Argentina Lithium & Energy Corp.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(Unaudited – Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

Argentina Lithium & Energy Corp.
(An Exploration Stage Company)
Consolidated Interim Statements of Financial Position
(Unaudited – Expressed in Canadian Dollars)

	Note	March 31, 2025 $	December 31, 2024 $
ASSETS			
Current assets			
Cash and cash equivalents	15	357,820	509,441
Accounts receivables		18,321	19,971
Prepaid expenses	3	7,192,968	7,869,887
Total current assets		7,569,109	8,399,299
Non-current assets			
Exploration and evaluation assets	4	20,039,145	20,039,145
Equipment		61,948	61,948
Prepaid expenses	3	29,364,823	29,364,823
Total non-current assets		49,465,916	49,465,916
Total Assets		57,035,025	57,865,215
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	1,929,533	1,927,253
Derivative liability	8	398,987	876,684
Loans payable	6	1,453,379	435,127
Interest payable	6	124,948	40,976
Total liabilities		3,906,847	3,280,040
EQUITY			
Share capital	7	38,828,350	38,828,350
Reserves	7	14,800,474	14,800,474
Obligation to issue shares	8	271,950	271,950
(Deficit) retained earnings		(8,532,949)	(7,376,560)
Total shareholders' equity		45,367,825	46,524,214
Non-controlling interest	8	7,760,353	8,060,961
Total equity		53,128,178	54,585,175
Total Equity and Liabilities		57,035,025	57,865,215

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Notes 4 and 13)

CONTINGENCY (Notes 14)

SUBSEQUENT EVENTS (Note 17)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on May 30, 2025. They are signed on the Company's behalf by:

"Nikolaos Cacos" , Director

"Martin Burian" , Director

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

Argentina Lithium & Energy Corp.
Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

		Three months ended March 31,	
		2025	2024
	Note	$	$
Expenses			
Consulting fees	11	176,754	172,377
Corporate development and investor relations		77,594	378,368
Exploration	4, 11	1,282,674	1,325,946
Legal and professional fees		30,304	324,865
Management fees	11	27,000	62,000
Office and sundry	11	32,363	43,597
Rent, parking and storage		7,500	11,522
Transfer agent and regulatory fees		8,647	13,521
Travel		7,594	9,424
Loss from operating activities		(1,650,430)	(2,341,620)
Other income (loss)			
Fair value adjustment of derivative liability	8	477,697	2,074,607
Foreign exchange (loss) gain		(204,301)	164,766
Gain on sale of marketable securities	10	-	94,950
Interest expense		(83,972)	-
Interest income		4,009	3,438
Total other income		193,433	2,337,761
Total loss and comprehensive loss		(1,456,997)	(3,859)
(Loss) income attributable to:			
Shareholders of the Company		(1,156,389)	223,422
Non-controlling interest		(300,608)	(227,281)
Total loss and comprehensive loss		(1,456,997)	(3,859)
Basic and diluted (loss) income per common share	9	(0.01)	0.00

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

Argentina Lithium & Energy Corp.
Consolidated Interim Statements of Cash Flows
(Unaudited – Expressed in Canadian Dollars)

	Three months ended March 31,	
	2025 $	2024 $
Cash flows from operating activities		
Loss for the period	(1,456,997)	(3,859)
Adjustments for:		
Fair value adjustment of derivative liability	(477,697)	(2,074,607)
Foreign exchange loss	204,301	164,766
Interest expense	83,972	-
Changes in non-cash working capital items:		
Decrease (increase) in accounts receivables	1,650	(28,739)
Decrease in prepaid expenses	676,919	182,761
Decrease (increase) in accounts payable and accrued liabilities	2,280	(225,604)
Net cash used in operating activities	(965,572)	(1,985,282)
Cash flows from investing activities		
Expenditures on exploration and evaluation assets	-	(3,303,634)
Net cash received used in investing activities	-	(3,303,634)
Cash flows from financing activities		
Loan proceeds received	1,018,252	-
Warrants exercised	-	97,500
Net cash received from financing activities	1,018,252	97,500
Foreign exchange effect on cash and cash equivalents	(204,301)	(197,165)
Net decrease in cash and cash equivalents during the period	(151,621)	(5,388,581)
Cash and cash equivalents at beginning of period	509,441	11,854,386
Cash and cash equivalents at end of period	357,820	6,465,805

SUPPLEMENTARY CASH FLOW INFORMATION (Note 15)

Argentina Lithium & Energy Corp.
Consolidated Interim Statements of Changes in Equity
(Unaudited – Expressed in Canadian Dollars)

	Share capital		Reserves							
	Number of shares	Amount $	Contributed surplus $	Equity settled share-based payments $	Warrants $	Obligation to issue shares $	(Deficit) Retained earnings $	Total shareholders' equity $	Non-controlling interest $	Total equity $
Balance at December 31, 2023	131,158,649	38,179,047	6,366,823	2,288,754	6,226,700	122,460	10,252,054	63,435,838	12,442,504	75,878,342
Shares issued for property option (Note 4(c))	766,667	230,000	-	-	-	-	-	230,000	-	230,000
Obligation to issue shares (Note 8)	-	-	-	-	-	47,715	-	47,715	-	47,715
Warrants exercised	650,000	120,443	-	-	(22,943)	-	-	97,500	-	97,500
Total comprehensive loss for the period	-	-	-	-	-	-	223,422	223,422	(227,281)	(3,859)
Balance at March 31, 2024	132,575,316	38,828,350	8,729,946	2,288,754	6,203,757	170,175	10,475,476	64,034,475	12,215,223	76,249,698
Obligation to issue shares (Note 8)	-	-	-	-	-	101,775	-	101,775	-	101,775
Warrants exercised	1,600,000	298,860	-	-	(58,860)	-	-	240,000	-	240,000
Warrants and agents' warrants expired	-	-	2,363,123	-	(2,363,123)	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(17,852,036)	(17,852,036)	(4,154,262)	(22,006,298)
Balance at December 31, 2024	134,175,316	38,828,350	8,729,946	2,288,754	3,781,774	271,950	(7,376,560)	46,524,214	8,060,961	54,585,175
Total comprehensive loss for the period	-	-	-	-	-	-	(1,156,389)	(1,156,389)	(300,608)	(1,456,997)
Balance at March 31, 2025	134,175,316	38,828,350	8,729,946	2,288,754	3,781,774	271,950	(8,532,949)	45,367,825	7,760,353	53,128,178

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Argentina Lithium & Energy Corp. (the "Company" or "Argentina Lithium") was incorporated on April 11, 2000 in the Province of British Columbia and was transitioned under the Business Corporations Act (BC) on June 17, 2004. In September 2016, the Company changed its name to Argentina Lithium & Energy Corp. (formerly Iron South Mining Corp.) trading on the TSX Venture Exchange ("TSX-V) under the symbol "LIT". The address of the Company's registered office is Suite 411 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6.

