



**AZTEC MINERALS CORP.**

**Consolidated Financial Statements**

**(stated in Canadian dollars)**

**Years ended December 31, 2024 and 2023**

To the Shareholders of Aztec Minerals Corp.:

## Opinion

We have audited the consolidated financial statements of Aztec Minerals Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024, and the consolidated statement of loss and other comprehensive loss, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statement, including material accounting policy information.

In our opinion, the accompanying consolidated financial statement present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board.

## Basis for Opinion

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

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statement, which indicates that the Company had a deficit as at December 31, 2024 and is dependent on its ability to receive continued financial support from its investors or to obtain public equity financing. As stated in Note 1 these events or conditions, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to be communicated in our report.

## Other Matter

The consolidated financial statement for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on April 26, 2024.

## Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Vancouver, British Columbia

April 9, 2025

*MNP LLP*

Chartered Professional Accountants

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Consolidated Statements of Financial Position

(Stated in Canadian dollars)

	Notes	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		\$ 1,109,496	\$ 485,590
Receivables	4(b)	264,278	106,165
Prepays, current		147,061	239,192
Total Current Assets		1,520,835	830,947
<b>Non-Current Assets</b>			
Prepays, non-current		3,117	62,527
Mineral property interests	4, 7	13,606,123	11,585,558
Equipment	5	945	1,432
Total Non-Current Assets		13,610,185	11,649,517
Total Assets		\$ 15,131,020	\$ 12,480,464
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	7	\$ 754,656	\$ 455,496
<b>Shareholders' Equity</b>			
Share capital	6(b)	24,379,225	20,884,941
Reserve for share-based payments	6(c)	2,256,050	1,641,057
Deficit		(12,258,911)	(10,501,030)
Total Shareholders' Equity		14,376,364	12,024,968
Total Liabilities and Shareholders' Equity		\$ 15,131,020	\$ 12,480,464

Nature of operations and going concern (Note 1)

Subsequent events (Note 12)

Approved on behalf of the Board:

/s/ *Simon Dyakowski*

/s/ *Patricio Varas*

Director

Director

Refer to the accompanying notes to the consolidated financial statements.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Consolidated Statements of Comprehensive Loss

(Stated in Canadian dollars)

		Years ended December 31,	
	Notes	2024	2023
<b>Expenses:</b>			
Accounting and audit		\$ 121,709	\$ 56,019
Amortization	5	487	848
Consulting		235,500	-
Employee remuneration	7	352,239	404,470
Legal		32,275	3,687
Office and sundry		123,048	107,292
Regulatory		56,554	70,530
Shareholder relations		359,700	684,999
Share-based payments	6 (c), 7	607,674	564,988
<b>Operating loss</b>		<b>(1,889,186)</b>	<b>(1,892,833)</b>
Interest income		20,244	11,907
Other income	4(b)	53,508	147,504
Foreign exchange loss		(9,081)	(79,130)
<b>Net loss and comprehensive loss for the year</b>		<b>\$ (1,824,515)</b>	<b>\$ (1,812,552)</b>
<b>Basic and diluted loss per share</b>		<b>\$ (0.02)</b>	<b>\$ (0.02)</b>
<b>Weighted average number of common shares outstanding</b>		<b>114,445,141</b>	<b>96,182,410</b>

Refer to the accompanying notes to the consolidated financial statements.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Consolidated Statements of Changes in Shareholders' Equity

(Stated in Canadian dollars)

	Notes	Share Capital		Reserve for		Total
		Number of Shares	Amount	Share-Based Payments	Deficit	
Balance, December 31, 2022		90,149,594	\$ 18,379,155	\$ 1,255,315	\$ (8,979,586)	\$ 10,654,884
Private placement	6(b)	11,270,007	2,527,625	117,580	-	2,645,205
Share issue expenses	6(b)	-	(51,557)	-	-	(51,557)
Finders fees - warrants issued	6(b), 6(d)	-	(7,141)	7,141	-	-
Exercise of stock options	6(b)	200,000	36,859	(12,859)	-	24,000
Expiration of stock options	6(c)	-	-	(152,629)	152,629	-
Expiration of warrants	6(d)	-	-	(138,479)	138,479	-
Share-based payments	6(c)	-	-	564,988	-	564,988
Comprehensive loss for the year		-	-	-	(1,812,552)	(1,812,552)
Balance, December 31, 2023		101,619,601	20,884,941	1,641,057	(10,501,030)	12,024,968
Private placement	6(b)	21,639,504	3,603,581	71,530	-	3,675,111
Share issue expenses	6(b)	-	(154,874)	-	-	(154,874)
Finders fees - warrants issued	6(b), 6(d)	-	(28,162)	28,162	-	-
Exercise of stock options	6(b)	400,000	73,739	(25,739)	-	48,000
Expiration of stock options	6(c)	-	-	(66,634)	66,634	-
Share-based payments	6(c)	-	-	607,674	-	607,674
Comprehensive loss for the year		-	-	-	(1,824,515)	(1,824,515)
Balance, December 31, 2024		123,659,105	\$ 24,379,225	\$ 2,256,050	\$ (12,258,911)	\$ 14,376,364

Refer to the accompanying notes to the consolidated financial statements.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

(Stated in Canadian dollars)

	Years ended December 31,	
	2024	2023
<b>Cash provided from (used by):</b>		
<b>Operations:</b>		
Loss for the year	\$ (1,824,515)	\$ (1,812,552)
Items not involving cash:		
Amortization	487	848
Share-based payments	607,674	564,988
Unrealized foreign exchange (loss) gain	(9,463)	3,162
	(1,225,817)	(1,243,554)
Changes in non-cash working capital items:		
Receivables	(158,112)	198,366
Prepays, current	92,131	(108,631)
Accounts payable and accrued liabilities	(114,892)	(87,651)
Cash used by operating activities	(1,406,690)	(1,241,470)
<b>Financing:</b>		
Issuance of common shares	3,675,111	2,645,205
Share issue expenses	(154,874)	(51,557)
Exercise of stock options	48,000	24,000
Cash provided from financing activities	3,568,237	2,617,648
<b>Investing:</b>		
Mineral property interests	(1,547,104)	(2,358,482)
Cash used by investing activities	(1,547,104)	(2,358,482)
<b>Foreign exchange loss (gain) on cash held in foreign currency</b>	9,463	(3,162)
<b>Increase (decrease) in cash</b>	623,906	(985,466)
Cash, beginning of year	485,590	1,471,056
<b>Cash, end of year</b>	\$ 1,109,496	\$ 485,590

Refer to the accompanying notes to the consolidated financial statements.



# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

(Stated in Canadian dollars)

		Years ended December 31,	
	Notes	2024	2023
<b>Non-cash financing and investing activities:</b>			
Accrual for mineral property interests		\$ 632,782	\$ 218,732
Fair values of common shares issued for:			
Exercise of stock options		25,739	12,859
Fair value of:			
Finders fee warrants	6(d)	28,162	7,141
Fair values from cancellation/expiration of:			
Stock options	6(c)	66,634	152,629
Warrants	6(d)	-	138,479
Interest paid		-	-
Income taxes paid		-	-

Refer to the accompanying notes to the consolidated financial statements.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 1. Nature of Operations and Going Concern

Aztec Minerals Corp. (the “Company”) was incorporated on July 6, 2007, under the laws of British Columbia, Canada. The address of the Company’s registered office is 910 – 800 West Pender Street, Vancouver, BC, Canada, V6C 2V6 and its principal place of business is 1030 – 505 Burrard Street, Vancouver, BC, Canada, V7X 1M5.

The Company is in the mineral exploration business and has not yet determined whether its mineral property interests contain reserves. The recoverability of amounts capitalized for mineral property interests is dependent upon the ability of the Company to arrange appropriate financing as needed, the discovery of reserves, the development of its properties, confirmation and maintenance of the Company’s interest in the underlying properties, the receipt of necessary permitting, and upon future profitable production or proceeds from the disposition thereof.

The Company has no operating revenues, has incurred a net loss of \$1,824,515 for the year ended December 31, 2024 (2023 - \$1,812,552), and has a deficit of \$12,258,911 as at December 31, 2024 (December 31, 2023 - \$10,501,030). These consolidated financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent on the ability of the Company to raise debt or equity financings, and the attainment of profitable operations. Management would need to raise the necessary capital to meet its planned business objectives. There can be no assurance that management’s plans will be successful. These matters indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

## 2. Basis of Presentation

### (a) Statement of compliance:

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

### (b) Approval of consolidated financial statements:

These consolidated financial statements were approved by the Company’s Board of Directors on April 9, 2025.

### (c) Basis of presentation:

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value, as disclosed in Note 9. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 2. Basis of Presentation (continued)

### (d) Functional currency and presentation currency:

The functional and presentation currencies of the Company and its subsidiaries are the Canadian dollar. Amounts recorded in a foreign currency are translated into Canadian dollars as follows:

- Monetary assets and liabilities at the exchange rate at the consolidated statement of financial position date;
- Non-monetary assets and liabilities at historical exchange rates, unless such items are carried at fair value, in which case they are translated at the exchange rate in effect on the date which the fair value was determined; and
- Revenue and expense items at the rate of exchange in effect on the transaction date.

Exchange gains and losses are recorded in profit or loss in the period in which they occur.

### (e) Critical accounting estimates and judgments:

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements along with the reported amounts of revenues, if any, and expenses during the period. Actual results may differ from these estimates and, as such, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management estimates relate to the variables used in the determination of the fair values of stock options granted and finders fee warrants issued. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future financial performance and cash flows.

The Company applies judgment in assessing whether material uncertainties exist that would cast significant doubt as to whether the Company could continue as a going concern.

The Company applies judgment in assessing the functional currency of each entity consolidated in these consolidated financial statements. The functional currency of the Company and its subsidiaries is determined using the currency of the primary economic environment in which that entity operates.

At the end of each reporting period, the Company assesses each of its mineral property interests to determine whether any indication of impairment exists. Judgment is required in determining whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of mineral property interests are budgeted or planned; and results of exploration and evaluation activities.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

### (a) Basis of consolidation:

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Aztec Minerals America Corp. (USA) and Aztec Minerals (Mexico) JV Corp. (“Aztec Mexico JV”) (Canada) which owns a 100% interest in Minera Azteca Dorada S.A. de C.V (Mexico). The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All significant intercompany transactions and balances are eliminated on consolidation.

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Non-controlling interests in the net assets are identified separately from the Company’s deficiency. The non-controlling interest consists of the non-controlling interest as at the date of the original acquisition plus the non-controlling interest’s share of changes in equity or deficiency since the date of acquisition.

### (b) Financial instruments:

#### (i) Initial recognition and measurement

A financial asset is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss. A financial asset is measured at amortized cost if it meets the conditions that: (i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and (iii) is not designated as fair value through profit or loss.

#### (ii) Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at fair value through profit or loss*

Financial assets measured at fair value through profit and loss are carried in the consolidated statements of financial position at fair value with changes in fair value therein, recognized in profit or loss.

##### *Financial assets at fair value through other comprehensive income (loss) (“FVTOCI”)*

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies (continued)

### (b) Financial instruments: (continued)

#### (ii) Subsequent measurement (continued)

##### *Financial assets measured at amortized cost*

A financial asset is subsequently measured at amortized cost, using the effective interest method.

#### (iii) Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- The contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### (iv) Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled, or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

#### (v) Fair value hierarchy

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

### (c) Impairment of non-financial assets:

The carrying amounts of non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and is recorded as an expense in profit or loss.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies (continued)

### (c) Impairment of non-financial assets: (continued)

The recoverable amount is the higher of an asset's "fair value less costs to sell" for the asset's highest and best use, and "value-in-use". Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. "Fair value less costs to sell" is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. For mining assets this would generally be determined based on the present value of the estimated future cash flows arising from the continued development, use or eventual disposal of the asset. In assessing these cash flows and discounting them to the present value, assumptions used are those that an independent market participant would consider appropriate. In assessing "value-in-use", the estimated future cash flows expected to arise from the continuing use of the assets in their present form and from their disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

For the purposes of impairment testing, mineral property interests are allocated to cash-generating units to which the exploration or development activity relates. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### (d) Mineral property interests:

The Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property acquisition or staking costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed or the Company's mineral rights are allowed to lapse.

All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. If an indicator of impairment is identified, an assessment of the recoverable amount of the property is required. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, provision is made for the impairment in value.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the property interests are abandoned or the claims are allowed to lapse.

From time to time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of a property option agreement. As the property options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable in the future are not recorded. Property option payments are recorded as property costs or recoveries when the payments are made or received, respectively. When the amount of recoveries exceeds the total amount of capitalized costs of the property, the amount in excess of costs is credited to profit or loss.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies (continued)

### (e) Title to mineral property interests:

The Company has investigated rights of ownership of all of its mineral properties/concessions and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties/concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

### (f) Realization of assets:

The Company's investment in and expenditures on its mineral property interests comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent on establishing legal ownership of the properties, on the attainment of successful commercial production or from the proceeds of their disposal. The recoverability of the amounts shown for mineral property interests is dependent upon the existence of reserves, the ability of the Company to obtain necessary financing to complete the development of the properties, and upon future profitable production or proceeds from the disposition thereof.

### (g) Environmental matters:

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former mineral property interests that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation of the Company's operation may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

### (h) Equipment:

Equipment is amortized on a double declining basis, using annual rates of 20% for office furnishings and 30% for office equipment.

### (i) Proceeds on unit offerings:

Proceeds received on the issuance of units, consisting of common shares and warrants, are first allocated to share capital based on the fair value of the common shares with any residual value then allocated to warrants. Upon expiry, the recorded fair value of the warrants is transferred from the reserve for share-based payments to deficit.

Consideration received on the exercise of warrants is recorded as share capital and any related reserve for share-based payments is transferred to share capital.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies (continued)

### (j) Non-monetary transactions:

Common shares issued for consideration other than cash are valued at their fair value at the date of issuance.

