while the Company's other receivables primarily consist of trade receivables that the Company continues to collect. These trade receivables are primarily with government agencies and are not subject to significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

manages liquidity risk through the management of its capital structure. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

The Company ensures that sufficient funds are raised from equity offerings or debt financings to meet its operating requirements, after considering existing cash balances, expected exercise of share purchase warrants, and stock options. The Company's ability to continue as a going concern involves significant judgements and estimates while determining forecasted cashflows and is dependent on the Company's ability to obtain financing (note 1). Most of the Company's financial liabilities have contractual maturities of 30 days or less and are subject to normal trade terms.

Interest Rate Risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has interest-bearing financial instruments in relation to debt (note 8). The Company's exposure to interest rate risk is minimal as the interest rates are at a fixed percentage on the term of the loan.

Foreign Exchange Risk

The Company is exposed to currency risk by having balances and transactions in currencies that are different from its functional currency. The Company operates in foreign jurisdictions, which uses the Mexican pesos and U.S. dollars. The Company does not use derivative instruments to reduce upward, and downward risk associated with foreign currency fluctuations.

	US Dollars	Mexican Peso
Cash	\$ 11,143	\$ 26,057
Other receivables and prepaids expenses	-	1,547,028
Accounts payable and accrued liabilities	(880,226)	-
Debenture	(3,129,655)	-
Caballo Blanco acquisition payable	(1,700,151)	-
Net financial (liabilities) assets	\$ (5,698,889)	\$ 1,573,085

A 10% change in the U.S. dollar exchange rate relative to the Canadian dollar would change the Company's comprehensive loss by \$570. A 10% change in the Mexican peso exchange rate relative to the Canadian dollar would change the Company's comprehensive loss by \$157.

Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

6 Equipment

	Cost	Depreciation	Net Book Value
Balance, April 30, 2023	\$ 575	\$ -	\$ 575
Impairment	(615)	-	(615)
Foreign exchange movement	40	-	40
Balance, April 30, 2024 and July 31, 2024	\$ -	\$ -	\$ -

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

7 Exploration and Evaluation Assets

	Pinos Mining Project	
Balance, April 30, 2023	\$	11,289
Impairment		(8,874)
Foreign exchange movement		842
Balance, April 30, 2024 and July 31, 2024	\$	3,257

Pinos Mining Project

On February 27, 2015, the Company, entered into an agreement (the “Agreement”) with the shareholders of Apolo to acquire 60% of Apolo’s issued and outstanding common shares. On December 5, 2018, the Company announced that it has agreed to issue 7,075,472 of the Company’s common shares to the shareholder of Apolo to acquire the remaining 40% of the shares of Minera Apolo.

On July 31, 2020, the Company acquired the remaining 40% of Apolo. As consideration, the Company issued 7,075,472 shares with a fair value of \$3,750. Additionally, the Company committed to pay an additional US\$50 twelve months after achieving a production milestone of 250 tons per day, US\$100 twenty-four months after, and US\$150 thirty-six months after. The Company also incurred transaction costs of \$16. Since there was no change in control of Apolo, a reversal of the non-controlling interest of \$1,763 was recorded. The net impact of \$2,003 was recognized as a deficit.

The Company granted a 1.5% NSR on the Apolo Property to the shareholders of Apolo. The Company will have a right of first refusal on the NSR.

On November 25, 2020, the Company sold a 0.5% net smelter return royalty (“NSR”) on production from the Pinos Project to Empress Royalty Corp. (“Empress”) for \$974 (US\$750). The Company can buy back 0.25% of this NSR, from Empress, for US\$937.

Empress also purchased an additional 0.5% NSR from a previous royalty holder on the Pinos Project, for a total of a 1.0% NSR on the Pinos Project.

The Pinos Project, in total, is subjected to NSR royalties of 2.5%.

The rights holder of the Company’s Debenture as disclosed in note 8 to the condensed interim consolidated financial statements was transferred to Goldgroup Mining Inc. (“Goldgroup). On August 14, 2024, Goldgroup issued a notice to the Company regarding events of default under the Debenture. The Debenture is secured by a trust agreement that holds the shares of Apolo, which could be foreclosed by Goldgroup if the Company is unable to repay the Debenture. The difference between the carrying value of the Pinos Project and the Debenture constitutes an impairment indicator; consequently, an impairment of \$8,874 was recorded for the Pinos Project as at April 30, 2024.

Mineral interest in Caballo Blanco

On May 11, 2016, the Company signed an agreement to acquire the Caballo Blanco Gold Project (“Caballo Blanco”) in Veracruz, Mexico from Molimentales Del Noroeste, S.A. de C.V. (“Molimentales”), a subsidiary of Argonaut Gold Inc. Pursuant to the terms of the agreement, the Company will pay Molimentales a total of US\$12.5 million in cash and assume US\$5 million in liabilities in exchange for the project and all related rights and assets.

