Consolidated Financial Statements

RUSORO MINING LTD.

For the years ended December 31, 2024 and 2023
(Expressed in thousands of US Dollars)

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Independent Auditor's Report

To the Shareholders of Rusoro Mining Ltd.

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards).

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 Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the 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.

Emphasis of Matter – Comparative Information

We draw attention to Note 18 to the financial statements, which explains that certain comparative information presented:

- As at December 31, 2023 and for the year December 31, 2023 has been restated.
- As at January 1, 2023 has been restated.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which indicates that in March 2012 all of the Group's mining concessions expired by force of law and all of its assets and operations reverted to the Venezuelan government. This condition, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group'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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 the matter described below to be the key audit matter to be communicated in our report.

Estimates of amortized cost for Contingently Repayable Loans

Description of the key audit matter

The Group has obligations under certain financing arrangements whereby the repayment of amounts previously advanced to the Group are contingent in whole or in part on the receipt of proceeds from a settlement agreement with the government of Venezuela ("the Settlement Agreement") (Notes 1 & 2(b)). The financing arrangements with repayment terms that are impacted by the outcome of the Settlement Agreement include the loan payable (Note 7), promissory notes payable (Note 8) and amounts repayable under the Group's litigation funding agreement (Note 14) (collectively, "the Contingently Repayable Loans").

The Contingently Repayable Loans are carried at amortized cost in accordance with IFRS 9, *Financial Instruments*.

We identified the estimation of amortized cost for the Contingently Repayable Loans as a key audit matter due to the complexity and high level of estimation uncertainty involved in determining the amortized cost for these financial liabilities. The timing and amount of the expected future cash outflows for the Contingently Repayable Loans are uncertain since these cash outflows are dependent on the amount(s) received under the Settlement Agreement and the timing of such receipt(s) (if any).

How the key audit matter was addressed in the audit

Our approach in addressing this matter included the following procedures, among others:

- Obtained and reviewed management's analysis of the accounting for the Contingently Repayable Loans and related agreements and application guidance from IFRS 9, *Financial Instruments*.
- Obtained and assessed management's estimates of timing and repayment amounts for the Contingently Repayable Loans.
- Considered appropriate evidence to evaluate estimates and judgments applied in management's estimates of amortized cost and the consistency of these estimates and judgments with other estimates and judgments considered in our audit.
- Involved valuation professionals with specialized skills and knowledge in evaluating the appropriateness of management's estimates of effective interest rates for the Contingently Repayable Loans.
- Considered the adequacy of the disclosures for this matter.

Other Matter – Comparative Information

The financial statements of the Group for the year ended December 31, 2023 (not presented herein but from which the comparative information as at December 31, 2023 has been derived), excluding the adjustments that were applied to restate certain comparative information, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 26, 2024.

As part of our audit of the financial statements for the year ended December 31, 2024, we also audited the adjustments applied to restate certain comparative information:

- As at and for the year ended December 31, 2023.
- As at January 1, 2023.

In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review, or apply any procedures to the financial statements as at December 31, 2023 and 2022 (not presented herein) and for the year ended December 31, 2023 and as at January 1, 2023. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis (the "MD&A") for the year ended December 31, 2024.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the MD&A 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 in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Group'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 Group'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 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance 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 Mark Zastre.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 23, 2025

(Expressed in thousands of US Dollars)

	Note	December 31, 2024	December 31, 2023	January 1, 2023
		$	$ (Restated - Note 18)	$ (Restated - Note 18)
Current Assets				
Cash		759	1,857	-
GST recoverable		10	3	7
Prepaids		11	12	14
Total Assets		780	1,872	21
Current Liabilities				
Accounts payable and accrued liabilities	4	20,816	17,722	15,396
Loan payable	7	75,584	68,957	64,442
Decommissioning and restoration provision	6	18,231	7,789	3,961
Derivative financial liability	5	42,356	31,789	26,771
Litigation funding agreement	14	21,995	17,261	9,712
Promissory notes payable	8	4,072	3,157	1,360
Total Current Liabilities		183,054	146,675	121,642
Shareholders' Deficiency				
Issued capital		745,400	740,273	738,951
Contributed surplus		66,913	68,800	67,814
Deficit		(974,918)	(934,207)	(908,717)
Total Shareholders' Deficiency Attributable to the Company		(162,605)	(125,134)	(101,952)
Non-controlling interests		(19,669)	(19,669)	(19,669)
Total Shareholders' Deficiency		(182,274)	(144,803)	(121,621)
Total Liabilities and Shareholders' Deficiency		780	1,872	21

Nature of operations (Note 1)
Basis of presentation and going concern assumption (Note 2)
Contingencies (Note 15)

Approved on behalf of the Board:

/s/"Andre Agapov"
Director

/s/"Gordon Keep"
Director

(Expressed in US dollars, except per share amounts)

	Note	Years ended December 31 2024	2023
		$	$ (Restated - Note 18)
Operating expenses			
General and administrative	10	7,704	4,081
Foreign exchange (gain) loss		(32)	195
Share-based compensation	9	-	1,150
Total operating expenses		7,672	5,426
Other items			
Other income		(162)	-
Interest income		(123)	(102)
Interest on gold sale contract	5	1,917	1,507
Loss on revaluation of gold sale contract	5	8,650	3,511
Change in amortized cost		12,314	11,320
Change in decomissioning and restoration provision	6	10,443	3,828
Total other items		33,039	20,064
Net loss and comprehensive loss		40,711	25,490
Attributable to:			
Equity shareholders of the Company		40,711	25,490
Loss per share			
Basic and diluted		0.07	0.04
Weighted average number of shares oustanding - Basic and diluted		600,161,853	570,056,469

See accompanying notes to the consolidated financial statements.

(Expressed in thousands of US Dollars, except for per share amounts)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Non-Controlling Interests	Shareholders' Deficiency
		$	$	$ (Restated - Note 18)	$	$ (Restated - Note 18)
Balance, December 31, 2022	564,910,623	738,951	67,814	(908,717)	(19,669)	(121,621)
Exercise of share options	9,680,000	551	(164)	-	-	387
Exercise of warrants	591,233	58	(9)	-	-	49
Issuance of finders warrants	-	(9)	9	-	-	-
Private placement	2,500,000	729	-	-	-	729
Share issue costs	-	(7)	-	-	-	(7)
Share-based compensation	-	-	1,150	-	-	1,150
Net loss and comprehensive loss	-	-	-	(25,490)	-	(25,490)
Balance, December 31, 2023	577,681,856	740,273	68,800	(934,207)	(19,669)	(144,803)
Balance, December 31, 2023	577,681,856	740,273	68,800	(934,207)	(19,669)	(144,803)
Exercise of share options	27,075,000	4,203	(1,887)	-	-	2,316
Exercise of warrants	11,400,876	924	-	-	-	924
Net loss and comprehensive loss	-	-	-	(40,711)	-	(40,711)
Balance, December 31, 2024	616,157,732	745,400	66,913	(974,918)	(19,669)	(182,274)

See accompanying notes to the consolidated financial statements.

(Expressed in thousands of US Dollars)

	Note	Years ended December 31, 2024	2023
		$	$ (Restated - Note 18)
OPERATING ACTIVITIES			
Net loss		(40,711)	(25,490)
Adjustments for items not involving cash:			
Loss on revaluation of gold sale contract	5	8,650	1,507
Change in amortized cost	7	12,314	11,320
Change in decomissioning and restoration provision	6	10,442	3,828
Share-based compensation		-	1,150
Interest on gold sale contract	5	1,917	3,511
Changes in non-cash working capital items		3,229	2,553
Net cash outflows from operating activities		(4,159)	(1,621)
FINANCING ACTIVITIES			
Proceeds on share options exercised	9	2,186	113
Litigation funding received			539
Proceeds on warrants exercised	9	875	49
Private placement, net of share issue costs	10	-	722
Proceeds from promissory notes payable	8	-	2,055
Net cash inflows from financing activities		3,061	3,478
Change in cash		(1,098)	1,857
Cash – beginning		1,857	-
Cash – ending		759	1,857

See accompanying notes to the consolidated financial statements.