### (k) Share-based payments:

The Company has a stock option plan that is described in Note 6(c). Share-based payments to employees are measured on the grant date using the Black-Scholes option pricing model and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The offset to the recorded cost is to the reserve for share-based payments. Consideration received on the exercise of stock options is recorded as share capital and the related reserve for share-based payments is transferred to share capital. Upon expiry, the recorded fair value is transferred from the reserve for share-based payments to deficit.

### (l) Environmental rehabilitation:

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mineral property interests and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred. The cost of ongoing current programs to prevent and control pollution is charged against profit and loss as incurred. The Company does not have any significant environmental rehabilitation liabilities.



# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 3. Material Accounting Policies (continued)

### (m) Loss per share:

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. The treasury stock method is used to calculate diluted loss per common share amounts. Under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of the diluted per common share amount assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In the Company's case, diluted loss per common share presented is the same as basic loss per common share as the effect of outstanding share options and warrants would be anti-dilutive.

### (n) Provisions:

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the consolidated statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

### (o) Income taxes:

The Company follows the asset and liability method for accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and losses carried forward. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized to the extent that recovery is considered probable.

### **New accounting policies issued but not yet effective**

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS18 replaces IAS1 *Presentation of Financial Statements*, introduce a new defined structure for the statement of profit and loss and require the classification of income and expenses in that statement into one of five categories: operating; investing, financing, income taxes, and discontinued operations; enhance guidance about how to group information within the financial statements; require disclosure of 'management-defined performance measures' (MPMs) in a single note to the financial statements; and require that 'operating profit or loss' be used as the starting point for determining cash flows from operating activities under the indirect method, and remove the optionality around classification of cash flows from interest and dividends.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, including for interim financial statements, with earlier application permitted.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 4. Mineral Property Interests

	December 31, 2024		
	Mexico	USA	Total
	Cervantes	Tombstone	
<b>Acquisition Costs:</b>			
Balance, December 31, 2023	\$ 582,611	\$ 568,783	\$ 1,151,394
Acquisition	-	12,087	12,087
Balance, December 31, 2024	582,611	580,870	1,163,481
<b>Deferred Exploration Expenditures:</b>			
Balance, December 31, 2023	7,466,870	2,967,294	10,434,164
Access and facilities	125,490	-	125,490
Assays	187	175,954	176,141
Drilling	81,760	1,074,104	1,155,864
Equipment and systems	11,096	28,238	39,334
Environmental	-	40,340	40,340
Field, camp, supplies	14,612	5,714	20,326
General, administrative, legal, sundry	47,466	31,240	78,706
Geology	86,658	231,611	318,269
Salaries and local labour	61,069	96,974	158,043
Surface taxes	18,609	14,629	33,238
Surveying	-	4,959	4,959
Transportation and travel	34,777	110,932	145,709
Value added tax	33,402	-	33,402
Contribution by joint venture partner	-	(321,343)	(321,343)
Balance, December 31, 2024	\$ 7,981,996	\$ 4,460,646	\$ 12,442,642
<b>Mineral Property Interests:</b>			
December 31, 2023	\$ 8,049,481	\$ 3,536,077	\$ 11,585,558
December 31, 2024	8,564,607	5,041,516	13,606,123

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 4. Mineral Property Interests (continued)

	December 31, 2023		
	Mexico	USA	Total
	Cervantes	Tombstone	
<b>Acquisition Costs:</b>			
Balance, December 31, 2022	\$ 582,611	\$ 478,312	\$ 1,060,923
Acquisition	-	90,471	90,471
Balance, December 31, 2023	582,611	568,783	1,151,394
<b>Deferred Exploration Expenditures:</b>			
Balance, December 31, 2022	6,144,193	1,825,242	7,969,435
Access and facilities	221,267	-	221,267
Assays	103,961	31,997	135,958
Drilling	249,944	943,777	1,193,721
Equipment and systems	11,875	37,036	48,911
Environmental	-	126,392	126,392
Field, camp, supplies	19,636	36,118	55,754
General, administrative, legal, sundry	78,948	44,300	123,248
Geology	341,028	83,430	424,458
Salaries and local labour	86,994	116,271	203,265
Surface taxes	18,490	41,783	60,273
Surveying	1,876	-	1,876
Transportation and travel	56,213	69,132	125,345
Value added tax	132,445	-	132,445
Contribution by joint venture partner	-	(388,184)	(388,184)
Balance, December 31, 2023	\$ 7,466,870	\$ 2,967,294	\$ 10,434,164
<b>Mineral Property Interests:</b>			
December 31, 2022	\$ 6,726,804	\$ 2,303,554	\$ 9,030,358
December 31, 2023	8,049,481	3,536,077	11,585,558

### (a) Cervantes property (Mexico):

On September 30, 2016, the Company entered into the Option Amendment and Assignment Agreement for the Cervantes Property (“Option Assignment Agreement”) for the Cervantes Property with Aztec Metals Corp. (“AzMet”), which share common directors with the Company, AzMet, and Kootenay Silver Inc. (“Kootenay”), whereby AzMet assigned to the Company all of its rights and interests in the Property Option Agreement dated July 25, 2015 between AzMet and Kootenay (the “Option Agreement”). In July 2019, the Company earned its 65% interest in the Cervantes property.

In December 2020, the Company entered into a joint venture agreement with Kootenay whereby the Company holds 65% interest in the joint venture entity, Aztec Minerals (Mexico) JV Corp. (“Aztec Mexico JV”). Minera Azteca Dorada SA de CV is a wholly owned subsidiary of Aztec Mexico JV and owns the Cervantes property. The Company determined that the 65% interest in Aztec Mexico JV does not constitute a loss of control. The issuance of the shares is accounted for as an equity transaction and resulted in a non-controlling interest of \$954,847.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 4. Mineral Property Interests (continued)

### (a) Cervantes property (Mexico): (continued)

In August 2022, the Company closed the purchase transaction with Kootenay whereby the Company acquired Kootenay's 35% interest in the joint venture, Aztec Mexico JV, resulting in the Company owning a 100% interest in the Cervantes project. As consideration for the 35% interest in Aztec Mexico JV, the Company issued to Kootenay 10,000,000 common shares in the capital of the Company at a fair value of \$0.24 per share, and Kootenay retains a 0.5% net smelter return royalty.

### (b) Tombstone property (USA):

On November 30, 2017, as amended on February 28, 2018, the Company entered into a Purchase Option Agreement for the Tombstone property (the "Tombstone Option Agreement") with Baroyeca Gold & Silver Inc. and its two wholly owned U.S. subsidiaries (collectively, "Baroyeca"). In February 2021, the Company earned a 75% interest by making cash payments of \$100,000, incurred exploration expenditures of \$1 million and issued 1 million common shares over a three-year period starting from March 2018.

In February 2021, the Company entered into a joint venture with Baroyeca's two U.S. subsidiaries whereby the Company holds 75% interest in the joint venture. The Company records its proportionate share of their 75% interest in the Tombstone property in mineral property interests. As at December 31, 2024, the respective partners interest has been adjusted, with the new joint venture interests recalculated to 77.7% for the Company and 22.3% for Baroyeca. For the year ended December 31, 2024, the Company recognized an amount contribution of \$321,343 (December 31, 2023 - \$388,184) in relation to the joint venture and as at December 31, 2024, had an amount receivable of \$192,628 (2023 - \$ 27,300) from Baroyeca.

During the year ended December 31, 2024, the Company recognized other income of \$54,010 (2023 - \$147,000) from Joint venture partner as share of royalty income from sale of aggregate, operator fees of \$35,698 (2023 - \$36,200) and a reversal of prior year operating fees of \$36,200 contributing in the recalculation of the joint venture interest to 22.3%.

## 5. Equipment

	Office Furnishings	Office Equipment	Total
<b>Cost:</b>			
Balance, December 31, 2022	\$ 4,121	\$ 11,455	\$ 15,576
Add: Acquisitions	-	-	-
Balance, December 31, 2023	4,121	11,455	15,576
Add: Acquisitions	-	-	-
Balance, December 31, 2024	4,121	11,455	15,576
<b>Accumulated amortization:</b>			
Balance, December 31, 2022	3,820	9,476	13,296
Add: Amortization	219	629	848
Balance, December 31, 2023	4,039	10,105	14,144
Add: Amortization	82	405	487
Balance, December 31, 2024	\$ 4,121	\$ 10,510	\$ 14,631
<b>Net book value:</b>			
Balance, December 31, 2023	\$ 82	\$ 1,350	\$ 1,432
Balance, December 31, 2024	-	945	945

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 6. Share Capital

### (a) Authorized:

The authorized share capital of the Company is comprised of an unlimited number of common shares without par value.

### (b) Issued:

During the year ended December 31, 2024, the Company:

Completed a non-brokered private placement for 7,333,333 units at \$0.15 per unit for gross proceeds of \$1,100,000. Each unit is comprised of one common share and one share purchase warrant which is exercisable to acquire one common share at an exercise price of \$0.225 until February 16, 2027. Additional

share issue costs of \$10,902 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

Issued 400,000 common shares upon the exercise of stock options for proceeds of \$48,000, resulting in a fair value reallocation of \$25,739 from reserve for share-based payments to share capital.

Completed a non-brokered private placement for 14,306,171 units at \$0.18 per unit for gross proceeds of \$2,575,111. Each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder thereof to purchase one share at an exercise price of \$0.25 until July 26, 2026. A value of \$71,530 was attributed to the warrants using the residual value method. The company paid a cash finder's fee in the amount of \$90,553 and issued 495,286 agent warrants valued at \$28,162. Each agent warrant has an exercise price of \$0.18 and an expiry date of July 26, 2026. Additional share issue costs of \$53,419 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

During the year ended December 31, 2023, the Company:

Completed a non-brokered private placement for 4,378,168 shares at \$0.25 per share for total proceeds of \$1,094,542.

Issued 200,000 common shares on the exercise of stock options for gross proceeds of \$24,000, resulting in a fair value reallocation of \$12,859 from reserve for share-based payments to share capital.

Completed a non-brokered private placement in two tranches totaling 6,891,839 units at \$0.225 per unit for gross proceeds of \$1,550,663. Each unit was comprised of one common share and one-half of one share purchase warrant; each whole share purchase warrant is exercisable to acquire one common share at an exercise price of \$0.30 for a period of three years. The Company closed the first tranche with 4,051,450 units for gross proceeds of \$911,577. The Company closed the second tranche for 2,840,389 units for gross proceeds of \$639,087. Finders' fees were comprised of \$18,324 in cash and 75,700 warrants of which 56,520 warrants have an exercise price of \$0.30 and expiry date of August 29, 2026 and 19,180 warrants have an exercise price of \$0.225 and expiry date of August 29, 2025.

Additional share issue costs of \$33,233 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 6. Share Capital (continued)

### (c) Stock option plan:

On January 20, 2017, the Company adopted a stock option plan that allows it to grant stock options to its directors, officers, employees, and consultants, provided that the aggregate number of stock options granted shall not at any time exceed 10% of the total number of issued and outstanding common shares of the Company. The exercise price of each stock option shall be based on the market price of the Company's shares as traded on the TSX-V at the time of grant. Stock options have a maximum term of ten years and terminate 30 days following the termination of the optionee's employment, except in the case of death, in which case they terminate one year after the event. Vesting of stock options is made at the discretion of the Board at the time the stock options are granted.

The continuity of stock options for the years ended December 31, 2024 and 2023 is as follows:

Stock option continuity	Number of options	Weighted average exercise price
Outstanding balance, December 31, 2022	5,135,000	\$0.30
Granted	3,225,000	\$0.26
Exercised	(200,000)	\$0.12
Forfeitures and cancellations	(640,000)	\$0.35
Outstanding balance, December 31, 2023	7,520,000	\$0.29
Exercised	(400,000)	\$0.12
Expired and cancelled	(470,000)	\$0.21
Granted	4,850,000	\$0.18
Outstanding balance, December 31, 2024	11,500,000	\$0.25
Outstanding balance, December 31, 2024, exercisable	10,770,000	\$0.25

The following table summarizes information about stock options outstanding and exercisable at December 31, 2024 and 2023:

Options Outstanding				Options Exercisable	
Options outstanding	Exercise Price	Expiry Date	Weighted Average Life Remaining	Options exercisable	Weighted Average Life Remaining
1,300,000	\$0.40	August 7, 2025	0.60	1,300,000	0.60
850,000	\$0.30	April 12, 2026	1.28	850,000	1.28
1,500,000	\$0.30	March 28, 2027	2.24	1,500,000	2.24
3,000,000	\$0.26	February 27, 2028	3.16	3,000,000	3.16
3,275,000	\$0.165	March 1, 2029	4.17	3,055,000	4.17
1,575,000	\$0.20	September 27, 2029	4.74	1,365,000	4.74
11,500,000			3.11	11,070,000	3.06

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 6. Share Capital (continued)

### (c) Stock option plan: (continued)

Options Outstanding				Options Exercisable	
Options outstanding	Exercise Price	Expiry Date	Weighted Average Life Remaining	Options exercisable	Weighted Average Life Remaining
600,000	\$0.12	July 3, 2024	0.51	600,000	0.51
1,330,000	\$0.40	August 7, 2025	1.60	1,330,000	1.60
865,000	\$0.30	April 12, 2026	2.28	865,000	2.28
1,500,000	\$0.30	March 28, 2027	3.24	1,500,000	4.24
3,025,000	\$0.26	February 27, 2028	4.16	2,268,750	4.16
200,000	\$0.26	June 22, 2028	4.48	150,000	4.48
<u>7,520,000</u>			<u>3.03</u>	<u>6,713,750</u>	<u>3.03</u>

On February 27, 2023, the Company granted stock options for 3,025,000 common shares to directors, officers, an employee, and a consultant with an exercise price of \$0.255 and expiry date of February 27, 2028. The stock options are subject to vesting provisions in which 25% vest on May 27, 2023 and 25% vest every three months thereafter.

