



This is the 1<sup>st</sup> Affidavit of Edward Kelly  
made on June 3, 2024

No. S=243645  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED

- AND -

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF  
INCA ONE GOLD CORP.

**AFFIDAVIT OF EDWARD KELLY**  
**(Affirmed June 3, 2024)**

I, Edward Kelly, with a service address of 9<sup>th</sup> floor, 900 West Hastings Street, British Columbia, AFFIRM THAT:

1. I am the President and Chief Executive Officer of Inca One Gold Corp. ("**Inca One**" or the "**Company**"). As such, I have knowledge of the matters hereinafter deposed to save and except where stated to be on information provided to me, in which case I believe the same to be true.
2. I am one of the founders of Inca One and have served as President and CEO for the past 14 years. I led it to its current form as a gold ore purchasing and processing company focused solely in Peru. I graduated from Trinity Western University in 1993 with a Bachelor of Business Administration degree. I have a background in management, marketing, finance, and corporate strategy and have held various entrepreneurial and executive positions in public and private companies for the past 35 years.
3. My leadership at Inca One has been focused on a strategic vision aimed at driving sustainable growth amidst the challenges of the newly regulated and volatile Artisanal Small-Scale Mining

industry (“ASM”) in Peru and has had to navigate complex regulatory environments, solidifying Inca One’s position as a critical player in the Peruvian ASM industry.

4. This affidavit is made in support of Inca One’s application for an initial order under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the “CCAA”) substantially in the form attached as Schedule “A” to the petition to be filed with this Court concurrently with my affidavit.
5. All references to monetary amounts in this affidavit are to Canadian dollars unless otherwise stated.

## **I. BUSINESS ORGANIZATION, OPERATIONS AND MANAGEMENT**

### **Overview**

6. Inca One is a Vancouver-based industrial services, manufacturing and trading company to the ASM market in Peru, which conducts its operations through various foreign subsidiaries. Inca One is in the business of developing custom mineral processing operations in Peru to service government permitted small-scale miners. It owns two Peruvian gold milling facilities (“**Chala One Plant**” and “**Kori One Plant**”)(together, the “**Plants**”) which have been in commercial production since 2015. Inca One purchases high grade gold mill feed (“**Inventory**”) from Peruvian small-scale miners and processes the material for export and sale. In 2023, Inca One and its subsidiaries had 230 employees, processed 53,525 tons of ore, produced and exported 20,175 oz of gold, and had revenue of US\$39M. Despite these numbers, Inca One only used 20% of its built out and permitted capacity in 2023.
7. Due to recent events, the Plants are currently winding down operations and preparing for care and maintenance until such a time that Inca One can refinance its working capital requirements to the required levels where it can purchase enough Inventory to produce at full capacity.
8. Inca One was incorporated under the laws of the Canada *Business Corporations Act* on November 9, 2005 under the name “E-Claim Solution Inc.” and was continued into British

Columbia under the British Columbia *Business Corporations Act* on November 26, 2010. Inca One has operated under other names, most prominently Inca One Resources Corp., from May 2011 to September 2014. From September 2014 to present, it has operated under the name of Inca One Gold Corp

9. Inca One's registered and records office and head offices are located in Vancouver, British Columbia,. Attached as Exhibit "A" is a copy of a British Columbia corporate search for Inca One.

### **Business Structure**

10. Chala One Plant and Kori One Plant are held through various Canadian, Peruvian and other foreign subsidiaries held by Inca One. Attached as Exhibit "B" is copy of the organizational chart for Inca One and its subsidiaries. In particular, Chala One Plant's property is held by Chala One S.A.C. ("**Chala One**") and Kori One Plant is held by Korichancha Joint Venture ("**Kori JV**") and leased to and operated by EMC Green Group S.A. ("**EMC**") . Chala One has tolling agreement with EMC for milling so that Chala One operates both Plants.

11. A list of Inca One's subsidiaries, along with their jurisdiction of incorporation is as follows:

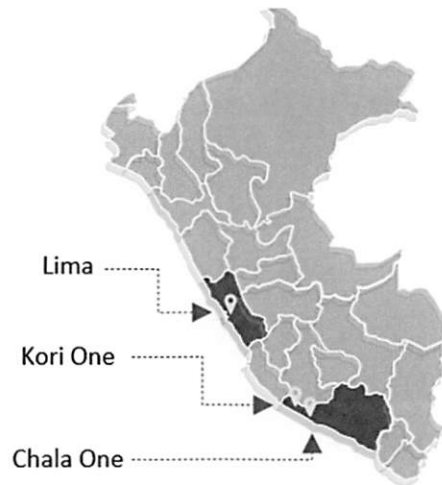
- a. Inca One, BC;
- b. Anthem United Inc. BC;
- c. Anthem United (Holdings) Inc., BC;
- d. Dynasty One Mining S.A., Peru;
- e. Inca One Metals Peru S.A., Peru;
- f. Chala One, Peru;
- g. Corizona S.A.C. ("**Corizona**"), Peru;
- h. Oro Proceso Co. S.A.C., Peru;
- i. Kori JV, Peru; and
- j. EMC, Peru.

(together, the "**Inca Group**")

12. As is evident from the chart, many of the Inca Group consists of holding companies that do not have employees or operations. Aside from Inca One, Chala One and EMC, exceptions are the following:
- a. Corizona for legacy reasons, the permit to operate Chala One Plant is held by this company; and
  - b. Inca One Metals Peru S.A: provides services to Chala One and EMC, including administration, logistics, accounting, corporate services and commercial ore buying services. Commercial ore buying includes a team of buyers and support personnel that work with Inca One's mining partners throughout Peru to buy Inventory for the Plants. Additionally, Inca One Metals Peru S.A. provides a fleet of trucks used by the commercial team to provide services to Inca One's mining partners.
13. Inca One is charged with overseeing strategy and finance for the Inca Group, including all finance, regulatory, investor relations, legal, and public markets activities.

### **The Plants**

14. Chala One Plant is a custom built fully operational, industrial gold ore processing facility, featuring a Carbon-in-Leach ("CIL") process. CIL is a process used to extract gold from ore via various chemical and other processes to produce gold doré. It is strategically situated in the Arequipa region of Peru. Chala One Plant is built out and permitted for 100 tonnes-per-day ("TPD"). In 2013, the Inca Group purchased a legacy plant on the site and constructed Chala One Plant.
15. Kori One Plant is a custom-built, fully operational, industrial gold ore processing facility, also situated in the Arequipa region of Peru, and which features a fully integrated CIL process. It is built out and permitted for 350 TPD. It was acquired by the Inca Group in 2018 through a purchase agreement with Equinox Gold Corp. ("**Equinox**"), which is discussed later.
16. The Plants are 47 kilometers apart and are fully serviced by excellent infrastructure just 10 minutes from the Pan American Highway, within the Nazca-Ocona gold belt in Southern Peru:



17. The total built out and permitted capacity of the Plants is 450 TPD. Feedstock for the Plants is gold bearing ore purchased Artisanal and Small-Scale Miners (“ASM”). ASM refers to mining activities carried out by individuals or small groups, typically using simple tools and techniques.. The nature of legal ASMs in Peru involves adherence to regulations set forth by the government to ensure environmental sustainability, social responsibility, and safety standards. Peru's legal framework for ASM includes laws, regulations, and policies to formalize and regulate these activities while promoting responsible mining practices. Under Peruvian law, ASM’s must send their ore to licensed processing facilities such as the Plants.

## Operations

18. The Inca Group’s operations rely heavily on the availability of working capital in order to purchase gold bearing ore or Inventory from its mining partners. The Inca Group works with approximately 350 mining partners in the ASM market and has a database of approximately 700 mining partners who it has verified and approved as legal and government permitted providers. The Inca Group has commercial offices in certain strategic areas of Peru.

19. Inca One’s commercial team provides services to these mining partners in each of these areas that includes transportation from the mines to a collection area, transportation of water and other supplies and loading services. The Mining Partners then transport the gold bearing ore, typically in 35 tonne trucks to the Plants. When the trucks arrive, they are weighed to determine the number of tonnes being delivered. This is followed by a representative sample

of the ore, to determine the amount of gold per tonne and how much gold can be recovered through the processing facilities. Once a value is determined by Inca One's labs and commercial administration team, there is a negotiation with the mining partner to finalize how much is paid for the ore.

20. Typically, the average purchase price for ore is a 25-30% discount to the spot price of gold on the day. If the mining partner agrees on price, payment is required within 48 hours and transfer of the ore is completed. It then becomes Inventory. To operate the Plants at full capacity of 450 TPD requires approximately 45 days' worth of Inventory, the equivalent of about 20,000 tonnes. Depending on the gold price, amount of gold in those tonnes and the success of the commercial negotiation, the working capital required could be greater than US\$20 million.
21. Currently Inca One Group is purchasing all of its Inventory and selling the gold doré through Chala One. The operations of the Kori One Plant are being used as a toll milling plant that provides tolling services to Chala One.
22. Inca One utilizes several steps to process the gold bearing ore. First, the operations team selects various lots of ore in Inventory and blends them together to create batch for processing each day. The ore is then put through a milling circuit which consists of several ball mills that crush the ore and creates a slurry of water, chemicals and ore that is then deposited into the leeching circuit. The leeching circuit is a chemical process that takes the gold from the slurry and attaches it to carbon. The carbon is then harvested from the leeching tanks and transported to the desorption circuit. This process removes the gold from the carbon and creates a gold product that looks like steel wool, that is then put through a smelting process. The smelting process is basically a melting process that creates a liquid gold that is then poured into a mold. The result is a gold doré bar that is exported to a refinery in Europe for further smelting. The refined gold is then either sold to the refinery or some other buyer. Attached as Exhibit "C" is a diagram of the basic process for each Plant.
23. Without sufficient working capital to pay the mining partners, the Plants must run at reduced capacity. The Mining Partners demand payment within 72 hrs of Inca One agreeing to

commercial terms.. This is a critical piece to running a successful gold ore purchasing and processing business. Peru is one of the world's largest producers of gold, and 40% of its gold production comes from ASM activities. There are over 1 million people in Peru who rely on ASM gold production for their livelihoods. Many ASMs operate hand-to-mouth, relying on daily or weekly earnings to cover basic needs such as food, shelter, and healthcare. Prompt payment ensures they can sustain themselves and their families. Prompt payment allows miners to settle their debts and avoid falling into cycles of dependency and exploitation.

24. Furthermore, failure to pay the mining partners in a timely manner drives them to deliver and sell their gold bearing ore to competing plants and creates a lack of goodwill among potential vendors. In summary, the need for quick payment among ASM's in Peru is driven by socio-economic circumstances, the nature of the industry, and the dynamics of the economy in which they operate. A part of Inca One's mission to date has been to help make fair and fast payments to ASMs a priority. It can also present safety issues for the Plant equipment and employees.
25. Given the reduction in available working capital as further described below, the Plants are currently winding down operations and will be on care in maintenance in a matter of weeks.

