

TORR METALS INC.

Interim Financial Statements

For the three months ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

To the shareholders of Torr Metals Inc:

The interim financial statements of Torr Metals Inc. (the “Company”) for the three months ended July 31, 2024 and 2023 have been compiled by management.

No audit or review of this information has been performed by the Company’s auditors.

TORR METALS INC.

Statements of Financial Position

(Expressed in Canadian Dollars)

(unaudited)

As at	July 31, 2024	April 30, 2024
ASSETS		
Current		
Cash (note 5)	\$ 222,831	\$ 431,105
Goods and services tax receivable	16,107	44,739
Prepays and deposits	35,828	28,091
Total current assets	274,766	503,935
Non-current		
Reclamation bond	-	12,366
Exploration and evaluation properties (note 3)	8,316,840	8,170,167
TOTAL ASSETS	\$ 8,591,606	\$ 8,686,468
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 99,287	\$ 54,092
TOTAL LIABILITIES	99,287	54,092
SHAREHOLDER'S EQUITY		
Share capital (note 4)	9,164,091	9,164,091
Option and warrant reserve (note 4)	539,700	539,700
Accumulated deficit	(1,211,472)	(1,071,415)
TOTAL EQUITY	8,492,319	8,632,376
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	\$ 8,591,606	\$ 8,686,468

Nature of operations and going concern (note 1)

Subsequent events (note 7)

Approved by the Board of Directors on October 1, 2024

Director (signed by) "Malcolm Dorsey"

Director (signed by) "John Williamson"

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

TORR METALS INC.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(unaudited)

For the three months ended

**July 31,
2024**

**July 31,
2023**

Expenses

Advertising and promotion	\$ 86,130	\$ 42,325
Management fees (note 6)	19,000	19,000
Office and administration	19,246	16,796
Professional fees	17,122	12,000
Regulatory and filing fees	3,425	1,544

Total expenses

(144,923) (91,665)

Other income

Interest income	4,866	27,546
Settlement of flow-through liability	-	28,700

Comprehensive loss for the period

\$ (140,057) \$ (35,419)

Basic and diluted loss per common share

\$ (0.00) \$ (0.00)

Basic and diluted weighted average
number of common shares outstanding

35,931,294 35,931,294

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

TORR METALS INC.
Statements of Changes in Equity
For the three months ended July 31, 2024 and 2023
(Expressed in Canadian Dollars)

(unaudited)

	Number of shares	Share capital	Option and warrant reserve	Accumulated deficit	Total shareholder's equity
Balance at April 30, 2023	35,931,294	\$ 9,164,091	\$ 539,700	\$(1,045,591)	\$ 8,658,200
Shares issuance costs	-	(2,750)	-	-	(2,750)
Net loss	-	-	-	(35,419)	(35,419)
Balance at July 31, 2023	35,931,294	\$ 9,161,341	\$ 539,700	\$(1,081,010)	\$ 8,620,031
Shares issuance costs	-	2,750	-	-	2,750
Net loss	-	-	-	9,595	9,595
Balance at April 30, 2024	35,931,294	\$ 9,164,091	\$ 539,700	\$(1,071,415)	\$ 8,632,376
Net income	-	-	-	(140,057)	(140,057)
Balance at July 31, 2024	35,931,294	\$ 9,164,091	\$ 539,700	\$(1,211,472)	\$ 8,492,319

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

TORR METALS INC.

Statements of Cash Flows

(Expressed in Canadian Dollars)

(unaudited)

For the three months ended	July 31, 2024	July 31, 2023
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	\$ (140,057)	\$ (35,419)
Items not affecting cash:		
Settlement of deferred flow-through premium liability	-	(28,700)
	(140,057)	(64,119)
Changes in non-cash working capital:		
Goods and services tax receivable	28,632	3,482
Accounts receivable	(7,737)	9,086
Accounts payable and accrued liabilities	(7,871)	(10,525)
Cash used in operating activities	(127,033)	(62,076)
Investing activities		
Exploration and evaluation property acquisition expenditures (note 3)	(18,142)	
Exploration and evaluation property exploration expenditures (note 3)	(75,465)	(53,842)
Purchase of reclamation bond	12,366	
Cash used in investing activities	(81,241)	(53,842)
Financing activities		
Share issuance costs	-	(2,750)
Cash used in financing activities	-	(2,750)
Net decrease in cash	(208,274)	(118,668)
Cash, beginning of period	431,105	2,235,989
Cash, end of period	\$ 222,831	\$ 2,117,321

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

1. Nature of operations and going concern

Torr Metals Inc. ("Torr" or the "Company") was incorporated under the Business Corporations Act (Alberta) on July 18, 2018 and continued its corporate existence from Alberta to British Columbia under the British Columbia Business Corporation Act. On November 26, 2021, the Company completed its Qualifying Transaction ("QT") pursuant to the policies of the TSX Venture Exchange ("TSXV") to acquire an aggregate 100% interest in the Latham Copper-Gold Project in northern British Columbia. Concurrent with the QT, the Company changed its name from Duro Metals Inc. to Torr Metals Inc. and now trades under the symbol "TMET" on the TSXV.

