

	Notes	Audited as at 31-May-21 C\$	Translated as at 31-May-21 \$	Subsequent events \$	Pro-forma adjustments \$	Pro-forma after issue \$
CURRENT ASSETS						
Cash and cash equivalents	1	2,548,807	2,731,811	(269,286)	4,679,526	7,142,051
Receivables		66,267	71,025	-	-	71,025
Prepaid expenses		27,985	29,994	-	-	29,994
TOTAL CURRENT ASSETS		2,643,059	2,832,830	(269,286)	4,679,526	7,243,070
NON-CURRENT ASSETS						
Receivables		117,455	125,888	-	-	125,888
Deposits		28,843	30,914	-	-	30,914
Equipment		10,828	11,605	-	-	11,605
Exploration and evaluation assets	2	3,360,003	3,601,251	258,600	-	3,859,851
TOTAL NON-CURRENT ASSETS		3,517,129	3,769,658	258,600	-	4,028,258
TOTAL ASSETS		6,160,188	6,602,488	(10,686)	4,679,526	11,271,328
CURRENT LIABILITIES						
Accounts payable		380,190	407,488	-	-	407,488
Accrued liabilities		104,986	112,524	-	-	112,524
Short-term borrowing	3	51,016	54,679	(54,679)	-	-
TOTAL CURRENT LIABILITIES		536,192	574,691	(54,679)	-	520,012
TOTAL LIABILITIES		536,192	574,691	(54,679)	-	520,012
NET ASSETS		5,623,996	6,027,797	43,993	4,679,526	10,751,316
EQUITY						
Share capital	4	26,161,373	28,039,760	37,513	4,551,408	32,628,681
Reserves	5	2,611,568	2,799,079	219,725	359,333	3,378,137
Deficit	6	(23,148,945)	(24,811,042)	(213,245)	(231,215)	(25,255,502)
TOTAL EQUITY		5,623,996	6,027,797	43,993	4,679,526	10,751,316

NTA	6,891,465
Minimum NTA	4,000,000
Status	PASS
Headroom	2,891,465
Working capital	6,723,058
Minimum working capital	1,500,000
Status	PASS
Headroom	5,223,058



Notes:

1. Cash and cash equivalents

Subsequent events:

- a) Cash and cash equivalents have been adjusted for the payment of USD\$200,000 (\$258,600) upon the signing of an option agreement to earn-into the Mostazal Copper Project ('**Mostazal Option Agreement**' or the '**Agreement**'). The payment was made to the vendors of the Mostazal Copper Project on 23 June 2021 as part of the expenditure and payment requirements of the Agreement.
- b) Cash and cash equivalents have been adjusted for the receipt of MXN\$99,998 (\$6,480) upon the sale of its Mexican subsidiaries, Minera Westminster S.A. de C.V. and Servicios Westminster S.A. de C.V., to 1323760 B.C. Limited on 6 October 2021.
- c) Cash and cash equivalents have been adjusted for the repayment of two outstanding loan agreements with Ore Capital Partners Ltd ('**OCP**'). The loans had a combined balance of CAD\$51,016 (\$54,679) which was repaid on 29 October 2021.
- d) Cash and cash equivalents have been adjusted for the exercise of 175,000 existing warrants at an exercise price of CAD\$0.20, for total proceeds of CAD\$35,000 (\$37,513).

Pro-forma adjustments

- e) Cash and cash equivalents have been adjusted for the proceeds from CHES Depository Interests ('**CDI**') to be issued under the Prospectus. Under the offer, the Company will raise \$5,500,000 (before costs) through the issue of 27.5 million CDIs at \$0.20 per CDI.
- f) Cash and cash equivalents have been adjusted for the costs associated with the initial public offering of Solis CDIs on the Australian Securities Exchange. The Company is expected to incur cash costs of \$820,474. The costs directly attributable to the capital raising have been offset against share capital and those not directly attributable to the capital raising have been expensed.

2. Exploration and evaluation assets

- a) Exploration and evaluation assets have been adjusted for the payment of USD\$200,000 (\$258,600) upon the signing of the Mostazal Option Agreement on 23 June 2021.

3. Short-term borrowings

- a) Short-term borrowings have been adjusted for the repayment of the Company's outstanding loan agreements with OCP of CAD\$51,016 (\$54,679) on 29 October 2021.

4. Share capital

Subsequent events:

- a) Share capital has been adjusted for the issue of shares upon exercise of 175,000 outstanding warrants at an exercise price of CAD\$0.20, for total proceeds of CAD\$35,000 (\$37,513).

Pro-forma adjustments:

- b) Share capital has been adjusted for the proceeds from the CDIs to be issued under the Prospectus. The Company expects to raise \$5,500,000 under the offer.

- c) Share capital has been adjusted for cash costs of the offer to be capitalised, which total \$589,259.
- d) Share capital has been adjusted for the issue of the Lead Manager Options which is deemed to be a cost of the offer. 3,666,667 Lead Manager Options are to be issued to Euroz Hartleys Limited. The Lead Manager Options are exercisable at \$0.28, being a 40% premium to the issue price, within a period of three years from the date of issue. The Lead Manager Options have been valued using the Black-Scholes option pricing model at a fair value of \$359,333.

5. Reserves

Subsequent events:

- a) Reserves have been adjusted for the cancellation of 75,000 unvested options ('**Unvested Options**') held by Rayleigh Capital Limited. The Unvested Options were valued using the Black Scholes option pricing model at a grant date fair value of CAD\$8,925 (\$9,600).
- b) Reserves have been adjusted for the issue of 1,025,000 incentive stock options ('**Incentive Stock Options**') issued to directors, officers and consultants of the Company on 18 June 2021. The Incentive Stock Options have been valued at CAD\$195,775 (\$210,125) using the Black Scholes option pricing model.

Pro-forma adjustments:

- c) Reserves have been adjusted for the issue of the Lead Manager Options, which have been valued at \$359,333.

6. Deficit

Subsequent events:

- a) Deficit has been adjusted to reflect the cancellation of the Unvested Options, which have been valued at CAD\$8,925 (\$9,600).
- b) Deficit has been adjusted to reflect the issue of the Incentive Stock Options, which have been valued at CAD\$195,775 (\$210,125) using the Black Scholes option pricing model.
- c) Deficit has been adjusted to reflect the sale of the Company's Mexican exploration assets on 6 October 2021. Prior to the sale, the Company did not recognise its Mexican exploration assets on its balance sheet, and as such, we have adjusted the Company's deficit account for a gain on the sale of the Mexican exploration assets of MXN\$99,998 (\$6,480).

Pro-forma adjustments:

- d) Deficit has been adjusted to reflect the costs of the offer that are not deemed to be directly attributable to the capital raising, being \$231,215.

¹ CAD:AUD as at 31 May 2021 was 1.0718, as sourced from Bloomberg.

² USD:AUD as at 31 May 2021 was 1.2930, as sourced from Bloomberg.

³ MXN:AUD as at 31 May 2021 was 0.0648, as sourced from Bloomberg.