### **Public Listing**

26. Inca One is a public issuer and reporting issuer in British Columbia, Alberta, Ontario and Quebec. Until recently, Inca One shares were traded on the Toronto Stock Exchange Venture Exchange ("TSX-V") under the symbol "INCA." Inca One is also listed on the OTCQB Exchange under the symbol "INCAF," on the Frankfurt Stock Exchange under the symbol "SU9." and the Santiago Stock Exchange Venture under the symbol "IOCL." As a reporting issuer in Canada, Inca One posts detailed information on its business operations, including financial information, on the System for Electronic Document Analysis and Retrieval ("SEDAR"). SEDAR may be accessed at [www.sedar.com](http://www.sedar.com).
27. On April 8<sup>th</sup>, 2024, trading in the shares of Inca One was suspended by the TSX-V and the OTCQB as a result of receipt of a default notice from OCIM. Trading resumed on April 9<sup>th</sup>, 2024.

28. On May 28<sup>th</sup>, 2024, trading in the shares of Inca One was suspended by the TSX-V and OTCQB as a result of receipt of a notice of intention to enforce security in both Canada and Peru from OCIM.

29. A copy of Inca One's most recent Management Discussion and Analysis, for the period ending January 31, 2024 as filed on SEDAR is attached as Exhibit "D".

### **Management**

30. The Inca Group's operations at its Vancouver office and elsewhere are supported by the following numbers of employees and contractors:

<b>Location</b>	<b>Employees</b>	<b>Contractors</b>
<b>Vancouver (Head Office)</b>	<b>3</b>	<b>3</b>
<b>Chala One Plant</b>	<b>21</b>	<b>0</b>
<b>Kori One Plant</b>	<b>37</b>	<b>0</b>
<b>Peru (Lima Office)</b>	<b>44</b>	<b>0</b>
<b>Peru (Commercial offices)</b>	<b>26</b>	<b>0</b>

31. Employees in the Vancouver office support the corporate obligations of a public company in Canada, financings and to provide oversight to the operations in Peru. The employees at the Plants include plant operators, mineral reception laborers, safety and human resources. In the Lima office there is a full team of accounting, logistics, administration and human resource employees. The balance of the employees are part of the commercial team and are working out in the field at the various mining areas.



## II. FINANCING AND LIABILITIES

### OCIM Security

32. OCIM Metals and Mining SA (formerly OCIM Precious Metals SA) (“OCIM”) is an European provider of trade finance solutions in the precious metals sector. OCIM currently is Inca One’s senior creditor. As at the Filing Date, the amount claimed by OCIM including accrued interest is approximately CAD\$13.2 million.
33. Inca One first became involved with OCIM in 2021 as Inca One required \$25 million in working capital to run the Plants at full capacity, achieve profitability, and provide an ROI and return of capital to OCIM. OCIM suggested that this be structured into two phases: first, a smaller facility and then a large amount.
34. On August 6, 2021, Inca One arranged an initial \$9 million gold pre-payment facility (the “Facility”) under a Gold Loan Agreement (the “Gold Loan Agreement”) with OCIM which was to drawn upon in two tranches of \$6 and \$3 million respectively with an additional tranche of \$1.5 million agreed upon on April 25, 2022. Pursuant to the Facility, Inca One committed to deliver a total of 7,103 gold ounces to OCIM, of which 3,714 ounces have been delivered as of January 31, 2024. OCIM would receive refined gold directly from overseas refineries.
35. The Facility is secured by a general security agreement (the “GSA”) over Inca One and share pledges (the “Share Pledge”) over Inca One’s Peruvian subsidiaries Chala One and Corizona. Both the General Security Agreement and the Share Pledge are governed by British Columbia law. Chala One is a signatory to the GSA. Pursuant to the GSA, OCIM has also registered liens in Peru as security over the Chala One Plant and equipment. Attached as Exhibit “E” is a copy of a British Columbia Personal Property Security Act search for Inca One. Attached as Exhibit “F” is a copy of the Gold Loan Agreement. Exhibit “G” is a copy of the GSA. Attached as Exhibit “H” is a copy of the Share Pledge. Attached as Exhibit “I” is copy of the registration for the Peruvian liens held by OCIM.

36. Pursuant to various amendments to the Gold Loan Agreement dated October 14, 2022, March 30, 2023 and November 27, 2023, the repayment dates for the Facility were extended to February 29, 2024. In exchange for the extensions, Inca One agreed to pay an additional 1,186 ounces to OCIM, of which 825 ounces have been delivered as of January 31, 2024.
37. On January 31, 2024, the parties agreed to extend the term of the Facility to August 28, 2024. In exchange for the extension, Inca One agreed to pay an additional 450 ounces to OCIM. The additional ounces were to be paid in 7 monthly tranches of 75 ounces and the final payment for the Facility will now be 3,675 ounces due on August 28, 2024.
38. In December 2021, Inca One production achieved the highest production ever in its history, and all the cash allocated for Phase 1 was deployed to Inca One. OCIM and Inca One entered negotiations for the Phase 2 funding of \$15 million. Negotiations took approximately five weeks; various models and presentations were reviewed by OCIM, and on February 25, 2022, Inca One received an email from the managing director confirming that the CEO had signed off on OCIM's final proposal to fund Phase 2 for an additional \$15M, a total of \$25 million as agreed for Inca One to be fully funded.
39. On April 29, 2022, Inca One and OCIM agreed to a bridge loan until the \$15M could be finalized. \$1.5M was made available to Inca One as a gold loan in exchange for 905 ounces of gold to be delivered.
40. On July 20, 2022, Inca One was advised that OCIM would not be pursuing Phase 2.
41. Due to reduction in working capital, Inca One has been making payments to OCIM in cash equivalent of deliverable gold in order to expediate the cycle time of its cashflows.
42. On April 8, 2024, Inca One received a "without prejudice" notice of default from OCIM related to a missed gold loan payment of 75 ounces of gold valued at approximately \$0.17 million. On the date of default, Inca One owed approximately 4124.4 ounces of gold, with an estimated value of approximately US\$9.4 million.

43. On May 23, 2024, OCIM delivered a demand letter to Inca One claiming indebtedness in the amount of US\$9,741,008.00 to be paid no later than June 3, 2024 as well as enclosing a Notice of Intention to Enforce Security under section 244 of the *Bankruptcy and Insolvency Act*. Attached as Exhibit “J” is a copy of that letter.
44. On May 24, 2024, OCIM delivered a “without prejudice” notice to Inca One that it was, among other things, immediately exercising rights under the Share Pledge Agreement to take ownership of the shares of Chala One and Corizona. Furthermore, OCIM delivered letters to Chala One and Corizona from OCIM requesting that their shareholder records be amended to recognize the Share Pledge which included the “without prejudice” correspondence. Attached as Exhibit “K” are copies of the letters to Chala One and Corizona. Attached as Exhibit “L” is a copy of Chala One and Corizona’s response.

### **Equinox Security**

45. On July 13, 2018, the Inca One acquired a 100% ownership interest in Anthem United Inc. (“Anthem”), which owns a 90.14% interest in Kori One under a purchase agreement (the “Equinox Agreement”) with Equinox. As a term of the Equinox Agreement, on August 20, 2018, Inca One provided a Secured Promissory Note to Equinox in the amount of \$9,000,000 and Share Pledge Agreement pledging the shares of Anthem.
46. Equinox is currently a 19.99 percent shareholder in Inca One and has a contractual right to have a representative sit on Inca One’s board. Currently Equinox has not exercised that right.
47. On April 18, 2024, Inca One received a Reservation of Rights letter in respect of the default under OCIM’s Facility, under which Equinox reserved its rights under the Promissory Note or the Equinox Agreement. Attached as Exhibit “M” is a copy of that letter.
48. As of the filing date, the total amount owing to Equinox was approximately CAD\$7.1 million.

## **Convertible Debentures**

49. On April 17, 2023 Inca One closed an unsecured Convertible Debenture offering for gross proceeds of C\$1.3 million. Each unit (the “**2023 CD Units**”) has a price of C\$1,000 and a maturity term of 36 months following the date of issuance. The principal amount of each Convertible Debenture is convertible into units of Inca One at a conversion price of C\$0.17 per 2023 CD Unit at the option of the holder of a Convertible Debenture at any time prior to the close of business on the maturity date.
50. Each 2024 CD Unit is comprised of one common share in the capital of Inca One and one Common Share purchase warrant. Each warrant entitles the holder thereof to purchase one Common Share at a price of C\$0.25 per Common Share for a period of twenty-four (24) months from the date of issuance thereof.
51. Each Convertible Debenture bears interest at a rate of 12% per annum payable quarterly in arrears. All interest accrued on the Convertible Debentures will be payable in cash or Common Shares at the election of the holder.
52. A total of C\$1.3 million of the Convertible Debentures is outstanding plus accrued interest. Management and insiders and their respective families hold approximately C\$0.96 million of the Convertible Debentures.

## **Contingent Debentures**

53. During September 2016, Inca One completed a comprehensive capital restructuring which included issuing contingent debentures (the “**Contingent Debentures**”) totaling \$0.78 million. The Contingent Debentures were recognized as a current liability and as an expense on October 31, 2021, after achieving production milestones. The Contingent Debentures have an annual interest rate of 12% payable quarterly and have a 12-months term of maturity. Inca One has agreed with Contingent Debenture holders to extend the term to October 31, 2023 and October 31, 2024 respectively.

54. As at the Filing Date, C\$0.5 million of the Contingent Debentures were outstanding plus accrued interest.

### **Confirming Lines of Credit and Leases**

55. Inca One's subsidiary Chala One, uses Confirming Lines of Credit ("CLC") for purchasing gold bearing ore Inventory in Peru. All Inventory purchases are done through Chala One. Under this factoring system, the CLC provider pays supplier invoices on behalf of Chala One, after which Chala One pays back the CLC provider in 30 to 60 days and then revolves the line again.

56. During 2022, due to lack of working capital, Chala One began accessing a CLC from Nuevo Capital Factoring S.A.C. As of the Filing Date, Chala One owed approximately \$0.29 million.

57. During 2023, Chala One began accessing a CLC from Pactum Capital. As of the Filing Date, Chala One owed Pactum Capital approximately \$0.79 million. A promissory note for the obligation was provided by Chala One.

58. As of the Filing Date, the CLCs have reduced their operating limits to a degree that it is impracticable to operate the Plants effectively. Combined with the massive increase in the price of gold, the CLCs are no longer an effective supplement to the Inca Group's financing.