Pursuant to the terms of the agreement, the Company will acquire the Caballo Blanco project in exchange for cash payments to be paid over a period of twelve months. The Company has fulfilled all of terms and payments except for US\$750 (\$1,031 as at April 30, 2024). This amount will be paid out to the vendor of Caballo Blanco when one of the concessions, which is currently under legal dispute, reaches legal settlement.

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

The Company agreed to assume a US\$5.0 million payment obligation owing to Goldgroup Mining Inc (“Goldgroup”). On August 18, 2016, the Company settled a US\$5 million contingent payment to Goldgroup in exchange for US\$3.1 million in payments. Pursuant to the settlement, the Company has paid US\$2.5 million. This was paid directly from Credipresto; as a result, the Company issued a corresponding US\$2.5 million convertible debenture. The remaining balance is US\$600 (\$825 as at April 30, 2024), to be paid upon SEMARNAT approval.

Caballo Blanco is subjected to two separate underlying royalty commitments as defined below:

- a) Almaden Minerals Limited retains a 1.5% NSR
- b) A 3rd party (arm’s length) retains an NSR as follows:
 - 1.25% NSR up to 1,000 tonnes per day
 - 1.00% NSR from 1,001 to 1,500 tonnes per day
 - 0.75% NSR from 1,501 to 10,000 tonnes per day
 - 0.5% NSR from 10,001 or more tonnes per day

As at July 31, 2024, the Company expects the liability to be settled in 2 years. The face value of US\$600 is discounted over 2 years with the discount rate of 13%.

	July 31, 2024	April 30, 2024
Opening balance	\$ 1,677	\$ 1,578
Accretion expense	21	73
Foreign exchange movement	2	26
	\$ 1,700	\$ 1,677
Current portion	\$ 664	\$ 646
Non - current portion	1,036	1,031

8 Debenture

On June 24, 2020, the Company closed a US\$9,000 medium term loan facility (“Debenture”) with Accendo Banco, S.A., Institucion de Banca Multiple (“Accendo”). Funds advanced under the Debenture were used for financing construction of the Company’s Pinos mining project and working capital purposes. The Debenture is secured by a trust agreement that holds the shares of Apolo, will bear interest at 13% per annum (default rate 26% per annum), and have a term of 60 months from the initial draw date. The Company withdrew US\$1,500 (\$2,040) upon execution of the Debenture, with the balance to be made available on completion of final loan documentation.

In connection with the Debenture, Accendo received a cash fee from the Company of 2% of the drawn amount of the Debenture, as well as 18 million non-transferable share purchase warrants (the “Bonus Warrants”). Each Bonus Warrant will entitle Accendo to purchase one common share of the Company at a price (the “Exercise Price”) of \$0.11 per share for a period of 60 months. The warrants and other transaction costs were determined to be prepayment for financing services in relation to the funds available under the Debenture. The transaction costs have been recorded as a deferred asset on the statement of financial position and will be recognized against the liability and amortized into finance cost as amounts are drawn.

On September 28, 2021, the Mexican National Banking and Securities Commission notified Accendo of the revocation of its authorization to organize and operate as a multiple banking institution due to Accendo falling below the regulatory minimum

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

levels of liquidity coverage ratio of the institution. The Company was not expecting to draw additional funds under the loan facility in the short term. Due to these events, the Company anticipates that its ability to draw any future funds may be impaired. As a result, the remainder of the transaction costs recorded as a deferred asset on the statement of financial position have been recognized in the statement of loss and comprehensive loss for the year ended April 30, 2022.

On August 14, 2024, the Company received a default notice from Goldgroup demanding repayment of the Debenture. In response to the default notice, the Company recognized the remaining unamortized transaction costs in the statement of loss and comprehensive loss and reclassified the Debenture as a current liability. The following table is the carrying value of the Debenture:

	Amounts
Balance, April 30, 2023	\$ 2,018
Interest accrued	658
Accretion	587
Foreign exchange movement	(6)
Balance, April 30, 2024	\$ 3,257
Interest accrued	\$ 138
Accretion	-
Foreign exchange movement	(265)
Balance, July 31, 2024	\$ 3,130

9 Share Capital

The Company's authorized share capital consists of an unlimited number of common shares without par value.

There were no common share transactions during the three months ended July 31, 2024 and the year ended April 30, 2024.

Share purchase warrants

The continuity of the number of share purchase warrants outstanding is as follows:

	Warrants outstanding ('000)	Weighted average exercise price
Outstanding, April 30, 2023 and 2024	27,380	\$ 0.29
Issued	-	-
Expired	-	-
Exercised	-	-
Outstanding, July 31, 2024	27,380	\$ 0.29

There was no purchase warrants issued during the three months ended July 31, 2024 and the year ended April 30, 2024.