1. NATURE OF OPERATIONS

Rusoro Mining Ltd. (the "Company"), was incorporated under the laws of the Province of British Columbia on March 1, 2000. The registered office of the Company is 3200-650 West Georgia Street, Vancouver, British Columbia, Canada and the corporate headquarters is located at 3123-595 Burrard Street, Vancouver, British Columbia, Canada. The principal business activities of the Company are the operation, acquisition, exploration and development of gold mining and mineral properties.

The Company received mining concessions in Venezuela for the exploration, development and exploitation of alluvial and vein gold. Until March 14, 2012, the Company owned two producing gold mines in Venezuela. It held a 95% ownership interest in the Choco 10 mine (the "Choco Mine") which was acquired on November 30, 2007 and a 50% ownership interest in the Isidora mine (the "Isidora Mine") which was acquired on December 23, 2008. The Company operated the Isidora Mine under a joint venture agreement with the Venezuelan government (Note 12).

On September 16, 2011, the Venezuelan government, through publication in the Official Gazette of Venezuela, enacted a law-decree (the "Decree") reserving the government of Venezuela exclusive rights over the extraction of gold in Venezuela (the "Nationalization"). The Decree mandated the expiration of all mining concessions held by the Company and their reversal to the Venezuelan government except for those in which the Company and the Venezuelan government agree to continue operating jointly in the form of a mixed-interest enterprise (the "Mixed Enterprise'') and in which the Company could not own more than a 45% share participation.

The Company was unable to agree with the Venezuelan government upon the terms and conditions of the migration of its mining assets to the Mixed Enterprise within the designated time periods. Therefore, effective March 14, 2012, in accordance with the procedures outlined in the Decree, all of the Company's mining concessions expired by force of the Decree and all of its assets and operations reverted to the Venezuelan government who took possession and control of the assets and operations in accordance with Venezuelan law, thereby becoming the new operator and employer.

Management determined the Company's sole recourse was to file a Request for Arbitration under the Additional Facility Rules of the International Centre for Settlement of Investment Disputes ("ICSID") against the government of Venezuela alleging violations of the provisions of the Bilateral Treaty for the Protection of Investments entered between the governments of Canada and Venezuela (the "Treaty"). This request was filed on July 17, 2012. The Treaty provides that the Venezuelan government must pay a fair, prompt, and timely compensation to the Company as a result of the Nationalization. In parallel, the Company continued to seek an amicable resolution with the Venezuelan government.

In June 2012, the Company entered into a Creditors and Shareholders Agreement (the "CSA") with significant equity holders and creditors who agreed not to take any steps or actions to exercise their rights and remedies against the Company until the expiration of a standstill period, subject to various clauses.

Also in June 2012, the Company entered into a litigation funding agreement (the "Litigation Funding Agreement") with a subsidiary (the "Funder"), of the Calunius Litigation Risk Fund LP (the "Fund"). Calunius Capital LLP is the exclusive investment advisor to the Fund, which specializes in funding commercial litigation and arbitration claims. Under the terms of the Litigation Funding Agreement (Note 14), the Funder agreed to assist in the funding of Rusoro's legal costs in relation to the international arbitration proceedings against the Republic of Venezuela (the "Respondent" or "Venezuela") on a non-recourse basis. Rusoro continued to have complete control over the conduct of the international arbitration proceedings, insofar as the proceedings relate to the Company's claims, and continued to have the right to settle with the Respondent, discontinue proceedings, pursue the proceedings to trial and take any action Rusoro considers appropriate to enforce judgment.

The Litigation Funding Agreement provides contingent consideration to the Funder and other select parties as described in Note 14 and resulted in an amendment to the terms of the Gold Sale Contract adding an annual interest rate of 11% (Note 5).

1. NATURE OF OPERATIONS (Continued)

On August 22, 2016, the Arbitral Tribunal ("Tribunal") operating under the ICSID Additional Facility Rules, awarded ("the Award") the Company compensation of $967.77 million plus pre and post award interest which combined equates to in excess of $2.06 billion as of December 31, 2024. No value has been accrued for the Award as at December 31, 2024, as the ultimate receipt, final settlement amount and the timing of the receipt of the Award is uncertain.

In its Award, the Tribunal upheld the Company's claims that Venezuela breached its obligations under the Treaty by unlawfully expropriating the Company's investments without paying compensation and by imposing certain restrictions on the export of gold. As a result of these breaches, the Tribunal ordered Venezuela to pay compensation of $967.77 million as of the date of the expropriation (September 16, 2011), together with interest accrued between that date and the date of actual payment, calculated at a rate p.a. equal to US$ Libor for one-year deposits, plus a margin of 4%, to be compounded annually. The amounts awarded must be paid net of any taxes imposed by Venezuela. The Tribunal also ordered Venezuela to contribute $3.3 million towards Rusoro's costs in the arbitration.

In October 2016, Rusoro received notice that the Bolivarian Republic of Venezuela ("Venezuela") had brought an application before the Paris Court of Appeals to set aside ("recours en annulation") the Award, which was filed by Venezuela in 2017. Rusoro had instructed Freshfields Bruckhaus Deringer and Teynier Pic to represent it in these proceedings, with the support of a special correspondent.

In December 2017, the Company amended its Litigation Funding Agreement and was provided with additional litigation funding of $7 million, which is intended to continue the Company's efforts to enforce the Award.

In October 2018, the Company executed a settlement agreement ("Settlement Agreement") with the Venezuelan government whereby the parties agreed that the Company would receive over $1.28 billion in monthly instalments through 2023 in exchange for the Company's mining data and full release of the Award. Under the Settlement Agreement, the Venezuelan government agreed to pay an initial payment of $100 million in November 2018, and upon completion of this initial payment, the Company would suspend legal enforcement of the Award and deliver the Company's mining data to the Venezuelan government. The Company would be entitled to resume legal enforcement of the Award if payment due under the Settlement Agreement is not received by the Company within the periods provided, and the Company is able to terminate the Settlement Agreement under certain default scenarios. The Venezuelan government retained the right to continue proceedings to set aside the Award at the seat of arbitration in Paris.

As at December 31, 2024 and the date of this report, the Company has not received the payment of $100 million.

In September 2021, the Supreme Court of the State of New York granted the Company's motion to enter a default judgment for $100 million plus interest in favor of Rusoro against Venezuela for breach of the Settlement Agreement dated October 5, 2018 (with further interest at the statutory rate of 9% per annum from the date of judgment to the date of payment). Rusoro will take the necessary steps to enter the order as a judgment, serve it on Venezuela, and vigorously pursue its payment or enforcement as partial payment for the unlawful expropriation of its investments in Venezuela.

In January 2019, the Paris Court of Appeals partially annulled the Award (the "French Court Decision"). Whilst the Paris Court of Appeals upheld the tribunal's finding on the merits that Venezuela is liable for the unlawful expropriation of the Company's investments, it annulled the Award's finding on damages. The French Court Decision did not seek to determine the damages that Venezuela must pay to the Company for its breach of the Treaty.

1. NATURE OF OPERATIONS (Continued)

In March 2021, the French Supreme Court overturned the French Court Decision, therefore reinstating the arbitral Award in full and will allow the Company to continue to vigorously pursue recognition and enforcement of the Award.

In September 2021, Venezuela voluntarily dismissed its appeal of the Award judgment rendered by the U.S. District Court in Washington DC in favor of Rusoro, and against Venezuela.