59. During 2023, Inca One Peru Metals S.A.C. entered into a lease agreement in Peru with Triny Rental S.A.C., for the rental of a fleet of trucks to service its commercial team and provide service to its mining partners.

60. The lease obligation is approximately \$1.4 million, which can be reduced to approximately one third with the return of the fleet.

## **Trade Creditors and Other Liabilities**

61. As at April 30, 2024, the estimated balance of trade creditors of the Inca One subsidiaries totaled approximately \$4.2 million. Of this amount, approximately US\$2.2 million was related to Chala One, US\$1.1 million related to EMC and US\$0.9 million related to Inca One Metals. In aggregate these amounts included approximately: 1) US\$0.1.3 million payable and accrued for Chala One mining partners, of which a significant portion had been repaid at the date of this filing; 2) US\$2.1 million payable and accrued for general and operational accounts payable; 3) US\$0.5 million for accrued labour liabilities; and 4) VAT taxes payable and accrued of US\$0.3 million.

## **Equity Financing**

62. From 2017 to 2021, Inca One raised capital through six private placements. The funds were used for capital investments and operations.

63. On January 9, 2024, Inca One closed the first tranche of a private placement and issued 6,969,000 units of Inca One (the “2024 Units”) for gross proceeds of C\$0.7 million or C\$0.10 per 2024 Unit. Each 2024 Unit was comprised of one common share and one transferable common share purchase warrant.

64. On February 5, 2024, Inca One closed the second tranche of a private placement and issued 3,210,000 2024 Units for gross proceeds of C\$0.3 million or C\$0.10 per 2024 Unit.

65. The proceeds from these two financings were used for working capital.

## **IV. NEED FOR CREDITOR PROTECTION**

66. Given its present financial challenges, Inca One urgently requires a stay of proceedings under the CCAA to maintain the status quo and obtain the "breathing room" required to consider strategic restructuring alternatives and pursue and implement a restructuring strategy.

67. It is imperative for the success of any such strategy that potential enforcement actions against Inca One and its property and business operations be stayed, that its current operations and arrangements be preserved to the extent necessary. It will likely be necessary to obtain interim financing in the near future.
68. With the benefit of the protection afforded by the CCAA, Inca One will be able to maintain the value of its assets, and generally stabilize its financial position for the continued benefit of its stakeholders as restructuring alternatives are considered with the advice of the Monitor.
69. In the absence of the imposition of a stay of proceedings and the granting of other relief afforded by the CCAA, there is the risk of OCIM and/or Equinox taking control of the entirety of Inca One's assets and operations to the detriment of other stakeholders.
70. Inca One has been undercapitalized since the Phase 2 OCIM loan was not advanced. Other lenders have to date been hesitant to provide working capital with OCIM's security. Furthermore, the 20% increase in the gold price over the last four months has taken debt ratios to an unexpected level due to repayment being measured in gold ounces.
71. As above, the CLCs have been used to supplement working capital in order to maintain payments to OCIM. However, with their reduction in limits, Inca One could not continue to meet the terms of the loan.
72. In the last week, Inca One has been in discussions with two potential lenders (the "Lenders") for a replacement \$25 million dollar facility in order to replace OCIM's Facility. The Lenders are international lenders who are familiar with the Peruvian ASM market and who approve of Inca One's business operations and its restructuring and refinancing plans. Although the terms of those negotiations are confidential, in my view, Inca One is very close to finalizing a term sheet for such replacement financing. Additionally, entering into such a facility would allow the Plants to purchase higher-grade ore from the ASM market, which would have a dramatic effect on Inca One's ability to produce gold doré for export.

73. To address the current financial difficulties and working capital challenges, Inca One's current plan while under CCAA protection involves the following:

- a. continue ongoing negotiations with OCIM, the Lenders and other stakeholders to replace the OCIM security and/or locate sources of new financing for the Plants;
- b. restructure various members of the Inca Group to reduce costs and create efficiencies in consultation with the Monitor;
- c. present a Plan of Arrangement to Inca One's creditors with respect to the existing secured and unsecured debt obligations; and
- d. if the above prove unsuccessful, engage in a sale process for one or both of the Plants to pay down secured creditors and/or create sufficient working capital to restart operations.

74. Inca One has been in contact with Peruvian counsel and will be seeking to have any Order granted in these proceedings recognized by Peru's courts and/or administrative insolvency regimes in order to prevent any execution in Peru by OCIM or other creditors. Inca One is of the view that any execution by OCIM in Peru would seriously impair value of its subsidiaries' shares, including those of Chala One and Corizona, which are the primary asset owned by Inca One.

75. Preserving the going concern value of the business will likely achieve a better long-term result for Inca One's stakeholders than a forced liquidation of its assets. In my view, other Canadian gold ore processing businesses in Peru such as Dynacor have proven that with the required working capital, the business can be very profitable and have significant payback for its shareholders.

76. TSX venture-listed companies often have significant carry-forward net losses due to their early-stage development, exposure to cyclical industries, high-risk nature, tax planning strategies, and investor expectations for growth over profitability. I believe that with a complete funding package from the Lenders or otherwise, Inca One can transition from EBITA profitability to significant net profitability along with paying back its creditors.



## **V. FINANCIAL STATUS AND RESTRUCTURING**

### **Financial Statements**

77. Inca One produces consolidated financial statements that include the accounts of Inca One and each of its subsidiaries. Attached as Exhibit “N” is a copy of Inca One’s audited financial statements for the year ended April 30, 2023. Attached as Exhibit “O” is a copy of the condensed interim consolidated financial statements (unaudited) for Inca One ending July 31, 2023. Attached as Exhibit “P” is a copy of the condensed interim consolidated financial statements (unaudited) for Inca One ending October 31, 2023. Attached as Exhibit “Q” is a copy of the condensed interim consolidated financial statements (unaudited) for Inca One ending January 31, 2024. Attached as Exhibit “R” is a copy of the draft unaudited financial statements for Inca One for the year ending April 30, 2024. Attached as Exhibit “S” is a copy of the draft unaudited consolidated financial statements for Inca One for the year ending April 30, 2024.

### **Summary of Assets and Liabilities**

78. As at April 30, 2024, the book value of the Inca One’s property, plant and equipment was approximately US\$8.6 million. Inca One estimates that the replacement cost for Plants would be approximately US\$50,000 to US\$75,000 per tonne of daily capacity or between US\$23-35 million. Additionally, Inca One had current assets of approximately US\$13.2 million, including cash, receivables, prepaids deposits and inventory.

79. As at April 30, 2024, the book value of Inca One’s liabilities, as measured by International Financial Reporting Standards was approximately US\$29.8 million.

80. Attached as Exhibit “T” is a copy of Inca One’s current creditor list.

## **Payments During CCAA Proceedings**

81. Other than normal course payments, Inca One anticipates making payments of CAD\$50,000 for a retainer to Bridgehouse Law LLP, CAD\$ 50,000 for a retainer to the proposed Monitor, a retainer amount to Monitor's counsel, CAD\$ 150,000 for audit services to Grant Thornton LLP, CAD\$7,000 for tax services to Sadhra & Chow LLP, and US\$75,000 in two equal payments to the minority shareholders of EMC as part of a purchase agreement to purchase their minority interest, all of which will be paid during next six months.

## **Cash Flow Projections**

82. Inca One recently retained FTI Consulting Canada ("FTI") as the proposed monitor in these CCAA proceedings and to assist Inca One with the preparation of cash-flow projections. as required by the CCAA. Inca One's management has worked with FTI to prepare the cashflow projections attached as Exhibit "U" for the 7 week period ending July 19, 2024 (the "**Cash-flow Projections**"). Based on the Cash-flow Projections, Inca One should have enough cash to operate through the forecast period.

83. Based on my knowledge of Inca One's financial position and the assumptions set out in the Cash-flow Projections, I believe that the Cash-flow Projections are accurate and reasonable, noting that:

- a. the hypothetical assumptions set out in the Cash-flow Projections are reasonable and consistent with the purpose of the projections described in the Cash-flow Projections. The probable assumptions are suitably supported and consistent with Inca One's plans and provide a reasonable basis for the projections. All such assumptions are disclosed in the notes to the Cash-flow Projections;
- b. since the projections are based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material; and
- c. the projections have been prepared solely for the purpose described in the notes to the Cash-flow Projections, using the probable and hypothetical assumptions set out in the

notes to the Cash-flow Projections. Consequently, readers of the Cashflow Projections are cautioned that they may not be appropriate for other purposes.

### **The Monitor**

84. Subject to court approval, FTI is prepared to act as monitor of Inca One in these CCAA proceedings on the terms set out in Inca One's proposed initial CCAA order. Attached as Exhibit "V" to my affidavit is a copy of the signed consent for FTI to act as Inca One's monitor. I believe that FTI is qualified and competent to act as Inca One's monitor in these proceedings.

### **Court Ordered Charges**

#### *Administration Charge*

85. As noted above, FTI has consented to act as monitor (in such capacity, the "**Monitor**") in these proceedings to provide supervision, monitoring and to generally assist Inca One with its restructuring efforts, including the potential preparation of a CCAA plan to be put to their creditors.

86. The Monitor, counsel for the Monitor, and Inca One's counsel will be essential to Inca One's restructuring efforts. They are prepared to provide or continue to provide professional services to Inca One if they are protected by a first-ranking priority charge (the "**Administration Charge**") over Inca One's assets.

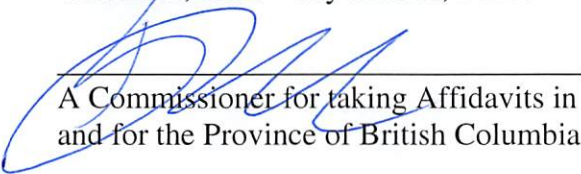
87. Inca One believes that an Administration Charge in the amount of \$150,000 is fair and reasonable for the initial period and will provide the level of appropriate protection for the payment of Inca One's essential professional services given the size and complexity of Inca One's business.

**VI. CONCLUSION**

88. For the above reasons, Inca One requests that this Court grant it protection under the CCAA on the terms sought in the Petition filed concurrently with my affidavit.