On June 22, 2023, stock options were granted for 200,000 common shares to a consultant with an exercise price of \$0.30 and expiry date of June 22, 2028. The stock options are subject to vesting provisions whereby the initial 25% vest on June 30, 2023 and 25% vest every three months thereafter.

During the year ended December 31, 2023, the Company recognized share-based payments of \$564,988 (2022 - \$424,923), net of forfeitures, based on the fair value of options that were earned by the provision of services during the period

On March 1, 2024, the Company granted stock options for 3,275,000 common shares to directors, management, and consultants with an exercise price of \$0.165 and expiry date of March 01, 2029. Stock options of 2,175,000 are not subject to vesting provisions and vest immediately on March 01, 2024. Stock options of 1,100,000 are subject to vesting provisions in which 20% vest on March 01, 2024, and 20% vest every three months thereafter.

On September 27, 2024, the Company granted stock options for 1,575,000 common shares to directors, management, and consultants with an exercise price of \$0.2 and expiry date of September 27, 2029. Stock options of 1,225,000 are not subject to vesting provisions and vest immediately on September 27, 2024. Stock options of 350,000 are subject to vesting provisions in which 20% vest on September 27, 2024, and 20% vest every three months thereafter.

During the year ended December 31, 2024, the Company recognized share-based payments of \$607,674 (2023 - \$564,988), net of forfeitures, based on the fair value of options that were earned by the provision of services during the period.

The weighted average fair value of stock options granted, and the weighted average assumptions used to calculate share-based payments for stock option grants are estimated using the Black-Scholes option pricing model as follows:

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 6. Share Capital (continued)

### (c) Stock option plan: (continued)

	December 31,	
	2024	2023
Fair value of stock options granted	\$0.12	\$0.18
Risk-free interest rate	3.25%	3.92%
Expected dividend yield	0%	0%
Expected stock price volatility	91.82%	109.38%
Expected option life in years	5.00	3.47

Expected stock price volatility is based on the historical price volatility of the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company has not paid and does not anticipate paying dividends on its common shares.

### (d) Warrants:

At December 31, 2024, the Company had outstanding warrants as follows:

Exercise Prices	Expiry Dates	Outstanding at December 31, 2023	Issued	Outstanding at December 31, 2024
\$0.40	December 6, 2025 <sup>(1)</sup>	11,388,089	-	11,388,089
\$0.30	August 29, 2026 <sup>(2)</sup>	2,025,725	-	2,025,725
\$0.30	August 29, 2026 <sup>(3)</sup>	56,520	-	56,520
\$0.23	August 29, 2025 <sup>(4)</sup>	19,180	-	19,180
\$0.30	September 25, 2026 <sup>(5)</sup>	1,420,195	-	1,420,195
\$0.23	February 16, 2027 <sup>(6)</sup>	-	7,333,333	7,333,333
\$0.25	July 26, 2026 <sup>(7)</sup>	-	7,153,085	7,153,085
\$0.18	July 26, 2026 <sup>(8)</sup>	-	495,286	495,286
		14,909,709	14,981,704	29,891,413

(1) On June 6, 2022, the Company issued 11,388,089 warrants with an exercise price of \$0.40 and an expiry date of June 6, 2024, and have a total fair value of \$56,940 as determined by the excess private placement price over the market price of the common share on closing date. On May 17, 2024, the Company extended the expiry date of the warrants to December 06, 2025.

(2) On August 29, 2023, the Company issued 2,025,725 warrants with an exercise price of \$0.30 and an expiry date of August 29, 2026, and have a total fair value of \$60,772 as determined by the excess private placement price over the market price of the common share on closing date.



# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 6. Share Capital (continued)

### (d) Warrants: (continued)

- (3) These finders fee warrants have a fair value of \$5,444 and was recorded as share issuance expense as applied to share capital with a corresponding credit to reserve for share-based payments calculated using the Black-Scholes option pricing model with the following assumptions: volatility 80%, risk-free rate 4.38%, expected life 3 years, and expected dividend yield 0%.
- (4) These finders fee warrants have a fair value of \$1,698 and was recorded as share issuance expense as applied to share capital with a corresponding credit to reserve for share-based payments calculated using the Black-Scholes option pricing model with the following assumptions: volatility 77%, risk-free rate 4.63%, expected life 2 years, and expected dividend yield 0%.
- (5) On September 25, 2023, the Company issued 1,420,195 warrants with an exercise price of \$0.30 and an expiry date of September 25, 2026, and have a total fair value of \$56,808 as determined by the excess private placement price over the market price of the common share on closing date.
- (6) On February 16, 2024, the Company issued 7,333,333 warrants with an exercise price of \$0.23 and an expiry date of February 16, 2027, and have a total fair value of \$Nil as determined by the excess private placement price over the market price of the common share on closing date.
- (7) On July 26, 2024, the Company issued 7,153,085 warrants with an exercise price of \$0.25 and an expiry date of July 26, 2026, and have a total fair value of \$71,530 as determined by the excess private placement price over the market price of the common share on closing date.
- (8) These finders fee warrants have a fair value of \$28,162 and was recorded as share issuance expense as applied to share capital with a corresponding credit to reserve for share-based payments calculated using the Black-Scholes option pricing model with the following assumptions: volatility 64.11%, risk-free rate 3.6%, expected life 2 years, and expected dividend yield 0%.

The weighted average remaining contractual life of warrants outstanding at December 31, 2024, was 1.48 (December 31, 2023 – 0.97 years).

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 7. Related Party Transactions

Key management includes directors (executive and non-executive) and senior management. The compensation paid or payable to key management for employee services is disclosed in the table below.

Except as disclosed elsewhere in the consolidated financial statements, the Company had the following transactions with related parties:

	Years ended December 31,		Net balance receivable (payable) as at December 31,	
	2024	2023	2024	2023
Key management compensation:				
Executive salaries and remuneration <sup>(1)</sup>	\$ 471,791	\$ 526,338	\$ (17,025)	\$ (16,805)
Severance pay <sup>(2)</sup>	-	40,000	-	(30,000)
Directors fees	20,250	20,250	(20,250)	(20,250)
Share-based payments	379,455	462,613	-	-
Executive salaries and remuneration <sup>(1)</sup>	\$ 871,496	\$ 1,049,201	\$ (37,275)	\$ (67,055)

<sup>(1)</sup> Includes key management compensation \$188,791 (2023 - \$202,337) which is included in mineral property interests and employee remuneration.

<sup>(2)</sup> Includes the final settlement pay for the former CFO of the Company.

The above related party transactions are incurred in the normal course of business. Any amounts payable to related parties are due in less than 90 days.

## 8. Segment Disclosures

The Company has one operating segment, being mineral exploration, with assets located in Canada, Mexico, and U.S.A, as follows:

	December 31, 2024				December 31, 2023			
	Canada	Mexico	USA	Total	Canada	Mexico	USA	Total
Mineral property interests	\$ -	\$8,564,607	\$5,041,516	\$13,606,123	\$ -	\$8,049,481	\$3,536,077	\$11,585,558
Prepays, non current	-	3,117	-	3,117	-	43,099	19,428	62,527
Equipment	945	-	-	945	1,432	-	-	1,432

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

---

## 9. Financial Instruments and Risk Management

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. 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; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, current and non-current prepaids and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

### Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash is deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company considers the credit risk of receivables to be low.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As of December 31, 2024, the Company had a cash balance of \$1,109,496 to settle current liabilities of \$754,656. All the Company's financial liabilities have contractual maturity of less than 90 days and are subject to normal trade terms. The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

#### *Interest rate risk*

In respect of financial assets, the Company's policy is to invest excess cash at floating rates of interest in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return. Fluctuations in interest rates impact on the value of cash equivalents. Interest rate risk is not significant to the Company as it has no cash equivalents at year-end.

#### *Foreign currency risk*

The Company has certain cash and accounts payable stated in United States dollars and Mexican pesos, mineral property interests which are in the USA and Mexico, and a portion of its operations are in Mexico, resulting in expenditures subject to foreign currency fluctuations. Fluctuations in the United States dollar and Mexican peso would impact the losses of the Company and the values of its assets and liabilities as the Company's functional and presentation currencies are the Canadian dollar. The Canadian dollar fluctuates with the United States dollar and Mexican peso.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 9. Financial Instruments and Risk Management (continued)

### *Foreign currency risk (continued)*

At December 31, 2024 and 2023, the Company was exposed to currency risk for its Canadian dollar equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars as follows:

	Stated in Canadian Dollars		
	Held in		Total
	United States Dollars	Mexican Pesos	
Cash	\$ 96,703	\$ 192	\$ 96,895
Accounts receivable	192,628	-	192,628
Accounts payable and accrued liabilities	(617,317)	(11,707)	(629,024)
Net financial assets (liabilities), December 31, 2024	\$ (327,986)	\$ (11,515)	\$ (339,501)
Cash	\$ 85,924	\$ 7,705	\$ 93,629
Accounts receivable	73,487	-	73,487
Accounts payable and accrued liabilities	(106,216)	(94,140)	(200,356)
Net financial assets (liabilities), December 31, 2023	\$ 53,195	\$ (86,435)	\$ (33,240)

Based upon the above net exposure as at December 31, 2024 and assuming all other variables remain constant, a 10% (December 31, 2023 - 10%) depreciation or appreciation of the Canadian dollar relative to the United States dollar and the Mexican pesos could result in a decrease/increase of approximately \$33,900 (December 31, 2023 - \$3,300) in the Company's net losses.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

### *Other Price risk*

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Company currently does not have any financial instruments which fluctuate with market prices.

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 10. Capital Management

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options and warrants.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition and exploration of exploration and evaluation assets.

The Company has historically relied on and currently relies on the equity markets to fund all its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

## 11. Deferred Income Taxes

- (a) A reconciliation of income tax provision computed at Canadian statutory rates to the reported income tax provision is provided as follows:

	2024	2023
Loss for the year	\$ (1,824,515)	\$ (1,812,552)
Canadian statutory tax rate	27.0%	27.0%
Income tax benefit computed at statutory rates	(492,619)	(489,389)
Differences between Canadian and foreign tax rates	(47,685)	9,335
Items not deductible (taxable) for tax purposes	(137,545)	(264,988)
Effect of changes in tax rates	305	-
Under (overprovided) in prior years	538,544	(156,695)
Unused tax losses and tax offsets not recognized in deferred tax asset	180,816	453,694
Origination and reversal of temporary differences	-	448,043
Share insurance costs	(41,816)	-
	\$ -	\$ -

- (b) The Company recognizes tax benefits on losses or other deductible amounts generated in countries where it is probable the Company will generate taxable income for the recognition of deferred tax assets. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

# AZTEC MINERALS CORP.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

Years ended December 31, 2024 and 2023

(Stated in Canadian dollars)

## 11. Deferred Income Taxes (continued)

	December 31,	
	2024	2023
Non-capital losses	\$ 8,908,576	\$ 8,430,630
Equipment	14,036	13,552
Resource properties	-	15,663
Share issue costs	156,257	4,604
Investments	50,000	50,000
Intercompany balances	31,076	-
Unrecognized deferred tax assets	\$ 9,159,945	\$ 8,514,449

The Company's unrecognized unused non-capital losses have the following expiry dates:

Year	Canada	Mexico	USA	Total
2037	\$ 908,843	\$ -	\$ -	\$ 908,843
2038	840,926	-	-	840,926
2039	584,584	-	-	584,584
2040	1,301,251	-	-	1,301,251
2041	1,095,869	-	46,739	1,142,608
2042	1,251,779	-	287,751	1,539,530
2043	1,245,612	-	-	1,245,612
2044	1,345,222	-	-	1,345,222
	\$ 8,574,086	\$ -	\$ 334,490	\$ 8,908,576

## 12. Subsequent Events

Subsequent to year end, the United States and Canadian governments announced new tariffs on imported good. This has caused significant economic uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.



**AZTEC MINERALS CORP.**

**Management Discussion and Analysis**

**(expressed in Canadian dollars)**

**Years ended December 31, 2024 and 2023**

**AZTEC MINERALS CORP.**  
(the “Company”)

**Report Date – April 9, 2025**

**Management’s Discussion and Analysis**  
**For the Years ended December 31, 2024 and 2023**  
(expressed in Canadian dollars)

**CAUTION – FORWARD LOOKING STATEMENTS**

Certain statements contained herein regarding the Company and its operations constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, are “forward-looking statements”. We caution you that such “forward looking statements” involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. Such risks and uncertainties include fluctuations in precious metal prices, unpredictable results of exploration activities, uncertainties inherent in the estimation of mineral reserves and resources, if any, fluctuations in the costs of goods and services, problems associated with exploration and mining operations, changes in legal, social or political conditions in the jurisdictions where the Company operates, lack of appropriate funding and other risk factors, as discussed in the Company’s filings with Canadian and American Securities regulatory agencies. The Company expressly disclaims any obligation to update any forward-looking statements, other than as may be specifically required by applicable securities laws and regulations.

**Preliminary Information**

The following Management’s Discussion and Analysis (“MD&A”) of Aztec Minerals Corp. (the “Company”) should be read in conjunction with the accompanying audited consolidated statement of financial position as at December 31, 2024 and 2023 and the consolidated statements of comprehensive loss, changes in shareholders’ equity and cash flows for the years ended December 31, 2024 and 2023.

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

All information contained in the MD&A is as of April 9, 2025, unless otherwise indicated.

**Background**

The Company was incorporated on July 6, 2007, under the laws of British Columbia, Canada, pursuant to the *Business Corporations Act* (British Columbia) and had been dormant until 2016. The Company is engaged primarily in the business of evaluating, acquiring and exploring natural resource properties.

The Company acquires properties by staking initial claims, negotiating for permits from government authorities, negotiating with holders of claims or permits, entering into property option agreements to acquire interests in claims, or purchasing companies with claims or permits. On these properties, the Company explores minerals on its own or in joint ventures with others. Exploration for metals usually includes surface sampling, airborne and/or ground geophysical surveys and drilling. The Company is not limited to any metal or region, but the corporate focus is on precious and base metals in North America.



## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

As the Company is focused on its mineral exploration activities, there is no mineral production, sales or inventory in the conventional sense. The recoverability of amounts capitalized for mineral property interests is dependent upon the existence of reserves in its mineral property interests; the ability of the Company to arrange appropriate financing and receive necessary permitting for the exploration and development of its property interests; confirmation of the Company's interest in certain properties and upon future profitable production or proceeds from the disposition thereof. Such exploration and development activities normally take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty at this time. Many of the key factors are outside of the Company's control. As the carrying value and amortization of mineral property interests and capital assets are, in part, related to the Company's mineral reserves and resources, if any, the estimation of such reserves and resources is significant to the Company's financial position and results of operations.

### **Overall Performance**

#### ***Cervantes Property***

The Cervantes is a highly prospective porphyry gold-copper property located in southeastern Sonora state, Mexico. The project lies 160 km east of Hermosillo, Sonora, Mexico within the prolific Laramide porphyry copper belt approximately 265 km southeast of the Cananea porphyry copper-molybdenum mine (Grupo Mexico). Cervantes also lies along an east-west trending gold belt 60 km west of the Mulatos epithermal gold mine (Alamos Gold), 35 km northeast of the Osisko Development San Antonio gold mine, 45 km west of the La India mine (Agnico Eagle), and 40 km northwest of Santana gold deposit (Minera Alamos).

On September 30, 2016, the Company entered into the Option Amendment and Assignment Agreement for the Cervantes Property ("Option Assignment Agreement") for the Cervantes property with Aztec Metals Corp., which share common directors with the Company, ("AzMet") and Kootenay Silver Inc. ("Kootenay"), whereby AzMet assigned to the Company all of its rights and interests in the Property Option Agreement dated July 25, 2015 between AzMet and Kootenay (the "Cervantes Option Agreement"). In July 2019, the Company earned its 65% interest in the Cervantes property whereby the Company issued 500,000 common shares to Kootenay; paid US\$50,000 in cash; and incurred exploration expenditures totalling US\$1.2 million. The Company entered into a joint venture agreement with Kootenay in December 2020. The property is composed of 4 concessions of 3,649 hectares.

In late August 2022, the Company closed the purchase transaction whereby the Company acquired Kootenay's 35% interest in the joint venture, resulting in the Company owning a 100% interest in the Cervantes project. As consideration for the 35% interest in joint venture entity, the Company issued to Kootenay 10,000,000 common shares in the capital of the Company at a fair value of \$0.24 per share, and Kootenay has retained a 0.5% net smelter return royalty.

In December 2021, the Company mobilized a reverse circulation drilling program which was completed in March 2022 for 26 holes totaling 5,249 metres. The primary objectives of the drilling program were to better define the open pit, heap leach gold potential of the porphyry oxide cap at California, evaluate the potential for deeper copper-gold porphyry sulfide mineralization underlying the oxide cap, test for north and west extensions of the California mineralization at California North and Jasper, and assess the breccia potential of Purisima East. The holes drilled at California have intersected near surface, oxidized gold mineralization with minor copper oxides. The drilling program expanded the primary California porphyry zone to an area measuring approximately 900 meters long by 250 to 500 meters wide, with demonstrated, continuous anomalous mineralization up to 265 meters depth vertically and expanded the identified California Zone mineralization to 900 meters long by 750 meters wide.

Multi-element analysis for the RC drill program was performed in the second quarter of 2022. The multi-element ICP results show good relationships between Au, Cu, Bi, Ag and As, which will assist in vectoring exploration targets for potentially economic grades and widths for Cu and Ag in a porphyry deposit model. The multi-element ICP values support the exploration model of the California zone being at the highest portion of a porphyry system, where an overlying high sulfidation zone has been eroded away.

In the second quarter of 2022, the Company completed drill hole collar surveying, field work for Drone Photogrammetry survey to create a detailed ortho-topographic base map, and Terraspec readings on the RC drill chips.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

In July 2022, the Company mobilized a core drilling program which was completed in October 2022 for 11 holes totaling 2,516 metres. The primary focus of the Phase 3 Core drilling program at Cervantes was to expand the previously drilled California target, California North and Jasper targets, to enhance geologic understanding of the targets, and to collect samples for metallurgical testing. The oriented core drilling program tested step-outs of 35 to 450 meters using varying azimuths and inclinations.

Highlights from the 2022 RC and core drilling programs are as follows:

- 94m @ 1.04 gpT Au incl 15.2m @ 3.96 gpT Au, 55m @ 0.36% copper in CAL22-001
- 165m @ 1.00 gpT Au incl 24.4m @ 4.25 gpT Au, 160m @ 0.065% copper in CAL22-004
- 137m @ 1.49 gpT Au incl 51.7m @ 3.42 gpT Au, 119m @ 0.091% copper in CAL22-005
- 100m @ 0.75 gpT Au incl 9.14m @ 3.087 gpT Au, 138m @ 0.10% copper in CAL22-006
- 152m @ 0.87 gpT Au, incl 33.5m @ 2.05 gpT Au, 123m @ 0.095% copper in CAL22-012
- 120m @ 0.677 gpT Au, incl 27 m @ 1.456 gpT Au in CAL22-027
- 135 m @ 0.56 gpT Au, incl 12.0 m @ 2.297 gpT Au in CAL22-031

In February 2023 the Company mobilized two field crews to conduct a surface exploration program comprised of road cut, reconnaissance outcrop and soil sampling, Terraspec SWIR data collection and geological mapping. It collected 779 roadcut samples that were analyzed for multi-elements and SWIR to expand and enhance geochemical and geological knowledge throughout the Cervantes project. Mapping was focused on the exposed road cuts with detailed lithological, structural and alteration mapping of the California target. To gain efficiency, the surface exploration program was conducted during the regional dry season. The field teams are examining outcrop exposures generated from recently constructed drill roads with detailed geological mapping for the lithologies, alterations (Terraspec), mineralization, structures and geotechnical aspects. The road cuts were continuously chip channel sampled and then surveyed to consolidate surface data with the geochemistry of the drill hole dataset, as well as to assist in 3D modeling. A structural geology study was conducted, especially to help establish the displacements of the mineralization since its emplacement. Project data evaluation also continues to advance including using the understandings gained on the multi-element relationships with Au and applying them to the soil sampling data, reviewing the subsequent results to the geophysical data and the SWIR-Terraspec data, 3D modeling of the data, metallurgical, and multiple other investigations. The primary objectives of the 2023 surface exploration program is to continue to define the open pit, heap leach gold potential of the porphyry oxide cap at California, test the down dip extensions of the phyllic alteration in the Qfp intrusive for deeper copper-gold porphyry sulfide mineralization underlying the oxide cap, and test for extensions of the at California Norte.

In December 2023 the Company completed 13 reverse circulation "RC" holes totaling 1,646 meters (m) at the Cervantes project. The RC drilling program was increased from an originally planned 11 holes and RC chip logging of the 13 completed holes indicate favorable geology to support potential expansion of the gold zone mineralization in the vicinities of the area previously drilled. In March 2024, the results of Au and multi-element analysis for its 2023 RC drill program at the Cervantes project in Sonora, Mexico were announced. The RC drill program comprised 1,646 meters in 13 RC drill holes testing the California porphyry gold target located in the district of Soyopa, Sonora, Mexico. Total drilling by Aztec Minerals on the Cervantes project since 2016 now totals 67 drill holes and 12,134m. The California target of near surface, oxide gold porphyry mineralization was successfully expanded, and the presence of anomalous copper, molybdenum and silver, in addition to significant gold mineralization, corresponds well in relation to the top of large, strong IP chargeability anomaly astride an aeromagnetic low anomaly. RC drill results at the California target returned significant gold mineralization from the 2023 RC drill program on the Cervantes property located in Sonora, Mexico. The multi-element ICP results show good, positive relationships between Au, Cu, Bi, Ag, As, W and K (potassic alteration), negative relationships with Mo, Sb and Ca. The multi-element grades support the potential for an expanded Au-Cu porphyry deposit at depth.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

Further details of the exploration programs for the Cervantes project are provided in the Company's news releases:

- News Release dated February 16, 2022, and titled, "*Aztec – Kootenay JV Intersects Broad, High-Grade Gold Mineralized Zone in First Hole of Phase 2 RC Drill Program at the Cervantes Project in Sonora, Mexico; Including 1.1 gpt Au over 88.4 metres*".
- News Release dated February 23, 2022, and titled, "*Aztec – Kootenay JV Continues to Intersect Broad, High-Grade Gold Mineralization in Phase 2 RC Drill Program at the Cervantes Project in Sonora, Mexico; Including 1.0 gpt Au over 167.2 metres*".
- News Release dated March 2, 2022, and titled, "*Aztec – Kootenay JV Reports Best Hole Yet from California Zone at Cervantes Project in Sonora, Mexico; Intersects 1.49 gpt Au over 136.8 m Including 3.42 gpt Au over 51.7 m*".
- News Release dated March 22, 2022, and titled, "*Aztec – Kootenay JV Reports Continued Strong Drill Results from California Zone at Cervantes Project in Sonora, Mexico; Intersects 0.53 gpt Au over 138.3 m and 0.88 gpt Au over 54.7 m*".
- News Release dated April 13, 2022, and titled, "*Aztec – Kootenay JV Reports Additional Strong Drill Results from California Zone at Cervantes Project in Sonora, Mexico; Intersects 0.87 gpT Au over 152.4 m Including 2.05 gpT Au over 33.5m*".
- News Release dated May 5, 2022, and titled, "*Aztec – Kootenay JV Reports Drill Intercept of 0.32 gpT Au over 24.3 metres and 6.1 metres of 1.649 gpT Au at California North Prospect, 350 m North of California Zone, Cervantes Project, Sonora, Mexico*".
- News Release dated June 14, 2022, and titled, "*Aztec – Kootenay JV Reports Final Gold and Multi-Element Results from 2021-2022 RC Drill Program on Cervantes Property, Sonora*".
- News Release dated July 27, 2022, and titled, "*Aztec Commences 10-hole, 3000 meter Core Drill Program at its Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated September 6, 2022, and titled, "*Aztec Completes First 7 Holes of Phase 3 Core Drilling Program at its 100%-owned Cervantes Project in Sonora, Mexico and Appoints new Director*".
- News Release dated October 25, 2022, and titled, "*Aztec Completes 11-Hole, Phase 3, Core Drilling Program at the Cervantes Project in Sonora, Mexico*".
- News Release dated November 15, 2022, and titled, "*Aztec Continues to Intersect Gold Mineralization at Cervantes Project in Sonora, Mexico; Including 0.68 gpT Au over 120.0 m*".
- News Release dated November 30, 2022, and titled, "*Aztec Reports Continued Strong Drill Results from California Zone at Cervantes Project in Sonora, Mexico*".
- News Release dated December 12, 2022, and titled, "*Aztec Minerals Reports Final Gold and Multi-Element Results from 2021-2022 Drilling at the Cervantes Project in Sonora, Mexico*".
- News Release dated January 10, 2023, and titled, "*Aztec Summarizes 2022 Drill Results from Cervantes Project, Sonora, Mexico; Multiple, Shallow and Broad, Oxidized Gold-Copper Intercepts Expand Mineralized Zones Around and Below the California Target, Still Open in All Directions*".

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

- News Release dated January 16, 2023, and titled, "*Aztec Plans Two Phase, CAD\$1.2 Million Exploration Program at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated March 7, 2023, and titled, "*Aztec Commences 2023 Exploration Program at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated May 23, 2023, and titled, "*Aztec 2023 Surface Exploration Program Results Enhance Drill Targeting at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated June 22, 2023, and titled, "*Aztec Outlines Expansion Drill Targets and Receives Drill Permit for Planned RC Drill Program at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated March 7, 2023, and titled, "*Aztec Commences 2023 Exploration Program at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated March 7, 2023, and titled, "*Aztec Commences 2023 Exploration Program at Cervantes Gold-Copper Project, Sonora, Mexico*".
- News Release dated November 21, 2023, and titled, "*Aztec Completes Initial 7 Holes Expanding the Gold Mineralization Footprint at the Cervantes Project Sonora, Mexico*".
- News Release dated February 25, 2024, and titled, "*Aztec Releases Initial Multi-Element Analyses Evaluations in Spatial Relationship to Gold Distribution for the 2023 RC Drill Program at the California Target, Cervantes Project, Sonora, Mexico*".

### ***Tombstone Property***

The Tombstone property includes the historic Contention Mine and surrounding 33 patented claims totaling 435.7 acres (176.32 hectares) with an additional 840 acres (339.94 hectares) of 42 unpatented claims. The Tombstone Mining District, located 65 miles southeast of Tucson, Arizona, and accessed by State Highway 80, is well known for its high grade, oxidized deposits of silver-gold-lead mineralization hosted in veins, mantos, pipes and disseminated orebodies.

On November 30, 2017, as amended on February 28, 2018, the Company entered into a Purchase Option Agreement for the Tombstone property (the "Tombstone Option Agreement") with Baroyeca Gold & Silver Inc. and its two wholly owned U.S. subsidiaries (collectively, "Baroyeca"). The Company can earn a 75% interest by making cash payments of \$100,000, incurring exploration expenditures of \$1 million and issuing 1 million common shares over a three-year period starting from March 23, 2018. In February 2021, the Company earned its 75% interest and entered a joint venture for the Tombstone property.

As at December 31, 2024, the respective partners interest has been adjusted, with the new joint venture interests recalculated to 77.7% for the Company and 22.3% for Baroyeca.