On July 7, 2023, the U.S. Court of Appeals for the Third Circuit ruled that various parties holding judgments against the Republic of Venezuela, including Rusoro, were entitled to enforce their judgments against property owned by a subsidiary of Petroleos de Venezuela ("PDVSA"), on the grounds that PDVSA was the corporate alter-ego of the Venezuelan state. On this basis, the U.S. District Court for the District of Delaware commenced a sale process on October 23, 2023 whereby the shares of PDV Holding ("PDVH"), a company 100% owned by PDVSA and the indirect owner of CITGO Petroleum Corporation, are to satisfy the judgments of various creditors holding judgments against Venezuela, including Rusoro. Venezuela and PDVSA asked the U.S. Supreme Court to review this ruling, and on January 8, 2024, the Supreme Court denied the petition for certiorari filed by Venezuela and PDVSA. This means that the Third Circuit's ruling authorizing issuance of writs of attachment against the shares of PDVH in satisfaction of creditors' judgments is final and unappealable.

On January 8, 2024, the Delaware court designated certain of the judgment creditors in the case, including Rusoro, to be "Additional Judgment Creditors", meaning that they are entitled to share in the proceeds of the sale of the PDVH shares when they are auctioned, subject to a waterfall established by order of the Delaware court. In March 2025, Rusoro agreed to join a Consortium together with Gold Reserve Ltd., Koch Minerals SARL and Koch Nitrogen International SAR to submit a credit bid to purchase 100% of the PDVH Shares. The consortium's bid was not selected as the stalking horse.

Topping bids, intended to increase the purchase price for the PDVH shares, are to be submitted in June 2025. Prior to submitting any final bid, Rusoro shall, among other things, obtain all necessary and advisable consents and approvals of its stakeholders. The sale hearing is scheduled to take place in July 2025, and the transaction will proceed to closing following the Delaware court's issuance of a sale order.

2. BASIS OF PRESENTATION AND GOING CONCERN ASSUMPTION

a) Basis of Presentation

These annual audited consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively "IFRS Accounting Standards").

The consolidated financial statements were authorized for issue by the Board of Directors on May 23, 2025.

b) Going Concern Assumption

In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions, such as those described above and herein, that may cast significant doubt upon the Company's ability to continue as a going concern.

In March 2012, in accordance with the procedures outlined in the Decree, 100% of the Company's Venezuelan mining concessions expired by force of the Decree and the Company's assets and operations reverted to the Venezuelan government.

Under these circumstances, the Company maintains the position that the application of the going concern assumption is still appropriate, as courses of action have been identified and acted upon which will increase the likelihood of the Company's ability to repay its loan and its other liabilities as follows:

1) The Company retains the right to seek reinstatement of the Award, including fair compensation paid to the Company, which will be sufficient for the Company to repay all its outstanding liabilities, if the payments under the Settlement Agreement are not received as provided in the agreement;
2) In June 2012, the Company entered into the Litigation Funding Agreement whereby the Funder agreed to assist in the funding of Rusoro's legal costs in relation to the international arbitration proceedings against Venezuela on a non-recourse basis and funding of the Company's expected operating expenditures, which was further amended in December 2017 and April 2019 for up to $7 million, for an aggregate total of $17 million;
3) Related to the Litigation Funding Agreement, the Company entered into the CSA with significant equity holders and creditors who agreed not to take any steps or actions to exercise their rights and remedies against the Company until the expiration of a standstill period, subject to various clauses; and
4) In October 2018, the Company executed the Settlement Agreement with the Venezuelan government whereby the parties agreed that the Company would receive over $1.28 billion, including an initial $100 million to be paid.

There are material uncertainties surrounding the Nationalization, Award and Settlement Agreement (Note 1), including, but not limited to the timing and/or form of any compensation related to the Award or ultimate receipt of payments pursuant to the Settlement Agreement. Management is making efforts to work with vendors and potential creditors not covered by the CSA to have them forbear on demanding currently due amounts while it pursues the above-mentioned courses of action. There is, however, no assurance that the sufficient sources of funding described above will be available to the Company, that they will be available on terms and a timely basis that are acceptable to the Company, or that the Company will be able to secure additional funding.

(Expressed in thousands of US Dollars)

2. BASIS OF PRESENTATION AND GOING CONCERN ASSUMPTION (Continued)

These financial statements have been prepared on the basis of a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2024, the Company had a net working capital deficiency of $182,274. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

d) Basis of Consolidation

These financial statements include the financial statements of the Company, its subsidiaries, and joint arrangements. Intercompany balances and transactions, including any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the financial statements.

The principal subsidiaries, joint arrangements, and the Company's ownership interests therein, are as follows:

Company	Location	Ownership interest	Status
Promotora Minera de Guayana, P.M.G., S.A.	Venezuela	95%	Consolidated
Minera Venrus C.A.	Venezuela	50%	Proportionate Share
Minera Rusoro Venezolana C.A.	Venezuela	50%	Proportionate Share
El Callao Gold Mining Company de Venezuela S.C.S.	Venezuela	50%	Proportionate Share
Proyectos Mineros del Sur, PROMINSUR, C.A.	Venezuela	100%	Consolidated
Corporacion Aurifera de El Callo, C.A.	Venezuela	100%	Consolidated
Corporacion Minera Choco 9 C.A.	Venezuela	100%	Consolidated
Corporacion 80.000 C.A.	Venezuela	100%	Consolidated
Lamin Laboreos Mineros C.A.	Venezuela	100%	Consolidated
Mineria MS C.A.	Venezuela	100%	Consolidated
General Mining de Guayana C.A.	Venezuela	100%	Consolidated
Krysos Mining S.A.	Venezuela	100%	Consolidated
Inversiones Yuruan C.A.	Venezuela	100%	Consolidated
Venezuela Holdings (BVI) Ltd	British Virgin Islands	100%	Consolidated

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company's equity therein. Similarly, non-controlling interests in the components of comprehensive income (loss) are identified separately. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. A 5% non-controlling interest exists in Promotora Minera de Guayana, P.M.G., S.A. ("PMG"), which represents the outside interest's share of the carrying value of PMG, which owns the Choco Mine.

3. MATERIAL ACCOUNTING POLICIES

a) Basis of Measurement

These consolidated financial statements have been prepared using the measurement basis specified by IFRS Accounting Standards for each type of asset, liability, income and expenses as set out in the accounting policies below. Certain items, including derivative financial instruments, are stated at fair value.

b) Significant Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements using accounting policies consistent with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

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

i. Interpretation of the Nationalization Decree

The Company made assumptions about the extent of application of the Decree. Those assumptions include that the Company's receivables and prepaid expenses and all of the Company's liabilities will continue with the Company after the expiration, forced by the Decree, of its mining concessions.

ii. Litigation, Possible Recovery and Related Success Fee Contingencies

The Company made assumptions about the likelihood of litigation success, the amount and possible recovery from litigation award, and the related impact on contingent success fees. Changes in these assumptions and related estimates may materially impact the carrying value of accounts payable and accrued liabilities and accounts receivable.

iii. Decommissioning and Restoration Provision

The Company assesses its provision for decommissioning and restoration on the date of Nationalization or when new material information becomes available. Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for decommissioning and restoration provisions requires management to make estimates of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation. Actual costs incurred may differ from those amounts estimated. In addition, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future decommissioning and restoration provision. The actual future expenditures may differ from the amounts currently provided.

iv. Deferred Taxes

The Company recognizes the deferred tax benefit related to deferred tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods from deferred tax assets.

3. MATERIAL ACCOUNTING POLICIES (Continued)

v. *Share-based compensation*

Management is required to make certain estimates when determining the fair value of share option awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as share-based compensation in profit or loss.

vi. Estimation of amortized cost of certain financial liabilities

Significant estimation uncertainty relates to loans and other financial liabilities with contingent repayment features, where repayment is conditional on the success of the Company's litigation with the Venezuela government. In order to determine the amortized cost of these financial liabilities, management must estimate the timing and amount of expected future cash flows, which often depend on factors outside the Company's control including the likelihood of success of the legal claims, the, anticipated timeline for resolution or settlement, the structure of contingent repayment arrangements, and the ultimate settlement attained.