AFFIRMED BEFORE ME AT the City )  
of Vancouver in the Province of British )  
Columbia, this 3<sup>rd</sup> day of June, 2024. )


\_\_\_\_\_)  
A Commissioner for taking Affidavits in )  
and for the Province of British Columbia. )



\_\_\_\_\_)  
EDWARD KELLY )

**BENJAMIN LA BORIE**  
*Barrister & Solicitor*  
9th Floor, 900 West Hastings Street  
Vancouver, British Columbia V6C 1E5

This is Exhibit "A" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June, 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



## BC Company Summary

For  
**INCA ONE GOLD CORP.**

**Date and Time of Search:** November 23, 2023 08:26 AM Pacific Time  
**Currency Date:** June 06, 2023

### ACTIVE

**Incorporation Number:** C0896395  
**Name of Company:** INCA ONE GOLD CORP.  
**Business Number:** 819355470 BC0001  
**Recognition Date and Time:** Continued into British Columbia on November 26, 2010 12:12 PM Pacific Time **In Liquidation:** No  
**Last Annual Report Filed:** November 26, 2022 **Receiver:** No

### PREVIOUS FOREIGN JURISDICTION INFORMATION

**Identifying Number in Foreign Jurisdiction:** 647559-1 **Name in Foreign Jurisdiction:** SUB Capital Inc.  
**Date of Incorporation, Continuation or Amalgamation in Foreign Jurisdiction:** November 09, 2005 **Foreign Jurisdiction:** FEDERAL

### COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
INCA ONE RESOURCES CORP.	September 17, 2014
INCA ONE METALS CORP.	October 26, 2011
SUB CAPITAL INC.	May 11, 2011

### REGISTERED OFFICE INFORMATION

Mailing Address:	Delivery Address:
10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA	10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA

**RECORDS OFFICE INFORMATION**

**Mailing Address:**

10TH FLOOR, 595 HOWE ST.  
VANCOUVER BC V6C 2T5  
CANADA

**Delivery Address:**

10TH FLOOR, 595 HOWE ST.  
VANCOUVER BC V6C 2T5  
CANADA

**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**

Bragagnolo, Bruce

**Mailing Address:**

3477 W. 28 AVENUE  
VANCOUVER BC V6S 1R8  
CANADA

**Delivery Address:**

3477 W. 28 AVENUE  
VANCOUVER BC V6S 1R8  
CANADA

**Last Name, First Name, Middle Name:**

Kelly, Edward

**Mailing Address:**

2708 EAST 16 AVE  
VANCOUVER BC V5M 2L8  
CANADA

**Delivery Address:**

2708 EAST 16 AVE  
VANCOUVER BC V5M 2L8  
CANADA

**Last Name, First Name, Middle Name:**

MORGER, ADRIAN

**Mailing Address:**

HOCHWANGSTRASSE 22  
MAIENFELD 7304  
SWITZERLAND

**Delivery Address:**

HOCHWANGSTRASSE 22  
MAIENFELD 7304  
SWITZERLAND

**Last Name, First Name, Middle Name:**

Stevens, Rodney James

**Mailing Address:**


560 SEASHELL DRIVE  
DELTA BC V4L 2K8  
CANADA

**Delivery Address:**

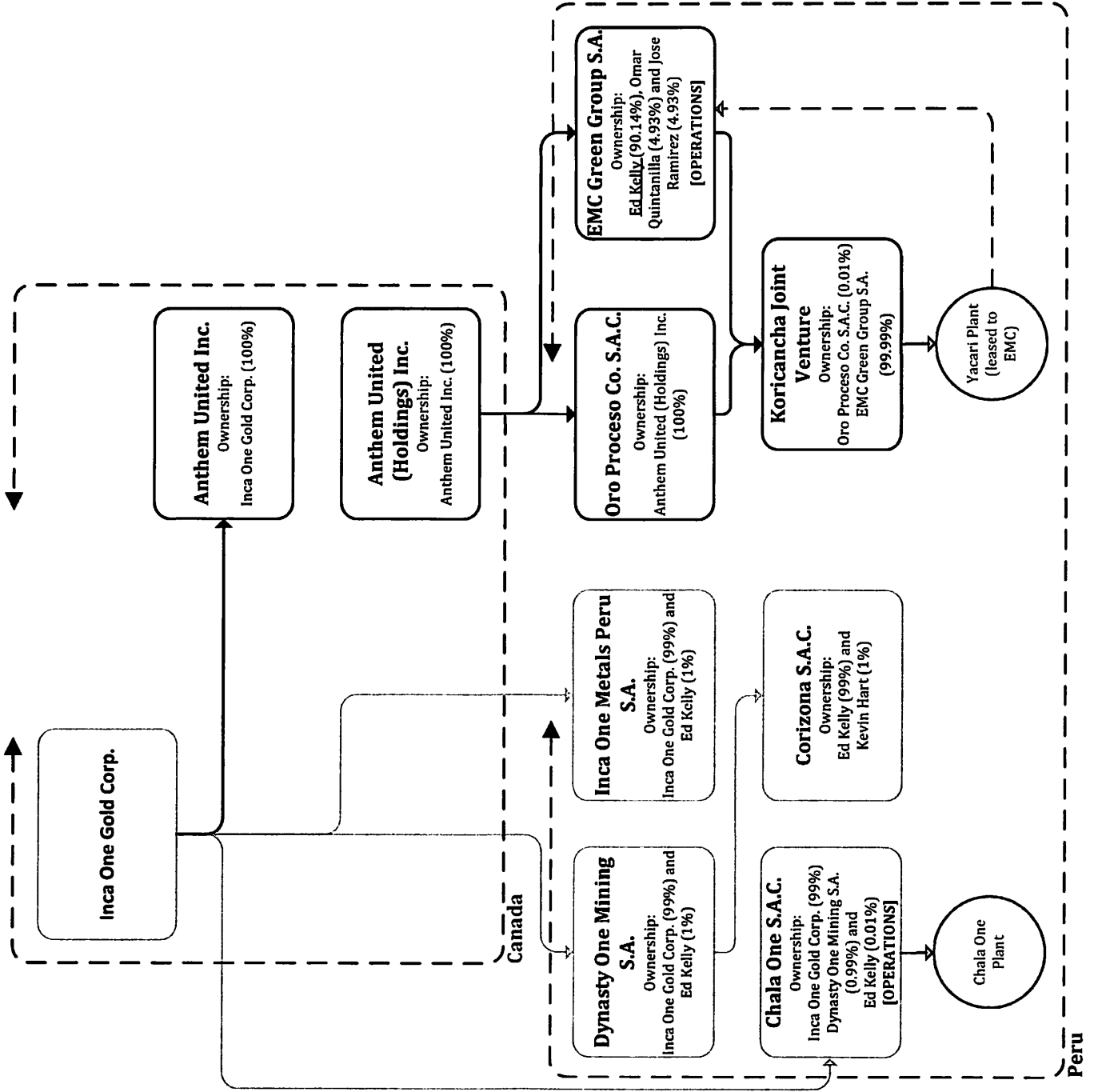
560 SEASHELL DRIVE  
DELTA BC V4L 2K8  
CANADA

NO OFFICER INFORMATION FILED AS AT November 26, 2022.

This is Exhibit " B " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June, 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

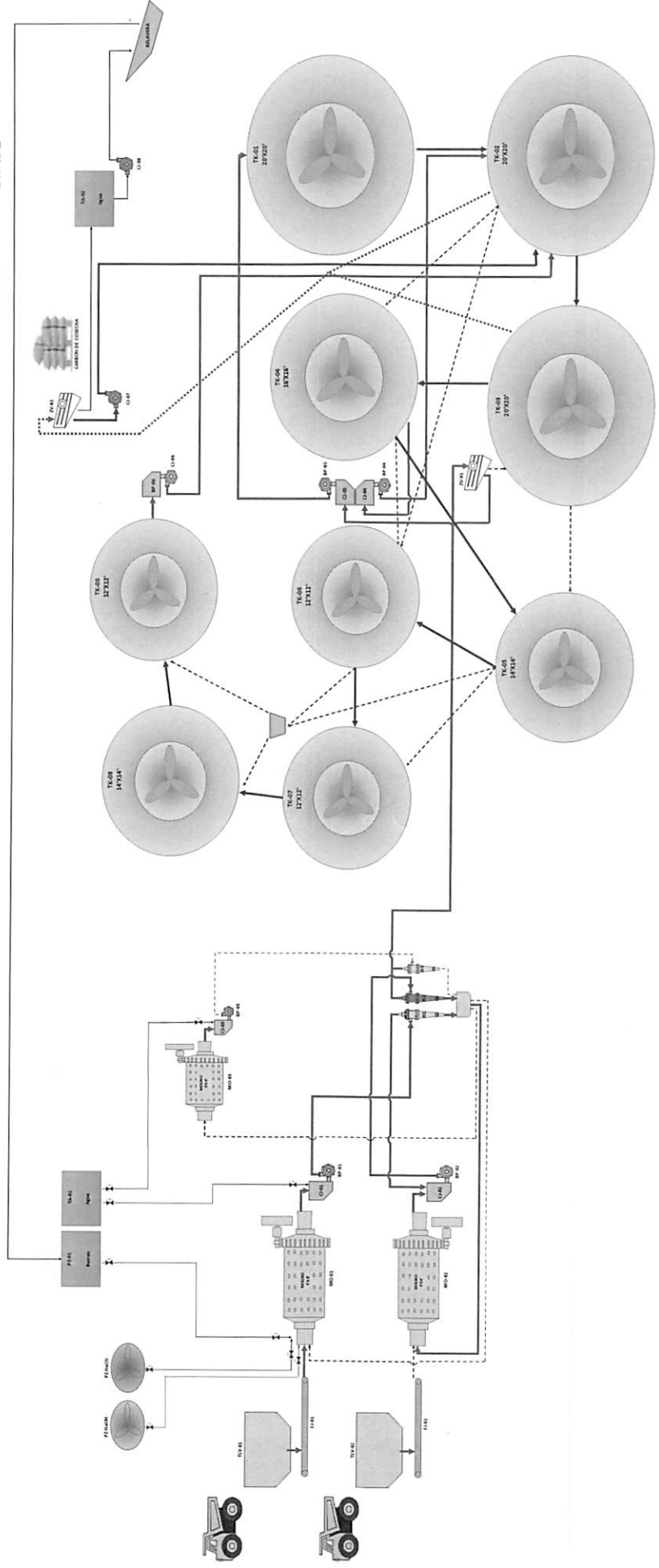






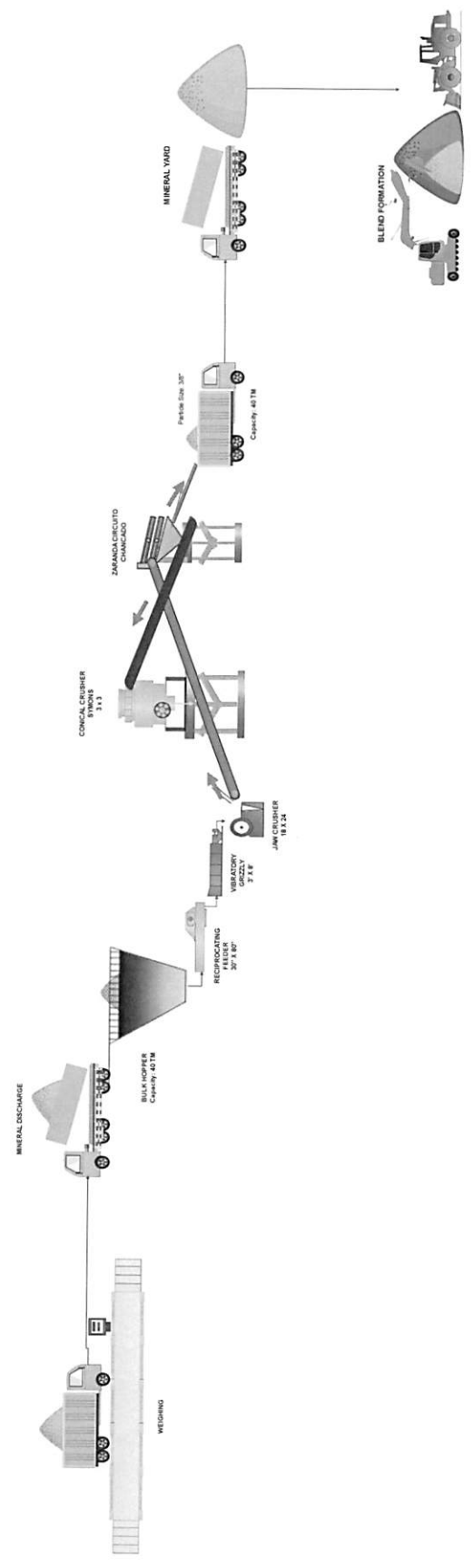
This is Exhibit " 6 " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June, 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

