



Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity's auditor.

Emerita Resources Corp.
Consolidated Interim Consolidated Statements of Financial Position
Expressed in Canadian Dollars- Unaudited

As at:		March 31, 2025	September 30, 2024	October 1, 2023
	Note	\$	\$	\$
			Restated (Note 3)	Restated (Note 3)
ASSETS				
Current				
Cash and cash equivalents		12,076,742	10,943,786	9,759,722
Amounts receivable	4	1,784,677	962,330	2,463,886
Marketable securities	5	15,733	19,666	43,265
Prepaid expenses	6	650,981	771,016	306,136
Total current assets		14,528,133	12,696,798	12,573,009
Long-term				
Reclamation deposits	9	336,441	330,164	325,065
Equipment	7	328,779	328,187	366,950
Exploration and evaluation assets	3,9	42,605,626	37,539,938	28,158,052
Total assets		57,798,979	50,895,087	41,423,076
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	14,15	1,253,957	2,342,424	1,576,780
Non-current liabilities		1,253,957	2,342,424	1,576,780
Long term loan payable	10	7,010,577	5,744,644	-
Total liabilities		8,264,534	8,087,068	1,576,780
SHAREHOLDERS' EQUITY				
Common shares	11	72,766,158	60,751,238	57,268,197
Shares to be issued	11	6,000	-	-
Warrant reserve	12	3,409,512	5,567,188	6,567,628
Option reserve	12	26,564,130	23,382,793	23,860,718
Deficit		(53,211,355)	(46,893,200)	(47,850,247)
Total shareholders' equity		49,534,445	42,808,019	39,846,296
Total liabilities and shareholders' equity		57,798,979	50,895,087	41,423,076
Nature of operations and going concern	1			
Commitments and contingencies	17			
Subsequent events	18			

Approved on behalf of the Board of Directors on May 29, 2025:

Signed: "Catherine Stretch", Director

Signed: "David Gower", Director

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

Emerita Resources Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

Expressed in Canadian Dollars- Unaudited

	Note	Three months ended March 31,		Six months ended March 31,	
		2025 \$	2024 \$	2025 \$	2024 \$
			Restated (Note 3)		Restated (Note 3)
Expenses					
Consulting and management fees	15	660,511	504,595	1,153,887	1,042,916
Professional fees		30,723	102,797	65,787	188,991
Shareholder communication and filing fees		52,153	36,219	91,522	71,817
Promotion expenses		142,837	79,629	271,589	245,850
Project evaluation expenses		103,956	-	103,956	-
Travel expenses		30,191	55,988	106,644	122,712
Office expenses		22,987	35,446	61,748	69,158
Share-based compensation	12	3,552,582	-	3,552,582	-
Loss before other items		(4,595,940)	(814,674)	(5,407,715)	(1,741,444)
Other items					
Accretion expense	10	(86,784)	-	(145,092)	-
Interest expense	10	(366,245)	-	(724,121)	-
Interest income		82,773	97,040	163,771	106,378
Loss on disposal of equipment	7	-	-	-	(13,105)
Unrealized loss on marketable securities	5	-	(3,933)	(3,933)	(19,666)
Unrealized foreign exchange gain		(275,488)	(279)	(201,065)	43,354
Total other items				(910,440)	116,961
Net loss and comprehensive loss for the period		(5,241,684)	(721,846)	(6,318,155)	(1,624,483)
(Loss) per share					
Basic and diluted		\$ (0.02)	\$ (0.00)	\$ (0.02)	\$ (0.01)
Weighted average number of common shares outstanding					
Basic and diluted		258,022,849	234,820,968	253,399,810	234,820,968

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

Emerita Resources Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

Expressed in Canadian Dollars- Unaudited

	Note	Number of shares	Common shares	Shares to be issued	Warrant reserve	Option reserve	Deficit Restated (Note 3)	Shareholders' equity Restated (Note 3)
		#	\$	\$	\$	\$	\$	\$
Balance, September 30, 2024		247,605,968	60,751,238	-	5,567,188	23,382,793	(46,893,200)	42,808,019
Warrants exercised	12	13,314,318	11,218,175	-	(2,157,676)	-	-	9,060,499
Options exercised	12	2,600,000	796,745	6,000	-	(371,245)	-	431,500
Share-based compensation		-	-	-	-	3,552,582	-	3,552,582
Loss and comprehensive loss for the period		-	-	-	-	-	(6,318,155)	(6,318,155)
Balance, March 31, 2025		263,520,286	72,766,158	6,000	3,409,512	26,564,130	(53,211,355)	49,534,445
Balance, September 30, 2023		234,820,968	57,268,197	-	6,567,628	23,860,718	(47,849,456)	11,688,244
Warrants expired unexercised	12	-	-	-	(4,048,300)	-	4,048,300	-
Options expired unexercised	12	-	-	-	-	(455,628)	455,628	-
Share-based compensation	12	-	-	-	-	-	-	-
Loss and comprehensive loss for the period (note 3)		-	-	-	-	-	(6,098,414)	(6,098,414)
Balance, March 31, 2024		234,820,968	57,268,197	-	2,519,328	23,405,090	(49,443,942)	5,589,830

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

Emerita Resources Corp.
Condensed Interim Consolidated Statements of Cash Flows
Expressed in Canadian Dollars- Unaudited

		Six months ended March 31,	
	Note	2025 \$	2024 \$
			(Restated)
			(Note 3)
Cash (used in)/provided by:			
Operating activities			
Net loss for the year		(6,318,155)	(1,624,483)
Items not involving cash:			
Accretion expense	10	145,092	-
Unrealized foreign exchange	10	405,936	-
Interest expense	10	714,905	-
Unrealized loss on marketable securities	5	3,933	19,666
Loss on disposal of equipment	7	-	13,105
Share-based compensation	12	3,552,582	-
Accrued interest income		(29,114)	-
Amortization	7	30,032	9,146
Working capital adjustments:		(1,761,665)	(1,221,295)
Net cash (used in) operating activities		(3,256,454)	(2,803,861)
Investing activities			
Proceeds from sale of equipment	7	-	33,381
Additions to equipment	8	(29,440)	-
Refund of reclamation deposits	10	(3,885)	-
Exploration and evaluation assets	3,9	(5,065,688)	(4,635,435)
Net cash (used in) investing activities		(5,099,013)	(4,602,054)
Financing activities			
Options exercised	12	431,500	-
Warrants exercised	12	9,060,499	-
Net cash provided by financing activities		9,491,999	-
Effect of foreign exchange on cash and cash equivalents		(3,576)	(7,446)
Change in cash and cash equivalents, during the period		1,132,956	(7,413,361)
Cash and cash equivalents, beginning of period		10,943,786	9,759,722
Cash and cash equivalents, end of period		12,076,742	2,346,361