Estimates related to contingent repayment features are reviewed at each reporting date and updated as additional information becomes available. Changes in these estimates may result in significant adjustments to the amortized cost of the related financial liabilities.

c) Functional and Presentation Currency and Foreign Currency Translation

Since January 1, 2010, the Company's functional and presentation currency of all of its operations is the US dollar, as this is the principal currency of the economic environments in which they operate. Foreign currency transactions are initially recorded using the foreign currency rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign currency rate of exchange prevailing at the reporting date.

d) Cash

Cash comprises cash at banks.

e) Accrual for Termination Benefits

The Company's Venezuelan subsidiaries accrued liabilities for their workers' termination benefits, which are payable when the working relationship between the employer and an employee comes to a close. Termination benefits are an acquired right of the worker based on the provisions of the Organic Labour Law ("OLL") and the collective bargaining agreements currently in effect. The OLL and the collective bargaining agreements also call for additional benefits that are applicable under certain circumstances and the Company has recorded an additional accrual for such liabilities. These benefits are no longer being assessed after Nationalization.

f) Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured as the expenditure expected to be required to settle the obligation at the reporting date. In cases where it is determined that the effects of the time value of money are significant, the provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase of the provision due to the passage of time is recognized as a financing expense included within other expenses.

3. MATERIAL ACCOUNTING POLICIES (Continued)

g) Contingent Liabilities

Contingent liabilities are defined as possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. They may also arise from present obligations that are not recognized because it is not probable that an outflow of resources will be required to settle the obligation, or because the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognized in the statement of financial position. However, they are disclosed in the notes to the financial statements unless the possibility of an outflow of economic resources is considered remote.
Management assesses contingent liabilities at each reporting date and updates disclosures accordingly. If it becomes probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured, the liability is recognized as a provision in accordance with IAS 37.

Where applicable, estimates related to contingent liabilities involve significant judgment, particularly in assessing the legal and commercial merits of claims or disputes, the probability of unfavorable outcomes, the potential settlement amounts, and the timing of any resulting outflows.

h) Decommissioning and Restoration Provision

The Company records a provision and corresponding asset for the present value of the estimated costs of legal and constructive obligations for future site reclamation, remediation and closure where the outflow of resources is probable and a reliable estimate can be made of the obligation. Over time, the provision is increased to reflect an interest element in the estimated future cash flows (accretion expense) considered in the initial measurement on the date of Nationalization. The capitalized cost in the asset is amortized using either the unit of production method or the straight-line basis, as appropriate. The estimated present value of the obligation is reassessed on an annual basis or when new material information becomes available. Increases or decreases to the obligation usually arise due to changes in legal or regulatory requirements, the extent of environmental remediation required, methods of reclamation, cost estimates, or discount rates. Changes to the decommissioning and restoration provision are recorded with an offsetting charge to the related asset.

i) Unit Offering

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

3. MATERIAL ACCOUNTING POLICIES (Continued)

j) Convertible Loan

The convertible loan was initially recorded at fair value and subsequently measured at amortized cost. The convertible loan is allocated between the debt and equity components based on their respective fair values at the date of issuance and is recorded net of transaction costs. The equity component is estimated using the residual method and the debt component is accreted to the face value using the effective interest method, with the resulting charge recorded as accretion on convertible loan, which is included in interest on convertible loan in profit or loss.

In instances where the Company issues equity instruments to settle all or a part of the outstanding debt, the equity instruments are treated as consideration paid and are measured initially at fair value of the equity instruments issued, or when not reliably measurable, at the fair value of the financial liability extinguished. Any difference between the carrying amount of the financial liability extinguished and the consideration paid is recognized in profit or loss. If the financial liability is not fully extinguished, and terms related to the remaining portion have been modified, the Company allocates the consideration paid between the extinguished portion and the modified portion.

k) Income Tax

The tax expense or benefit for the period consists of two components: current and deferred. Tax expense is recognized in profit or loss except to the extent it relates to a business combination or items recognized directly in equity or other comprehensive income (loss), in which case it is recognized in equity or in other comprehensive income (loss), respectively.

Current tax assets and liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases, unused tax credits and unused tax losses. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit.

Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of deferred tax recovery or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (loss) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income (loss) or equity, respectively.

3. MATERIAL ACCOUNTING POLICIES (Continued)

l) Share Capital

Share capital issued for other than cash is valued at the price at which the stock trades at the time the risks and rewards of ownership of the asset are transferred to the Company or the Company's liability is extinguished.

Share issuance costs, such as commissions, professional fees and regulatory fees are charged directly to share capital.

m) Share-based Payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received are not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value based method (Black-Scholes Option-Pricing model) for all share options granted to directors, employees and certain non-employees. In this model, expected volatility is determined from historical volatility, adjusted for normalizing factors. For directors and employees, the fair value of the share options is measured at the date of grant.

For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share-based payments is charged either to profit or loss or the related asset as applicable, with the offsetting credit to contributed surplus. For directors and employees, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in contributed surplus are transferred to share capital.

n) Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing the net earnings (loss) for the period attributable to the equity shareholders of the Company by the weighted average number of common shares outstanding during the period.

Diluted earnings (loss) per share is calculated using the treasury stock method which, for purposes of determining the weighted average number of shares outstanding, assumes that the proceeds to be received on the exercise of the share options and warrants are applied to repurchase common shares at the average market price for the period. Outstanding options, warrants and the equity component of the convertible loan are excluded from the calculation of diluted loss per share, as they are anti-dilutive.

3. MATERIAL ACCOUNTING POLICIES (Continued)

o) Effective Interest Method for Financial Assets and Liabilities with Contingent Repayment Terms

The Company applies the effective interest method (EIR) to measure the amortized cost of financial liabilities, in accordance with IFRS 9. The EIR is the rate that discounts the expected future cash flows of the instrument to its amortized cost on initial recognition.

For financial instruments with contingent repayment features — such as those where the timing and/or amount of repayments are dependent on external events (e.g., litigation outcomes) — the Company estimates expected future cash flows using a probability-weighted approach. These estimates incorporate management's best assessment of the likelihood and timing of various repayment scenarios and reflect all contractual terms of the instrument.

In accordance with IFRS 9.B5.4.6, the Company re-evaluates expected cash flows at each reporting period, and any resulting changes in the carrying amount of the instrument are recognized through profit or loss as an adjustment to the amortized cost.

The effective interest rate is not revised as a result of changes in expectations.

These estimates require significant judgment and are reviewed regularly in light of changes in information, underlying assumptions, or market conditions.

p) Financial Instrument

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, loan payable, derivative financial liabilities, litigation funding agreement, and promissory notes payable. Cash and receivables are classified and measured at amortized cost using the effective interest method.

Accounts payable and accrued liabilities, amounts due under the litigation funding agreement, and loan payable are classified and measured at amortized cost using the effective interest method. The promissory notes payable are recognized initially at fair value, net of transactions costs incurred and are subsequently stated at amortized cost. Any difference between amounts originally received (net of transaction costs) and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method. Derivative financial liabilities are recognized at fair value through profit and loss.

Financial assets are assessed for indicators of impairment at each reporting period end. Financial assets are impaired and impairment losses are incurred if, and only if, there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been negatively impacted, and this impact can be reliably estimated.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. MATERIAL ACCOUNTING POLICIES (Continued)

q) Recent Accounting Standards

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC and did not have a material impact on the consolidated financial statements.