On April 30, 2022, the Company completed a vertical short-form amalgamation pursuant to the Business Corporations Act with its wholly owned subsidiary 1306043 B.C. Ltd. ("130"). Pursuant to the Amalgamation, the resulting amalgamated company has adopted the name "Torr Metals Inc.", maintained the same Articles and management as the Company, issued no securities, the symbol "TMET" and the CUSIP remains the same.

The Company's principal business is the identification, acquisition, exploration and evaluation of mineral properties. The Company's head office is at 250 Southridge NW, Suite 300, Edmonton, AB, T6H 4M9.

While these financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations for the foreseeable future, there are significant uncertainties related to certain adverse conditions and events that may cast doubt on the validity of this assumption. As at July 31, 2024, the Company had working capital of \$175,479 (April 30, 2024 - \$449,843) and an accumulated deficit of \$1,211,472 (April 30, 2024 - \$1,071,415). The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future, which indicate the existence of a material uncertainty that may cast significant doubts about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. Basis of presentation

Statement of compliance with International Financial Reporting Standards

These interim financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These interim financial statements were authorized for issue by the Board of Directors of the Company on October 1, 2024.

The Company's Board of Directors have the power to amend the financial statements after issue.

These interim financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis. The Canadian dollar is the functional and presentation currency of the Company.

3. Exploration and evaluation properties

On November 26, 2021, the Company completed its Qualifying Transaction (the "QT") by acquiring the British Columbia mineral claims known as the Hu Property and Dalvenie Property, by way of an acquisition transaction of

TORR METALS INC.

Notes to the Financial Statements

For the three months ended July 31, 2024 and 2023

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1306043 BC Ltd. (note 3). Immediately after the acquisition, the Company acquired mineral claims known as the Gnat claims. Together, the consolidated Gnat Claims, Hu Property and Dalvenie Property are now known as the Latham Copper-Gold Project, a mineral exploration property comprised of 41 mineral claims totaling 49,694 hectares in northern British Columbia. To acquire the Dalvenie and Hu claims the Company acquired 1306043 BC Ltd., by issuing 22,106,867 shares in a share exchange. To acquire the Gnat claims, the Company paid \$100,000 cash to the vendor and issued 400,000 common shares of the Company at a deemed price of \$0.30 per share for a total consideration of \$220,000. The vendor retains a 2% net smelter royalty.

Crown Grants Acquisition

On April 12, 2022, the Company acquired 13 undersurface crown grants for total cash consideration of \$25,000 plus the cost of transferring the title of the undersurface Crown Grants to the Company. No finder's fees were paid in connection with the Acquisition.

Kolos Copper-Gold Project

On September 25, 2023, the Company acquired the Kolos Copper-Gold project through staking for cash consideration of \$42,310. The mineral exploration property totals 13,957 hectares located in south central British Columbia.

Filion-Gold Project

On October 26, 2023, the Company acquired the Filion Gold project through staking for cash consideration of \$60,250. During the period ended July 31, 2024, the Company spent a total of \$78,053 in staking the Filion Gold Project. The mineral exploration property totals 26,076 hectares located in norther Ontario.

Total costs incurred by the Company on its exploration properties are summarized as follows:

	Latham		Kolos		Filion Gold		Total
Acquisition Costs							
Balance, April 30, 2024	\$	4,612,372	\$	24,168	\$	78,053	\$ 4,714,593
Staking Claims		-		18,142		-	18,142
Balance, July 31, 2024		4,612,372		42,310		78,053	4,732,735-
Exploration Costs							
Balance, April 30, 2024		2,628,040		734,060		93,474	3,455,574
Assays and analysis		1,152		-		1,876	3,028
Community relations		51,985		13,596		-	65,581
Drilling		1,500		-		-	1,500
Fieldwork supplies		-		166		-	166
General and administrative		116		88		603	807
Geological consulting		47		37,435		11,255	48,737
Travel and support		-		8,712		-	8,712
Balance, July 31, 2024		2,682,840		794,057		107,208	3,584,105
Total E&E Assets, July 31, 2024	\$	7,295,212	\$	836,367	\$	185,261	\$ 8,316,840

TORR METALS INC.