In 2020 Aztec drilled from August to November 21 RC drill holes composed of 2,993 meters. The drilling program tested for the potential for shallow, broad, bulk tonnage gold-silver mineralization around and below the Contention open pit and underground mine workings and was successful in finding it. Drill highlights include: Hole TR20-002 67.06 m of 1.07 gpt Au, 42.1 gpt Ag, for a 1.60 gpt AuEq; TR20-003 93.06 m of 0.77 gpt Au, 25.2 gpt Ag, for a 1.07 gpt AuEq; TR20-009 30.48 m of 3.21 gpt Au, 45.6 gpt Ag, for a 3.78 gpt AuEq; TR20-013 48.77 m of 0.38 gpt Au, 50.7 gpt Ag, for a 1.01 gpt AuEq; and TR20-017 140.21 m of 0.38 gpt Au, 19.3 gpt Ag, for a 0.62 gpt AuEq.

In March 2021, the Company acquired two patented claims amounting to 15.17 hectares (37.5 acres), increasing the overall Tombstone joint venture land package to 516.26 hectares (1,275.69 acres). In April 2021, the Company mobilized a reverse circulation drill program at Tombstone which was completed in July 2021 for 23 holes for 2,716 metres. The RC program was

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

designed to step out and downwards from drill patterns drilled in 2020 to expand the shallow, broad, bulk tonnage gold-silver mineralization discovered around and below the Contention pit.

Drill highlights are as follows:

- Hole TR21-13 - 1.8 grams per tonne (gpT) gold and 36.9 gpT silver (2.33 gpT gold equivalent (AuEq\*) over 70.1 meters (m), including 6.08 m grading 2.93 gpT gold and 157 gpT silver (5.17 gpT gold equivalent AuEq\*) and 1.52 m with visible gold in quartz veining grading 55.71 gpT gold and 176.1 gpT silver (58.22 gpT gold equivalent AuEq\*). Hole bottomed in mineralization grading 0.37 gpT AuEq\* when ground caving forced early termination of the hole.

Interval has argillic and siliceous alteration, fine-grained sandstones, siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, weak manganese oxides, orange-red color, and 1-3% oxidized pyrite. The drill hole interval exposed one mine working, adjacent to strong oxidation. Visible gold and cerargyrite (AgCl) was found at 132.6 – 135.7 m in a quartz vein.

- Hole TR21-10 - 1.39 gpT gold and 56.4 gpT silver (2.20 gpT gold equivalent AuEq\*) over 96.04 meters (m), including 39.94 m grading 2.47 gpT Au and 28.9 gpT Ag (2.97 gpT AuEq\*), 19.82 m grading 0.96 gpT Au and 24.98 gpT Ag (1.31 gpT AuEq\*), and 10.67 m grading 0.837 gpT Au and 60.96 gpT Ag (1.71 gpT AuEq\*).

Interval has siliceous alteration, fine-grained sandstones, siltstones and limestones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, manganese oxides, orange to red color, and 1 to 4 % oxidized pyrite sites. The drill hole interval exposed two mine workings, adjacent to breccias and dikes.

- Hole TR21-11 - 1.2 gpT gold and 71.6 gpT silver (2.22 gpT AuEq\*) over 24.3 m, and 0.17 gpT Au and 6 gpT Ag (0.26 gpT AuEq\*) over 16.7 m.

Interval has argillic and siliceous alteration, fine-grained sandstones, siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with strong quartz veining. Moderate to strong iron oxides, manganese oxides, orange to red to black color, and 1 to 4 % oxidized pyrite sites. The interval exposed one mine workings below the strong mineralization, a possible development tunnel.

- Hole TR21-15 – 0.22 gpT gold and 18.3 gpT silver (0.487 gpT gold equivalent (AuEq\*) over 42.7 meters (m).

Interval has siliceous alteration, fine-grained siltstones and limestones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Weak to strong iron oxides, manganese oxides, orange to red to black color, and trace to 2% oxidized pyrite. The drill hole interval exposed one mine stope of 6.1 m in a mineralized dike.

- Hole TR21-16 – 0.807 gpT gold and 15.9 gpT silver (1.035 gpT AuEq\*) over 64.0 m, including 3.61 gpT gold and 51.6 gpT silver (4.34 gpT AuEq\*) over 13.7 m.

Interval has argillic and siliceous alteration, fine-grained sandstones, and siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, weak manganese oxides, orange to red color, and 1 to 3 % oxidized pyrite sites. The higher-grade interval of 13.7 m is of hydrothermal breccias with visible gold, strong silicification and quartz veinlets.

- Hole TR21-17 – 1.73 gpT gold and 56.2 gpT silver (2.53 gpT AuEq\*) over 64 m, including 6.455 gpT gold and 274 gpT silver (10.37 gpT AuEq\*) over 3.04 m, and 4.08 gpT gold and 59.4 gpT silver (4.93 gpT AuEq\*) over 10.7 m.

Interval has argillic and siliceous alteration, fine-grained sandstones, siltstones and limestones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Weak to strong iron oxides, manganese

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

oxides, orange to red to black color, and trace to 3 % oxidized pyrite sites. The interval found visible gold from 32.0 to 33.5 m in hydrothermal breccias with strong silicification and quartz veinlets at the contact with overlying limestones and underlying quartz-feldspar porphyry dike. At 82.3 to 85.4 m chrysocolla (copper oxide) was found with abundant quartz veinlets adjacent to a hydrothermal breccia. This zone had the above noted 10.37 gpT AuEq\* results.

- Hole TR21-18 – 0.76 gpT gold and 20.61 gpT silver (1.049 gpT AuEq\*) over 64 m, including 2.46 gpT gold and 37.0 gpT silver (2.99 gpT AuEq\*) over 9.1 m.

Interval has siliceous alteration, fine-grained sandstones, siltstones and limestones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, manganese oxides, orange to red color, and 1 to 3 % oxidized pyrite sites. The interval found visible gold from 37.2 to 41.1 m in hydrothermal breccias with strong silicification, manganese oxides, and quartz veinlets within siltstones. Lower in the interval from 80.8 to 83.8 m a tunnel was found in 15.2 m of strongly silicified and quartz veined hydrothermal breccias, also hosted siltstone.

- Hole TR21-22 – 2.441 gpT gold and 66.56 gpT silver (3.392 gpT AuEq\*) over 65.5 m, including 16.80 gpT gold and 374.36 gpT silver (22.148 gpT AuEq\*) over 7.6 m. This hole ended in mineralization grading 1.045 gpT AuEq\* where it was terminated due to caving. TR21-22 is a 55 m step out east of drill holes TR21-17 and TR21-18 on section K. It is a twin of USMX hole TR-067 and shows the mineralization in the pit is open to the east and at depth.

The interval has strongly siliceous alteration, fine-grained sandstones and siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, weak manganese oxides, orange to red color, and traces to 3 % oxidized pyrite sites. At the bottom of the drill hole was found the high-grade interval of 7.6 m reported above in hydrothermal breccia.

- Hole TR21-03 - 5.713 gpT gold and 40.5 gpT silver (6.282 gpT gold equivalent (AuEq\*) over 32.01 meters (m), including 15.24 m grading 11.891 gpT gold and 62.9 gpT silver (12.79 gpT gold equivalent AuEq\*).

Interval of argillic and siliceous alteration, fine-grained sandstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, orange to red color, and 2 to 3 % oxidized pyrite sites.

- Hole TR21-20 – 0.247 gpT gold and 15.2 gpT silver (0.464 gpT AuEq\*) over 47.3 m including 7.6 m of open mine workings. The drill hole was terminated in mineralization due to caving with the last sample assaying 1.283 gpT AuEq\*. This hole is a vertical step out 30 m to the west of section M and shows the mineralization is open to the west and at depth.

Interval has argillic and siliceous alteration, fine-grained sandstones and siltstones cut by quartz-feldspar porphyry dikes and faults/fissures, with quartz veining. Moderate to strong iron oxides, weak manganese oxides, orange to red to brown color, and 2 to 3 % oxidized pyrite sites. The 7.6 m high stope encountered is astride the contact between an overlying dike and the siltstones underneath.

- Hole TR21-06 - 0.22 gpT gold and 17.3 gpT silver (0.47 gpT AuEq\*) over 74.69 m, including 4.57 m grading 1.26 gpT Au and 18.6 gpT Ag (1.53 gpT AuEq\*).

Interval has argillic and siliceous alteration, fine-grained sandstones, siltstones and limestones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, manganese oxides, orange to red color, and 1 to 5 % oxidized pyrite sites.

- Section N, Hole TR21-08 - 2.09 gpT gold and 47.1 gpT silver (2.76 gpT gold equivalent AuEq\*) over 39.64 meters (m), including 18.29 m grading 3.53 gpT gold and 58.4 gpT silver (4.37 gpT gold equivalent AuEq\*), which bottomed in mineralization grading 1.21 gpT AuEq\* when ground caving forced early termination of the hole.

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

Interval has argillic and siliceous alteration, fine-grained sandstones, hornfels, and siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and hydrothermal breccias with quartz veining. Moderate to strong iron oxides, orange to red color, and 2 to 3 % oxidized pyrite sites.

- Section O, Hole TR21-23 - 0.556 gpT gold and 16.6 gpT silver (0.793 gpT gold equivalent AuEq\*) over 24.4 meters (m), which bottomed in mineralization grading 1.188 gpT AuEq\* when ground caving forced early termination of the hole.

Interval has argillic and siliceous alteration, fine-grained sandstones, hornfels, and siltstones cut by quartz-feldspar porphyry dikes, faults/fissures, and quartz veining. Moderate to strong iron oxides, orange to red color, and 2 to 3 % oxidized pyrite sites.

- Hole TR21-21 – 0.797 gpT gold and 15.1 gpT silver (1.012 gpT AuEq\*) over 18.3 m including 3 m of open mine workings. The drill hole was terminated in mineralization due to caving following another intersection of a 4.6 m mine working, with the last sample assaying 1.997 gpT AuEq\*. This hole is a horizontal step out 50 m to the north of TR20-09, is the current northernmost drill hole and shows the mineralization is open in all directions and at depth.

Interval has argillic and siliceous alteration, fine-grained sandstones and siltstones cut by quartz-feldspar porphyry dikes and faults/fissures, with quartz veining. Moderate to strong iron oxides, weak manganese oxides, orange to red to brown color, and 2 to 3 % oxidized pyrite sites.

\*Gold equivalents are calculated using a 70:1 silver:gold ratio. Reported lengths are apparent widths, not true widths.

Every one of the 23 drill holes intersected shallow oxidized gold-silver mineralization over substantial widths, thirteen drill holes crossed old tunnels where presumably the highest-grade ores were previously mined, several drill holes encountered visible gold, and all drill holes bottomed in mineralization, indicating the main mineralized zones are still open to depth as well as laterally. The drill results continue to show strong grades over broad widths, confirming and expanding the historic gold and silver mineralized zones both along strike and down dip.

In February 2023, the Company mobilized for a core drilling program for the Tombstone property. The Tombstone core drilling program completed 7 holes at approximately totaling 870.31 m depth as inclined step-outs along the 900 m length of the Contention pit to both sides (East, West) and at depth, with a target of potentially expanding the volume of the known Au-Ag mineralization. The core drilling program utilized diameters of PQ, HQ, NQ and BQ to 225m, noting that multiple core diameters are required to complete through the historic underground mine workings. The drilling program was designed with data obtained from surveys and modelling completed over 2022, following the conclusion of previous RC drilling program in late 2021. The Company has recently completed an ortho-topo drone survey to construct detailed maps, surveyed all drill hole collars from 2020-23, sampled for Terraspec alteration analysis half of the North Contention pit, completed Terraspec analysis on all the 2020-21 RC chips, and advanced the construction of a wire-frame 3-D Leapfrog model of the historic, extensive, underground mine workings, with drilling, mineralization, geology, alteration, geophysics, and multi-element geochemistry.

In May 2023, the Company and Dragoon Resources LLC (“Tombstone JV Partner”) announce the acquisition of one patented claim (private property rights) amounting to 7.82 hectares (19.33 acres), increasing the overall Tombstone Joint land package to 452.02 hectares (1,116.94 acres). Aztec and Dragoon acquired the Westside patented claim from a third-party for cash consideration of US\$65,000. The claim immediately adjoins the Tombstone property core patented claims to the northwest, expanding opportunities to explore new targets in the historic Tombstone Silver District in Southeastern Arizona. The patent claim was purchased outright and has no underlying royalties or work commitments. The drill program was completed in May 2023 and results were summarized in July 2023 of the 7-hole, core drill program. Every one of the drill holes intersected near surface, oxidized gold-silver mineralization, and all the drill holes crossed multiple historic underground workings where presumably most of the highest-grade ores were previously mined, and all drill holes bottomed in alteration and mineralization, indicating the main mineralized zones are still open to depth and laterally. The drill holes were drilled on an azimuth 103 fence pattern cutting across the NNE trending Contention target zone mineralization with approximately 50 m spacings, with inclined fans varying from near vertical to the east at -60 degrees. The 2023 drill holes are step outs of 40 to 150 metres from the 2020-21 program, in various portions of the Contention pit target zone.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

In the second quarter of 2024 the company conducted surface exploration with geological mapping and geochemical sampling. In the Contention Pit, detailed, 1:200 scale geological mapping and 2-meter-long chip channel samples (410) were collected. Over the rest of the patented claims reconnaissance level, 1:2,000 scale geological mapping and individual dump and outcrop samples (58) were collected. The sampling confirmed Aztec's drilling results and expanded the areas of interest. The construction of the digital 3D project model has been advancing to the point in assisting the placement of the detailed drill targeting planned for later in 2024.

In early September of the third quarter of 2024 the Company-initiated mobilization for the planned 2,000-meter RC drilling program at Tombstone. The drill arrived on September 29<sup>th</sup> and drilling commenced on September 30<sup>th</sup>. The program is designed to expand the known mineralization of the Contention pit area and to do the initial exploration testing of identified targets of historic mineralization within the adjacent Westside area.