Amendment to standard not yet adopted

Following is the new amendment to a standard issued by the IASB which is applicable to the Company's financial statements:

On May 30, 2024, the IASB issued narrow scope amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures". The amendments include the clarification of the date of initial recognition or derecognition of financial liabilities, including financial liabilities that are settled in cash using an electronic payment system. The amendments also introduce additional disclosure requirements to enhance transparency regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is currently assessing the impact of the amendments on its consolidated financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements
In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 – Presentation of Financial Statements. IFRS 18 introduces significant changes to the structure and content of the statement of profit or loss, aiming to improve the consistency and comparability of financial reporting across entities.
Key features of IFRS 18 include:

- The introduction of defined subtotals in the statement of profit or loss, such as operating profit, which will be required for all entities.
- New requirements for the classification of income and expenses into three categories: operating, investing, and financing.
- Enhanced disaggregation and disclosure requirements, including mandatory categories for income and expenses within each section.
- The introduction of a management-defined performance measure (MPM) disclosure, requiring entities to reconcile MPMs to specified subtotals in the financial statements.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with retrospective application required. Early adoption is permitted.

The Company is currently evaluating the impact of IFRS 18 on its financial statements. While the standard is expected to change the presentation and structure of the financial statements, it will not affect recognition or measurement of financial statement elements.

(Expressed in thousands of US Dollars)

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2024	December 31, 2023	January 1, 2023
	$	$ (Restated - Note 18)	$ (Restated - Note 18)
Financial liabilities			
Accounts payable and accrued liabilities	14,716	12,403	10,541
Due to related parties (Note 11)	6,100	5,319	4,855
	20,816	17,722	15,396

5. DERIVATIVE FINANCIAL LIABILITY

In 2010, the Company received $6,973 from a gold buyer, Vicolven Enterprises Inc. ("Vicolven") in exchange for the delivery of 7,300 ounces of finished gold in 2011 and the commitment to issue 12,400,000 share-purchase warrants. No gold has been delivered with respect to this contract. In February 2011, the Company paid Vicolven a portion of the amount owing in US dollars in lieu of delivery of 700 ounces (as permitted by Vicolven) for a total of $711. In relation to the Company's commitment to issuing 12,400,000 share-purchase warrants, the $330 value associated with these committed share-purchase warrants has been deducted from the proceeds of $6,973 resulting in a net amount of $6,643.

On September 20, 2011, as a result of the Decree and proposed nationalization of the Company's Venezuelan gold mining assets by the government of Venezuela, a letter was written to the gold buyer, Vicolven Enterprises Inc., indicating that management no longer expects to settle the obligation with the delivery of finished gold as stated in the agreement. Instead, the Company will settle the outstanding, undelivered ounces of finished gold owing to Vicolven Enterprises Inc. in cash as permitted under the agreement with Vicolven.

On June 1, 2012, in relation to the Litigation Funding Agreement and the CSA, the Company signed an amendment with Vicolven whereby the Company agreed to pay interest of 11%, compounded annually, on the amount outstanding of 6,642 gold ounces. Subsequently, in 2018, the Company and Vicolven agreed to eliminate the annual compounding of interest such that simple interest was instead payable retrospectively from the initiation of the loan.

As the loan will be paid in cash in lieu of gold, it does not qualify for the own use exemption and as such, has been presented as a derivative financial instrument. As of December 31, 2024, 16,140 (December 31, 2023 – 15,410) ounces of finished gold were still outstanding and valued at fair market value using the spot price of gold on December 31, 2024, of $2,625 (December 31, 2023 - $2,063) per ounce. Included in this amount is the principal amount of 6,642 gold ounces plus cumulative accrued interest of 9,498 (December 31, 2023 – 8,768) gold ounces for the period January 1, 2012, through December 31, 2024.

	December 31, 2024	December 31, 2023
	$	$ (Restated - Note 18)
Balance, beginning	31,789	26,771
Change in fair value	8,650	3,511
Fair value of interest expense	1,917	1,507
Balance, ending	42,356	31,789

(Expressed in thousands of US Dollars)

6. DECOMMISSIONING AND RESTORATION PROVISION

Decommissioning and restoration provisions are comprised of costs associated with environmental rehabilitation. These costs have been estimated based on the Company's interpretation of current regulatory requirements and have been measured at the net present value of future cash expenditures upon reclamation and closure using the information currently available.

Costs associated with decommissioning and restoration are capitalized depending on the nature of the asset related to the obligation and depreciated over the life of the asset. The decommissioning and restoration provision relates to reclamation and closure costs of the Company's operating Choco Mine and Isidora Mine, as well as to some of the exploration and development activities undertaken on the Company's mineral properties.

In view of the uncertainties concerning decommissioning and restoration, the ultimate cost of reclamation, remediation and closure activities could differ materially from the estimated amount recorded. The estimate of the Company's decommissioning and restoration provision is subject to change based on amendments to laws and regulations and as new information regarding the Company's operations becomes available.

Future changes, if any, to the provision as a result of amended requirements, laws, regulations, operating assumptions, estimated timing and amount of obligations may be significant and would be recognized prospectively as a change in accounting estimate. Any such change would result in an increase or decrease to the provision and a corresponding increase or decrease to the mineral property and/or property, plant and equipment balance(s).

	December 31, 2024	December 31, 2023
	$	$
Balance, beginning	7,789	3,961
Change in estimate of future cash flows due to:		
Devaluation of the Venezuelan currency	(6,168)	(7,629)
Inflation	16,610	11,457
Balance, ending	18,231	7,789

Due to the expiry by force of the Decree and reversal to the Venezuelan government of all of the Company's mining concessions on March 14, 2012, the Company's decommissioning and restoration provision became an on-demand liability on that date as opposed to be payable in accordance with the Company's long-term closure plan. Consequently, as at December 31, 2024, decommissioning and restoration provision was classified as current.

(Expressed in thousands of US Dollars)

7. LOAN PAYABLE

In June 2008, the Company entered into an $80,000 principal amount Convertible Loan (the "Loan") with a two-year term and 10% annual interest to fund the acquisition of various Venezuelan mineral interests. During the years ended December 31, 2009 and 2010 the Company made various repurchases and restructured the Loan resulting in a reduced principal amount of $30,000. During the year ended December 31, 2011 the conversion option expired and the Company defaulted on the Loan; in addition, the Loan now bears interest at 11%, compounded quarterly.

In June 2012, the Company entered into the CSA (Note 1) with significant equity holders and creditors (the "Lenders") who agreed not to take any steps or actions to exercise their rights and remedies against the Company until the expiration of a standstill period, subject to various clauses. In consideration for the CSA, the Lenders were provided a contingent success fee in addition to amounts due and payable to the Lenders under the Loan of 20% of the value of the Loan (Note 15).

During the year ended December 31, 2017, the Company's existing loan of $30,000 was transferred to a new group of investors. The Company bought $250 of this debt at a cost of $175, and thus retired debt plus accrued interest totalling $465. The remaining $29,750 is still in default, however the new investors have become parties to the CSA.

This Loan is a financial liability with a repayment obligation that is partially conditional on the successful recovery of compensation pursuant to the Award and Settlement Agreement.

Under the terms of the Loan, the Company is required to repay a contingent success fee of 20% of the initial value of the loan if the Company is successful in the recovery of compensation pursuant to the Award and Settlement Agreement. In the event of an unsuccessful outcome, only the principal and accrued interest are payable.

As such, the timing and the amount of the repayment obligation are highly uncertain and are partially dependent on future external events beyond the Company's control which remain uncertain as at the reporting date.