The Company is a natural resource company engaged in the acquisition and exploration of resource properties in the Americas and Argentina. The Company presently has no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. Consequently, the Company considers itself to be an exploration stage company.

The amounts shown as exploration and evaluation assets represent costs incurred to date, less option payment proceeds and amounts amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to advance the properties beyond the exploration stage, and future profitability of the properties.

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to condensed consolidated interim financial statements and to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company has experienced recurring operating losses and has an accumulated deficit of $8,532,949, working capital of $3,662,262, and shareholders' equity of $45,367,825 at March 31, 2025. In addition, the Company has negative cash flow from operating activities of $965,572 for the three months ended March 31, 2025. Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. These factors create material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continued operations, as intended, are dependent upon its ability to raise additional funding to meet its obligations and commitments and to attain profitable operations. Management's plan in this regard is to raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, tariffs, and national and international circumstances. Recent geopolitical events, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

These condensed consolidated interim financial statements do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and using accounting policies in full compliance with IFRS issued by the IASB, and accordingly, certain information and note disclosure included in the annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company's December 31, 2024, audited annual financial statements.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed consolidated interim financial statements are expressed in Canadian dollars unless otherwise noted. Amounts in U.S. dollars are denoted as "US$" and amounts in Argentina Pesos are denoted as "ARS$".

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries as follows:

	Place of Incorporation	Principal Activity	Ownership Interest	
			2024	2023
Amera-Chile S.C.M.	Chile	Holding company	100%	100%
Argentina Litio Y Energia S.A.	Argentina	Exploration company	80.1%	80.1%
Hierros Del Sur S.A.C.	Peru	Holding company	-	-

On November 21, 2023, the Company deregistered Hierro Del Sur S.A.C. in Peru.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the condensed consolidated interim financial statements.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2. MATERIAL ACCOUNTING POLICIES (continued)

Non-controlling interest

A non-controlling interest ("NCI") represents the equity in a subsidiary not attributable, directly or indirectly, to the Company. NCI is recognized at its proportionate share of the value of identifiable net assets acquired on initial recognition., subsequently NCI is adjusted for the proportionate share of net income (loss) and other comprehensive income (loss).

Significant Accounting Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting judgments

i. Presentation of the condensed consolidated interim financial statements which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

ii. The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. The Company received a significant investment of Argentina Pesos during 2023, but the valuation of the investment was made using the official exchange rate with US dollars. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

2. MATERIAL ACCOUNTING POLICIES (continued)

Critical accounting estimates

i. The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

   During the three months ended March 31, 2025, management has determined there were no impairment indicators present with respect to the Company's exploration and evaluation assets.

ii. The identification of components on the partial sale in 2023 of the Company's subsidiary, Argentina Litio Y Energia S.A ("ALE") is based on interpretations of the substance of the contractual arrangement and therefore requires judgment from management. The potential Common Share issuances in regard to top-up rights are considered derivative liabilities and therefore measured at fair value through profit or loss. The Company uses the Black Scholes pricing model to estimate the fair value of such top-up rights at inception, and subsequently at year end. The key assumption used in the model is the expected future volatility of the price of the Company's Common Shares. The impact of changes in these key assumptions is described in Note 8.

iii. The Company is from time to time involved in pending or threatened litigation relating to claims arising in the ordinary course of its business. The nature and progression of litigation can make it difficult to predict the impact a particular lawsuit or claim will have on the Company.

New and amended IFRS standards that are effective for the current period:

Amendments to IAS 21, Lack of Exchangeability (effective January 1, 2025) requires companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies. The amendments will help companies and investors by addressing a matter not previously covered in the accounting requirements for the effects of changes in foreign exchange rates. These amendments will require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and when it cannot, in determining the exchange rate to use and the disclosures to provide. This amendment did not have any impact on the Company's condensed consolidated interim financial statements.

New Accounting Standards and Interpretations not yet effective

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal three months ended March 31, 2025 and accordingly, they have not been applied in preparing these condensed consolidated interim financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

i. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.

ii. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.

iii. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027, the Company is evaluating if this amendment will have any impact on the Company's condensed consolidated interim financial statements.

3. PREPAID EXPENSES

On October 9, 2023, the Company entered into an agreement with AGV Falcon Drilling SRL and prepaid ARS$13,279,849,068 equivalent to $51,791,411 for drilling services of up to 15,500 metres at its Antofalla and Rincon West properties. As of March 31, 2025, the Company estimates that 11,325 metres of prepaid drilling services remained with a value of ARS$11,157,896,824 (December 31, 2024 – ARS$11,246,548,550) equivalent to $36,501,106 (December 31, 2024 – $37,139,911).

Balances	March 31, 2025 $	December 31, 2024 $
Current prepaid drilling services	7,136,283	7,775,088
Other current prepaid expenses	56,685	94,799
Total current expenses	7,192,968	7,869,887
Non-current prepaid drilling services	29,364,823	29,364,823
Total prepaid expenses	36,557,791	37,234,710

On December 23, 2024, the Company entered into a loan agreement with AGV Falcon Drilling SRL to receive funding secured against this prepaid drilling expense (see also Note 6).

4. EXPLORATION AND EVALUATION ASSETS

The schedules below summarize the acquisition costs and all exploration expenditures incurred to date for each exploration and evaluation asset that the Company holds title to as at March 31, 2025 and 2024.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Acquisition Costs

	Argentina				
	Incahuasi	**Antofalla**	**Rincon West**	**Pocitos**	**Total**
	$	**$**	**$**	**$**	**$**
Balance – December 31, 2023	110,116	6,260,004	8,556,144	4,152,600	19,078,864
Additions					
Option payments, staking costs, land payments and acquisition costs	386	407,610	1,553,360	1,572,278	3,533,634
Balance – March 31, 2024	110,502	6,667,614	10,109,504	5,724,878	22,612,498
Additions					
Option payments, staking costs, land payments and acquisition costs	(386)	820,035	1,378,019	18,454	2,216,122
Impairment of exploration and evaluation assets	-	-	(3,402,350)	(1,387,125)	(4,789,475)
Balance – December 31, 2024	110,116	7,487,649	8,085,173	4,356,207	20,039,145
Balance – March 31, 2025	110,116	7,487,649	8,085,173	4,356,207	20,039,145