**FLOW SHEET**

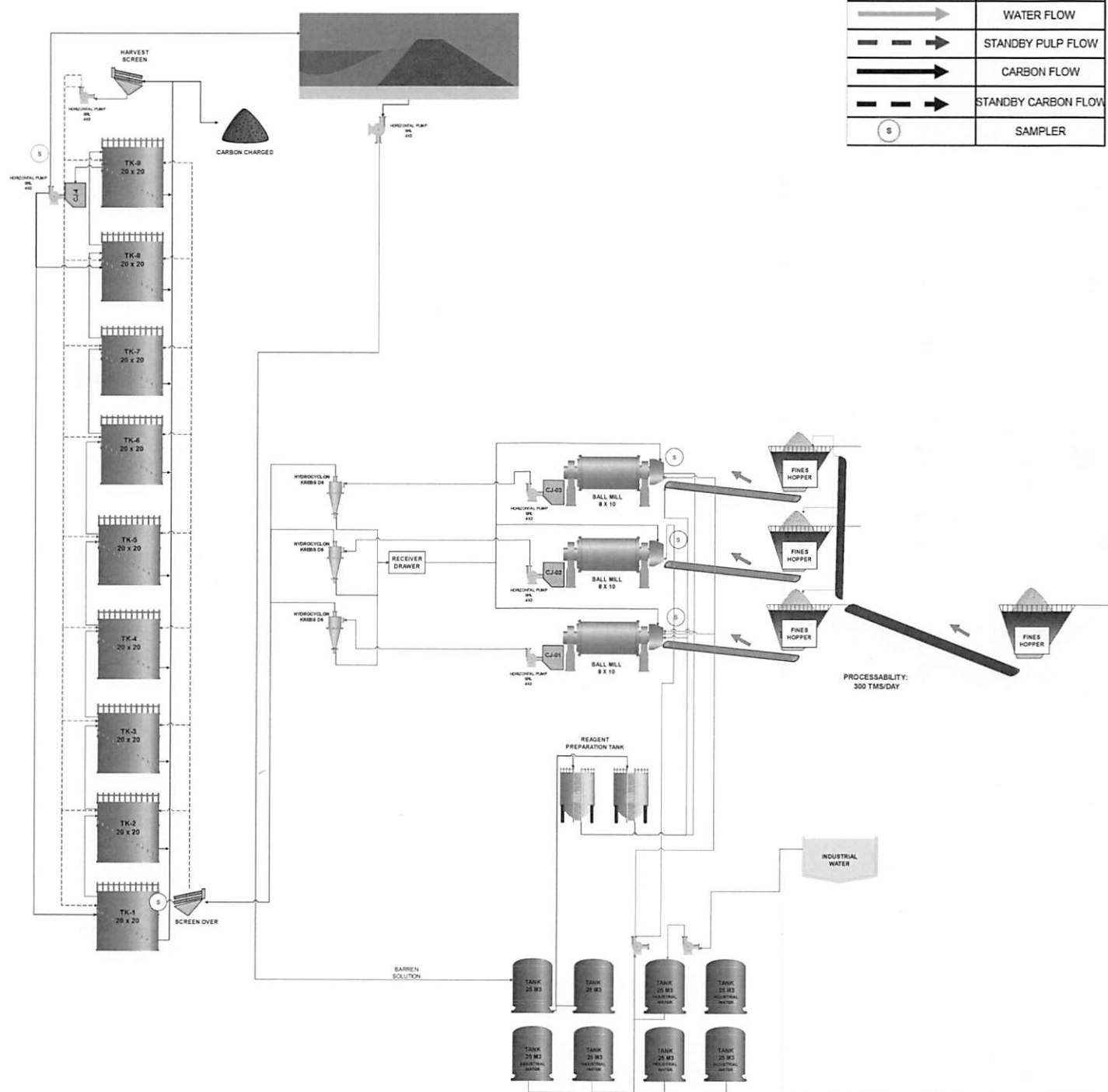


LEGEND	
	FAJA SENSE
	PROCESS FLOW



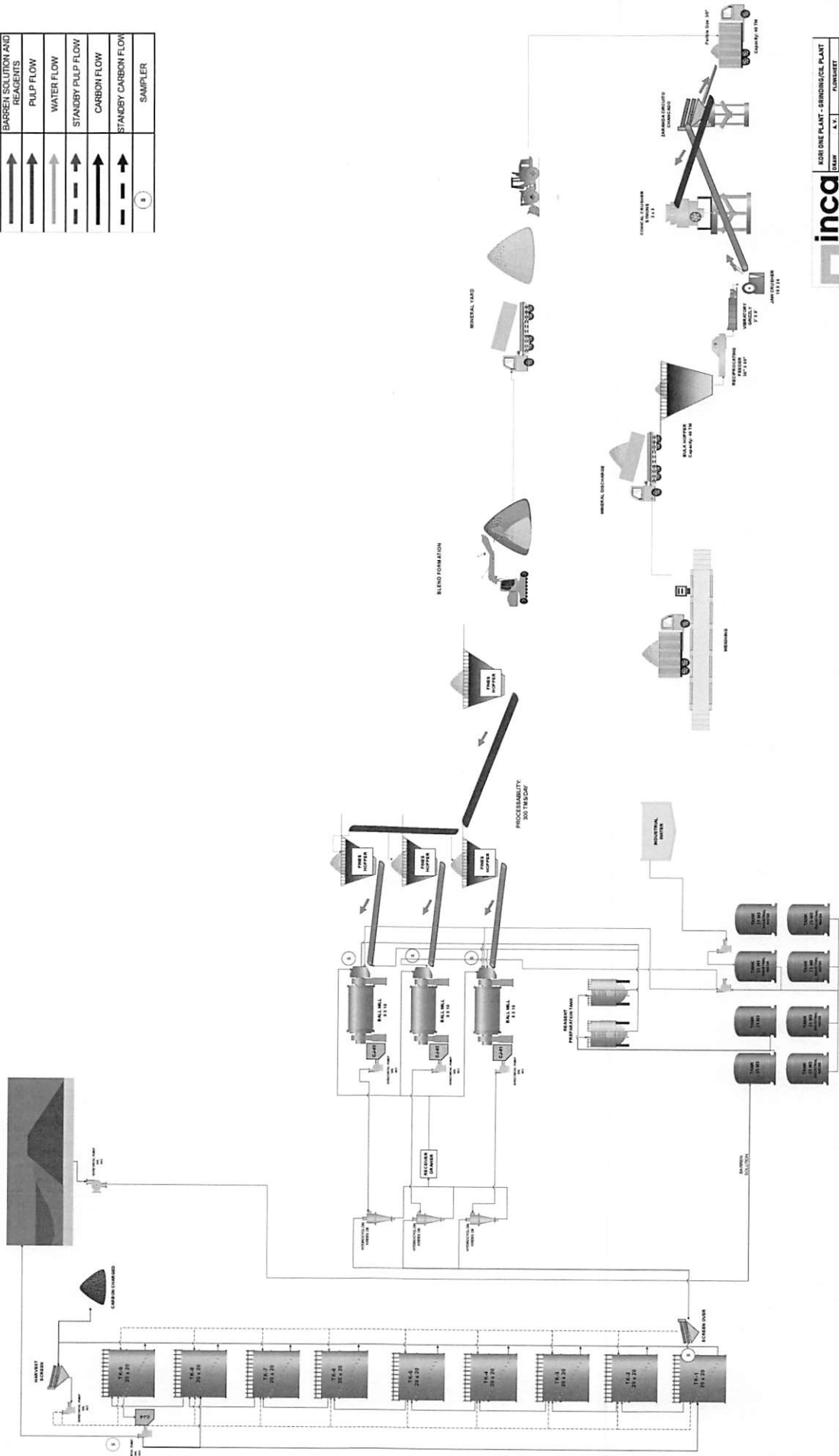
<b>inca</b>		<b>one</b>		<b>GOLD CORP.</b>	
KORI ONE PLANT - RECEPTION AND CRUSHING OF MINERAL FLOWSHEET					
DRAW	A. Y.	M. M.	CRUSHING AREA		
REVISED:		E. C.	GENERAL PROCESS		
APPROVED:		S/E			
ESCALE:					
DATE:	Erm-21		PG-001-RCM		

LEGEND	
	FAJA SENSE
	PROCESS FLOW
	BARREN SOLUTION AND REAGENTS
	PULP FLOW
	WATER FLOW
	STANDBY PULP FLOW
	CARBON FLOW
	STANDBY CARBON FLOW
	SAMPLER



	KORI ONE PLANT - GRINDING/CIL PLANT	
	DRAW: A.V.	FLWSHEET
	REVISED: M.H.	PLANT AREA
	APPROVED: E.C.	GENERAL PROCESS
	DATE: Ene-21	PG-001-P

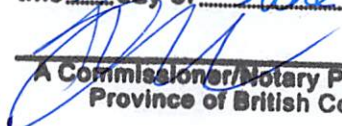
LEGEND	
↑	FAJA SENSE
↑	PROCESS FLOW
↑	BARREN SOLUTION AND REAGENTS
↑	PULP FLOW
↑	WATER FLOW
↑	STANDBY PULP FLOW
↑	CARBON FLOW
↑	STANDBY CARBON FLOW
⊙	SAMPLER



inca one GOLD CORP	
NAME	A.V. FERNANDEZ
REVISION	N/A
APPROVED	E.C.
TITLE	GENERAL PROCESS
DATE	12-01
PG	10-10

ADRI ONE PLANT - GRINDING/CEL PLANT  
 SHEET  
 PLANT AREA  
 GENERAL PROCESS

This is Exhibit "D" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June, 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



**MANAGEMENT DISCUSSION AND ANALYSIS**

For the Three and Nine Months Ended January 31, 2024 and 2023

Report Dated March 28, 2024



## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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This Management's Discussion and Analysis ("MD&A") of Inca One Gold Corp. (the "Company" or "Inca One") has been prepared by management as of March 28, 2024, and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended January 31, 2024 and 2023 and the related notes thereto. This MD&A has been reviewed and approved by the Company's Board of Directors. Unless otherwise specified, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts herein are expressed in United States Dollars unless stated otherwise. References to CAD\$ are to Canadian Dollars.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in "Risks and Uncertainties" and "Cautionary Statement on Forward-Looking Information" at the end of this MD&A.