At December 31, 2024, the principal balance of loan payable was $29,750 (December 31, 2023 - $29,750) and the interest payable was $103,135 (December 31, 2023 - $89,406). On an amortized cost basis, considering management's estimate of when the Award will be received (Note 1), the principal and interest as well as the contingent success fee of 20% of the principal is presented as follows:

	December 31, 2024	December 31, 2023 (Restated – Note 18)
	$	$
Balance, beginning – restated at January 1, 2023	68,957	64,442
Interest charged	13,729	12,272
Amortized cost adjustment	(7,102)	(7,757)
Balance, ending	75,584	68,957

(Expressed in thousands of US Dollars)

8. PROMISSORY NOTES PAYABLE

As at December 31, 2024 and 2023, the Company's obligations under promissory notes, presented at amortized cost is as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
	$	$	$
Pursuant to a settlement in 2012, the Company issued a conditional promissory note in the amount of C$1,000. The promissory note will only become due and payable in the event that the Company is successful in the litigation it has commenced against the Venezuelan government seeking compensation for the Nationalization. The Company considers the litigation to be successful when appropriate financial compensation has been received. The promissory note and any payment due under it shall be subordinate and postponed in right of payment to (a) the rights of the Funder as defined in the Creditors and Shareholders Agreement, and Litigation Funding Agreement, and (b) the rights of the Funder and Freshfields Bruckhaus Deringer US LLP under a Priorities Agreement. This promissory note is accounted for as a financial liability at management's estimate of amortized cost.	136	104	62
Notes payable as to the principal amount plus a bonus at two times principal on the date that is ninety days from the date that the Company receives its first payment from the Venezuela government in respect of the Award issued in August 2016. In the event the Company is unsuccessful in its litigation against the Venezuelan government, no amounts are repayable under these promissory notes. These notes do not have a fixed maturity date. Directors of the Company own $906 (principal portion) of these promissory notes.	499	391	235
Notes payable as to three times their subscription amount on the date that is ninety days from the date that the Company receives its first payment from the Venezuela government in respect of the Award issued in August 2016. In the event the Company is unsuccessful in its litigation against the Venezuelan government, no amounts are repayable under these promissory notes. These notes do not have a fixed maturity date. Directors of the Company own $4,397 (principal portion) of these promissory notes.	2,305	1,785	1,063
Notes payable as to four times their subscription amount on the date that is ninety days from the date that the Company receives its first payment from the Venezuela government in respect of the Award issued in August 2016. In the event the Company is unsuccessful in its litigation against the Venezuelan government, no amounts are repayable under these promissory notes. These notes do not have any fixed maturity date. Warrants entitling the holders to purchase an aggregate of 1,027,500 common shares at a price of US$0.10 per share exercisable on or before April 4, 2028 were issued as part of the transaction.	1,132	876	-
	4,072	3,156	1,360

(Expressed in thousands of US Dollars)

8. PROMISSORY NOTES PAYABLE (Continued)

These promissory notes are financial liabilities with repayment obligations that are conditional on the successful outcome of a specific litigation matter (Note 1).

Under the terms of the promissory notes, the Company is required to repay two, three and four times the initial value of the promissory note if the litigation against the Venezuelan government is successful. In the event of an unsuccessful outcome, no repayment is required. As such, the timing and the amount of the repayment obligation are highly uncertain and are dependent on future external events beyond the Company's control.

At December 31, 2024, the aggregate initial principal balance of promissory notes payable was $8,465 (December 31, 2023 - $8,465). On an amortized cost basis, considering management's estimate of when the Award will be received, the principal as well as the contingent success fees of two, three and four times the initial value of the promissory notes is presented as follows:

	December 31, 2024	December 31, 2023 (Restated – Note 18)
	$	$
Balance, beginning – restated at January 1, 2023	3,156	1,360
Promissory notes issued	-	2,055
Amortized cost adjustment	916	(259)
Balance, ending	4,072	3,156

9. EQUITY

a) Authorized Share Capital of the Company

Unlimited number of common shares and preferred shares without par value.

During the year ended December 31, 2024, 27,075,000 share options were exercised for gross proceeds of $2,316. The Company reclassified $1,887 out of surplus related to the exercise of options.

During the year ended December 31, 2024, 11,400,876 warrants were exercised for gross proceeds of $924.

b) Share-Based Payments

In December 2016, the Company adopted a rolling share option plan available to its directors, officers, consultants and key employees. The option plan reserves for issuance, pursuant to the exercise of share options, is limited to not more than 10% of the issued common shares of the Company at the time of grant. Options are non-transferable and may have a term of up to 10 years from the date of issue. Amount of options, vesting terms, conditions and exercise price are determined by the board of directors at the time of grant.

(Expressed in thousands of US Dollars)

9. EQUITY (Continued)

The following share options were outstanding and exercisable at December 31, 2024:

Number of Options Outstanding & Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
	C$	
6,825,000	0.17	2.09
2,025,000	0.08	3.08
4,475,000	0.075	3.49
5,400,000	0.105	4.34
1,585,000	0.05	5.68
2,300,000	0.075	7.73
5,200,000	0.225	8.52
27,810,000	0.13	4.70

Share option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
		C$
Balance, December 31, 2022	56,490,000	0.10
Share options cancelled	(475,000)	0.08
Share options granted	8,550,000	0.23
Share options exercised	(9,680,000)	0.05
Balance, December 31, 2023	54,885,000	0.12
Share options exercised	(27,075,000)	0.12
Balance, December 31, 2024	27,810,000	0.13

The average trading price of the share options exercised were $1.31 (2023: $0.24).

c) Warrants

The following Warrants were outstanding and exercisable at December 31, 2024:

Number of Warrants Outstanding & Exercisable	Weighted Average Exercise Price	Expiry Date
12,000,000	C$0.10	September 21, 2027
556,691	US$0.10	April 4, 2028
12,556,691	C$0.10	

The average trading price of the warrants exercised were $1.32 (2023: $0.22).

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
		C$
Balance, December 31, 2022	20,000,000	0.10
Warrants issued	4,548,800	0.13
Warrants exercised	(591,233)	0.10
Balance, December 31, 2023	23,957,567	0.11
Warrants exercised	(11,400,876)	0.11
Balance, December 31, 2024	12,556,691	0.11

(Expressed in thousands of US Dollars)

10. GENERAL AND ADMINISTRATIVE

General and administrative expense

	December 31, 2024	December 31, 2023 (Restated – Note 18)
	$	$
Advisory and consulting	730	120
Professional fees	5,963	2,676
Regulatory and transfer agent	79	28
Rent and office	10	6
Salaries, director fees and wages	902	830
Travel	20	55
	7,704	3,715

11. RELATED PARTY TRANSACTIONS

a) Related Party Transactions

The nature of transactions undertaken and the relationships with related parties of the Company are as follows:

	Relationship with the Company	Nature of Transactions
Company A	An officer/director of the Company and a director of the Company are also an officer and director, respectively, of Company A.	Machinery and facilities rental and provision of general mining-related services.
Company B	A director of the Company is also a partner of Company B.	Provision of legal services.
Company C	A director of the Company is also an officer of Company C.	Provision of corporate administrative services.

In addition to related party transactions and balances disclosed elsewhere in these consolidated financial statements, the company entered into transactions with related parties as outlined below:

	Years ended December 31, 2024	2023
	$	$
Administrative success fee	-	21
Provision of corporate administrative services	120	120
	120	141

(Expressed in thousands of US Dollars)

11. RELATED PARTY TRANSACTIONS (Continued)

Included in accounts payable and accrued liabilities (Note 4) are amounts due to Company A, B, and C of $1,442 (December 31, 2023: $1,442). These amounts are unsecured, due on demand and non-interest bearing.

Included in contingent success fees disclosed in Note 15(i) are amounts payable to certain directors. These contingent success fees are payable only upon the successful recovery of compensation pursuant to the Award and Settlement Agreement. Amounts payable under these arrangements at December 31, 2024 were $700. Subsequent to year end, an additional $1,000 bonus payment to these same directors was approved, also conditional on successful recovery of compensation pursuant to the Award and Settlement Agreement.

b) Compensation of Management and Directors

The remuneration of the directors and key management personnel was as follows:

	Years ended December 31, 2024	2023
	$	$
Salaries and directors' fees	898	830
Share-based compensation	-	1,116
	898	1,946

Included in accounts payable and accrued liabilities (Note 3) is $4,285 (December 31, 2023: $3,454) related to compensation of management and directors.

12. CAPITAL MANAGEMENT DISCLOSURES

The Company's capital management objectives are to safeguard the Company's ability to support its normal business requirements which mainly consist of its efforts to reach a compensation agreement with the Venezuelan government or the enforcement of an arbitration award before ICSID for the expropriation of its assets in Venezuela as a result of the Nationalization. In the management of capital, the Company includes the components of shareholders' deficiency excluding non-controlling interests, plus convertible loan, less cash.