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

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

1. NATURE OF OPERATIONS AND GOING CONCERN

Emerita Resources Corp. (the “Company”, or “Emerita”) was incorporated on October 30, 2009 as 0865140 BC Ltd. pursuant to the *Business Corporations Act* (British Columbia). On January 8, 2013, the Company completed its Qualifying Transaction and ceased to be a Capital Pool Company. The Company changed its name to Emerita Resources Corp. and commenced trading as a Tier 2 Mining Issuer on the TSX Venture Exchange (“TSXV”) on January 11, 2013 under the new trading symbol “EMO”. The Company also trades on the OTCQB Venture Market in the United States under the trading symbol “EMOTF”. The Company owns the following subsidiary:

- A 100% interest in Emerita Resources Espana SL (“Emerita Espana”), a company incorporated on May 30, 2012 in Spain.

The Company is currently engaged in the acquisition, exploration and development of mineral properties. The head office and principal address of the Company is 36 Lombard Street, Floor 4, Toronto, Ontario, M5C 2X3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of exploration and evaluation expenditures is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these interests.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company’s property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

These condensed interim consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying condensed interim consolidated financial statements. Such adjustments could be material.

Exploration and evaluation assets

All of the Company’s exploration and evaluation property interests are in the exploration and evaluation phase. The Company records its interests in exploration and evaluation properties and areas of geological interest at cost. Expenditures incurred prior to obtaining the legal right to explore are capitalized. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the reserves available on the related property following commencement of production. The cost of exploration and evaluation properties includes any cash consideration paid and the fair market value of shares issued, if any, on the acquisition of property interests.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

Acquisition costs of properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property claim acquisition costs and their related exploration and evaluation costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its exploration and evaluation properties on a periodic basis and when events or changes in circumstances indicate that its carrying amount may not be recoverable, the Company will recognize an impairment in value based upon current exploration results and upon management's assessment of the future probability of revenues from the property or from the sale of the property. See Note 3.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements are in compliance with IAS 34, *Interim Financial Reporting*. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended September 30, 2024.

Basis of presentation

These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information, and have been prepared using the historical cost basis, except for financial instruments carried at fair value. Furthermore, these condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary. All values are rounded to the nearest dollar.

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary. All material intercompany transactions and balances between subsidiaries have been eliminated on consolidation. The Company holds a 38.82% (September 30, 2024 – 38.82%) interest in Cantabrica del Zinc ("Cantabrica"), along with its joint venture partner, the Aldesa Group. Cantabrica is reported as a joint venture in these condensed interim consolidated financial statements. Refer to Note 8.

Approval of the consolidated financial statements

These condensed interim consolidated financial statements of the Company for the three and six months ended March 31, 2025 and 2024 were reviewed, approved and authorized for issue by the Board of Directors of the Company on May 29, 2025.

Critical judgements and estimation uncertainties

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

2. BASIS OF PRESENTATION (continued)

Critical judgements and estimation uncertainties (continued)

Fair value of financial instruments

Marketable securities are measured at fair value. The estimated fair value of financial instruments, by their very nature, are subject to measurement uncertainty. The Company estimates fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually during the life of a mine to reflect known developments (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration, or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards is determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Contingencies

Refer to Notes 1 and 17.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

2. BASIS OF PRESENTATION (continued)

Critical judgements and estimation uncertainties (continued)

Joint Arrangement

The Company has a joint arrangement with the Aldesa Group. The Company has joint control over this arrangement as under the contractual arrangement with the Aldesa Group, unanimous consent is required from all parties to the agreements for certain key strategic, operating, investing and financing policies. The Company's joint arrangement is structured as a corporation (JV Company) and provides the Company and the Aldesa Group (parties to the agreements) with rights to net assets of the limited company under the arrangement. Therefore, this arrangement has been classified as a joint venture and has been recorded as an investment in associate. See Note 8.

Joint arrangement (continued)

Judgement is required to determine the type of joint arrangement that exists. This judgement involves considering its rights and obligations arising from the arrangement. An entity assesses its rights and obligations by considering the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances.

Estimated useful lives and depreciation of equipment and right-of-use assets

Depreciation and amortization of property and equipment and right-of-use assets are dependent upon estimates of useful lives and when the asset is available for use, which are determined through the exercise of judgment and are dependent upon estimates that take into account factors such as economic and market conditions, frequency of use, anticipated changes in laws and technological improvements.

Impairment of equipment and right-of-use assets

The assessment of any impairment on property and equipment and right-of-use assets is dependent upon estimates of recoverable amounts. As the recoverable amount is the higher of fair value less costs of disposal ["FVLCD"] and value in use ["VIU"], management must consider factors such as economic and market conditions, estimated future cash flows, discount rates and asset-specific risks.

Discount rates and lease terms used in the application of IFRS 16, Leases

The determination of the Company's lease liabilities and right-of-use assets depends on certain assumptions, which include the selection of the discount rate. The discount rate is set by reference to the Company's incremental borrowing rate. Management determines the incremental borrowing rate for each leased asset by taking into account the Company's credit standing, the guarantee, the term and the value of the underlying leased asset, as well as the economic environment in which the leased asset is operated. Incremental borrowing rates can be changed due to macroeconomic changes in the environment. To determine the appropriate lease term, management considers all relevant facts and circumstances that create an economic incentive for the Company to exercise a renewal option or not to exercise a termination option. The periods covered by the renewal options are included in the lease term only if management is reasonably certain it will renew the lease. Changes in the assumptions used may have a significant effect on the consolidated financial statements.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

2. BASIS OF PRESENTATION (continued)

Critical judgements and estimation uncertainties (continued)

Valuation of long term loan

The Company makes estimates and assumptions relating to the fair value measurement and disclosure of its long term debt. Judgments include considerations of a market rate of interest estimated using the Company's credit risk, economic environment, term of the loan, and the interest rate charged to comparable companies. Changes in the assumptions used may have a significant effect on the Company's consolidated financial statements.

Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

3. CHANGES IN ACCOUNTING POLICY

During the period ended March 31, 2025, the Company changed its accounting policy of expensing exploration and evaluation expenditures to capitalizing all exploration and evaluation expenditures incurred. The Company believes capitalizing such costs as incurred provides more reliable and relevant financial information. Cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are capitalized in accordance with IFRS 6. The consolidated financial statements for the year ended September 30, 2024 have been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change of \$37,539,938 has been reflected in the ending deficit of the consolidated financial statements as at September 30, 2024.