### **Description of the Business**

Inca One was incorporated on November 9, 2005 and is in the business of developing custom mineral processing operations in Peru, to service government permitted small-scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company has two Peruvian gold milling facilities ("Chala One" and "Kori One") with a total permitted and built out capacity of 450 tonnes per day ("TPD") and has been in commercial production since 2015. The Company purchases high-grade gold mill feed from legally recognized Peruvian small-scale miners and processes the material for the export and sale of gold doré and refined gold.

Inca One is listed on the TSX Venture Exchange (the "TSX-V") under the symbol "INCA", on the OTCQB Exchange under the symbol "INCAF", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL".

Inca One's vision is to become the largest, high-grade gold ore processor of choice in Peru while maintaining its uncompromising guiding principles while it grows. This vision will be achieved through:

- Continuing to increase access to working capital which will allow for the purchases of high-grade gold mill feed;
- The acquisition and development of mineral concessions that could be mined by contract miners and that would provide long-term supply to Chala One and Kori One; and
- Pursuing growth via merger and acquisition, including additional mineral processing operations.

### **Key Period Definitions (used below)**

- three months ended January 31, 2024 ("the Quarter" or "Q3 2024")
- three months ended October 31, 2023 ("Q2 2024")
- three months ended July 31, 2023 ("Q1 2024")
- three months ended April 30, 2023 ("Q4 2023")
- three months ended January 31, 2023 ("Q3 2023")
- three months ended October 31, 2022 ("Q2 2023")
- nine months ended January 31, 2024 ("YTD Q3 2024") AND
- nine months ended January 31, 2023 ("YTD Q3 2023")

**INCA ONE GOLD CORP.**

Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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**Third Quarter 2024 Highlights and Key Business Developments**

- During Q3 2024 the Company processed 17,807 tonnes, which represents an increase of 6,926 tonnes when compared to 10,897 tonnes processed during Q3 2023. The daily production average during Q3 2024 was 196 TPD, which represents an increase of 77 TPD when compared with the 119 TPD average of Q3 2023.
- Gold sales during Q3 2024 totaled 5,866 ounces, which represents a decrease of 845 ounces compared to 6,712 ounces sold in Q3 2023. Revenues during Q3 2024 totaled \$12.1 million which represents a decrease of \$0.4 million when compared to \$12.5 million in Q3 2023.
- Subsequent to the end of the Quarter, the Company agreed with OCIM Precious Metals AG to extend the term of its gold pre-payment facility. In exchange for the extension, the Company agreed to pay an additional 450 ounces. The additional ounces will be paid in monthly tranches of 75 ounces and the final payment for the Facility will be 3,675 ounces due on August 28, 2024.

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

**Operational Highlights - Consolidated**

Quarter over Quarter highlights	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Variance % Q3 2024 to Q2 2024	Variance % Q3 2024 to Q3 2023
Tonnes processed in period (t)	17,807	13,839	16,059	9,421	10,897	20.36%	(2.77%)
Average daily processing volume (t)	196	151	175	106	119	29.80%	63.41%
Mineral grade processed (oz/t gold)	0.34	0.39	0.40	0.42	0.42	(10.26%)	(18.19%)
Gold production (oz)	6,215	5,558	5,732	3,949	4,339	11.82%	43.24%
Gold sold (equivalent oz) <sup>(1)</sup>	5,992	5,043	5,864	3,434	6,926	18.82%	(13.49%)
Gold sold (oz)	5,866	4,938	5,729	3,369	6,712	18.79%	(12.59%)
Silver sold (oz)	10,839	8,725	11,124	6,368	16,961	24.23%	(36.09%)
Sales Revenue (\$ millions)	12.09	9.70	11.52	6.66	12.47	24.68%	(2.99%)
Cost of goods sold ("COGS") (\$ millions)	11.07	9.18	10.77	6.91	11.21	20.60%	(1.31%)
Gross operating margin (deficit) (\$ millions)	1.03	0.52	0.75	(0.25)	1.25	96.14%	(17.99%)
Gross operating margin %	8.50%	5.40%	6.53%	(3.78%)	10.05%	57.31%	(15.47%)
Average gold (equivalent) price per oz sold (\$) <sup>(2)</sup>	2,018	1,923	1,965	1,939	1,800	4.94%	12.11%
Cost per oz sold (\$) <sup>(3)</sup>	1,847	1,820	1,837	2,012	1,619	1.48%	14.08%
Gross margin per oz sold (\$) <sup>(4)</sup>	171	103	128	(73)	181	66.02%	(5.52%)
Average London Close price (\$)	2,015	1,917	1,959	1,920	1,806	5.16%	11.57%

(1) Gold sold (equivalent oz) is a non-IFRS financial performance measure with no standard definition under IFRS, it is therefore possible that this measure could not be comparable with a similar measure of another corporation. This measure is calculated as the actual ounces of gold sold plus an estimate of the equivalent ounces of gold that could be purchased for the equivalent number of silver ounces sold.

(2) Average gold (equivalent) price per oz sold is calculated as the total sale revenue divided by the quantity of gold sold (equivalent oz) and is a non-IFRS financial measure with no standard definition under IFRS.

(3) Cost per oz sold is calculated as the total cost of goods sold divided by the quantity of gold sold (equivalent oz) and is a non-IFRS financial measure with no standard definition under IFRS.

(4) Gross margin per oz sold is calculated as the total gross operating margin (deficit) divided by the quantity of gold sold (equivalent oz) and is a non-IFRS financial measure with no standard definition under IFRS.

The Company has included certain non-IFRS measures in this MD&A, therefore it is possible that these measures could not be comparable with a similar measure of another corporation. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, provide readers an improved ability to evaluate the Company's underlying performance and compare it to information reported by other companies. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures presented by other issuers.

## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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### **Future Outlook**

The custom mineral processing business in Peru continues to be very robust and has many competitive advantages over traditional mining businesses. Those advantages include the following:

- Costs based on the spot price of gold
- No exploration, development or mining risk
- No end of mine life
- Generates cash flow quickly
- Exposure to higher gold prices
- Stable revenues in low priced markets
- Inventory turnover every 45 days

The Company continues to explore opportunities to raise additional working capital of approximately \$20 million, in order to maximize these advantages. A working capital increase should allow the Company to ramp up its production from current levels to full capacity of 450 tonnes per day ("TPD") within six to twelve months and at the same time increase the average grade of its gold mill feed. The Company's processing facilities are fully built out but have only been operating at approximately 157 TPD during the past twelve months, 35% of its plants' capacity. Therefore, any new capital would be used to purchase gold mill feed, allowing the Company to operate profitably in line with its peers in the industry and generate cash flow to repay its financial obligations.

Since March 2021, the Company has received a total of \$13 million from two gold pre-payment facilities from OCIM Precious Metals AG ("OCIM"). The net proceeds were successfully used to increase gold mill feed purchasing and production.

During August 2021, the Company repaid the first pre-payment facility of \$2.5 million and entered into a second non-dilutive facility (the "Facility") for a total of \$10.5 million. The Facility was drawn down in three tranches, of which approximately \$9.1 million was used to purchase gold mill feed and \$1.4 million was used to repay a secured debenture. Each tranche of the Facility had a term of 12 to 18 months and was to be paid in gold bullion.

During October 2022, March 2023 and October 2023 respectively, the payment dates for the Facility were restructured to extend the term of the Facility to February 29, 2024. In exchange for the extensions, the Company agreed to pay an additional 961 ounces, of which 886 ounces have been delivered as of January 31, 2024.

Subsequent to January 31, 2024, the Company agreed with OCIM to further extend the Facility. In exchange for the extension, the Company agreed to pay an additional 450 ounces. The additional ounces will be paid in monthly tranches of 75 ounces and the final payment for the Facility will now be 3,749 ounces due on August 28, 2024.

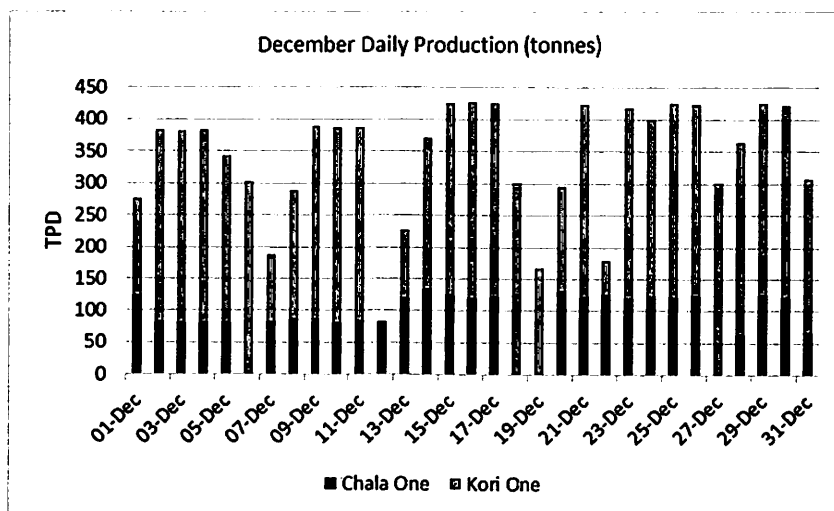
The Company proved during December 2021 that it could process at or near its built out capacity of 450 TPD. Processing averaged 340 TPD, which was an all time record for monthly production. Additionally, there were 9 days during December where the production was greater than 400 TPD and 18 days where production was

## INCA ONE GOLD CORP.

### Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

greater than 350 TPD. The highest total production day was 428 TPD. Management was pleased with the results of December as they verified that the Company can operate at greater than 400TPD with sufficient working capital.