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	Latham		Kolos		Filion Gold		Total
Acquisition Costs							
Balance, April 30, 2023	\$	4,612,074	\$	-	\$	-	\$ 4,612,074
Staking Claims		298		24,168		78,053	102,519
Balance, April 30, 2024		4,612,372		24,168		78,053	4,714,593
Exploration Costs							
Balance, April 30, 2023		2,177,957		-		-	2,177,957
Airborne survey		-		262,763		-	262,763
Assays and analysis		71,847		150,221		15,515	237,583
Community relations		62,618		36,230		-	98,848
Drilling		23,000		-		-	23,000
Fieldwork supplies		1,106		3,044		1,900	6,050
Freight		1,884		1,193		33	3,110
General and administrative		16,095		64		3,617	19,776
Geological consulting		177,128		213,550		48,677	439,355
Permits		500		-		-	500
Rentals		6,535		15,105		2,454	24,094
Travel and support		89,370		51,890		21,278	162,538
Balance, April 30, 2024		2,628,040		734,060		93,474	3,455,574
Total E&E Assets, April 30, 2024	\$	7,240,412	\$	758,228	\$	171,527	\$ 8,170,167

During the three months ended July 31, 2024, the Company spent \$75,465 (April 30, 2024 - \$1,248,748) on mineral property exploration expenditures and \$18,142 (April 30, 2024 - \$102,221) on mineral property acquisition expenditures.

4. Share capital

a) Common shares

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

	Number of shares	Amount
Balance at April 30, 2023	35,931,294	\$ 9,164,091
Balance at April 30, 2024 and July 31, 2024	35,931,294	\$ 9,164,091

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Escrowed Common Shares

Pursuant to the closings of the Company's initial public offering ("IPO") and Qualifying Transaction, 2,242,395 of the Company's outstanding common shares are subject to a CPC Escrow Agreement and 12,666,667 are subject to a Tier 2 Value Security Escrow Agreement. Under these agreements, 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. As of the date of these financial statements, 2,236,359 common shares remained in escrow.

b) Warrants

The Following is a summary of the changes in the Company's warrants during the periods:

	Number of Warrants	Weighted average exercise price
Outstanding warrants, April 30, 2023	4,720,100	\$ 0.45
Expired	(4,720,100)	0.45
Outstanding warrants, April 30, 2024 July 31, 2024	-	\$ -

c) Stock options

The Company has a stock option plan (the "Plan") for directors, officers, employees, and consultants. The Plan provides for the issuance of incentive options to acquire up to a total of 10% of the issued and outstanding common shares of the Company. The exercise price of each option shall not be less than the minimum prescribed amount allowed under the TSX. The options can be granted for a maximum term of 5 years with vesting provisions determined by the Company.

A summary of stock options outstanding and exercisable is as follows:

	Number of Warrants	Weighted average exercise price
Outstanding options, April 30, 2023	2,733,250	\$ 0.28
Outstanding options, April 30, 2024 and July 31, 2024	2,733,250	\$ 0.28

A summary of the options outstanding and exercisable is as follows:

Exercise Price	Number of options	July 31, 2024 Remaining contractual life (years)	Exercise Price	Number of options	April 30, 2024 Remaining contractual life (years)
\$ 0.18	433,250	0.7	\$ 0.18	433,250	0.9
0.30	2,300,000	2.6	0.30	2,300,000	2.9
\$ 0.28	2,733,250	2.3	\$ 0.28	2,733,250	2.6

5. Financial instruments and risk management

Fair value of financial instruments

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities,
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The Company's cash are classified as Level 1, whereas accounts payable and accrued liabilities are classified as Level 2. As at July 31, 2024, the Company believes that the carrying values of cash, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is defined as the risk of loss associated with counterparty's inability to fulfill its payment obligations. The maximum exposure to credit risk is the carrying amount of the Company's financial assets.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by taking into account the anticipated cash expenditures for its exploration and other operating activities, and its holding of cash and cash equivalents. The Company will pursue further equity or debt financing as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favourable terms.

As at July 31, 2024, the Company's financial liabilities consist of its accounts payable and accrued liabilities, which are all current obligations.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange risk is minimal.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

6. Related party transactions

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the three months ended	July 31, 2024	July 31, 2023
Management fees paid to key management and directors	\$ 19,000	\$ 19,000
Capitalized consulting fees paid to key management	24,000	24,000
Investor relations fees paid to a director	33,000	33,000
Rent fees paid to a corporation controlled by key management	10,050	10,050
	<u>\$ 86,050</u>	<u>\$ 86,050</u>

At July 31, 2024, \$25,200 accounts payable and accrued liabilities (2023 - \$Nil) are due to former key management, directors of the Company and companies controlled by management or directors for services provided. These amounts are unsecured, non-interest bearing and have no specific terms of repayment. All amounts have been subsequently paid.

7. Subsequent events

Subsequent to the three months ended July 31, 2024, the Company issued 200,000 options at \$0.10 per option.