The 2024 Tombstone RC drilling program completed on December 21, 2024, 17 drill holes totaling 3,098.7 meters. Final assay results were received by February 19, 2025. Total drill holes by Aztec to date are 68 (61 RC, 7 Core), totaling 9,678 meters. The program was successful in significantly expanding the footprint of the wide and shallow potentially bulk mineable style of oxide silver-gold mineralization. The 2024 Tombstone RC drilling program achieved its goals of expanding the footprint of the shallow, potentially bulk mineable and heap leachable, mesothermal oxide silver-gold mineralization in the Contention Zone and finding mesothermal oxide silver-gold mineralization zones in the Westside Zone's first pass drilling. The Contention oxide silver-gold mineralization has been expanded considerably to the west, south, north and to depth, and is still open in all directions.

The Westside zone's first pass drilling exploring was targeting several demonstrated mineralization focusing structures – anticlines, quartz stringer fissure lodes, and quartz feldspar porphyry dikes for oxide silver-gold mineralization found it in every drillhole including a discovery hole (TR24-13) in the Westside Anticline.

Westside Discovery Preliminary Drilling Highlights:

- Drillhole TR24-13 intersected 24.4m of 106.24 gpt AgEq within a broader zone of 85.4m averaging 47.31 gpt AgEq (0.281 gpt Au and 24.79 gpt Ag) at shallow depth in the Westside Anticline discovering a new body of significant oxidized silver - gold mineralization
- Several drillholes in the first pass test of the Westside Zone confirmed Silver-Gold oxide mineralization intersections for the geologically diverse, modeled targets
- The Westside Zone demonstrates potential for hosting shallow Silver-Gold oxide mineralization similar to that of the adjacent Contention Main Zone

Contention Southern Extension Zone Highlights:

- Bonanza grade Silver Intersection in TR24-16 of 7,269 gpt AgEq (233.7 opt AgEq – 3,669 gpt Ag, 44.7 gpt Au) over 1.52 m, within a zone of 569 gpt AgEq (18.3 opt AgEq – 290 gpt Ag, 3.48 gpt Au) over 25.8 m, representing the highest silver grade encountered in drilling to-date by Aztec at the Tombstone Project
- The TR24-16 intercept in the South Extension of the Contention pit intersected multiple zones of oxide Ag-Au mineralization including 106.4m of 147.9 gpt AgEq (1.85 gpt AuEq – 76.2 gpt Ag and 0.90 gpt Au)
- The TR24-16 bonanza intercept is located along the Contention Pit trend 439 m SSW along strike from the prior bonanza intercept in TC23-01 (3,477 gpt Ag and 0.12 gpt Au (3,485.1 gpt AgEq) over 1.52 m
- The deep oxidation, alteration and mineralization reported in TR24-16 supports the concept that the large AMT anomaly further down dip may potentially be mineralized



## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

- The 2024 RC drilling program has concluded, and the oxide Ag-Au mineralization remains open in all directions, further supporting the potential for the increase in the footprint of shallow oxide silver-gold mineralization in the vicinity of the Contention Zone.

### Contention Main Zone Highlights:

- DH TR24-10 intersected 9.2m of 5.93 gpt AuEq within broader zone of 88.1m averaging 1.02 gpt AuEq (0.67 gpt Au and 27.64 gpt Ag) at shallow depth
- DH TR24-07 intersected wide mineralized zone with 0.39 gpt AuEq over 146.3 m (0.21 gpt Au & 14.12 gpt Ag); including 1.94 gpt AuEq over 13.7m (1.22 gpt Au & 57.61 gpt Ag)
- DH TR24-05 intersected 0.60 gpt AuEq over 114.3 m (0.39 gpt Au & 16.61 gpt Ag); including 1.99 gpt AuEq over 10.7m (1.55 gpt Au & 34.6 gpt Ag)
- DH TR24-01 intersected 0.75 gpt AuEq over 103.6 m (0.59 gpt Au & 12.48 gpt Ag); including 3.11 gpt AuEq over 15.3m (2.84 gpt Au & 21.4 gpt Ag) and 11.06 gpt AuEq over 3.05m (10.63 gpt Au & 35.10 gpt Ag)

Further details of the exploration program for the Tombstone project are provided in the Company's news releases:

- News Release dated January 12, 2021, and titled, "*Aztec Reviews Geological Highlights of Phase 1 RC Drill Program from Tombstone Project, Arizona*".
- News Release dated March 4, 2021, and titled, "*Aztec and Tombstone Partners Plan Two Phase, CAD\$1.5 Million Exploration Program in 2021 at Tombstone Project, Arizona*".
- News Release dated July 7, 2021, and titled, "*Aztec Receives Initial 2021 RC Drill Results from Tombstone Project, Arizona; Intersects Broad and High-Grade Gold-Silver Mineralized Zones; Including 5.71 gpt Gold and 40.5 gpt Silver (6.282 gpt AuEq) over 32.01 m*".
- News Release dated July 27, 2021, and titled, "*Aztec Drilling Intersects Broad, High-Grade Gold-Silver Mineralized Zones at the Tombstone Project, Arizona; Including 1.39 gpt Gold and 56.40 gpt Silver (2.196 gpt AuEq) over 96.04 m*".
- News Release dated September 8, 2021, and titled, "*Aztec Reports Additional RC Drill Results from Tombstone Project, Arizona; Including 1.8 gpt Gold and 36.9 gpt Silver (2.33 gpt AuEq) over 70.1 m*".
- News Release dated September 14, 2021, and titled, "*Aztec Reports Additional RC Drill Results from Tombstone Project, Arizona; Including 1.73 gpt Gold and 56.2 gpt Silver (2.53 gpt AuEq) over 64.0 m*".
- News Release dated September 28, 2021, and titled, "*Aztec Reports Final Phase 2 RC Drill Results from Tombstone Project, Arizona; Including 2.44 gpt Gold and 66.56 gpt Silver (3.39 gpt AuEq) over 65.5 m with 16.80 gpt gold and 374.36 gpt silver (22.15 gpt AuEq) over 7.6 m*".
- News Release dated December 7, 2021, and titled, "*Aztec Summarizes 2021 RC Drill Results from Tombstone Project, Arizona; Multiple, Shallow, Thick, Oxidized Gold-Silver Intercepts Expand Mineralized Zones Around and Below the Contention Pit, Still Open in All Directions*".
- News Release dated January 30, 2023, and titled, "*Aztec to Resume Drilling at the Tombstone Gold-Silver District in Southeastern Arizona*".
- News Release dated February 28, 2023, and titled, "*Aztec Commences Core Drilling at the Tombstone Gold-Silver*".

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

*Project in Southeastern Arizona*".

- News Release dated April 26, 2023, and titled, "Aztec Drills Bonanza Grade Silver of 3,477 gpt Ag (111.96 oz/t Ag) over 1.52 m within a zone of 733.9 gpt Ag (23.63 oz/t Ag) over 7.6 m, part of a broader intercept of 0.58 gpt Au and 72.19 gpt Ag (1.63 AuEq) over 125.0 m in first hole of 2023 Core Drilling Program at Tombstone Project, Arizona".
- News Release dated May 2, 2023, and titled, "Aztec Expands Tombstone JV Patented Land Position in Arizona by Acquiring the Historic High-Grade Silver-Gold Westside Mine".
- News Release dated July 5, 2023, and titled, "Aztec Summarizes 2023 Core Drill Results from Tombstone Project, Arizona; Shallow, Broad Intersections of Oxidized Gold-Silver Continue to Expand the Mineralized Zones Around and Below the Contention Open Pit".
- News Release dated April 9, 2024, and titled, "Aztec and Tombstone Partners Plan 2024 Exploration Program at Tombstone Project, Arizona".
- News Release dated May 22, 2024, and titled, "Aztec Minerals 3D Modeling Construction of Gold-Silver Mineralization Supports New Exploration & Drilling Targets at Tombstone Project, Arizona".
- News Release dated June 24, 2024, and titled, "Aztec Samples 30.2m of 3.72 gpt Gold and 167.93 gpt Silver (5.82 gpt AuEq) from ongoing 2024 Surface Exploration Program at Tombstone Gold-Silver Project, Arizona".
- News Release dated July 16, 2024, and titled, "Aztec Reconnaissance Sampling Program Further Expands High-Grade Gold & Silver Mineralization at the Tombstone Project in Arizona".
- News Release dated October 22, 2024, and titled, "Aztec Completes First 4 Holes of 2024 Drill Program on the Tombstone Property, Tombstone Silver Mining District, Arizona".
- News Release dated November 21, 2024, and titled, "Aztec Drilling Intersects, Broad, Oxide Gold-Silver Zone in First Step Out Holes of 2024 Drill Program at the Tombstone Property and Expands RC Drilling Program".
- News Release dated December 23, 2024, and titled, "Aztec Intersects 0.60 gpt AuEq over 114.3m, continuing the expansion of the Shallow Footprint of the Broad, Oxide Gold-Silver Contention Zone, in 2024 Drill Program at the Tombstone Property, Arizona USA".
- News Release dated January 8, 2025, and titled, "Aztec Intersects 0.39 gpt AuEq over 146.3m, continuing the growth of the Shallow Footprint of the Broad, Oxide Gold-Silver Contention Zone, in the 2024 Drill Program at the Tombstone Property, Arizona USA".
- News Release dated January 22, 2025, and titled, "Aztec Discovers Significant Silver-Gold Mineralization, intersecting 85.4m of 47.31 gpt Silver Equivalent (AgEq), including 24.4m of 106.3 gpt AgEq, in First Pass Drilling of Westside Target Area at Tombstone Property, Arizona USA".
- News Release dated January 28, 2025, and titled, "Aztec Drills Bonanza Grade Silver of 7,269 gpt AgEq (233.7 opt AgEq) over 1.52m within a zone of 569 gpt AgEq over 25.8 m, part of a broader intercept of 76.2 gpt Ag and 0.90 gpt Au (148 gpt AgEq) over 106.4m in Southern Extension of Contention Zone at Tombstone Project, Arizona".
- News Release dated February 19, 2025, and titled, "Aztec Summarizes 2024 Exploration Drill Program at Tombstone Project, Arizona - Multiple, New, Shallow, Thick and High-Grade Gold-Silver Intercepts significant expand the Contention Zone and a First Pass Discovery in the Westside Zone".

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

### Qualified Person

David Heyl, BSc, CPG, Vice President (Exploration), is the Qualified Person who reviewed and approved any technical information in this MD&A.

### SELECTED ANNUAL INFORMATION

The following selected financial data have been prepared in accordance with IFRS unless otherwise noted and should be read in conjunction with the Company's consolidated financial statements. The following table sets forth selected financial data for the Company for and as of the end of the last three completed financial years.

	Years Ended December 31,		
	2024	2023	2022
Total revenues	\$ -	\$ -	\$ -
Net loss:			
(i) Total	\$ (1,824,515)	\$ (1,812,552)	\$ (1,739,623)
(ii) Basic per share	\$ (0.02)	\$ (0.02)	\$ (0.02)
(iii) Diluted per share	\$ (0.02)	\$ (0.02)	\$ (0.02)
Total assets	\$ 15,131,020	\$ 12,480,464	\$ 10,979,300
Total long-term liabilities	\$ -	\$ -	\$ -
Dividends per share	\$ -	\$ -	\$ -

During fiscal 2024 the Company completed private placements for gross proceeds of 3,675,111 and received \$48,000 on the exercise of options and incurred share issue costs of \$154,874. The Company incurred expenditures on exploration and evaluation assets of \$2,020,565 on the Cervantes and Tombstone properties. Details of operating expenses are reviewed under Overview - 2024

During fiscal 2023 the Company completed private placements for gross proceeds of \$2,645,206 and received \$24,000 on the exercise of options and incurred share issue costs of \$51,557. The Company incurred expenditures on exploration and evaluation assets of \$2,464,729 on the Cervantes and Tombstone properties. Details of operating expenses are reviewed under Overview – 2023.

During fiscal 2022 the Company completed private placements for gross proceeds of \$3,416,426 and received \$248,000 on the exercise of warrants and received \$136,500 on the exercise of options and incurred share issue costs of \$71,967. The Company incurred expenditures on exploration and evaluation assets of \$3,124,743 on the Cervantes and Tombstone properties. Details of operating expenses are reviewed under Overview – 2023.

### Overview - 2024

#### Results of Operations for the years ended December 31, 2024.

The following discussion explains the variations in key components of these numbers but, as with most junior mineral exploration companies, the results of operations are not the main factor in establishing the financial health of the Company. Of far greater significance are the mineral properties in which the Company has, or may earn, an interest, its working capital and how many shares it has outstanding. Quarterly results can vary significantly depending on whether the Company has abandoned any properties or granted any stock options.

The Company's general and administrative costs were \$1,889,186 (2023 - \$1,892,833) and a review of the major items are as follows:

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

- Accounting and audit of \$121,709 (2023 - \$56,019) consisting of accounting fees of \$75,619 (2023 - \$9,000) and audit and tax preparation of \$46,090 (2023 - \$47,019);
- Consulting of \$235,500 (2023 - \$Nil) consisting of corporate financial advisory services of \$205,000 (2023 - \$Nil) and other of \$30,500 (2023 - \$Nil);
- Shareholders relations of \$359,700 (2023 - \$684,999) consisting of advertising and promotion of \$127,689 (2023 - \$295,473), conference and trade shows of \$151,719 (2023 - \$221,362), news dissemination of \$19,306 (2023 - \$16,964), consulting of \$12,500 (2023 - \$136,661) and other of \$48,486 (2023 - \$14,539);
- Office and sundry of \$123,048 (2023 - \$107,292) consisting of expenditures for office rent, insurance, travel, software and other during the year;
- Regulatory of \$56,554 (2023 - \$70,530) consisting of transfer agent of \$10,468 (2023 - \$7,369), regulatory fees of \$40,756 (2023 - \$50,847) and other of \$5,330 (2023 - \$12,314);
- Employee remuneration of \$352,239 (2023 - \$404,470) which consisted of remuneration to the CEO, CFO, director fees and other; and
- Share-based payments of \$607,674 (2023 - \$564,988) for options vested and issued during the year.

### Other

- Other income of \$53,508 (2023 - \$147,504) from Joint Venture partner as share of royalty income from sale of aggregate, and operator fee from manage the Tombstone Mineral Property.