Emerita Resources Corp.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended March 31, 2025 and 2024***Expressed in Canadian Dollars- Unaudited*

3. CHANGES IN ACCOUNTING POLICY (continued)

The following is a reconciliation of the Company's consolidated financial statements as at September 30, 2024 and October 1, 2023 and for the six months ended March 31, 2024:

Consolidated Statement of Financial Position	As at September 30, 2024		
	As previously reported	Adjustment	Restated
ASSETS			
Current			
Cash	\$ 10,943,786	\$ -	\$ 10,943,786
Amounts receivable	962,330	-	962,330
Marketable securities	19,666	-	19,666
Prepaid expenses	771,016	-	771,016
Total current assets	12,696,798	-	12,696,798
Long-term			
Reclamation deposit	330,164	-	330,164
Equipment	328,187	-	328,187
Exploration and evaluation assets	-	37,539,938	37,539,938
Total assets	\$ 13,355,149	\$ 37,539,938	\$ 50,895,087
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$ 2,342,424	\$ -	\$ 2,342,424
Current liabilities	2,342,424	-	2,342,424
Long term loan payable	5,744,644	-	5,744,644
Total liabilities	8,087,068	-	8,087,068
SHAREHOLDERS' EQUITY			
Common shares	60,751,238	-	60,751,238
Warrant reserve	5,567,188	-	5,567,188
Option reserve	23,382,793	-	23,382,793
Deficit	(84,433,138)	(37,539,938)	(46,893,200)
Total shareholders' equity	\$ 5,268,081	\$ (37,539,938)	\$ 42,808,019
Total liabilities and shareholders' equity	\$ 13,355,149	\$ (37,539,938)	\$ 50,895,087

Emerita Resources Corp.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended March 31, 2025 and 2024***Expressed in Canadian Dollars- Unaudited*

3. CHANGES IN ACCOUNTING POLICY (continued)

Consolidated Statement of Financial Position		As at October 1, 2023		
		As previously reported	Adjustment	Restated
ASSETS				
Current				
Cash	\$	9,759,722	\$ -	\$ 9,759,722
Amounts receivable		2,463,886	-	2,463,886
Marketable securities		43,265	-	43,265
Prepaid expenses		306,136	-	306,136
Total current assets		12,573,009	-	12,573,009
Long-term				
Reclamation deposit		325,065	-	325,065
Equipment		366,950	-	366,950
Exploration and evaluation assets		-	28,158,052	28,158,052
Total assets		\$ 13,265,024	\$ 28,158,052	\$ 41,423,076
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$	1,576,780	\$ -	\$ 1,576,780
Total liabilities		1,576,780	-	1,576,780
SHAREHOLDERS' EQUITY				
Common shares		57,268,197	-	57,268,197
Warrant reserve		6,567,628	-	6,567,628
Option reserve		23,860,718	-	23,860,718
Deficit		(76,008,299)	(28,158,052)	(47,850,247)
Total shareholders' equity		11,688,244	(28,158,052)	39,846,296
Total liabilities and shareholders' equity		\$ 13,265,024	\$ (28,158,052)	\$ 41,423,076

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

3. CHANGES IN ACCOUNTING POLICY (continued)

Consolidated Statement of Loss and Comprehensive Loss		For the six months ended March 31, 2024		
	As previously reported	Adjustment	Restated	
Expenses				
Project evaluation expenses	\$ 4,473,931	\$ (4,473,931)	\$ -	
Other general and administrative costs	1,741,444	-	1,741,444	
Loss for the period before other items	(6,215,375)	(4,473,931)	(1,741,444)	
Other items				
Interest income	106,378	-	106,378	
Loss on disposal of equipment	(13,105)	-	(13,105)	
Unrealized loss on marketable securities	(19,666)	-	(19,666)	
Foreign exchange gain	43,354	-	43,354	
Total other items	116,961	-	116,961	
Net and comprehensive loss for the period	\$ (6,098,414)	\$ (4,473,931)	\$ (1,624,483)	
Consolidated Statement of Cash Flow		For the six months ended March 31, 2024		
	As previously reported	Adjustment	Restated	
Cash (used in)/provided by:				
Operating activities				
Net loss for the period	\$ (6,098,414)	\$ 4,473,931	\$ (1,624,483)	
Adjustments for items not affecting cash:				
Unrealized loss on marketable securities	19,666	-	19,666	
Loss on disposal of equipment	13,105	-	13,105	
Amortization	9,146	-	9,146	
Working capital adjustments	(1,221,295)	-	(1,221,295)	
Net cash (used in) operating activities	(7,277,792)	4,473,931	(2,803,861)	
Investing activities				
Proceeds from sale of equipment	33,381	-	33,381	
Exploration and evaluation assets	(161,504)	(4,473,931)	(4,635,435)	
Net cash (used in) investing activities	(128,123)	(4,473,931)	(4,602,054)	
Net cash provided by financing activities	-	-	-	
Effect of foreign exchange on cash and cash equivalents	(7,446)	-	(7,446)	
Increase/decrease in cash during the period	(7,413,361)	-	(7,413,361)	
Cash, beginning of period	9,759,722	-	9,759,722	
Cash, end of period	\$ 2,346,361	\$ -	\$ 2,346,361	

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

4. AMOUNTS RECEIVABLE

	March 31, 2025	September 30, 2024	October 1, 2023
	\$	\$	\$
Value added tax receivable- Spain	1,534,927	858,872	2,094,382
Sales taxes receivable- Canada	85,598	77,220	260,484
Other receivables	164,152	26,238	109,020
	1,784,677	962,330	2,463,886

5. MARKETABLE SECURITIES

The Company's marketable securities consist of 786,632 common shares (September 30, 2024: 786,632 common shares) of Western Metallica Resource Corp. ("Western") (TSXV: WMS.V). The carrying value is calculated based on the estimated fair value determined using the quoted market price of \$0.02 per share at March 31, 2025 (September 30, 2024: \$0.025 per share). The cost of the common shares was \$74,730, and the shares are classified in Level 1 of the fair value hierarchy. An unrealized loss of \$3,933 was recorded in the Company's statements of loss for the six months ended March 31, 2025 (six months ended March 31, 2024: \$19,666). A director and officer of Western is also a director and officer of the Company, and a director of Western is an officer of the Company. See Notes 9 and 15.