Exploration Expenditures

	Argentina					
	Incahuasi	**Antofalla**	**Rincon West**	**Pocitos**	**Other**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Cumulative exploration expenses December 31, 2024	3,369,867	927,770	29,258,439	533,860	102,729	34,192,665
Expenditures during the period:						
Assays	-	-	1,537	-	-	1,537
Drilling	-	-	527,937	-	-	527,937
Geophysics	-	-	55,593	-	-	55,593
Office	2,081	1,041	31,729	1,388	-	36,239
Professional fees	3,877	1,939	58,056	2,585	-	66,457
Property maintenance payments	-	-	18,425	-	-	18,425
Salaries and contractors	13,725	6,863	345,085	9,232	-	374,905
Social and community	-	-		-	-	-
Supplies and equipment	736	-	7,312	-	-	8,048
Transportation	-	-	16,965	163	-	17,128
Statutory taxes	669	322	146,599	440	-	148,030
Travel costs	-	-	28,317	58	-	28,375
	21,088	10,165	1,237,555	13,866	-	1,282,674
Cumulative exploration expenses March 31, 2025	3,390,955	937,935	30,495,994	547,726	102,729	35,475,339

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

	Argentina					
	Incahuasi $	**Antofalla $**	**Rincon West $**	**Pocitos $**	**Other $**	**Total $**
Cumulative exploration expenses December 31, 2023	2,989,454	528,849	12,055,947	301,876	81,921	15,958,047
Expenditures during the period:						
Drilling	-	-	668,023	-	-	668,023
Geophysics	-	20,094	3,804	-	-	23,898
Office	4,187	2,389	60,006	2,893	-	69,475
Professional fees	3,724	1,862	53,999	2,483	-	62,068
Property maintenance payments	-	-	2,112	-	-	2,112
Salaries and contractors	19,046	9,329	292,961	12,439	-	333,775
Supplies and equipment	4,865	3,093	24,288	2,544	-	34,790
Transportation	2,002	-	33,265	36	-	35,303
Statutory taxes	1,157	1,227	37,122	1,088	-	40,594
Travel costs	2,805	2,075	36,967	14,061	-	55,908
	37,786	40,069	1,212,547	35,544	-	1,325,946
Cumulative exploration expenses March 31, 2024	3,027,240	568,918	13,268,494	337,420	81,921	17,283,993

a) Incahuasi Lithium Project

The Company owns a 100% interest in the Incahuasi lithium brine project totalling 25,000 ha, located in the Catamarca Province, Argentina.

b) Antofalla North Lithium Project

Pipo-Alcalina V Option

On July 7, 2021, the Company entered into an option agreement with Trendix Mining (“Trendix”) to earn a 100% interest in the three additional properties totaling 5,380 hectares (“Optioned Properties”) situated adjacent to the Company’s 9,080 hectares of 100% held claims on the Salar de Antofalla (“Staked Properties”). Terms include staged payments over four years totaling US$4,000,000, and total exploration expenditures of US$7,000,000. The vendors retain a 2% Net Smelter Royalty (“NSR”) which Argentina Lithium has the ability to repurchase for US$5,000,000. The Company paid the remaining option payments to obtain a 100% interest in the Optioned Properties during the year ended December 31, 2023.

Option Payment US$	Year
100,000 (paid)	2021
300,000 (paid)	2022
400,000 (paid)	2023
1,700,000 (paid)	2024
1,500,000 (paid)	2025
4,000,000	

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Amelia Option

On March 31, 2022, the Company entered into an option agreement to acquire a 100% interest in three granted mine concession properties totalling 5,411 hectares in the Salar de Antofalla in Catamarca Province, Argentina. Terms of the option include cash payments totalling US$2,800,000 over four years, including mandatory commitments totalling US$180,000 in the first twelve months. The option also includes mandatory annual exploration expenditure commitments of US$500,000 in year one, followed by US$1,500,000 in year two, US$2,000,000 in year three and US$3,000,000 in year four that comes into effect following the receipt of exploration permits. The vendor retains a 2% NSR which can be repurchased for US$3,000,000. See also Note 17.

Option Payment US$	Year
80,000 (paid)	2022
300,000 (paid)	2023
300,000 (paid)	2024
900,000	2025
1,220,000	2026
2,800,000	

Volcan Option

On August 5, 2022, the Company entered into an option agreement to acquire a 100% interest in a single mine concession property measuring 843.5 hectares in the Salar de Antofalla in Catamarca Province, Argentina. Terms of the Volcan option include cash payments totaling US$590,000 paid over three years, including the obligatory payment of US$40,000 at the time of signing. The vendor retains a 1% NSR which can be repurchased for US$1,300,000.

Option Payment US$	Year
40,000 (paid)	2022
100,000 (paid)	2023
200,000 (paid)	2024
250,000	2025
590,000	

Lexi Option

The Company entered into an option agreement to acquire 100% interest in a single mining concession on the Antofalla Salar, wholly within the Catamarca mining registry. Terms of the Lexi-30 option specify two cash payments totaling US$425,000, including an initial payment of US$50,000, and an optional final payment of US$375,000, payable at up to 12 months. The vendor retains a 2% NSR. In the instance that the vendor wishes to transfer or sell the NSR, the Company has the right to match the terms of NSR transference or sale. The Company paid the remaining option payments to obtain a 100% interest in the Lexi project during the year ended December 31, 2024.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Option Payment US$	Year
50,000 (paid)	2023
375,000 (paid)	2024
425,000	

c) Pocitos Project

Rincon-Pocitos Option

On October 8, 2021, the Company entered into a definitive agreement with a private vendor to acquire 100% interest in the 2,370-hectare Rincon West and 15,857-hectare Pocitos projects in Salta Province, Argentina. Terms include issuance of 750,000 shares in the Company to the vendor on signing plus $500,000 worth of shares over a 12-month period; and cash payments totaling US$4,200,000 over 36 months. The Company paid the remaining option payments to obtain a 100% interest in the Rincon West and Pocitos projects during the year ended December 31, 2023.

Option Payments US$	Shares issued valued at $	Number of shares issued #	Year
150,000 (paid)	375,000	750,000	2021
650,000 (paid)	500,000	1,737,531	2022
500,000 (paid)	-	-	2023
2,900,000 (paid)	-	-	2024
4,200,000	875,000	2,487,531	

El Pidio GIII Option

On January 3, 2022, the Company entered into an option agreement to acquire 100% interest in the 1,602 hectare property in the southeast of Pocitos Basin. Terms of the option include issuance of 25,000 shares in the Company to the vendor on signing plus $70,000 worth of shares over the subsequent three years including mandatory issuances valued at $25,000 over the first 18 months, and cash payments totaling US$165,000 over three years including a mandatory total of US$30,000 over the first 18 months. The number of shares to be issued are calculated based on the discounted market price of $0.30 per share on the TSX-V on January 7, 2022. During the year ended December 31, 2024, the Company determined that it would not be exploring the El Pidio property further based on the exploration work done to the end of the year, and impaired $141,191 in acquisition costs.