### **Overview - 2023**

#### **Results of Operations for the years ended December 31, 2023.**

The following discussion explains the variations in key components of these numbers but, as with most junior mineral exploration companies, the results of operations are not the main factor in establishing the financial health of the Company. Of far greater significance are the mineral properties in which the Company has, or may earn, an interest, its working capital and how many shares it has outstanding. Quarterly results can vary significantly depending on whether the Company has abandoned any properties or granted any stock options.

The Company's general and administrative costs were \$1,892,833 (2022 - \$1,733,444) and a review of the major items are as follows:

- Accounting and audit of \$56,019 (2022 - \$70,957) consisting of consulting fees of \$9,000 (2022 - \$29,481) and audit and tax preparation of \$47,019 (2022 - \$41,476);
- Shareholders relations of \$684,999 (2022 - \$612,989) consisting of advertising and promotion of \$295,473 (2022 - \$385,724), conference and trade shows of \$221,362 (2022 - \$87,556), news dissemination of \$16,964 (2022 - \$Nil), consulting of \$136,661 (2022 - \$106,125) and other of \$14,539 (2022 - \$33,584);
- Office and sundry of \$107,292 (2022 - \$76,844) consisting of expenditures for office rent, insurance, travel, software and other during the year;
- Regulatory of \$70,530 (2022 - \$112,247) consisting of transfer agent of \$7,369 (2022 - \$3,883), regulatory fees of \$50,847 (2022 - \$64,696) and other of \$12,314 (2022 - \$43,668);

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

- Employee remuneration of \$404,470 (2022 - \$404,215) which consisted of remuneration to the CEO, CFO, VP Exploration, director fees and other; and
- Share-based payments of \$564,988 (2022 - \$424,923) for options vested and issued during the year.

Other

- Other income of \$147,504 (2022 - \$Nil) from Joint Venture partner as share of royalty income from sale of aggregate.

## SUMMARY OF QUARTERLY RESULTS

The following table provides selected financial information of the Company for each of the last eight quarters ended at the most recently completed quarter, December 31, 2024. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	Mar 31, 2024	Dec 31, 2023	Sept 30, 2023	June 30, 2023	Mar 31, 2023
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net loss:								
(i) Total	\$ (120,116)	\$ (600,871)	\$ (296,630)	\$ (806,898)	\$ (535,186)	\$ (480,504)	\$ (444,373)	\$ (352,489)
(ii) Basic loss per share	\$ -	\$ (0.01)	\$ -	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ -	\$ -
(iii) Diluted loss per share	\$ -	\$ (0.01)	\$ -	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ -	\$ -
Total assets	\$ 15,131,020	\$ 14,597,459	\$ 12,598,722	\$ 12,939,472	\$ 12,480,464	\$ 12,642,751	\$ 11,482,061	\$ 11,855,777
Total long-term liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dividends per share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

During the quarter ended December 31, 2024, the Company incurred general and administration expenditures of \$183,085, which included employee remuneration of \$(48,771) due to account reclassification, shareholders relations of \$(22,287) due to account reclassification, share-based compensation of \$21,811, consulting of \$161,500 and other of \$70,832.

During the quarter ended September 30, 2024, the Company completed a private placement for gross proceeds of \$2,575,111 property expenditures of \$473,574 and incurred general and administration expenditures of \$564,637, which included employee remuneration of \$167,078, shareholders relations of \$73,823, share-based compensation of \$197,113 and other of \$126,623.

During the quarter ended June 30, 2024, the Company incurred general and administration expenditures of \$299,491, which included employee remuneration of \$101,248, shareholders relations of \$54,637, share-based compensation of \$35,577 and other of \$108,029.

During the quarter ended March 31, 2024, the Company completed a private placement for gross proceeds of \$1,100,000 and incurred expenditures of \$841,973, which included employee remuneration of \$132,684, shareholders relations of \$253,527, share-based compensation of \$353,173 and other of \$67,513.

For the year ended December 31, 2023, expenditures for the Cervantes property \$1.33million and for the Tombstone property \$1.1 million.

In August and September 2023, the Company closed a private placement in two tranches totalling 6.89 million units at \$0.225 per unit for gross proceeds of \$1.55 million.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

On February 23, 2023, the Company closed a private placement for 4.4 million common shares at \$0.25 per share for gross proceeds of \$1.1 million.

### ***Three Months ended December 31, 2024, compared to three months ended December 31, 2023***

The Company's general and administrative costs were \$183,085 (2023 - \$706,432) and a review of the major items are as follows:

- Accounting and audit of \$26,119 (2023 - \$56,000) consisting of consulting fees of \$12,000 (2023 - \$9,000) and audit and tax preparation of \$14,119 (2023 - \$47,000);
- Shareholders relations of \$(22,287) (2023 - \$224,396) consisting of advertising and promotion of \$19,756 (2023 - \$86,877), conference and trade shows of \$39,294 (2023 - \$74,387), news dissemination of \$Nil (2023 - \$1,719), consulting of \$Nil (2023 - \$66,820), other of \$21,163 (2023 - \$(5,407)) and account reclassification of \$(102,500) (2023 - \$Nil) to consulting;
- Consulting of \$161,500 (2023 - \$Nil) consisting of corporate financial advisory services of \$155,000 (2023 - \$Nil) and other of \$6,500 (2023 - \$Nil);
- Office and sundry of \$25,486 (2023 - \$50,515) consisting of expenditures for office rent, insurance, travel, software and other during the year;
- Regulatory of \$8,856 (2023 - \$16,656) consisting of transfer agent of \$2,214 (2023 - \$1,542), regulatory fees of \$6,642 (2023 - \$10,932) and other of \$Nil (2023 - \$4,091);
- Employee remuneration of \$(48,771) (2023 - \$152,556) which consisted of remuneration to the CEO, CFO, director fees and reclassification of VP Exploration's salary to exploration and evaluation assets (\$136,021); and
- Share-based payments of \$21,811 (2023 - \$70,715) for options vested and issued during the year.

Other

- Other income of \$50,435 (2023 - \$147,504) from Joint Venture partner as share of royalty income from sale of aggregate.

## **LIQUIDITY AND CAPITAL RESOURCES**

As at December 31, 2024, the Company had working capital of \$766,179 (December 31, 2023 - \$375,451). Because of economic conditions, globally, there is uncertainty in capital markets and the Company anticipates that it and others in the mineral resource sector may have limited access to capital. Although the business and assets of the Company have not changed, investors continue to attach a high-risk premium to venture capital. The Company continually monitors its financing alternatives and expects to increase its treasury in fiscal 2025 through private placements to support and bolster its exploration activities.

The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### **During fiscal 2024 the Company;**

Completed a non-brokered private placement for 7,333,333 units at \$0.15 per unit for gross proceeds of \$1,100,000. Each unit is comprised of one common share and one share purchase warrant which is exercisable to acquire one common share at an exercise price of \$0.225 until February 16, 2027. Additional share issue costs of \$10,902 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

Issued 400,000 common shares upon the exercise of stock options for proceeds of \$48,000.

Completed a non-brokered private placement for 14,306,171 units at \$0.18 per unit for gross proceeds of \$2,575,111. Each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder thereof to purchase one share at an exercise price of \$0.25 until July 26, 2026. A value of \$71,530 was attributed to the warrants using the residual value method. The company paid a cash finder's fee in the amount of \$90,553 and issued 495,286 agent warrants valued at \$28,162. Each agent warrant has an exercise price of \$0.18 and an expiry date of July 26, 2026. Additional share issue costs of \$53,419 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

### **During fiscal 2023 the Company:**

Completed a non-brokered private placement for 4,378,168 shares at \$0.25 per share for total proceeds of \$1,094,542.

Issued 200,000 common shares on the exercise of stock options for gross proceeds of \$24,000, resulting in a fair value reallocation of \$12,859 from reserve for share-based payments to share capital.

Completed a non-brokered private placement in two tranches totaling 6,891,839 units at \$0.225 per unit for gross proceeds of \$1,550,664. Each unit was comprised of one common share and one-half of one share purchase warrant; each whole share purchase warrant is exercisable to acquire one common share at an exercise price of \$0.30 for a period of three years. The Company closed the first tranche with 4,051,450 units for gross proceeds of \$911,576. The Company closed the second tranche for 2,840,389 units for gross proceeds of \$639,087. Finders fees were comprised of \$18,324 in cash and 75,700 warrants of which 56,520 warrants have an exercise price of \$0.30 and expiry date of August 29, 2026 and 19,180 warrants have an exercise price of \$0.225 and expiry date of August 29, 2025.

Additional share issue costs of \$33,233 were incurred in connection with these financing, and was recorded as an offset to share capital, as share issue costs.

## **SHARE CAPITAL**

(a) As of the date of the MDA the Company has 123,659,105 issued and outstanding common shares. The authorized share capital is unlimited no-par value common shares.

(b) As at the date of the MDA the Company has 11,500,000 incentive stock options outstanding.

(c) As at the date of the MDA the Company has 29,891,413 share purchase warrants.

## **INVESTOR RELATIONS AND MARKETING**

The Company has no investor relations contracts and Simon Dyakowski, CEO handles all matters in regard to investor relations. The Company periodically attends trade shows related to the mineral exploration sector.

## **OFF BALANCE SHEET ARRANGEMENTS**

There are no off-balance sheet arrangements which could have a material effect on current or future results of operations, or the financial condition of the Company, except for those disclosed in this MD&A or in the Company's public filings.

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

### RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and senior management. The compensation paid or payable to key management is disclosed in the table below.

Except as disclosed elsewhere in the MD&A, the Company had the following general and administrative costs with related parties during the year ended December 31, 2024:

	Year ended December 31, 2024	Year ended December 31, 2023	Net balance payable December 31, 2024	Net balance payable December 31, 2023
Key management compensation:				
Executive salaries and compensation <sup>(1)</sup>	\$ 471,791	\$ 526,338	\$ 17,025	\$ 16,805
Severance pay <sup>(2)</sup>	-	40,000		30,000
Directors fees	20,250	20,250	20,250	20,250
Share-based payments	379,455	462,613	-	-
	<u>\$ 871,496</u>	<u>\$ 1,049,201</u>	<u>\$ 37,275</u>	<u>\$ 67,055</u>

The above related party transactions are incurred in the normal course of business. Any amounts payable to related parties are due in less than 90 days.

(1) Includes key management compensation, \$188,791 (2023 - \$202,337) which is included in mineral property interests and employee remuneration.

(2) Includes the final settlement pay for the former CFO of the Company.

### PROPOSED TRANSACTIONS

There are no proposed material asset or business acquisitions or dispositions, other than those in the ordinary course of business and other than those already disclosed in this MD&A, before the board of directors for consideration, and other than those already disclosed in its regulatory and public filings.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements along with the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates and, as such, estimates and judgements and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management estimates relate to the variables used in the determination of the fair values of stock options granted and finders fee warrants issued and the valuation of deferred tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future financial performance and cash flows.



## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the Company's significant accounting policies during the year ended December 31, 2024, that had a material effect on its consolidated financial statements. The Company's significant accounting policies are disclosed in Note 2 to its audited annual consolidated financial statements for the year ended December 31, 2024, and 2023.

### NEW STANDARDS AND INTERPRETATIONS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for future accounting periods which are not expected to have a material effect on the Company's consolidated financial statements. There were no new standards adopted by the Company during the period having a material effect on the Company's consolidated financial statements.

### FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company classifies its financial instruments as follows:

---

<b>Financial Assets</b>	
Cash	Fair value through profit or loss ("FVTPL")
Receivables	Loans and receivable at amortized cost
<b>Financial Liability</b>	
Accounts payable and accrued liabilities	Other financial liabilities under amortized cost

---

---

#### Management of Financial Risk

The Company is exposed to a variety of financial instrument-related risks, including credit risk, liquidity risk, and market risk which includes foreign currency risk, interest rate risk and other price risk. The types of risk exposure and the way in which such exposure is managed are provided as follows.

The fair value hierarchy categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

The fair values of the Company's receivables and accounts payable and accrued liabilities approximate their carrying values due to the short terms to maturity. Cash is measured at fair values using Level 1 inputs.

(a) Credit risk:

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality Canadian financial institutions. Management has reviewed the items comprising the accounts receivable balance, which may include amounts receivable from certain related parties and determined that all accounts are collectible.

(b) Liquidity risk:

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

## AZTEC MINERALS CORP.

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

As of December 31, 2024, the Company had a cash balance of \$1,117,778 to settle current liabilities of \$754,657. All the Company's financial liabilities have contractual maturity of less than 90 days and are subject to normal trade terms. The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

(c) Interest rate risk:

In respect of financial assets, the Company's policy is to invest excess cash at floating rates of interest in cash equivalents, to maintain liquidity, while achieving a satisfactory return. Fluctuations in interest rates impact on the value of cash equivalents. Interest rate risk is not significant to the Company as it has no cash equivalents at year-end.

(d) Foreign currency risk:

The Company has certain cash and accounts payable stated in United States dollars and Mexican pesos, mineral property interests which are in the USA and Mexico, and a portion of its operations are in Mexico, resulting in expenditures subject to foreign currency fluctuations. Fluctuations in the United States dollar and Mexican peso would impact the losses of the Company and the values of its assets and liabilities as the Company's functional and presentation currencies are the Canadian dollar. The Canadian dollar fluctuates with the United States dollar and Mexican peso.