6. PREPAID EXPENSES

	March 31, 2025	September 30, 2024	October 1, 2023
	\$	\$	\$
Prepaid exploration expenses- Spain	265,146	140,934	23,493
Prepaid deposits- Spain	263,513	478,253	96,163
Prepaid promotional expenses	71,228	110,773	145,800
Prepaid corporate overheads	51,094	41,056	40,680
	650,981	771,016	306,136

7. EQUIPMENT

	Equipment	Furniture	Software	Vehicles	Total
Cost as at September 30, 2023	\$ 65,392	\$ 115,042	\$ 87,438	\$ 188,956	\$ 456,828
Additions, 2024	-	14,209	-	170,220	184,429
Disposals, 2024	-	-	-	(82,632)	(82,632)
Cost as at September 30, 2024	\$ 65,392	\$ 129,251	\$ 87,438	\$ 276,544	\$ 558,625
Additions, 2025	-	-	-	29,440	29,440
Cost as at March 31, 2025	\$ 65,392	\$ 129,251	\$ 87,438	\$ 305,984	\$ 588,065
Accumulated amortization as at September 30, 2023	\$ 20,428	\$ 45,944	\$ 1,881	\$ 21,625	\$ 89,878
Disposals, 2024	-	-	-	(21,625)	(21,625)
Charge for the period	7,234	35,832	39,332	79,787	162,185
Accumulated amortization as at September 30, 2024	\$ 27,662	\$ 81,776	\$ 41,213	\$ 79,787	\$ 230,438
Charge for the period	14,051	2,280	-	12,518	28,848
Accumulated amortization at March 31, 2025	\$ 41,713	\$ 84,056	\$ 41,213	\$ 92,305	\$ 259,286
Net book value as at October 1, 2023	\$ 44,964	\$ 69,098	\$ 85,557	\$ 167,331	\$ 366,950
Net book value as at September 30, 2024	\$ 37,730	\$ 47,475	\$ 46,225	\$ 196,757	\$ 328,187
Net book value as at March 31, 2025	\$ 23,679	\$ 45,195	\$ 46,225	\$ 213,679	\$ 328,779

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

8. INVESTMENT IN AND ADVANCES TO ASSOCIATE

On October 26, 2017, the Company, along with its Spanish joint venture partner the Aldesa Group ("Aldesa"), were awarded exploration concessions in the Santanilla Syncline (the "Plaza Norte Project"). The Plaza Norte Project is in the Reocin Basin in Cantabria, Spain. In January of 2022, the Company determined that the Plaza Norte Project did not have the technical merit to continue to be of strategic interest to the Company and the joint venture partners agreed to dissolve the joint venture after the project is sold or relinquished.

As at March 31, 2025, the Company owned a 38.82% interest (September 30, 2024: 38.82%) in Cantabrica, a corporation registered in Spain, which is in the process of being disposed of at March 31, 2025. The carrying investment is \$nil for the six months ended March 31, 2025 and year ended September 30, 2024.

9. EXPLORATION AND EVALUATION ASSETS

	Iberia Belt West Project	Nuevo Tintillo Project	Sierra Alta Project	Total
Cost as at October 1, 2023	\$ 26,269,061	\$ 1,609,500	\$ 279,491	\$ 28,158,052
Additions	6,178,969	3,202,917	-	9,381,886
Cost as at September 30, 2024	32,448,030	4,812,417	279,491	37,539,938
Additions	4,761,198	304,490	-	5,065,688
Cost as at March 31, 2025	\$ 37,209,228	\$ 5,116,907	\$ 279,491	\$ 42,605,626

As at March 31, 2025, the Company has valid permits for three polymetallic properties and one gold exploration property in Spain. The gold property was issued by the Asturias regulatory authorities in Spain. The polymetallic properties were issued by the Andalusian regulatory authorities in Spain. The Company also currently has a 38.82% interest in a joint venture with the Aldesa Group which has a property interest in Cantabria. This property interest is in the process of being divested. See Note 8.

As at March 31, 2025, the Company has paid reclamation deposits totalling \$336,441 (September 30, 2024: \$330,164), detailed as follows:

	March 31, 2025	September 30, 2024	October 1, 2023
Project	Deposits paid (\$)	Deposits paid (\$)	Deposits paid (\$)
Iberia Belt West	184,926	183,173	176,940
Nuevo Tintillo	59,052	57,289	63,016
Sierra Alta	55,944	54,274	51,494
Infanta Sur	18,648	18,091	17,165
Other	17,871	17,337	16,450
	336,441	330,164	325,065

a) Iberia Belt West Property

The Iberia Belt West Project ("IBW Project") consists of one exploration permit in southwestern Spain. The IBW Project encompasses three polymetallic deposits. From east to west: La Infanta, El Cura, and La Romanera.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

9. EXPLORATION AND EVALUATION ASSETS (continued)

a) Iberia Belt West Property (continued)

- On September 1, 2020, Emerita was officially notified through a resolution that it was the winning bidder of the IBW Project mining rights in Huelva. The Tender resolution has been issued by the Provincial Secretary of the Regional Ministry of Industry in Huelva. The resolution declares that Emerita Espana is the winning bidder of the tender. Emerita Espana is registered on the Junta de Andalucia official website as the owner of the mining rights to the IBW Project. On July 12, 2021, the Company received the final granted resolution. The initial rights were for a period of 26 months expiring September 12, 2023, and Emerita has the right to apply to have this period extended for a further 36 months. Emerita submitted a renewal extension on July 7, 2023 that is pending and expects to receive approval of the extension in the coming months, as the Company has met or exceeded all the requirements for a permit extension.
- On September 8, 2023, the Company submitted a separate application for an Exploitation License that, when granted, has a 30-year term and can be extended for two subsequent 30-year periods. The Company has submitted all the required supporting documentation to support the application. During the time that the application is being reviewed, the Company's rights under its current exploration permit are extended.
- On March 9, 2023, the Company was granted an additional exploration permit for certain claims located to the south of the La Infanta deposit. This exploration permit allows the Company to begin exploration work immediately and does not require further environmental or municipal approvals for work to proceed. The Infanta Sur exploration permit can be renewed for subsequent additional periods.
- On February 18, 2025, the Ministry of Industrial Policy and Energy of Huelva, Andalusia granted Emerita the exploration permit for the Ontario Property, adding to the Company's wholly owned IBW Project.

b) Nuevo Tintillo

- The Nuevo Tintillo Project consists of one exploration permit in Seville province, in the Western part of the Iberian Pyrite Belt.
- The application for the exploration permit was submitted on September 12, 2014. On June 20, 2022, the Company received a final granted resolution for three-year exploration permits that expires June 20, 2025. Applications for extension and for additional land packages are in process.