In 2023, the small-scale mining industry in Peru had approximately 21,000 active and formally organized Artisanal Small Scale Miners ("ASM's"). With higher gold prices, the number of ASM's and the amount of supply should continue to increase for the foreseeable future. The Peruvian Ministry of Energy and Mines ("MEM") reopened the formalization during 2020, to allow unregistered small-scale miners an opportunity to formalize their businesses. The formalization process requires ASM's to register with the MEM, demonstrate their compliance with environmental and safety regulations and remit taxes on sales of extracted minerals.

These ASM's will require custom milling services from excess processing capacity such as at Inca One's two facilities, Chala One and Kori One, to buy and process their raw material. As a result of this significant growth of the small-scale mining market there are now more legal miners available for Inca One to expand its customer base and forge relationships with new customers that have achieved regulatory compliance within this program. During 2023 the Company worked with approximately 350 ASM's out of the approximately 700 ASM's that the Company has put through its rigorous compliance program and onboarded as mining partners. The Company is working to increase its working capital, which will allow for further increases in our current production numbers by increasing the throughput tonnes and increasing the grade of the gold mill feed purchased.

The Company continues to develop its corporate social responsibility initiatives by working with the communities around these small-scale mining areas by supporting local initiatives, in order to build support with those that control the roads and transportation.

During Q4-2023 the Company signed a letter of intent with the Swiss Better Gold Association to work towards cooperative activities to help the Company's ASM suppliers enroll in the Swiss Better Gold Initiative ("SBGI"). SBGI is a public-private partnership between SECO and the Swiss Better Gold Association. SBGI was launched in 2013, pursuing the objective to reduce poverty and to improve the social and environmental conditions in artisanal and small-scale mining. The initiative is active in Peru, Colombia, Brazil and Bolivia. In its third phase

**INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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from 2021 to 2025 and in line with the aspiration to reach a higher development impact, the initiative aims to reach out to other sourcing models through complementary activities such as processing plants.

During September 2023, the Company became the first processing plant in the world to achieve SBGI Step 1 accreditation. The Step 1 accreditation of the Company’s processing plants marks an important step for SBGI and the Company to significantly growing the number of artisanal and small-scale miners involved in responsible supply chains and giving them access to international markets. The Step 1 accreditation was achieved by identifying a precise list of ASM ore producers, visiting and assessing their eligibility for this accreditation. From now on SBGI and the Company will work on supporting these miners to achieve the next level of their ESG performance (Step 2).

The Company and SBGI will aim to cooperate in the following areas:

- Establishing a detailed work plan enabling SBGI to access and assess the network of Inca One ASM suppliers in view of their accreditation with SBG;
- Support and facilitate ASM evaluation activities in documents and on the ground as per agreed and confirmed work plan;
- Requesting to share relevant available data that may enhance the quality of the agreed work plan;
- Identify opportunities to collaboratively grow the number of eligible ASM suppliers;
- Create a responsible gold supply chain to Switzerland;
- Facilitate the inclusion of the ASM sector into SBG in order to access its premium paying market;
- Promote best business practices.

The SBGI Continuous Improvement Escalator has three steps throughout which the ASM operations are accompanied by the SBGI implementing partners to make social and environmental improvements and meet the SBGI sourcing criteria, maintain the good practices achieved, and make use of the SBGI premium.

The three steps and resulting incentives include the following:

- 1) Compliance with basic SBGI criteria – technical assistance
- 2) Compliance with all SBGI criteria – technical assistance, performance monitoring, gold sales to SBGI members, co-funding social and environmental projects
- 3) Monitoring and continuous improvement - performance monitoring, gold sales to SBGI members, co-funding social and environmental projects

Each step of this Continuous Improvement Escalator is linked to a specific incentive which encourages miners to continue to work towards better practices and improve their organizational capacity, as well as mine more productively, efficiently, safely, and cleanly.

The partnership between the Swiss Better Gold Association and Inca One Gold Corporation demonstrates a strong commitment of the parties to contribute to positive change in the ASM sector. And while this accreditation represents a first milestone, both SBG and the Company acknowledge challenges laying ahead and the importance of continuous improvement to achieve this ambitious goal. This collaboration sets an important step for the creation of enabling conditions and finding practical solutions in allowing more ASM producers access to ASM premium market models such as the Swiss Better Gold Initiative and, consequently, fostering social and environmental improvements directly benefitting the sector and producing regions.

**INCA ONE GOLD CORP.**

Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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In addition to SBGI and during November 2023, the Company partnered with PlanetGold to improve gold ore processing in Peru. PlanetGold is an international program backed by the United Nations (“UN”) that seeks to improve the ASM sector.

PlanetGOLD works with governments, the private sector, and ASM communities to significantly improve small-scale miners' production practices and work environment. PlanetGOLD’s mission is to make small-scale gold mining safer, cleaner, and more profitable, with an ultimate vision of a clean, global supply of gold from small-scale miners.

This collaboration with PlanetGOLD reinforces the Company’s goal of improving the ASG sector. It lines up with the Company’s mission to help make mining in Peru a better place and has given opportunity for the Company to enroll several suppliers into the responsible gold value chains from mine to market.

The Company was recently recognized by Planet Gold Peru for preventing approximately 3.8 tons of deleterious materials between 2021 and 2022, from being released and/or emitted into the environment.

The Company continues to take orders from its online bullion store, allowing collectors and investors to purchase gold directly from the Company.

The Company is one of only a handful of public issuers to offer their own production in the form of gold coins. The bullion is available through Inca One’s online bullion store. The Company continues to distribute its gold coins in a streamlined and user-friendly experience with worldwide shipping and order tracking.

Inca One has proven its ability over the years to adapt to evolving regulatory environments and build a diversified framework for success across multiple strategic channels while expanding into key mining regions. Management has been focused on executing its strategic plan, by establishing relationships with new mining partners, that should translate into increased future revenue and profitability. The Company has confidently developed industry leading compliance, expanding operations with the production of premium gold finished products and has built an exceptional team of proven and experienced professionals focused on dramatically scaling operations in 2023 and beyond.

**Selected Quarterly Information**

The following selected financial data with respect to the Company’s financial condition and results of operations has been derived from the unaudited condensed interim consolidated financial statements for the three months ended January 31, 2024, October 31, 2023 and July 31, 2023 as applicable. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

	Three Months Ended		
	January 31, 2024	October 31, 2023	July 31, 2023
	\$	\$	\$
Revenue	12,093,807	9,699,798	11,524,328
Cost of goods sold	(11,066,422)	(9,175,999)	(10,771,558)
Gross margin (deficit)	1,027,385	523,799	752,770
Finance and other income (expense), net	(754,953)	(801,827)	(353,351)
Net loss for the period	(716,352)	(1,046,545)	(311,907)
Net loss per share (basic and diluted)	(0.01)	(0.03)	(0.01)
Other comprehensive loss	(971,562)	(673,863)	(523,394)

	Three Months Ended		
	January 31, 2024	October 31, 2023	July 31, 2023
	\$	\$	\$
Total assets	23,050,265	21,117,692	21,588,678
Total current liabilities	21,640,310	20,871,194	19,154,976
Total long term liabilities	6,003,007	5,333,045	6,849,607

The following table sets out selected quarterly financial data from the Company's unaudited quarterly financial statements for the last eight quarters.

Quarter ended	Working capital (deficiency)	Total assets	Long term liabilities	Net loss	Basic gain (loss) per share
	\$	\$	\$	\$	\$
January 31, 2024	(8,960,446)	23,050,265	6,003,007	(716,352)	(0.02)
October 31, 2023	(9,768,492)	21,117,692	5,333,045	(1,046,545)	(0.03)
July 31, 2023	(7,340,179)	21,588,678	6,849,607	(311,907)	(0.01)
April 30, 2023	(7,359,035)	20,937,930	6,634,131	(2,380,921)	(0.06)
January 31, 2023	(6,621,805)	19,450,098	5,212,747	(1,248,257)	(0.03)
October 31, 2022	(5,668,705)	24,170,157	5,064,892	(1,040,489)	(0.03)
July 31, 2022	(4,104,859)	23,112,438	6,299,582	(1,034,852)	(0.02)
April 30, 2022	(2,960,315)	25,737,956	6,696,304	(927,697)	(0.03)



## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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### **Results of Operations**

#### **Three months ended January 31, 2024 compared to three months ended January 31, 2023**

Revenue for Q3 2024 was \$12.09 million (Q3 2023 - \$12.47 million) and cost of goods sold was \$11.07 million (Q3 2023 - \$11.21 million) resulting in a gross operating margin of \$1.03 million (Q3 2023 - gross operating margin of \$1.25 million).

During Q3 2024, the Company reported a net loss of \$0.72 million, a decrease in net loss of \$0.52 million compared to a net loss of \$1.24 million during Q3 2023. The decrease in net loss is mainly attributable to the combined effect of:

- an increase in loss in gold remeasurement of \$0.27 million and,
- a decrease in its finance cost of \$0.78 million.

#### **Nine months ended January 31, 2024 compared to nine months ended January 31, 2023**

Revenue for YTD Q3 2024 was \$33.31 million (YTD Q3 2023 - \$33.57 million), and cost of goods sold was \$31.01 million (YTD Q3 2023 - \$31.23 million) resulting in a gross operating margin of \$2.30 million (YTD Q3 2023 - gross operating margin of \$2.34 million).

During YTD Q3 2024, the Company reported a net loss of \$2.07 million, a decrease in net loss of \$1.24 million compared to net loss of \$3.31 million during YTD Q3 2023. The decrease in net loss is mainly attributable to the combined effect of:

- a decrease in office, rent, utilities, insurance and other of \$.23 million,
- a decrease in professional fees of \$0.13 million
- a decrease in share-based payments of \$0.08 million
- a decrease in fair value loss in financial instruments of \$1.08 million and
- an increase in loss in gold remeasurement of \$0.27 million

### **Liquidity and Capital Resources**

As at January 31, 2024, the Company financed its operations and met its capital requirements primarily by re-investing operational cash flows from the Chala One and the Kori One plants.

The Company had cash of \$1.25 million on January 31, 2024, representing an increase of \$0.49 million compared to cash of \$0.76 million as of April 30, 2023 and a working capital deficiency of \$8.96 million on January 31, 2024 representing a working capital decrease of \$1.60 million when compared to a working capital deficiency of \$7.36 million as at April 30, 2023.