Option Payments US$	Shares to be issued valued at $	Number of shares to be issued #	Year
10,000 (paid)	11,500 (issued)	25,000 (issued)	2022
20,000 (paid)	25,000 (issued)	83,334 (issued)	2023
35,000 (paid)	20,000 (issued)	66,667 (issued)	2024
100,000	25,000	83,333	2025
165,000	81,500	258,334	

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Aguamarga Option

On January 3, 2022, the Company entered into an option agreement to acquire 100% interest in the 7,000 hectare Aguamarga 11 and Aguamarga 16 properties in the east flank of Pocitos Basin. Terms of the option include issuance of 168,000 shares in the Company to the vendor on signing plus $651,000 worth of shares over the subsequent three years including mandatory issuances valued at $126,000 over the first 12 months, and cash payments totaling US$1,890,000 over three years including a mandatory total of US$105,000 over the first 12 months. The number of shares to be issued are calculated based on the discounted market price of $0.30 per share on the TSX-V on January 7, 2022. During the year ended December 31, 2024, the Company determined that it would not be exploring the Aguamarga property further based on the exploration work done to the end of the year, and impaired $1,245,934 in acquisition costs.

Option Payments US$	Shares to be issued valued at $	Number of shares to be issued #	Year
42,000 (paid)	77,280 (issued)	168,000 (issued)	2022
168,000 (paid)	126,000 (issued)	420,000 (issued)	2023
420,000 (paid)	210,000 (issued)	700,000 (issued)	2024
1,260,000	315,000	1,050,000	2025
1,890,000	728,280	2,338,000	

Ramos Option

On January 6, 2022, the Company entered into an option agreement to acquire 100% interest in five additional properties totaling 1,762 hectares at the Pocitos Salar (the "Ramos Properties"). Terms of the option include mandatory payments totaling US$150,000 in the first year, followed by US$550,000 over two years after signing. The Company paid US$50,000 of the option payment due at signature. The vendor retains a 1% Net Smelter Royalty ("NSR") which can be purchased by the Company for US$500,000. The Company paid the remaining option payments to obtain a 100% interest in the Ramos project during the year ended December 31, 2024.

Option Payments US$	Year
50,000 (paid)	2022
100,000 (paid)	2023
550,000 (paid)	2024
700,000	

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

d) Rincon West Project

Rinconcita II

On August 17, 2022, the Company entered into a contract with a provincially-owned company Recursos Energéticos y Mineros Salta S.A. ("REMSA") to acquire 100% interest of the Rinconcita II mining concession area ("Rinconcita II") located on the Salar de Rincon in Salta Province, Argentina covering 460.5 hectares adjacent to and east of the Company's Rincon West property. Terms of contract include payment of 3% Net Smelter Return ("NSR") of mineral and refined products sourced from Rinconcita II over its production life if it advances to the production stage. The Company paid US$2,500,000 due on signing. The Company has met its exploration commitment for US$2,560,558 that includes environmental permitting, ground geophysics, and exploratory drilling, within twelve months from the date of approval of the environmental impact report which is currently in progress.

Paso de Sico Option

On September 20, 2022, the Company entered into an option agreement to acquire a 100% interest in four contiguous mine concession properties totalling 791.3 hectares in the Salar de Rincon, Argentina. Terms of the Paso de Sico option include cash payments totalling US$1,518,000 over two years, including mandatory commitments totalling US$300,000 in the first six months. The option also includes annual exploration expenditure commitments of US$300,000 in year one, followed by US$800,000 in year two, and US$1,200,000 in year three that comes into effect following the receipt of exploration permits which was approved on October 25, 2024. The vendor retains a 3% Net Smelter Royalty which can be repurchased for US$1,500,000.

Option Payment US$	Year
100,000 (paid)	2022
600,000 (paid)	2023
400,000 (paid)	2024
418,000	2025
1,518,000	

Don Fermin Option

On June 15, 2023 the Company entered into an option agreement to acquire 100% interest in concession located on the eastern flank of the Salar de Rincon, approximately 19 km east of the Rincon West property block. Terms of the option include cash payments totaling US$2,750,000 over 18 months, including an initial payment of US$250,000. The Company can advance the dates of the subsequent four payments at its discretion. The vendor retains a 1.5% NSR which can be repurchased for US$4,000,000. During the year ended December 31, 2024, the Company impaired $3,402,350 in acquisition costs. See also Note 17.

Option Payment US$	Year
750,000 (paid)	2023
750,000 (paid)	2024
1,000,000 (paid)	2024
250,000	2025
2,750,000	

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

e) Fierro Property, Rio Negro Province, Argentina

On August 7, 2024, the Company entered into an option agreement with Aridos Lomada Grande S.A. ("Aridos") to sell its 100% interest in the Fierro property. Aridos can purchase the Fierro property for US$210,000, including a mandatory signing payment of $27,254 (US$20,000) that was received during the year ended December 31, 2024. The Company retains a NSR with a maximum total royalty of US$450,000.

5. INVESTMENTS

During the year ended December 31, 2023, the Company invested ARS$363,500,000 in a promissory note that could be redeemed for the equivalent number of Argentine Pesos at the official exchange rate to US$1 million at maturity in March 2025. At December 31, 2023, the Company revalued the investment based on US$1 million being equivalent to ARS$809,920,392 at the official exchange rate. During the year ended December 31, 2024, the Company early settled the promissory note at a discount and received ARS$873,200,219. The Company recorded a loss on the sale of $104,443 because of the discount. No interest was earned on the promissory note.

6. LOANS PAYABLE

On December 23, 2024, the Company entered into a loan agreement with AGV Falcon Drilling SRL, an arm's length lender. Terms of the agreement include six cash instalments of principal amount totalling US$3,000,000 over six months and is to be used for working capital purposes and bears interest of US$235,000. In case of non-repayment, 172.5 meters of diamond drilling and 60 meters of rotary drilling will be discounted from prepaid expenses for every US$100,000 of the principal balance.

During the three months ended March 31, 2025, the Company borrowed $1,018,252 and accrued interest of $83,972. The Company received the second loan instalment of US$400,000 and US$300,000 of the fourth loan instalment of US$900,000 that was due on March 25, 2025. The Company did not receive the third loan instalment of US$400,000 that was due on February 25, 2025, US$600,000 of the of the fourth loan instalment of US$900,000 that was due on March 25, 2025 from AGV Falcon Drilling SRL.

The schedule below summarizes the principal balance of the loan and interest that shall become due and payable in full. See also Notes 3 and 17.

Loan date	Loan Amount US$	Repayment date	Repayment amount US$
December 28, 2024	300,000 (received)	October 10, 2025	330,000
January 25, 2025	400,000 (received)	October 20, 2025	436,000
February 25, 2025	400,000 (not received)	October 30, 2025	-
March 25, 2025	600,000 (not received)	November 20, 2025	-
March 25, 2025	300,000 (received)	November 20, 2025	324,000
April 25, 2025	500,000 (Note 17)	October 11, 2025	535,000
May 25, 2025	500,000	November 30, 2025	530,000
	3,000,000		2,155,000

During the year ended December 31, 2024, the Company borrowed $435,127 and accrued interest of $40,976.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

7. CAPITAL AND RESERVES

Authorized Share Capital

The Company's authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in 2025

There were no shares issued for private placement during the three months ended March 31, 2025.