c) Sierra Alta Property

- The Sierra Alta Property is comprised of one exploration permit which consists of certain mining claims in the Asturias region in northwestern Spain. The Company applied for the permit on November 18, 2013 and received notice that the Company was the winning bidder of the tender on July 8, 2015. On July 21, 2017, the Company received the final granted resolution. The concession was valid for a three-year term and was renewable for equal and successive periods of three years. Permit renewals were submitted in 2020, and a one-year extension was granted on October 19, 2022. On October 19, 2023, an additional 2-year extension was granted until October 19, 2025.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

9. EXPLORATION AND EVALUATION ASSETS (continued)

c) Sierra Alta Property (continued)

- On April 20, 2020, the Company signed a binding letter agreement with Western, pursuant to which Western may earn a 55% interest in the Sierra Alta project (the "Sierra Transaction"). The Company entered into an amending agreement with Western in June 2022. A director and officer of Western is also a director and officer of the Company, and a director of Western is an officer of the Company. Refer to Notes 5 and 15.
- To earn its 55% interest, Western shall:
 1. Pay \$50,000 in cash to the Company (paid);
 2. Issue 786,632 shares of Western to the Company (completed on September 27, 2022- see Note 5);
 3. Spend \$500,000 on mineral exploration of the project within 24 months of the signing of the definitive agreement (completed);
 4. Enter into a binding joint venture agreement with the Company (not yet completed).

d) Plaza Norte Property

Emerita currently has a 38.82% interest in a joint venture with Aldesa. The renewal of the exploration permit (Plaza Norte project) is being adjudicated in the High Administrative Court of Cantabria. Therefore, the resolution is pending. The joint venture partners have agreed to dissolve the joint venture after the project is sold or relinquished. Aldesa is currently leading a process to try and sell the project. See Note 8.

10. LONG TERM LOAN

On August 14, 2024, the Company entered into a credit agreement with Nebari Natural Resources Credit Fund LL, LP (the "Lender") pursuant to which the Company may borrow up to a maximum aggregate principal amount of USD\$15,000,000 from the Lender to be issued in three tranches of (i) USD\$6,000,000 ("Tranche 1"); (ii) USD\$4,500,000 ("Tranche 2"); and (iii) USD\$4,500,000 ("Tranche 3" and, together with Tranche 1 and Tranche 2, the "Tranches" and each a "Tranche") (the "Loan"). The Lender is at arms-length to the Company.

The Company will issue on the closing of each Tranche a number of common share purchase warrants (the "Loan Warrants") equal to:

- a) **Tranche 1:** the Canadian equivalent of USD\$6,000,000 divided by a Canadian dollar amount equal to a 25% premium to the lower of: (i) a 20-day VWAP of the Company's share price on the date which the Company issues its request for the advance in respect of such Tranche; and (ii) the Market Price (as such term is defined under the policies of the TSXV) as of the date which the Company issues its request for the advance in respect of such Tranche;
- b) **Tranche 2:** the Canadian equivalent of USD\$1,687,500 divided by a Canadian dollar amount equal to a 25% premium to the lower of: (i) a 20-day VWAP of the Company's share price on the date which the Company issues its request for the advance in respect of such Tranche; and (ii) the Market Price as of the date which the Company issues its request for the advance in respect of such Tranche;
- c) **Tranche 3:** the Canadian equivalent of USD\$1,687,500 divided by a Canadian dollar amount equal to a 25% premium to the lower of: (i) a 20-day VWAP of the Company's share price on the date which the Company issues its request for the advance in respect of such Tranche; and (ii) the Market Price as of the date which the Company issues its request for the advance in respect of such Tranche;

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

10. LONG TERM LOAN (continued)

Each Loan Warrant will entitle the holder to purchase one common share of the Company at an exercise price equal to a 25% premium to the lower of: (i) the 20-day VWAP of the Company's share price on the date which the Company issues its request for the advance in respect of the Tranche under which such Loan Warrant is being issued; and (ii) the Market Price (as such term is defined under the policies of the TSXV) as of the date which the Company issues its request for the advance in respect of the Tranche under which such Loan Warrant is being issued until August 16, 2028.

Upon the closing of Tranche 1, the Loan will be guaranteed by the Company's wholly owned subsidiary, Emerita Resources Espana SL (the "Guarantor"). The Guarantor and the Company will subsequently enter into the security agreements described below with the Lender while also initially securing the Loan by way of (i) a pledge of 100% of all shares of the Guarantor (the "Share Pledge") and (ii) a registered, perfected first priority security interest in, lien on and pledge of all intercorporate debt between the Company, the Guarantor and all affiliates thereof.

Upon receipt of an exploitation concession for the IBW Project, the Share Pledge will be cancelled (unless receipt follows the closing of Tranche 2), and the following will be granted, registered and fully perfected:

- a) A first lien senior security on all future tangible and non-tangible assets and working capital assets of the IBW Project; and
- b) A first priority lien senior mortgage over and security interest in, lien on and pledge of (i) all current and future tangible and non-tangible assets and working capital assets relating to or used in connection with the IBW Project; and (ii) all real property and mining claims, mining concessions, permits (including the exploration permit for the IBW Project), usufructs and surface leases in which it now has and hereafter acquires rights relating to or associated with the IBW Project

Upon the closing of Tranche 2, the Share Pledge (if it has previously been cancelled in accordance with the above) will be restored.

A drawdown of Tranche 2 and 3 are subject to the Company satisfying the applicable condition precedents, including the satisfactory completion of various assessments and reports for the Company's mineral properties held in Spain.

Interest will accrue on the advanced outstanding principal amount on the loan based on a floating rate per annum equal to the sum of: (the three-month term SOFR (Secured Overhead Financing Rate) reference rate administered by CME Group Benchmark Administration Limited (i) the "Term SOFR"), as determined on the first date of each calendar month; and (ii) 11.5% per annum, provided that if the Term SOFR is less than 4.0%, it shall be deemed to be 4.0%. The maturity date of the Loan is August 16, 2028. The Loan may be repaid prior to maturity at any time subject to the additional payment of a make-whole threshold. Interest will accrue from the closing date of Tranche 1 for a period of 18 months and will be capitalized and added to the principal amount of the loan. The principal amount is due on maturity and interest is due monthly after the conclusion of the capitalization period, February 16, 2026.

On August 16, 2024, Tranche 1 was closed and the Company received proceeds of \$8,190,600 (USD\$6,000,000). In connection with the receipt of funding, the Company issued 9,963,636 non-transferable Loan Warrants to a nominated affiliate of the Lender, each entitling the holder to acquire one common share of the Company at an exercise price of \$0.825 per share until August 16, 2028.