As at December 31, 2024, capital, as defined above was a deficiency of $176,879 (December 31, 2023: deficiency of $140,664 - Restated). The Company manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage its capital requirements, the Company plans its funding needs in advance to ensure the Company has liquidity to meet its objectives.

13. JOINT OPERATION

On July 4, 2008, the Company entered into an agreement ("the Mixed Enterprise Agreement") with MIBAM to create a mixed enterprise. Pursuant to the Mixed Enterprise Agreement, Minera Venrus C.A. ("Venrus C.A."), a Venezuelan corporation was incorporated on December 23, 2008, and is 50% owned by the Company and 50% owned by Empresa de Producción Social Minera Nacional, C.A. (a Venezuelan government entity). Up to March 14, 2012, the Company conducted a portion of its business through this joint operation under which the joint operation participants are bound by the articles of incorporation of Venrus C.A. The Company recorded its 50% proportionate share of assets, liabilities, revenues, and operating costs of the joint operation. Due to the Decree on September 16, 2011, the Company lost its mining concessions operated by the joint operation hence the Company lost any control or influence over the management of the operations of Venrus C.A.

14. LITIGATION FUNDING AGREEMENT

Under the terms of the privileged Litigation Funding Agreement, the Company has given certain warranties and covenants to the Funder. In consideration for the provision of arbitration financing, Rusoro has agreed to pay to the Funder a portion of any final settlement of the arbitration claim against the Respondent (the "Funder's Fee"). The Funder's Fee shall only become payable upon recovery of fair compensation and the value of the Funder's Fee is dependent upon a number of variables including the value of any settlement and the length of time taken to receive the settlement. The agreement also provides that the amount of the Funder's Fee shall not exceed the amount of the aggregate proceeds of the arbitration claim under any circumstances.

This Litigation Funding Agreement is a financial liability with a repayment obligation that is partially conditional on the successful outcome of a specific litigation matter.

Under the terms of the Loan, the Company is required to pay a confidential success fee based on the initial value of the advances received under this facility if the litigation against the Venezuelan government is successful. In the event of an unsuccessful outcome, only the principal is payable.

As such, the timing and the amount of the Litigation funding Agreement repayment obligation are highly uncertain and are partially dependent on future external events beyond the Company's control.

As of December 31, 2024, the Company recognized a liability at amortized cost of $21,995 (2023: $17,261) in regard to the Litigation Funding Agreement. This Litigation Funding Agreement is a financial liability with a repayment obligation that is partially conditional on the successful outcome of a specific litigation matter (Note 1).

15. CONTINGENCIES

In addition to the financial liabilities with contingent repayment terms disclosed in Notes 7, 8 and 14, the Company has various contingent liabilities as described below, which are dependent upon successful recovery of compensation pursuant to the Award and Settlement Agreement. As of the date of this report, the Company has not received the initial payment of $100 million nor any other payments claimed in its litigation against the government of Venezuela (Note 1). Due to the uncertainty of the amount of the Award, the enforcement and collection of the Award, the receipt of the payments under the Settlement Agreement (or future litigation success), or ultimately, the Company's ability to receive fair compensation for the expropriation of its investments in Venezuela, the Company only considers the payment to be received when funds are received by the Company in a bank account which is fully controlled by the Company.

i. Contingent Success Fees

The Company has agreed to contingent success fees to select stakeholders, including legal and financial advisors, the board of directors and management of the Company, in consideration for their discounted services or forgiveness of select obligations. The terms, clauses, and priority of the contingent fee agreements are varied, but generally provide each party a contingent success fee based on successful outcome of the litigation and final settlement. Management estimates the aggregate potential exposure related to these contingent success fees will not exceed 15% of the Award. As at December 31, 2024, recovery of fair compensation is deemed to be indeterminable and $nil has been accrued.

15. CONTINGENCIES (Continued)

ii. Trust and Contribution Agreements

The Company is a party to a trust agreement and a contribution agreement whereby it has agreed to pay to a trust established for members of management and the executive committee of the board of directors, a success fee upon the completion of a transaction or series of transactions. For the purposes of the contribution agreement, a "Transaction" is defined as: (a) any merger, consolidation, reorganization, recapitalization, restructuring, leveraged buyout, business combination, or any transaction pursuant to which the Company is acquired by or combined with a third party; or (b) the acquisition by a third party of any assets or operations of the Company, or any outstanding shares of the Company; or (c) a sale or spin-off of any material assets, of 5% or more of the capital stock of any subsidiary of the Company, or any transaction which has the effect of altering the capitalization of the Company. Where a change in control accompanies the Transaction, the success fee will be equal to 1% of the aggregate transaction value as defined in the contribution agreement. If the Transaction involves the acquisition of less than 50% of the voting power of the then outstanding Company's shares, then the success fee will be equal to 0.5% of the aggregate transaction value. As at December 31, 2024, none of the Transaction criteria had been met and $nil had been paid to the Trust.

In October 2012, the Company entered into a trust agreement and a contribution agreement whereby it has agreed to pay to a trust established for the board of directors and management of the Company a success fee equal to 2% of the Award proceeds. In August, 2022, the Company amended the trust agreement in order to extend the expiry date to October 2032.

The trustees (the "Trustees") for the trust are independent directors and members of the compensation committee of the board of directors. The Trustees are empowered to allocate the success fee amongst the board of directors and management of the Company as they deem appropriate. As at December 31, 2024, none of the criteria had been met and $nil had been paid to the Trust.

iii. Other Matters

The Company is involved in various claims and litigation arising in the normal course of business. The Company may be exposed to transactions in the normal course of operations that may not be in compliance with certain Venezuelan laws and regulations. While the outcome of these matters is uncertain and there can be no assurance that such matters will be resolved in the Company’s favor, the Company does not currently believe that the outcome of adverse decisions in any pending or threatened proceedings related to these and other matters or any amount which it may be required to pay by reason thereof would have a material impact on its consolidated statement of financial position, statement of comprehensive loss, or statement of cash flows. Based on the information currently available, estimates of financial impact cannot be reasonably made.

16. FINANCIAL INSTRUMENTS

a) Financial Assets and Liabilities

The Company's financial instruments consist of the following: cash, receivables, accounts payable and accrued liabilities, a loan payable, obligations under the Litigation Funding Agreement, a derivative financial liability ("gold delivery contract") (Note 5) and promissory notes payable.

The carrying amounts of cash, receivables, accounts payable and accrued liabilities, obligations under the Litigation Funding Agreement, and promissory notes payable are considered to be reasonable approximations of their fair values due to the short-term nature of these instruments. The gold delivery contract is marked to market at each reporting period based on the current spot price of gold and the number of gold ounces owing to the gold buyer (Note 4), and as such, is a reasonable approximation of the fair value. Management reviewed all significant financial instruments held by the Company and determined that no significant differences between fair value and carrying value existed as at December 31, 2024.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into a hierarchy based on the degree to which the fair value is observable. Level 1 fair value measurements are derived from unadjusted, quoted prices in active markets for identical assets or liabilities. Level 2 fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly. Level 3 fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The gold delivery contract, being a derivative financial liability, is measured using Level 2 inputs, which is the spot gold price.

b) Financial Instrument Risk Exposure

The Company thoroughly examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous period as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risks exposures are described below.

i. Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge its obligations. Management does not believe the Company is exposed to any significant concentration of credit risk as all of its cash is held with Canadian banks.

ii. Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its obligations associated with financial liabilities as they fall due. The Company manages liquidity risk by monitoring cash and other financial resources available to meet its maturing obligations. The Company currently has a working capital deficiency of $182,274.

iii. Market Risk

(a) Interest Rate Risk

Interest rate risk is the risk that the future cash flows and fair values of the Company's financial instruments will fluctuate because of changes in market interest rates. The majority of the Company's financial instruments, if applicable, have fixed interest rates and therefore management does not believe the Company is exposed to any significant concentration of interest rate risk.