Details of Issues of Common Shares in 2024

There were no shares issued for private placement during the year ended December 31, 2024.

Details of other Common Share Issuances

During the three months ended March 31, 2025, the Company did not issue any shares for mineral property option payments (March 31, 2024 – 766,667 shares for mineral property option payments with a fair value of $230,000); and there were no warrant exercises during the three months ended March 31, 2025 (March 31, 2024 – 650,000 shares from the exercise of 650,000 warrants for gross proceeds of $97,500).

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the "Plan") approved by the Company's shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers for a maximum term of ten years. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company's outstanding common shares, calculated from time to time. If outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the Plan increase proportionately.

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX-V. Share purchase options granted generally vest immediately and are subject to a four-month hold period and are generally exercisable for a period of up to five years.

The continuity of share purchase options for the three months ended March 31, 2025 is as follows:

Expiry date	Exercise Price	December 31, 2024	Granted	Expired	March 31, 2025	Options exercisable
July 9, 2026	$0.20	2,650,000	-	-	2,650,000	2,650,000
September 3, 2026	$0.18	225,000	-	-	225,000	225,000
December 8, 2027	$0.35	8,016,000	-	-	8,016,000	8,016,000
January 13, 2028	$0.35	300,000	-	-	300,000	300,000
May 8, 2028	$0.30	150,000	-	-	150,000	150,000
		11,341,000	-	-	11,341,000	11,341,000
Weighted average exercise price ($)		0.31	-	-	0.31	0.31
Weighted average contractual remaining life (years)		2.59	-	-	2.34	2.34

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

7. CAPITAL AND RESERVES (continued)

The continuity of share purchase options for the three months ended March 31, 2024 is as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Expired	March 31, 2024	Options exercisable
July 9, 2026	$0.20	2,650,000	-	-	2,650,000	2,650,000
September 3, 2026	$0.18	225,000	-	-	225,000	225,000
December 8, 2027	$0.35	8,016,000	-	-	8,016,000	8,016,000
January 13, 2028	$0.35	300,000	-	-	300,000	300,000
May 8, 2028	$0.30	150,000	-	-	150,000	150,000
		11,341,000	-	-	11,341,000	11,341,000
Weighted average exercise price ($)		0.31	-	-	0.31	0.31
Weighted average contractual remaining life (years)		3.59	-	-	3.34	3.34

Warrants

The continuity of warrants for the three months ended March 31, 2025 is as follows:

Expiry date	Exercise Price	December 31, 2024	Exercised	Expired	March 31, 2025
August 11, 2027	$0.38	6,215,000	-	-	6,215,000
August 25, 2027	$0.38	10,415,000	-	-	10,415,000
November 21, 2027	$0.40	35,767,948	-	-	35,767,948
		52,397,948	-	-	52,397,948
Weighted average exercise price ($)		0.39	-	-	0.39

The continuity of warrants for the three months ended March 31, 2024 is as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Exercised	March 31, 2024
April 14, 2024	$0.15	4,250,000	-	(650,000)	3,600,000
August 11, 2024	$0.38	6,396,300	-	-	6,396,300
August 25, 2024	$0.38	10,415,000	-	-	10,415,000
November 10, 2024	$0.70	6,288,047	-	-	6,288,047
November 21, 2024	$0.40	35,856,988	-	-	35,856,988
November 29, 2024	$0.70	5,098,767	-	-	5,098,767
December 10, 2024	$0.70	2,437,635	-	-	2,437,635
		70,742,737	-	(650,000)	70,092,737
Weighted average exercise price ($)		0.44	-	0.15	0.44

8. STELLANTIS N.V. TRANSACTION

On September 26, 2023, the Company entered into a definitive agreement (the “Investment Agreement”) with Peugeot Citroen Argentina S.A., a subsidiary of Stellantis N.V. (“Stellantis”) for an investment in Argentina in exchange (the “Transaction”) for issuing shares equal to a 19.9% common share ownership interest (the “ALE shares”) in the Company’s subsidiary, Argentina Litio Y Energia S.A (“ALE”). On October 4, 2023, ALE received approximately ARS$31.5 billion that was equivalent to US$90 million at the official exchange rate and recognised the investment as a non-controlling interest. The proceeds of the Transaction will be used to advance development of the Company’s lithium projects held through its wholly owned subsidiary in Argentina, and for general corporate purposes.

At closing of the Transaction, Argentina Lithium and Stellantis entered into an exchange agreement (the “Exchange Agreement”). Under the Exchange Agreement, Argentina Lithium grants Stellantis an irrevocable right (the “Exchange Right”) to exchange all of the ALE Shares then held by Stellantis for such number of Common Shares equaling 24.844% of (i) the outstanding Common Shares (on an undiluted basis) as of the date of the Exchange Agreement and (ii) Common Shares issued by Argentina Lithium (between the date of the Exchange Agreement and the date Stellantis exercises the Exchange Right) upon the exercise of warrants, stock options or other securities convertible or exchangeable into Common Shares existing as of the date of the Exchange Agreement (together, the “Exchange Shares”), subject to certain exchange conditions. Following the issuance of Exchange Shares, Stellantis will own at most 19.9% of the Common Shares (on an undiluted basis). In addition, Argentina Lithium will grant Stellantis an irrevocable right (the “Top-Up Right”) to subscribe for additional Common Shares (the “Additional Shares”) if necessary for Stellantis to achieve a 19.9% interest in the Common Shares (on an undiluted basis). Any Additional Shares Stellantis elects to purchase pursuant to the Top-Up Right will be issued at the maximum discounted market price permitted under the rules and policies of the TSXV, unless the Top-Up Right is exercised after an acquisition of Argentina Lithium, in which case the subscription price under the Top-Up Right will be the pre-announcement market price of shares of Argentina Lithium. A provision for the Top-Up Right has not been recognised in the condensed consolidated interim financial statements as a reliable estimate of the additional shares cannot be made as at March 31, 2025 and 2024.