During the six months ended March 31, 2025, the Company incurred \$724,121 (USD\$503,702) in interest on the Loan (year ended September 30, 2024: \$160,776 (USD\$119,102)), and the outstanding principal balance owed on the Loan at March 31, 2025 was \$9,520,943 (USD\$6,622,804) (September 30, 2024: \$8,270,176 (USD\$6,119,102)).

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

10. LONG TERM LOAN (continued)

In connection with the issuance of the Loan, during the year ended September 30, 2024, the Company paid \$466,459 in issuance costs. These costs have been allocated to the long term loan and the Loan Warrants on the basis of their relative carrying values at the time of issuance. \$340,320 have been offset against the carrying value of the loan and are being amortized to net loss using the effective interest method, resulting in an effective interest rate of 26.7%. \$126,139 have been offset against the value allocated to Loan Warrants. See Note 12.

A reconciliation of the proceeds received with the long term loan payable balance at March 31, 2025 and September 30, 2024 is as follows:

Balance, October 1, 2023	-
Principal amount	8,190,600
Transaction costs	(340,320)
Allocation to warrants	(2,223,747)
Interest expense	160,776
Accretion expense	18,562
Unrealized foreign exchange	(61,227)
Balance, September 30, 2024	5,744,644
Interest expense	714,905
Accretion expense	145,092
Unrealized foreign exchange	405,936
Balance, March 31, 2025	7,010,577

11. COMMON SHARES

Authorized

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

Common Shares Issued

	Number of shares outstanding	Amount (\$)
Balance, September 30, 2023	234,820,968	57,268,197
Private placements (iii)	12,500,000	5,000,000
Valuation of warrants (iii)	-	(1,546,689)
Cost of issue (iii)	-	(38,712)
Warrant exercises (iv)	35,000	14,000
Valuation allocation of exercise of warrants	-	7,145
Option exercises (v)	250,000	25,000
Valuation allocation of exercise of options	-	22,297
Balance, September 30, 2024	247,605,968	60,751,238
Warrant exercises (i)	13,314,318	9,060,499
Valuation allocation of exercise of warrants	-	2,157,676
Option exercises (ii)	2,600,000	425,500
Valuation allocation of exercise of options	-	371,245
Balance, March 31, 2025	263,520,286	72,766,158

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

11. COMMON SHARES (continued)

Common Shares Issued (continued)

- (i) During the six months ended March 31, 2025, 13,314,318 of the Company's warrants were exercised at a weighted-average price of \$0.68 per common share, generating gross proceeds of \$9,060,499.
- (ii) During the six months ended March 31, 2025, 2,600,000 of the Company's stock options were exercised at a weighted-average price of \$0.14 per common share, generating gross proceeds of \$425,500. Directors and officers of the Company exercised 1,800,000 stock options, generating gross proceeds of \$180,000. At March 31, 2025, the Company was holding \$6,000 in proceeds for options exercised subsequent to March 31, 2025.
- (iii) On May 2, 2024, the Company completed a private placement financing by issuing 12,500,000 units at a price of \$0.40 per unit for gross proceeds of \$5,000,000. Each unit is comprised of one common share of the Company and one common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.60 for a period of 36 months. The grant date fair value of the warrants issued was estimated at \$1,546,689 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of \$0.28; expected volatility of 94.5%; risk-free interest rate of 4.12% and expected life of 3 years. In connection with the offering, the Company incurred a total of \$38,712 in issuance costs.
- (iv) During the year ended September 30, 2024, 35,000 of the Company's warrants were exercised at a weighted-average price of \$0.40 per common share, generating gross proceeds of \$14,000.
- (v) During the year ended September 30, 2024, 250,000 of the Company's stock options were exercised by an officer of the Company at a weighted-average price of \$0.10 per common share, generating gross proceeds of \$25,000.

12. EQUITY RESERVES

Warrants

The changes in warrants issued during the year ended September 30, 2024 and six months ended March 31, 2025 are as follows:

	Number of warrants	Weighted average exercise price	Value of warrants
Balance, September 30, 2023	22,997,150	\$ 0.89	\$ 6,567,628
Exercised	(35,000)	0.40	(7,145)
Granted	22,463,636	0.70	3,055,005
Expired	(7,847,150)	1.50	(4,048,300)
Balance, September 30, 2024	37,578,636	\$ 0.65	\$ 5,567,188
Exercised	(13,314,318)	0.68	(2,157,676)
Balance, March 31, 2025	24,264,318	\$ 0.65	\$ 3,409,512

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

12. EQUITY RESERVES (continued)

Warrants (continued)

On August 16, 2024, the Company issued 9,963,636 warrants in relation to the long term loan (see Note 10). The grant date fair value of the warrants issued was estimated at \$2,223,747 using the residual approach. In connection with the issuance of the loan warrants, \$126,139 of issuance costs were offset against the grant date fair value of the warrants. The Company recognized a deferred income tax recovery of \$589,293 which was also offset against the grant date fair value of the warrants.

During the year ended September 30, 2024, 7,847,150 of the Company's warrants expired unexercised and \$4,048,300 was transferred to deficit.

The following summarizes the warrants outstanding as of March 31, 2025:

Number outstanding #	Number exercisable #	Grant date	Expiry date	Share price \$	Exercise price \$	Estimated grant date fair value \$	Volatility	Risk-free interest rate	Expected life (Yrs) #	Expected dividend yield
2,087,500	2,087,500	13-Jun-23	13-Jun-26	\$0.31	\$0.60	332,562	116%	4.17%	3.00	0%
1,120,000	1,120,000	13-Jun-23	13-Jun-26	\$0.31	\$0.40	228,627	116%	4.17%	3.00	0%
3,575,000	3,575,000	16-Jun-23	16-Jun-26	\$0.31	\$0.60	610,546	115%	4.14%	3.00	0%
12,500,000	12,500,000	2-May-24	2-May-27	\$0.28	\$0.60	1,546,689	94%	4.12%	3.00	0%
4,981,818	4,981,818	16-Aug-24	16-Aug-28	\$0.66	\$0.825	691,088				
24,264,318	24,264,318					3,409,513				

The weighted-average remaining contractual life of the warrants as of March 31, 2025 is 2.11 years (September 30, 2024: 2.57 years).