Details of the Company share purchase warrants outstanding are as follows:

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

Expiry date	Number of warrants ('000)	Outstanding		Remaining contractual life (years)
		Exercise price		
21-Sep-24	8,811	\$ 0.65		0.14
29-Oct-24	569	0.65		0.25
28-Jun-25	18,000	0.11		0.91
	27,380	\$ 0.29		

10 Stock Based Compensation

The Company has a share purchase option plan which provides for equity participation in the Company by its directors, officers, employees, consultants and consultant companies through the acquisition of common shares pursuant to the grant of options to purchase shares of the Company. The option plan is administered by the Board of Directors. Options may be granted on such terms as the Board may determine within the limitations of the option plan and subject to the rules and policies of applicable regulatory authorities. The maximum number of common shares reserved for issuance, in the aggregate, under the plan is 10% of the aggregate number of common shares issued and outstanding to be granted under certain restrictions. The exercise price for options granted may not be less than the market price of the shares on the day immediately preceding the date of the grant of the option.

The continuity of the number of stock options issued and outstanding are as follows:

	Number of stock options ('000)	Weighted average exercise price
Outstanding, April 30, 2023	8,035	\$ 0.25
Issued	-	0.00
Expired	(75)	1.00
Cancelled	(7,480)	0.25
Outstanding, April 30, 2024 and July 31, 2024	480	\$ 0.23

During the three months ended July 31, 2024 and the year ended April 30, 2024, the Company did not grant stock options.

As at July 31, 2024, the number of stock options outstanding and exercisable were:

Expiry date	Outstanding		Exercisable	
	Number of stock options ('000)	Exercise price	Remaining contractual life (years)	Number of stock options
27-Jul-25	280	\$ 0.30	0.99	280
27-Apr-27	200	0.14	2.74	200
	480	\$ 0.23		480

During the three months ended July 31, 2024, the Company recognized stock-based compensation related to stock options totaling \$nil (three months ended July 31, 2023 – \$29).

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

11 Related Party Transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel which consists of senior executive management and directors. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. Compensation provided to key management personnel is as follows:

	Three months ended July 31,	
	2024	2023
Professional fees	\$ 42	\$ 34
Stock based compensation	-	5

Professional fees were paid and accrued to firms of which one of the partners has been the Chief Financial Officer, Chief Executive Officer or President of the Company during 2024 and 2023.

As at April 30, 2024, the Company had amounts payable of \$12 (2023 - \$907) to these parties. These amounts are unsecured and non-interest bearing, due on demand and included in accounts payable and accrued liabilities.

12 Capital Management

The capital of the Company consists of items included in shareholder's (deficiency) equity. The Company's objectives for capital management are to safeguard its ability to support the Company's normal operating requirement on an ongoing basis, continue the development and exploration of its mineral properties and support any expansionary plans.

The Company manages its capital structure and makes adjustments in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. As at July 31, 2024, the Company will require to raise additional capital resources to support its normal operating requirements, planned development and exploration of its mineral properties. There are no externally imposed capital requirements to which the Company has not complied.

There has been no change to the Company's approach to capital management during the three months ended July 31, 2024.

13 Segment Disclosures

The Company operates in a single operating segment: mineral exploration in Mexico. Details of the investments in exploration and evaluation assets are disclosed in Notes 7 and 14. The Company's non-current assets are located in Mexico.

14 Exploration Expenses

During the three months ended July 31, 2024, the Company incurred exploration expenses related to general project investigations and evaluation expenses across various projects.

Candelaria Mining Corp.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended July 31, 2024 and 2023

(Unaudited - Amounts expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

	Caballo Blanco		Pinos		Total
Salary, consulting and administration	\$	-	\$	24	\$ 24
Equipment maintenance and rental		-		-	-
Concessions and permitting		29		-	29
Period ended July 31, 2024		29		24	53
Project to date – July 31, 2024	\$	5,465	\$	4,255	\$ 9,720

During the three months ended July 31, 2023, the Company incurred exploration expenses related to general project investigations and evaluation expenses across various projects

	Caballo Blanco		Pinos		Total
Salary, consulting and administration	\$	-	\$	34	\$ 34
Equipment maintenance and rental		-		1	1
Concessions and permitting		249		65	314
Period ended July 31, 2023		249		100	349
Project to date – July 31, 2023	\$	5,249	\$	4,088	\$ 9,337

15 Loss per share

Basic loss per share amounts is calculated by dividing the net loss for the year by the weighted average number of common shares outstanding during the period.

	Three months ended July 31,	
	2024	2023
Loss attributable to common shareholders	\$ 265	\$ 539
Weighted average number of shares ('000)	149,873	149,873
Basic and diluted loss per share	\$ 0.00	\$ 0.00

16 Subsequent events

On September 21, 2024, a total of 8.811 million share purchase warrants expired unexercised.