The Company has classified the options and warrants outstanding and not exercised as part of the Exchange Shares, which if exercised, allow Stellantis to obtain a relative 24.844% of the shares to maintain their exchange right to further consideration as a derivative liability. The derivative liability is based on the stock options and warrants outstanding as of the date of the agreement, and the Company determined a derivative liability of $6,004,547 as of October 4, 2023, based on the estimated fair value of this right using a Black-Scholes valuation model. As at March 31, 2025, the Company revalued this right at an estimate fair value of $398,987 (December 31, 2024 - $876,684). For the three months ended March 31, 2025, the Company recorded a $477,697 fair value adjustment (March 31, 2024 - $2,074,607) and an additional $Nil was reclassified to obligation to issue shares (December 31, 2024 - $149,490) in the consolidated interim statement of changes in equity for options and warrants exercised during the period to which Stellantis would be entitled to additional shares if the Exchange Right is exercised. The gain on fair value adjustment of the derivative liability was primarily as a result of the decrease in the share price of the Company as at the valuation date. The following are the inputs used to estimate the fair value of the top up rights pertaining to the stock options and warrants outstanding as at March 31, 2025 and December 31, 2024:

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

8. STELLANTIS N.V. TRANSACTION (continued)

	As at	
	March 31, 2025	December 31, 2024
Risk-free interest rate	2.47%	2.92%
Expected security life in years	2.52	2.77
Expected share price volatility(1)	87.38%	85.42%
Measurement date share price	$0.075	$0.115
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

(1) Expected volatility was estimated based on historical trading price.

Any issuance of Additional Shares will be subject to the prior approval of the TSXV. Stellantis will not have the right under the Exchange Right and the Top-Up Right to acquire more than 19.9% of the outstanding Common Shares following the issuance of Exchange Shares and Additional Shares, if any. The Exchange Agreement also provides Stellantis with observer rights to attend board meetings of Argentina Lithium for as long as Stellantis owns at least 10% of the issued and outstanding ALE Shares.

During the year ended December 31, 2023, Argentina Lithium and Stellantis entered into a Lithium Offtake Agreement (the “Offtake Agreement”). Under the Offtake Agreement, ALE has agreed to sell to Stellantis, and Stellantis has agreed to purchase from ALE up to 15,000 tonnes per annum of lithium produced by ALE over a seven-year period (the “Supply Obligation”) subject to the terms and conditions set out in the Offtake Agreement. After the initial seven-year term, the Offtake Agreement may be extended by mutual agreement for an additional number of years. The price of lithium products sold by ALE under the Offtake Agreement will be based on an agreed market-based price formula at the time of each shipment. The commencement of the Supply Obligation of ALE is conditional on the successful start of commercial production at one or more of its projects. The Offtake Agreement also contains certain product qualification, certification and reporting requirements and provides Stellantis with a right to acquire any production prior to the commencement of the Supply Obligation and a right of first refusal on the sale to third parties of any lithium products (in excess of the Supply Obligation) after the commencement of commercial production.

The Company, ALE and Stellantis entered into a Shareholders’ Agreement (the “Shareholders’ Agreement”) relating to ALE and Stellantis’ ownership of ALE Shares and provides for the following principal terms:

- right of Stellantis to nominate one director to the board of directors of ALE (“Stellantis Director”) for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding ALE Shares;
- certain corporate decisions of ALE may not be undertaken without the affirmative vote the Stellantis Director or the approval by shareholders holding more than 90% of the issued and outstanding ALE Shares;
- right of each shareholder to maintain its ownership percentage in any equity offerings by ALE;
- transfer restrictions including, rights of first refusal, drag-along and tag-along rights;
- right of first offer for Stellantis to provide project financing and any other borrowing by ALE; and
- other terms and conditions consistent with a transaction of this nature.

In addition, upon exercise of the Exchange Right, Argentina Lithium will enter into an Investor Rights Agreement with Stellantis (the “Stellantis IRA”). The Stellantis IRA provides for the following principal terms in favour of Stellantis:

- a right to nominate one director to the board of directors of Argentina Lithium for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding Common Shares;

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

8. STELLANTIS N.V. TRANSACTION (continued)

- pre-emptive right to maintain ownership percentage in certain follow-on issuances of Common Shares or securities convertible into Common Shares; and
- other terms and conditions consistent with a transaction of this nature.

Contingent Share Premium

In the event that ALE meets all, and not less than all, of the three conditions stated for any of the scenarios described in the following table, Stellantis will pay additional consideration (the "Contingent Share Premium") for which the Company qualifies listed in the second row of the table, with the payment to occur at the time of the Commercial Production (as described in the table) listed in the second row of the table. The Company will only be entitled to receive the Contingent Share Premium in respect of one, and not more than one, of the Scenarios described in the table. If conditions for multiple Scenarios are met by the Company, then the Company will be entitled only to the receive the largest Contingent Share Premium for which it qualifies.

	Scenario 1:	**Scenario 2:**	**Scenario 3:**
Conditions:	1. NPV > US$ 700M 2. Capacity > 30k T/y 3. Commercial Production: 2028 or 2029	1. NPV > US$ 850M 2. Capacity > 40k T/y 3. Commercial Production: 2028 or 2029	1. NPV > US$ 1 Billion 2. Capacity > 45k T/y 3. Commercial Production: 2029 or 2030
Contingent Share Premium	• If the first two conditions in Scenario 1 have been satisfied and Commercial Production occurs by December 31, 2028, then the Contingent Premium is US$ 5,000,000. • If the first two conditions in Scenario 1 have been satisfied and Commercial Production occurs after December 31, 2028 but before December 31, 2029, then the Contingent Premium is US$ 2,500,000.	• If the first two conditions in Scenario 2 have been satisfied and Commercial Production occurs by December 31, 2028, then the Contingent Premium is US$ 10,000,000. • If the first two conditions in Scenario 2 have been satisfied and Commercial Production occurs after December 31, 2028 but before December 31, 2029, then the Contingent Premium is US$ 5,000,000.	• If the first two conditions in Scenario 3 have been satisfied and Commercial Production occurs by December 31, 2029, then the Contingent Premium is US$ 15,000,000. • If the first two conditions in Scenario 3 have been satisfied and Commercial Production occurs after December 31, 2029 but before December 31, 2030, then the Contingent Premium is US$ 10,000,000.

"Capacity" means the ultimate productive capacity of one or more Projects' plant(s), measured in finished tonnes of marketable lithium carbonate or lithium hydroxide per year, as supported by NI 43-101-compliant pre-feasibility studies or feasibility studies in respect of such Project(s).

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

8. STELLANTIS N.V. TRANSACTION (continued)

"Commercial Production" means the first date, after the date hereof, on which a new mining and mineral processing operation not in existence or operation as of the date hereof, has: (a) produced marketable lithium carbonate or lithium hydroxide continuously for a period of 30 calendar days; and (b) reached an average production level over such 30-calendar day period that is greater than or equal to 60% of the production capacity of such mining and mineral processing operation as set out in the applicable NI 43-101-compliant pre-feasibility study or feasibility study therefore.

"NPV" means the net present value supported by NI 43-101-compliant pre-feasibility studies or feasibility studies in respect of one or more Projects. All NPV amounts applicable in this Agreement shall be calculated using a 12% discount rate.