Share-based payments

The changes in stock options issued during the year ended September 30, 2024 and six months ended March 31, 2025 are as follows:

	Number of options	Weighted average exercise price	Estimated grant date fair value
Balance, September 30, 2023	23,145,000	\$ 1.17	\$ 23,860,718
Expired	(220,000)	2.35	(455,628)
Exercised	(250,000)	0.10	(22,297)
Balance, September 30, 2024	22,675,000	\$ 1.27	\$ 23,382,793
Exercised	(2,600,000)	0.14	(371,245)
Granted	4,000,000	1.18	2,700,682
Balance, March 31, 2025	24,075,000	\$ 1.28	\$ 25,712,230

During the six months ended March 31, 2025, 2,600,000 of the Company's options were exercised at a weighted-average exercise price of \$0.14, generating proceeds of \$425,500. Directors and officers of the Company exercised 1,800,000 options at an average exercise price of \$0.10, generating proceeds of \$180,000.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

12. EQUITY RESERVES (continued)

Share-based payments (continued)

On February 3, 2025, the Company granted 4,000,000 stock options to certain directors, officers, and consultants of the Company pursuant to the Company's stock option plan. The options vested immediately and may be exercised at a price of \$1.18 per option for a period of 2 years from the date of grant. The fair value of the options was estimated at \$2,700,682 using the Black-Scholes pricing model, with the following weighted-average assumptions: expected dividend yield 0%, stock price \$1.34, expected annual volatility 86%, risk-free interest rate 2.56% and expected average life 2 years. Directors and officers were granted 3,300,000 options, with a fair value of \$2,228,062.

During the year ended September 30, 2024, 250,000 of the Company's options were exercised by an officer of the Company at a weighted-average exercise price of \$0.10, generating proceeds of \$25,000.

The Company's weighted-average share price at the time of option exercise was as follows:

	Options Exercised	Weighted-average Share Price
Year ended September 30, 2024	250,000	\$0.60
Six months ended March 31, 2025	2,600,000	\$0.81

During the year ended September 30, 2024, 220,000 stock options expired and \$455,628 was transferred to deficit.

Options outstanding as of March 31, 2025 are as follows:

Number outstanding #	Number exercisable #	Grant date	Expiry date	Share price \$	Exercise price \$	Estimated grant date fair value \$	Volatility	Risk-free interest rate	Expected life (Yrs) #	Expected dividend yield
350,000	350,000	27-May-20	27-May-25	\$0.06	\$0.05	17,115	140%	0.40%	5.00	0%
4,700,000	4,700,000	5-Feb-21	5-Feb-26	\$0.18	\$0.18	754,351	143%	0.48%	5.00	0%
300,000	300,000	14-Apr-21	14-Apr-26	\$0.23	\$0.25	63,870	174%	0.95%	5.00	0%
200,000	200,000	25-Jun-21	25-Jun-26	\$1.20	\$1.10	228,623	171%	1.00%	5.00	0%
7,100,000	7,100,000	29-Jul-21	29-Jul-26	\$1.86	\$1.86	11,737,312	142%	0.81%	5.00	0%
3,550,000	3,550,000	4-Feb-22	4-Feb-27	\$2.75	\$2.75	8,588,467	137%	1.71%	5.00	0%
100,000	100,000	14-Apr-22	14-Apr-27	\$2.43	\$2.43	213,624	136%	2.61%	5.00	0%
350,000	350,000	16-Jan-23	16-Jan-28	\$0.79	\$0.78	241,682	133%	2.95%	5.00	0%
3,425,000	3,425,000	8-Aug-23	8-Aug-28	\$0.39	\$0.40	1,166,504	133%	3.83%	5.00	0%
4,000,000	4,000,000	3-Feb-25	3-Feb-27	\$1.34	\$1.18	2,700,682	86%	2.56%	2.00	0%
24,075,000	24,075,000					25,712,230				

The weighted average remaining contractual life of the options as at March 31, 2025 is 1.69 years (September 30, 2024: 2.02 years).

Restricted share units

On February 3, 2025, the Company issued 7,700,000 restricted share units ("RSUs") to certain directors, officers, employees and consultants of the Company in accordance with the Company's Restricted Share Unit and Deferred Unit Plan. The RSUs will vest annually in equal installments over a 3-year period beginning on the one-year anniversary of the grant date. The fair value of the RSU's granted was \$9,086,000 based on the Company's share price on the date of issuance.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

12. EQUITY RESERVES (continued)

Restricted share units (continued)

Directors and officers were granted 6,000,000 RSU's with a fair value of \$7,080,000. The Company recorded share-based compensation expense of \$851,900 in the statement of loss and comprehensive loss for the six months ended March 31, 2025.

13. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and development of mineral properties. The Board 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 Company considers its capital to consist of common shares, warrants and options.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and evaluation and pay for administrative costs, the Company must raise additional amounts.

The Company may continue to assess new properties and may seek to acquire an interest in additional properties if it feels there is sufficient geologic or 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. There were no significant changes in the Company's approach to capital management during the six months ended March 31, 2025 and year ended September 30, 2024.

The Company and its subsidiary are not subject to any capital requirements imposed by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months. As at March 31, 2025, the Company believes it is compliant with the policies of the TSXV.

14. FINANCIAL INSTRUMENTS

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

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

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

14. FINANCIAL INSTRUMENTS (continued)

The Company's financial instruments include cash and cash equivalents, amounts receivable, marketable securities, accounts payable and accrued liabilities, and long term loan payable. With the exception of long term loan payable, the carrying values of these financial instruments reported in the consolidated statement of financial position approximate their respective fair values due to the relatively short-term nature of these instruments. As at March 31, 2025, the Company's financial instruments that are carried at fair value, being marketable securities, are classified as Level 1 within the fair value hierarchy.

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

a) *Credit risk*

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of set-off exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

i. *Trade credit risk*

As at March 31, 2025, the Company has recorded \$1,620,525 in sales tax receivable from the Canadian and Spanish tax authorities (September 30, 2024: \$936,092). Any potential reassessment subsequent to the financial statement reporting date could have a material effect on the Company's financial condition and results of operations.

ii. *Cash and cash equivalents*

In order to manage credit and liquidity risk, the Company's policy is to invest only in highly rated, investment grade instruments. Limits are also established based on the type of investment, the counterparty and the credit rating.