At December 31, 2024 and 2023, the Company was exposed to currency risk for its Canadian dollar equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars as follows:

	Stated in Canadian Dollars		
	Held in		Total
	United States Dollars	Mexican Pesos	
Cash	\$ 96,703	\$ 192	\$ 96,895
Accounts receivable	192,628	-	192,628
Accounts payable and accrued liabilities	(617,317)	(11,707)	(629,024)
Net financial assets (liabilities), December 31, 2024	\$ (327,986)	\$ (11,515)	\$ (339,501)
Cash	\$ 85,924	\$ 7,705	\$ 93,629
Accounts receivable	73,487	-	73,487
Accounts payable and accrued liabilities	(106,216)	(94,140)	(200,356)
Net financial assets (liabilities), December 31, 2023	\$ 53,195	\$ (86,435)	\$ (33,240)

Based upon the above net exposure as at December 31, 2024 and assuming all other variables remain constant, a 10% (December 31, 2023 - 10%) depreciation or appreciation of the Canadian dollar relative to the United States dollar and the Mexican pesos could result in a decrease/increase of approximately \$33,900 (December 31, 2023 - \$3,300) in the Company's net losses.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

(e) Other price risk:

Other price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Company currently does not have any financial instruments which fluctuate with market prices.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### **CAPITAL MANAGEMENT**

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options and warrants included in reserve, and subscriptions receivable.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest is in the exploration stage as such the Company has historically relied on the equity markets to fund its activities. The Company will also assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has, or as access to adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

### **OUTLOOK**

The Company will continue to depend upon equity financings to continue exploration work on and to advance its mineral property interests, and to meet its administrative overhead costs for the 2024 fiscal year. There are no assurances that capital requirements will be met by this means of financing as inherent risks are attached therein including commodity prices, financial market conditions, and general economic factors. The Company does not expect to realize any operating revenues from its mineral property interests in the foreseeable future.

### **RISKS AND UNCERTAINTIES**

The following is a brief discussion of those distinctive or special characteristics of the Company's operations and industry that may have a material impact on, or constitute risk factors in respect of, the Company's future financial performance.

#### ***Exploration and Development Risks***

There is no assurance given by the Company that its exploration and development, if any, programs and properties will result in the discovery, development or production of a commercially viable deposit or ore body.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in any discoveries of bodies of commercial ore. The economics of developing mineral properties are affected by many factors including capital and operating costs, variations of the grades and tonnages of ore mined, fluctuating metal prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Substantial expenditures are required to establish resources or reserves through drilling and other work, to develop metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for exploration and / or development can be obtained on a timely basis. The marketability of any metals or minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of required processing facilities, mineral markets and required processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection. To commence exploitation of certain properties presently held under exploration concessions, it is necessary for the Company to apply for exploitation concessions. There can be no guarantee that such concessions will be granted.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### ***Financing Risks***

There is no assurance given by the Company that it will be able to secure the financing necessary to explore, develop and produce its mineral properties. The Company does not presently have sufficient financial resources or operating cash-flow to undertake by itself all its planned exploration and development programs. The development of the Company's properties may therefore depend on the Company's ability to obtain additional required financing. There is no assurance the Company will be successful in obtaining the required financing on terms acceptable to the Company, or at all, the lack of which could result in the loss or substantial dilution of its interests (as existing or as proposed to be acquired) in its properties as disclosed herein. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity capital financings, exploration success, the attainment of profitable operations and the completion of further share issuances to satisfy working capital and operating needs. The Company may need to raise further funds to complete further exploration programs at the Cervantes and Tombstone properties, if such programs are warranted.

### ***Estimates of Mineral Deposits***

There is no assurance given by the Company that any estimates of mineral deposits or resources will materialize.

No assurance can be given that any identified mineralization will be developed into a coherent mineralization deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of projects. The existence of mineralization or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

### ***Commodity Prices***

There is no assurance given by the Company that commodity prices will not change.

The mining industry is competitive, and commodity prices fluctuate so that there is no assurance, even if commercial quantities of a mineral resource are discovered, that a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of precious and base metals fluctuate on a daily basis, have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates, central bank transactions, world supply for precious and base metals, international investments, monetary systems, and global or regional consumption patterns (such as the development of gold coin programs), speculative activities and increased production due to improved mining and production methods. The supply of and demand for precious and base metals are affected by various factors, including political events, economic conditions and production costs in major producing regions, and governmental policies with respect to precious metal holdings by a nation or its citizens. The exact effect of these factors cannot be accurately predicted, and the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values. There is no assurance that the prices of gold and other precious and base metals will be such that the Company's properties can be mined at a profit.

### ***Competition and Agreements with Other Parties***

The Company competes with larger, better capitalized competitors in the mining industry and there is no assurance given by the Company that it can compete for mineral properties, future financings or technical expertise.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may, in the future, be unable to meet its share of costs incurred under joint venture or similar agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

### ***Title Matters***

There is no assurance given by the Company that it owns legal title to its mineral properties.

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to any of the Company's mining concessions may come under dispute. While the Company has diligently investigated title considerations to its mineral properties, in certain circumstances, the Company has only relied upon representations of property partners, legal opinions, and government agencies. There is no guarantee of title to any of the Company's properties. The properties may be subject to prior unregistered agreements or transfers, and title may be affected by unidentified and undetected defects. Native land claims or claims of aboriginal title may be asserted over areas in which the Company's properties are located, but unlikely given all surrounding surface rights are privately held. Further, the Company does not own certain claims in the Cervantes and Tombstone properties and only has a right to earn an interest therein pursuant to the property option agreements, as amended. In the event that the Company does not fulfill its obligations contemplated by the property option agreements, as amended, it will lose its interest in the relevant mineral property.

### ***Surface Rights***

The Company has acquired rights to certain parts of the property covered by its mineral tenures and is in continuing negotiations over other parts. In areas where the Company operates there are local populations or landowners who, in the case of the Cervantes Property, do not live on the property but raise cattle throughout the region. The Company understands that it is necessary, as a practical matter, to negotiate surface access, and the Company is continuing to do so. However, there is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on the Cervantes Property becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

### ***Community Groups***

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in Sonora State (Mexico) and Arizona (USA), NGOs or local community organizations could direct adverse publicity and/or disrupt the operations of the Company in respect of one or more of its properties due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### ***Conflicts of Interest***

There is no assurance given by the Company that its directors and officers will not have conflicts of interest from time to time.

The Company's directors and officers may serve as directors or officers of other public mineral exploration and resource companies or have significant shareholdings in other public resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors and management of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The interests of these companies may differ from time to time. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against any resolution involving any such conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of the Province of British Columbia, Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in any particular exploration or mining project at any given time, the directors will primarily consider the upside potential for the project to be accretive to shareholders, the degree of risk to which the Company may be exposed and its financial position at that time.

### ***Negative Operating Cash Flow***

The Company had negative operating cash flow during its most recently completed period ended June 30, 2024. In the event that the Company's operating cash flow is not positive in future financial periods it may need to raise additional capital in order to fund operations. There is no guarantee that additional funds will be available on terms acceptable to the Company or at all. In the event that the Company's operating cash flow is negative this may have a material adverse effect on the Company and its stock price.

### ***Uninsured Risks***

The Company provides no assurance that it is adequately insured against all risks. The Company maintains insurance in such amounts as it considers to be reasonable, however, such insurance may not cover all the potential risks associated with its activities, including any future mining operations. The Company may not be able to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards because of exploration or production may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it does not insure against or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

### ***Environmental and Other Regulatory Requirements***

There is no assurance given by the Company that it has met all environmental or regulatory requirements.

The current or future operations of the Company, including exploration and development activities and commencement of production on its properties, require permits from various foreign, federal, state and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required in order for the Company to commence exploration, development or production on its various properties will be obtained. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, are necessary prior to operation of the other properties

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence exploration, construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration, development and mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. New laws or regulations or amendments to current laws, regulations and permits governing operations and activities of exploration and mining companies, or more stringent implementation of current laws, regulations or permits, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### ***Foreign Countries and Regulatory Requirements***

The Company's mineral property interests are in countries outside of Canada, and mineral exploration and mining activities may be affected in varying degrees by political stability, changes in foreign policy, and government regulations relating to the mining industry. Any changes in regulations, foreign policy, or shifts in political attitudes may vary from country to country and are beyond the control of the Company and may adversely affect its business and its ability to operate in foreign jurisdictions. Such changes have, in the past, included nationalization of foreign owned businesses and properties. The Company's ability to operate its business may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, income and other taxes and duties, tariffs, trade, expropriation of property, environmental legislation and mine safety. These uncertainties may make it more difficult for the Company to obtain any required production financing for its mineral properties.

### ***Reclamation***

Land reclamation requirements for the Company's properties may be burdensome.

There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of any potential waste rock and/or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of the Company's properties to cover potential risks. These additional costs may have material adverse impact on the financial condition and results of the Company.

### ***Unknown Environmental Risks for Past Activities***

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

### ***Currency Fluctuation and Foreign Exchange Controls***

The Company maintains a portion of its funds in U.S. dollar and Mexican pesos denominated accounts. Certain of the Company's property and related contracts may be denominated in U.S. dollars and Mexican pesos. The Company's operations in countries other than Canada are normally carried out in the currency of that country and make the Company subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position and results. In addition future contracts may not be denominated in Canadian dollars and may expose the Company to foreign currency fluctuations

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

and such fluctuations may materially affect the Company's financial position and results. The Company is or may become subject to foreign exchange restrictions which may severely limit or restrict its ability to repatriate capital or profits from its properties outside of Canada to Canada. Future impositions of such restrictions could have a materially adverse effect on the Company's future profitability or ability to pay dividends.

### ***Dependence on Key Individuals***

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

The Company does not maintain key-person insurance on the life of any of its personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

### ***Volatility of Common Shares***

Volatility in the price of the Company's common shares could cause investor loss.

The common shares are listed on the TSX Venture Exchange and OTCQB. The market price of a publicly traded stock, especially a junior resource company like the Company, is affected by many variables in addition to those directly related to exploration successes or failures. Such factors include the general condition of the market for junior resource stocks, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the common shares on the TSX Venture Exchange and OTCQB suggests that the price of the Company's common shares will continue to be volatile. Therefore, investors could suffer significant losses if the Company's common shares are depressed or illiquid when an investor seeks liquidity and needs to sell the common shares of the Company. There is no guarantee on the future price at which the common shares may trade, and no guarantee that the warrants will ever be in a position of value and may ultimately expire prior to being in-the-money.

### ***Potential Volatility of Market Price of Common Shares and Related Litigation Risks***

Securities of publicly listed companies such as the Company have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of companies. These broad market fluctuations may adversely affect the market price of the Company's common shares. In addition, the market price of the Company's shares is likely to be highly volatile. Factors such as gold prices, the average volume of shares traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Company and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Company's common shares. It is likely that the Company's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors, and, in such an event, the market price of the Company's common shares could be materially adversely affected. In the past, securities class action litigation has often initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Company, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on the Company's business, financial position and results of operations.

### ***Future Sales of Common Shares by Existing Shareholders***

Sales of many common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which may be, from time to time, lower than the market price of the common shares at the time of the announcement of the offer. Accordingly, a significant number of the Company's shareholders at any given time may have an investment profit in the common shares that they may seek to liquidate.



## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### ***Litigation affecting Mineral Properties***

Potential litigation may arise on a mineral property on which the Company has an interest (for example, litigation with the original property owners or neighboring property owners). The results of litigation cannot be predicted with certainty and defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If the Company is unable to resolve these disputes favorably or if the cost of the resolution is substantial, such events may have a material adverse impact on the ability of the Company to carry out its business plan.

### ***Substantial Number of Authorized but Unissued Shares***

The Company has an unlimited number of common shares which may be issued by the Board without further action or approval of the Company's shareholders. While the Board is required to fulfil its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

### ***Global Economy Risk***

The United States and Canadian governments announced new tariffs on imported goods. This has caused significant economic uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in fuel and energy costs and metals prices, inflation rates, interest rates and significant fluctuations in commodity prices as a result of the ongoing military conflict. Many industries have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to international events, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, supply chain disruptions, sovereign debt crises, fuel and energy costs, economic recession, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's growth and profitability. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, the strength and confidence in the U.S. dollar, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities.

### ***Cybersecurity Threats***

The Company relies on secure and adequate operations of information technology systems in the conduct of its operations. Access to and security of the information technology systems are critical to the Company's operations. To the Company's knowledge, it has not experienced any material losses relating to disruptions to its information technology systems. The Company has implemented ongoing policies, controls and practices to manage and safeguard the Company and its stakeholders from internal and external cybersecurity threats and to comply with changing legal requirements and industry practice. Given that cyber risks cannot be fully mitigated and the evolving nature of these threats, the Company cannot assure that its information technology systems are fully protected from cybercrime or that the systems will not be inadvertently compromised, or without failures or defects. Potential disruptions to the Company's information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber-attacks, natural disasters, and noncompliance by third party service providers and inadequate levels of cybersecurity expertise and safeguards of third party information technology service providers, may adversely affect the operations of the Company as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third party data, material adverse effect on its financial performance, compliance with its contractual obligations, compliance with applicable laws, damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny.

## **AZTEC MINERALS CORP.**

(An Exploration Stage Company)

Management's Discussion and Analysis

For the year ended December 31, 2024

(expressed in Canadian dollars)

---

### **DISCLOSURE OF MANAGEMENT COMPENSATION**

In accordance with the requirements of Section 19.5 of TSXV Policy 3.1, the Company provides the following disclosure with respect to the compensation of its directors and officers during the period:

1. During the year ended December 31, 2024, the Company did not enter any standard compensation arrangements made directly or indirectly with any directors or officers of the Company, for their services as directors or officers, or in any other capacity, with the Company or any of its subsidiaries except as disclosed under "Related Party Transactions".
2. During the year ended December 31, 2024, officers of the Company were paid for their services as officers by the Company as noted above under "Related Party Transactions".
3. During the period ended December 31, 2024, the Company did not enter an arrangement relating to severance payments to be paid to directors and officers of the Company and its subsidiaries.

### **APPROVAL**

The Board of Directors of the Company has approved the disclosures in this MDA.

### **ADDITIONAL SOURCES OF INFORMATION**

Additional disclosures pertaining to the Company, including its most recent, financial statements, management information circular, material change reports, press releases and other information, are available on the SEDAR website at [www.sedarplus.ca](http://www.sedarplus.ca) or on the Company's website at [www.vrr.ca](http://www.vrr.ca). Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.