The Contingent Share Premium is a contingent asset, and it has not been recognized in the Company's statement of financial position as its realization is not virtually certain.

ALE has therefore recorded a non-controlling interest that is considered material to our condensed consolidated interim financial statements. The NCI in the net assets of consolidated subsidiaries is identified separately from Company's equity. The NCI includes the amount of those interests at the date of the original transaction with Stellantis and the NCI's share of changes in equity since the date of the transaction.

The following is the summarized fair value financial information for ALE before intra-group eliminations used to compute the fair value of the NCI.

Summarized statement of financial position	**March 31, 2025** **$**	**December 31, 2024** **$**
Current assets	7,433,786	8,009,875
Current liabilities	(2,297,235)	(1,247,549)
Current net assets	5,136,551	6,762,326
Non-current assets	49,465,916	49,465,917
Non-current liabilities	(15,605,721)	(15,720,903)
Non-current net assets (liabilities)	33,860,195	33,745,014
Net assets	38,996,746	40,507,340
Accumulated non-controlling interest	7,760,352	8,060,961
Summarized statement of loss and comprehensive loss	**March 31, 2025**	**December 31, 2024**
Total loss and comprehensive loss for the period	(1,510,594)	(22,017,803)
Loss allocated to non-controlling interest for the period	(300,608)	(4,381,543)

8. STELLANTIS N.V. TRANSACTION (continued)

As of October 4, 2023, the value of the NCI and the derivative liability were calculated as follows:

Cash	$	123,676,653
Total consideration	$	123,676,653
19.9% of ALE net assets:		19.90%
Cash and cash equivalents	$	915,491
Prepaids	$	8,163
Exploration and evaluation assets	$	9,256,734
Accounts payable	$	(107,737)
Intercompany payables	$	(20,695,392)
Total net assets allocated to NCI	$	22,497,729
Derivative liability	$	6,004,547
Excess recognized in retained earnings (deficit)	$	95,174,377

9. BASIC AND DILUTED LOSS PER SHARE

The calculations of basic and diluted loss per share for the year ended December 31, 2024 and 2023 were based on the following:

	Three months ended March 31, 2025	2024
Loss attributable to common shareholders ($)	1,156,389	223,422
Weighted average number of common shares outstanding	134,175,316	131,924,950

Diluted loss per share did not include the effect of 11,341,000 (2024 – 11,341,000) share purchase options and 52,397,948 (2024 – 70,092,737) warrants as the effect would be anti-dilutive.

10. MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable securities to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss. The subsequent disposition of these marketable securities in exchange for Argentine Pesos gave rise to a gain as the amount received in Argentine peso exceeds the amount of Argentine peso the Company would have received from a direct foreign currency exchange. Similarly, a loss is realized on exchange of securities from Argentine Pesos to USD.

During the three months ended March 31, 2025, the Company realized a gain of $Nil (March 31, 2024 – $94,950) as a result of a change in value of its marketable securities investments.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

11. RELATED PARTY BALANCES AND TRANSACTIONS

Grosso Group Management Ltd.

On October 1, 2016, the Company entered into a Management Services Agreement ("Agreement") with Grosso Group Management Ltd. (Grosso Group) to provide services and facilities to the Company. Grosso Group provides its member companies with administrative and management services. Grosso Group is owned by Joseph Grosso. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The fee is reviewed and adjusted quarterly based on the level of services required. The Agreement expires on December 31, 2026 and will be automatically renewed for a period of two years pursuant to the terms of the Agreement.

The Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of $750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of $1,000,000.

	Three months ended March 31,	
Transactions	2025 $	2024 $
Services rendered:		
Grosso Group Management Ltd.		
Management fees	27,000	62,000
Office & sundry	3,000	6,000
Total for services rendered	30,000	68,000

Key management personnel compensation

Key management personnel of the Company are members of the Board of Directors, as well as the Executive Chairman, President and CEO, CFO and Vice President of Corporate Development.

		Three months ended March 31,	
Transactions		2025 $	2024 $
Consulting fees paid to key management and directors or their consulting corporations:			
Niko Cacos	President/CEO	51,133	49,184
Darren Urquhart	CFO	18,084	17,660
Martin Burian	Director	4,000	4,000
Joseph Grosso	Director	47,877	46,755
John Gammon	Director	3,000	3,000
David Terry	Director/Consultant	15,000	15,000
Miles Rideout(1)	VP Exploration	46,512	57,181
Pompeyo Gallardo	VP Corporate Development	21,000	-
Total for services rendered		206,606	192,780

(1) See also Note 4.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

11. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

	As at March 31,	
Balances	2025 $	2024 $
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp.(1)	56,310	61,082
Payable to Grosso Group Management Ltd.(2)	143,158	-
Payable to Oxbow International Marketing Ltd.(2)	99,364	48,162
Payable to Miles Rideout	78,852	19,309
Payable to Martin Burian	4,000	-
Payable to Niko Cacos	51,133	-
Payable to Darren Urquhart	18,084	-
Payable to David Terry	15,000	-
Payable to Pompeyo Gallardo	15,820	-
Total for amounts payable to related parties	481,721	128,553

(1) A company related through common directors that receives reimbursement for shared office costs, management fees and overhead.
(2) A company owned by Joseph Grosso of Argentina Lithium & Energy Corporation.

Balances are unsecured, non-interest bearing and has no specific terms of repayment.

12. SEGMENTED INFORMATION

The Company is primarily involved in mineral exploration activities in the Americas and Argentina. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating revenues for the three months ended March 31, 2025 and the year ended December 31, 2024.

The Company's total non-current assets are segmented geographically as follows:

	March 31, 2025	
	Argentina $	Total $
Exploration and evaluation assets	20,039,145	20,039,145
Equipment	61,948	61,948
	20,101,093	20,101,093

	December 31, 2024	
	Argentina $	Total $
Exploration and evaluation assets	20,039,145	20,039,145
Investments	61,948	61,948
	20,101,093	20,101,093

13. COMMITMENTS

Exploration and Evaluation Assets

The Company has firm commitments in relation to certain of its option agreements for exploration and evaluation assets, see Note 4.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

13. COMMITMENTS (continued)

Non-Controlling interest

The Company has commitments in relation to the Exchange Agreement and Offtake Agreement with its non-controlling interest, see Note 8.