16. FINANCIAL INSTRUMENTS (Continued)

(b) Currency Risk

Currency risk is the risk that the value of the Company's financial instruments will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk as the Company's financial assets and liabilities include items denominated in BsS and C$.

Changes in the applicable exchange rate may result in a decrease or increase in foreign exchange gains or losses recognized in profit or loss. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company's Venezuelan operations and cash holdings are currently subject to currency and exchange controls. These government-imposed controls may adversely affect the Company as such controls limit the Company's ability to flow US dollars out of the country for US dollar operating and capital expenditures.

As at December 31, 2024, the Company had a net monetary liability position of $nil (December 31, 2023: $nil) denominated in Venezuelan Bolivars.

As at December 31, 2024, the Company had cash of $1,032, and amounts payable and accrued liabilities of $1,688, which were denominated in Canadian dollars.

c) Significant Estimates – Amortized Cost of Financial Instruments with Contingent Repayment Terms

The Company has financial liabilities for which the timing and amount of repayment are contingent on the outcome of litigation proceedings (Notes 7, 8, & 14).

Estimating amortized cost under IFRS 9 for these liabilities requires significant judgment, particularly in forecasting the probability, timing, and amount of future cash outflows.

Given the inherent uncertainty, actual results may differ materially from management's current estimates. Key factors influencing variability include changes in the expected success rate of the litigation, the settlement amount, and the timing of cash outflows.

In accordance with IFRS 9.B5.4.6, the Company reassesses expected cash flows at each reporting date, and any resulting adjustments to amortized cost are recognized through profit or loss. The original effective interest rate is not adjusted.

As part of its assessment, the Company performed a sensitivity analysis to estimate amortized cost:

- assuming the settlement date occurs 3 months earlier or later, and
- assuming the likelihood of settlement increases or decreases by 15%.

The increase (decrease) in amortized cost when these inputs are changed are as follows:

(Expressed in thousands of US Dollars)

16. FINANCIAL INSTRUMENTS (Continued)

December 31, 2024	Accelerate by 3 months	Delay by 3 months	Increase likelihood by 15%	Decrease likelihood by 15%
	$	$	$	$
Loan payable	(3,287)	3,507	(2,632)	2,938
Litigation funding agreement	(1,678)	1,849	6,889	(6,889)
Promissory notes payable	(289)	318	1,234	(1,234)

December 31, 2023	Accelerate by 3 months	Delay by 3 months	Increase likelihood by 15%	Decrease likelihood by 15%
	$	$	$	$
Loan payable	(2,997)	3,200	(2,516)	2,791
Litigation funding agreement	(1,314)	1,451	6,930	(6,930)
Promissory notes payable	(224)	246	1,233	(1,233)

Management will continue to update estimates as new information becomes available.

17. INCOME TAX

The Company incurred $nil current tax expense and $nil deferred tax expense in each of the years ending December 31, 2024 and 2023.

Income taxes differ from the amount that would be determined by applying the combined Canadian federal and provincial statutory income tax rate of 27.00% for the year ended December 31, 2024 (2023 – 27.00%) to loss before income taxes. The differences are the result of:

	2024	2023
	$	$
Loss before income taxes	(40,711)	(25,490)
Statutory tax rate	27.00%	27.00%
Expected income tax expense / (recovery)	(10,992)	(6,882)
Rate difference in foreign jurisdictions	3,707	3,313
Impact of currency devaluation	2,820	1,034
Foreign exchange and other differences	8,309	4,422
Change in unrecognized deductible temporary items	(3,844)	(1,887)
Income tax expense	-	-

As at December 31, 2024, the Company's tax liability includes income taxes payable of $nil (2023 - $nil).

(Expressed in thousands of US Dollars)

17. INCOME TAX (Continued)

The significant components of deferred tax assets not recognized are as follows:

	2024	2023
Deferred tax assets not recognized:	$	$
Non-capital loss carried forward	16,301	19,259
Property, plant and equipment	88	49
Other	66	32
	16,455	19,340

As at December 31, 2024, the Company's non-capital losses relate entirely to Canada and expire between 2025 to 2044.

18. RESTATEMENT

The Company has restated its consolidated financial statements as at January 1, 2023 and December 31, 2023 and for the year ended December 31, 2023 to correct the following items:

a) Related party advances in the amount of $715 were impaired and uncollectible as at January 1, 2022 and should have been reported at $nil at January 1, 2023 and December 31, 2023.
b) Promissory notes owed to related parties in the amount of $906 were previously presented within accounts payable and accrued liabilities and have been restated to be included in promissory notes payable balances (Note 8) as at January 1, 2023 and December 31, 2023.
c) Errors in accounts payable and accrued liabilities recorded were identified in amounts recorded at December 31, 2023 and January 1, 2023.
d) The Company has an obligation to repay amounts under a Litigation funding Agreement ("LFA") under which the Company received an aggregate amount of approximately $17,000 over the fiscal years 2010 to 2023. These amounts were received in order that the Company was able to finance its litigation against the Venezuelan government (Notes 1). The amounts received under the LFA were previously accounted for as recoveries of legal expense when the financing was received by the Company rather than as a liability under IAS 32. The Company has restated its financial statements as at January 1, 2023 and December 31, 2023 to show the LFA as a liability, carried at amortized cost (Note 14).
e) Previously, the Company accounted for interest charged on the derivative financial liability (Note 5) on an annually compounded basis notwithstanding the fact that the gold loan agreement with Vicolven Enterprises Inc. was amended in 2018 such that interest was to accrue without compounding. The derivative financial liability, the changes in its fair value and the periodic interest expense on this derivative financial liability have been restated as at January 1, 2023, December 31, 2023 and for the year ended December 31, 2023 to reflect this correction in the prior periods' accounting as a result of the 2018 amendment.
f) The Company determined that the amortized cost amounts of promissory notes payable (Note 8) and loan payable (Note 7) at December 31, 2023 and January 1, 2023 were misstated and have been corrected.

(Expressed in thousands of US Dollars)

18. RESTATEMENT (Continued)

The impact of the restatements as at December 31, 2023 and for the year then ended and as and January 1, 2023 is summarized below:

December 31, 2023

	As previously presented	Adjustments	Restated
Consolidated statement of financial position			
Accounts payable and accrued liabilities	105,976	(88,254)	17,722
Loans payable	29,750	39,207	68,957
Derivative financial liability	47,885	(16,096)	31,789
Litigation funding agreement payable	-	17,261	17,261
Promissory notes payable	7,559	(4,402)	3,157
		-	
Deficit	(986,491)	52,284	(934,207)
Shareholders' Deficiency	(197,087)	52,284	(144,803)
Consolidated statement of comprehensive income (loss)			
General and administrative, net of recoveries	3,176	905	4,081
Interest on loan payable	12,272	(12,272)	-
Interest on gold sale contract	4,491	(2,984)	1,507
Loss on revaluation of gold sale contract	5,240	(1,729)	3,511
Change in amortized cost	-	11,320	11,320
Net loss and comprehensive loss	30,250	(4,760)	25,490
Loss per share - Basic and diluted	0.05	(0.01)	0.04
Weighted average common shares OS	570,056,469	570,056,469	570,056,469
Consolidated statement of cash flows			
Operating activities	(1,082)	(539)	(1,621)
Financing activities	2,939	539	3,478

January 1, 2023

	As previously presented	Adjustments	Restated
Consolidated statement of financial position			
Accounts payable and accrued liabilities	91,797	(76,401)	15,396
Loans payable	29,750	34,692	64,442
Derivative financial liability	38,154	(11,383)	26,771
Litigation funding agreement payable	-	9,712	9,712
Promissory notes payable	5,504	(4,144)	1,360
Deficit	(956,241)	47,524	(908,717)
Shareholders' Deficiency	(169,145)	47,524	(121,621)