(b) *Currency risk*

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's foreign currency risk arises primarily with respect to the Euro from its property interests in Spain, and US dollars from operations. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

As at March 31, 2025 and September 30, 2024, the Company had the following financial instruments denominated in foreign currency (expressed in Canadian dollars):

Emerita Resources Corp.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended March 31, 2025 and 2024***Expressed in Canadian Dollars- Unaudited*

14. FINANCIAL INSTRUMENTS (continued)**March 31, 2025**

	Euro	US dollars
Cash	\$ 2,985,859	\$ 3,686,387
Amounts receivable	1,534,927	-
Accounts payable and accrued liabilities	(1,014,649)	(34,044)
Long term loan payable	-	(7,010,577)
	\$ 3,506,137	\$ (3,358,234)

September 30, 2024

	Euro	US dollars
Cash	\$ 2,117,711	\$ 8,752,334
Amounts receivable	858,872	-
Accounts payable and accrued liabilities	(885,887)	(105,607)
Long term loan payable	-	(5,744,644)
	\$ 2,090,696	\$ 2,902,083

A 10% strengthening (weakening) of the Canadian dollar against the Euro would decrease (increase) net loss by approximately \$350,000 (September 30, 2024- \$233,000).

A 10% strengthening (weakening) of the Canadian dollar against the US dollar would decrease (increase) net loss by approximately \$(336,000) (September 30, 2024- \$256,000).

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2025, the Company had a cash and cash equivalents balance of \$12,076,742 (September 30, 2024 - \$10,943,786) to settle current liabilities of \$1,253,957 (September 30, 2024 - \$2,342,424). The Company's trade payables have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) Commodity / Equity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to gold, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Commodity price risk is remote as the Company is not a producing entity.

(e) Price risk of marketable securities

The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

15. RELATED PARTY TRANSACTIONS

As at March 31, 2025, an amount of \$46,381, included in accounts payable and accrued liabilities, was owed to directors and officers of the Company (September 30, 2024: \$37,908). The amounts outstanding on fees are unsecured, non-interest bearing, with no fixed terms of repayment. The amounts owing were paid in full subsequent to March 31, 2025.

On April 20, 2020, the Company signed a binding letter agreement with Western, pursuant to which Western would earn a 55% interest in the Sierra Alta project. A director and officer of Western is also a director and officer of the Company, and a director of Western is an officer of the Company. See Notes 5 and 9.

Compensation of key management personnel of the Company

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. During the three and six months ended March 31, 2025 and 2024, the remuneration of directors and other key management personnel are as follows:

	Three months ended March 31,		Six months ended March 31,	
	2025	2024	2025	2024
Management fees	\$ 473,504	\$ 301,347	\$ 777,192	\$ 603,023
Share-based compensation	2,891,880	-	2,891,880	-
Total	\$ 3,365,384	\$ 301,347	\$ 3,669,072	\$ 603,023

See Note 17.

16. SEGMENT INFORMATION

The Company conducts its business as a single operating segment, being mineral exploration and evaluation in Spain. The following tables summarize the total assets and liabilities by geographic segment as at March 31, 2025 and September 30, 2024:

March 31, 2025	Spain	Canada	Total
Cash	\$ 2,985,859	\$ 9,090,883	\$ 12,076,742
Other current assets	2,151,135	300,256	2,451,391
Reclamation deposits	336,441	-	336,441
Equipment	328,779	-	328,779
Exploration and evaluation assets	42,605,626	-	42,605,626
Total assets	\$ 48,407,840	\$ 9,391,139	\$ 57,798,979
Accounts payable and accrued liabilities	\$ 1,014,649	\$ 239,308	\$ 1,253,957
Loan payable	-	7,010,577	7,010,577
Total liabilities	\$ 1,014,649	\$ 7,249,885	\$ 8,264,534

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

16. SEGMENT INFORMATION (continued)

September 30, 2024	Spain	Canada	Total
Cash	\$ 2,117,711	\$ 8,826,075	\$ 10,943,786
Other current assets	1,478,060	274,952	1,753,012
Reclamation deposits	330,164	-	330,164
Equipment	328,187	-	328,187
Exploration and evaluation properties	37,539,938	-	37,539,938
Total assets	\$ 41,794,060	\$ 9,101,027	\$ 50,895,087
Accounts payable and accrued liabilities	\$ 885,887	\$ 1,456,537	\$ 2,342,424
Loan payable	-	5,744,644	5,744,644
Total liabilities	\$ 885,887	\$ 7,201,181	\$ 8,087,068
October 1, 2023	Spain	Canada	Total
Cash	\$ 1,135,197	\$ 8,624,525	\$ 9,759,722
Other current assets	2,214,038	599,249	2,813,287
Reclamation deposits	325,065	-	325,065
Equipment	366,950	-	366,950
Exploration and evaluation properties	28,158,052	-	28,158,052
Total assets	\$ 32,199,302	\$ 9,223,774	\$ 41,423,076
Accounts payable and accrued liabilities	\$ 1,016,316	\$ 560,464	\$ 1,576,780
Total liabilities	\$ 1,016,316	\$ 560,464	\$ 1,576,780

The following tables summarize the loss by geographic segment for the six months ended March 31, 2025 and 2024:

March 31, 2025	Spain	Canada	Total
Other income	\$ -	\$ (163,771)	\$ (163,771)
Interest expense	-	724,121	724,121
General and administrative expenses	103,956	1,751,177	1,855,133
Unrealized loss on investments	-	3,933	3,933
Accretion expense	-	145,092	145,092
Share-based compensation	-	3,552,582	3,552,582
Foreign exchange (gain)	-	201,065	201,065
Loss	\$ 103,956	\$ 6,214,199	\$ 6,318,155
March 31, 2024	Spain	Canada	Total
Other income	\$ -	\$ (106,378)	\$ (106,378)
General and administrative expenses	-	1,741,444	1,741,444
Unrealized loss on investments	-	19,666	19,666
Loss on disposal of equipment	13,105	-	13,105
Foreign exchange (gain)	-	(43,354)	(43,354)
Loss	\$ 13,105	\$ 1,611,378	\$ 1,624,483

Emerita Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended March 31, 2025 and 2024

Expressed in Canadian Dollars- Unaudited

17. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make expenditures to comply with such laws and regulations.

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately \$1,758,500 (September 30, 2024- \$719,500) due within one year and additional contingent payments of up to approximately \$4,424,000 (September 30, 2024- \$2,500,000). As a triggering event has not taken place, the contingent payments have not been reflected in these condensed interim consolidated financial statements.

Certain officers of the Company will receive aggregate bonus payments totaling \$400,000 upon the award of the Aznalcóllar Project in Spain and the completion of a subsequent financing. As a triggering event has not yet taken place, these contingent payments have not been reflected in these condensed interim consolidated financial statements.

The Company is subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable, and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity.

18. SUBSEQUENT EVENTS

Subsequent to March 31, 2025, 600,000 of the Company's stock options were exercised, generating gross proceeds of \$127,500.