Management Services Agreement

	1 Year $	2 Years $	3 Years $	4-5 Years $	More than 5 Years $
Management Services Agreement	90,000	120,000	-	-	-

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is $10,000 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The Company has a consulting agreement with its Chairman of the Board (the "Chairman Agreement"). The termination provisions of the Chairman Agreement provide that a fee of 30 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Chairman would receive an amount equal to 30 months' compensation. As of March 31, 2025, the Company would have to pay $478,771 to the Chairman in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its President and CEO (the "CEO Agreement"). The termination provisions of the CEO Agreement provide that a fee of 30 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CEO would receive an amount equal to 30 months' compensation. As of March 31, 2025, the Company would have to pay $511,328 to the CEO in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its CFO (the "CFO Agreement"). The termination provisions of the CFO Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CFO would receive an amount equal to 24 months' compensation. As of March 31, 2025, the Company would have to pay $144,675 to the CFO in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its Corporate Secretary (the "Corporate Secretary Agreement"). The termination provisions of the Corporate Secretary Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Corporate Secretary would receive an amount equal to 24 months' compensation. As of March 31, 2025, the Company would have to pay $173,610 to the Corporate Secretary in the event of termination without cause or certain conditions being met resulting from a change of control.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

13. COMMITMENTS (continued)

The Company has a consulting agreement with its VP Exploration (the "VP Exploration Agreement"). The termination provisions of the VP Exploration Agreement provide that a fee of 3 months' compensation based on the average of the previous 6 monthly fees be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the VP Exploration would receive an amount equal to 3 months' compensation based on the average of the previous 6 monthly fees. As of March 31, 2025, the Company would have to pay $49,822 to the VP Exploration in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its Controller (the "Controller Agreement"). The termination provisions of the Controller Agreement provide that a fee of 12 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Controller would receive an amount equal to 12 months' compensation. As of March 31, 2025, the Company would have to pay $63,836 to the Controller in the event of termination without cause or certain conditions being met resulting from a change of control.

14. CONTINGENCY

A former employee and consultant to the Company is claiming to be owed severance in Argentina. The Company believes the amount of severance being claimed by the former employee and consultant is excessive and is disputing the amount. The actual amount of severance is still being negotiated and may be material to the Company.

15. SUPPLEMENTARY CASH FLOW INFORMATION

	Three months ended March 31,	
	2025 $	2024 $
Non-cash investing and financing activities:		
Shares issued for property option	-	230,000
Cash and cash equivalents:		
Cash	59,445	501,704
Cash equivalents	298,375	5,964,101

The restricted cash is held by Argentina Litio Y Energia S.A. Under the terms of the investment agreement with Stellantis (see Note 8), the funds are restricted to exploration expenditures.

16. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair Values

The Company's financial instruments consist of cash and cash equivalents, restricted cash, investments, marketable securities, accounts payable and accrued liabilities, loans payable, interest payable, and derivative liabilities. The derivative liabilities is measured at fair value with reference to level 2 inputs within the fair value hierarchy.

(Unaudited – Expressed in Canadian Dollars Unless Otherwise Noted)

16. FINANCIAL RISK MANAGEMENT (continued)

The following table outlines the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy described below. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

At March 31, 2025, the Company's financial instruments measured at fair value are as follows:

	$ Carrying amount March 31, 2025	Level 1 $	Level 2 $ Fair value March 31, 2025	Level 3 $
Recurring measurements				
Financial Assets				
Cash and cash equivalents	357,820	357,820	-	-
Financial Liabilities				
Derivative liability	398,987	-	398,987(1)	-

(1) The derivative liability is calculated using level 1 and level 2 inputs utilized in the Black-Scholes valuation model. A 5% change in the inputs would change the Company's net loss by approximately $14,925.

At December 31, 2024, the Company's financial instruments measured at fair value are as follows:

	$ Carrying amount December 31, 2024	Level 1 $	Level 2 $ Fair value December 31, 2024	Level 3 $
Recurring measurements				
Financial Assets				
Cash and cash equivalents	509,441	509,441	-	-
Financial Liabilities				
Derivative liability	876,684	-	876,684(1)	-

(1) The derivative liability is calculated using level 1 and level 2 inputs utilized in the Black-Scholes valuation model. A 5% change in the inputs would change the Company's net loss by approximately $27,990.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, restricted cash, and investments. The Company has reduced its credit risk by depositing its cash and cash equivalents with financial institutions that operate globally.

16. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and anticipates doing so again in the future. See Note 1 for further information.

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings due to currency fluctuations in cash and cash equivalents, restricted cash, investments, and accounts payable usually denominated in US dollars and Argentina Pesos. A 10% change in US dollar and the Argentinean peso exchange rates relative to Canadian dollar would have a significant impact on the Company's net loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $29,000.

- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $42,000.

(ii) ***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash and cash equivalents, and investments, maintained at financial institutions is subject to a floating rate of interest.

Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

(c) Capital Management

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the exploration of evaluation and exploration assets and support any expansionary plans.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves and deficit. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets.

To effectively manage the Company's capital requirements, management has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to develop the project and anticipates doing so again in the future.

The Company is monitoring market conditions to secure funding at the lowest cost of capital. The Company is exposed to various funding and market risks which could curtail its access to funds. Cash and cash equivalents held in Argentina as at March 31, 2025 and 2024 were subject to local exchange control regulations providing restrictions on the amount of cash that can leave the country.

16. FINANCIAL RISK MANAGEMENT (continued)

When the Company receives investments in Argentine Pesos, it will take steps to mitigate the foreign exchange losses that can occur in Argentina's hyperinflationary environment and currency exchange restrictions. These steps can include prepaying for planned exploration activities and property option payments that are due in future. See also Notes 3 and 4.

The Company is not subject to any external covenants, there were no changes in the Company's approach to capital management during the three months ended March 31, 2025.

Additional information regarding capital management is disclosed in Note 1.

17. SUBSEQUENT EVENTS

Rincon West Project

On April 7, 2025, a mining court in Argentina issued a ruling to terminate the mining license for the Don Fermin properties on the grounds that the previous owners, who sold the rights to the Company, had not demonstrated that they carried out adequate exploration work as required by the permit. The Company disputes the arguments contained in the ruling and will appeal the decision. The Company has determined to impair $3,402,350 in acquisition costs for Don Fermin as of December 31, 2024 while it waits for the appeal process to reach a conclusion. See also Note 4.

Antofalla North Lithium Project

The Company entered into an amending agreement for the Amelia option (see Note 4). Revised terms of the amended option agreement include:

- Cash payments totalling US$2,120,000 over three years, including a mandatory payment of US$400,000 by December 31, 2025, a non-mandatory payment of US$500,000 due by June 30, 2026, a non-mandatory payment of US$600,000 due by December 31, 2026, and a non-mandatory payment of US$620,000 due by June 30, 2027;
- Issuance of US$100,000 common shares in the Company to the vendor, due upon receipt of TSX-V approval; and
- The Company must make exploration expenditures of US$2,000,000 during the year ended December 31, 2026 and US$4,000,000 during the year ended December 31, 2027.

Loans Payable

- On April 30, 2025, the Company received the fifth loan instalment of US$500,000.
- On May 29, 2025, the Company received the sixth and final loan instalment of US$500,000.