The decrease in working capital is mainly attributable to the cash from operations of approximately \$0.62 million net of:

- the reclassification of \$1.89 million from non-current to current liability from long term contractual liabilities payable to Equinox (\$1.70 million) and from long term lease liabilities (\$0.19 million),
- the recognition of \$0.50 million as current portion of the lease liability arising as result of the acquisition of the new vehicle fleet,
- the purchase of property plant and equipment of \$0.07 million,

## **INCA ONE GOLD CORP.**

### Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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- the loss in fair value of \$0.70 million related to its gold loan, and
- the decrease in non-cash working capital items of \$0.54 million,
- the issuance of shares as partial payment of \$0.90 million of short term contractual liabilities payable to Equinox, and,
- the share issuance as result of a private placement and exercise of share options for proceeds of approximately \$0.58 million.

Management intends to continue funding operations, administration, debt and debt service costs, and any capital requirements with the proceeds of the sale of gold doré and refined gold from the Company's Chala One and Kori One plants and with the proceeds from the gold Facility. Where required and depending on the strength of the junior resource markets, the Company will continue to be dependent on its capital resources to cover any deficiencies in working capital.

#### Share Issuances

During the nine months ended January 31, 2024, the Company issued the following number of shares:

- 431,000 common shares were issued for proceeds of \$0.06 million on the exercise of the same number of warrants at CAD\$0.18 per share.
- 1,848,843 shares were issued at CAD\$0.65 per shares as partial payment of its note payable to Equinox
- 6,969,000 shares were issued a result of the private placement closed on January 9, 2024, for gross proceeds of \$0.52 million.

#### Proposed Transactions

There are no proposed transactions at the date of this report.

#### Summary of Outstanding Share Data

As of the date of this MD&A, the Company had 53,871,431 common shares issued and outstanding, 2,345,500 share-based options (with exercise prices ranging between CAD\$0.18 to CAD\$0.55) and 11,723,445 warrants outstanding (with exercise prices ranging between CAD\$0.15 and CAD\$0.60). Additionally, the Company had CAD\$1.3 million convertible debentures with a conversion price of CAD\$0.17 per share and convertible into 7,647,059 common shares and 7,647,059 warrants with an exercise price of CAD\$0.25. The fully diluted shares outstanding at the date of this MD&A is 83,234,494.

#### Transactions with Related Parties

##### **(a) Related Party Transactions**

The Company's related parties consist of the Company's directors, officers and companies associated with these individuals including the following:

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

- A company owned by Edward Kelly, the Company's CEO (also a director).
- A company owned by Mark Wright, the Company's VP Operations & New Projects.

The following expenditures were charged by related parties during the three and nine months ended January 31, 2024 and 2023:

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Management, salaries and consulting fees	96,160	148,345	285,842	511,511
Director fees	7,156	7,042	21,273	21,568
Share-based payment	-	60,634	-	60,634
Professional fees	1,568	-	1,568	-
	<b>104,884</b>	<b>216,021</b>	<b>308,683</b>	<b>593,713</b>

**(b) Compensation of Key Management Personnel**

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options. The compensation for key management personnel for the three and nine months ended January 31, 2024 and 2023 as follows:

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Management fees	58,495	86,831	173,877	297,092
Salaries	37,665	61,514	111,965	214,419
Share-based payment	-	44,678	-	44,678
	<b>96,160</b>	<b>193,023</b>	<b>285,842</b>	<b>556,189</b>

**(c) Related Party Balances**

All related party balances payable, including for business expenses reimbursements, annual bonuses are approved by the board of directors, and for services rendered as at January 31, 2024 are non-interest bearing and payable on demand, with the exception of CAD convertible debentures. Those balances include \$0.3 million (April 30, 2023 - \$0.6 million) payable to the CEO and a company controlled by the CEO and \$0.2 million (April 30, 2023 - \$0.6 million) payable to the CFO.

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

**Commitments**

A summary of liabilities and future operating commitments on January 31, 2024 are as follows:

	Total	Within One Year	One to Five Years	Greater than Five Years
<b>Maturity analysis of financial liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accounts payable and accrued liabilities	5,587,488	5,438,643	148,845	-
Contractual liabilities payable to Equinox	5,060,822	3,434,349	1,626,473	-
Loans payable	3,133,542	2,176,245	957,297	-
Gold loan	7,588,820	7,588,820	-	-
Lease liabilities	1,373,875	557,253	716,105	100,517
	<b>22,744,547</b>	<b>19,195,310</b>	<b>3,448,720</b>	<b>100,517</b>
<b>Commitments</b>				
Gold sale deferred revenue	2,445,000	2,445,000	-	-
Asset retirement and reclamation obligations	2,012,257	-	-	2,012,257
	<b>4,457,257</b>	<b>2,445,000</b>	<b>-</b>	<b>2,012,257</b>
	<b>27,201,804</b>	<b>21,640,310</b>	<b>3,448,720</b>	<b>2,112,774</b>

**Fair Value of Financial Instruments**

As of January 31, 2024, the Company's financial instruments consist of cash, receivables, long term receivables, accounts payable and accrued liabilities, contractual liabilities payable to Equinox, loans payable and gold loan.

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.

As of January 31, 2024 and 2023, the Company believes that the carrying values of the financial instruments noted above approximate their fair values because of their nature and relatively short maturity dates or durations or their interest rates approximate market interest rates. The gold loan has been assessed on the fair value hierarchy described above and is classified as Level 2.

**Financial Instruments Risk**

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

*(i) Credit risk*

Credit risk exposure primarily arises with respect to the Company's cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high credit worthiness within Canada and continuously monitors the collection of other receivables.

*(ii) Liquidity risk*

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to settle obligations and liabilities when they become due. As of January 31, 2024, the Company had cash of \$1.25 million (April 30, 2023 - \$0.76 million) and current liabilities in excess of current assets of \$8.96 million (April 30, 2023 - current liabilities in excess of current assets \$7.36 million) with total liabilities of \$27.64 million (April 30, 2023 - \$24.8 million).

A summary of the Company's future operating commitments is presented above under the Commitments and Contingencies section.

*(iii) Market risk*

## a. Interest rate risk

Interest rate risk is the risk that financial instrument's fair value or future cash flows will fluctuate because of changes in market interest rates.

The Company invests cash in guaranteed investment certificates at fixed or floating interest rates to maintain liquidity while achieving a satisfactory return for shareholders. A change of 100 basis points in the interest rates would not be material to the financial statements. On January 31, 2024, the Company had no variable rate debt.

## b. Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates associated with the fluctuations in its Canadian dollar and the Peruvian New Sol ("Sol") bank accounts as well as the translation of foreign-held assets and liabilities at current exchange rates.

The Company's net exposure to the Canadian dollar and Sol on financial instruments, in US dollar equivalents, is as follows:

**INCA ONE GOLD CORP.**

## Management Discussion &amp; Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

	January 31, 2024	April 30, 2023
	\$	\$
CAD dollar:		
Cash	405,312	224,603
Receivables	7,031	9,334
Accounts payable and accrued liabilities	(405,221)	(538,073)
Contractual liabilities payable to Equinox	(4,046,572)	(4,630,171)
Loans Payable	(957,297)	(944,536)
<b>Net assets (liabilities)</b>	<b>(4996,747)</b>	<b>(5,878,843)</b>
Sol:		
Cash	676,639	82,835
Receivables	3,189,945	2,968,296
Prepaid expenses and deposits	495,598	-
Accounts payable and accrued liabilities	(1,447,315)	(973,579)
<b>Net assets (liabilities)</b>	<b>2,914,867</b>	<b>2,077,552</b>

Assuming all other variables constant, an increase or a decrease of 10% of the Canadian dollar against the US dollar, as of January 31, 2024 would have changed the Company's net loss by approximately \$0.5 million. Assuming all other variables constant, an increase or a decrease of 10% of the Peruvian Sol against the US dollar, as of January 31, 2024 would have changed the Company's net loss by approximately \$0.3 million.

The Company had no hedging agreements in place with respect to foreign exchange rates.

c. **Commodity price risk**

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's price risk relates primarily to: the spot price of gold for its derivative financial asset and its gold loan balances, and future gold price expectations as it relates to gold-bearing mineral purchases and sales revenues. The Company continuously monitors precious metal trading prices as they are included in projections prepared to determine its future strategy.

**Off-Balance Sheet Arrangements**

The Company has not entered into any off-balance sheet arrangements.

## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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### **Critical Accounting Policies, Estimates and Recent Accounting Pronouncements**

The preparation of the Company's unaudited condensed interim consolidated financial statements in accordance with IAS 1, *Presentation of Financial Statements*, requires management to make certain critical accounting estimates and to exercise judgment that affect the accounting policies and the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

Significant accounting judgments that management has made in the process of applying accounting policies which it considers have had the most significant effect on the amounts recognized in the unaudited condensed interim consolidated financial statements include, but are not limited to going concern, assessment of debt holders and their capacity to act as debt-holders, assessment of extinguishment versus modification of debt, classification and measurement of its gold loan, and assessment on its contingent debenture.

Management considers the areas currently requiring a significant degree of estimation and assumption and which have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, to include, but not be limited to, the value attributed to share-based compensation and share-purchase warrants, fair value measurement, deferred revenue, depreciation, inventory, asset retirement and reclamation obligation, deferred taxes and contingencies that could arise from time to time.

These accounting policies and estimates are further discussed in the Company's annual audited consolidated financial statements for the years ended April 30, 2023 and 2022.

#### *Changes in Accounting Standards*

For the Company's changes in the accounting standards, see the Company's unaudited condensed interim consolidated financial statements for the three months and nine months ended January 31, 2024 and 2023.

### **Risks and Uncertainties**

Mineral processing and production involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

#### *Operational Risks:*

The Company continuously monitors and responds to changes in operational risks, such as those noted below, and seeks to adhere to all regulations governing its operations.

**Mineral Supply:** The Company may not be able to source sufficient mill feed to operate both the Chala One and Kori One plants economically. In particular, the Company currently sources material exclusively from third-party sources and faces a competitive marketplace for the purchase of supply from Peruvian government-approved mineral sources. Consequently, the Company does not have control over the mineral grade,

## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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metallurgical recovery, nor quantities received, noting that the Company mitigates this risk by working with minimum cut-off purchase grades, providing fair terms to their customers, and sourcing material from established suppliers to ensure best efficiency and profitability of its plant operation.

**Production Schedules:** In relation to the mineral supply risks, no assurances can be provided that production schedules at the Chala One plant nor the Kori One plant, and the related operating margins and cash flows, are achieved, noting that failure to meet these schedules can have an adverse impact on the Company's profitability, results of operations, cash flows, and overall financial conditions.

**Qualified Staff:** Due to the competitive marketplace, the Company may have difficulty in hiring and retaining skilled employees and contractors to source sufficient mineral feed, operate the Chala One plant and the Kori One plant effectively (noting the diversity of mill feed received), and effectively administer the Peruvian permitting, compliance, exportation, and regulatory functions.

**Regulations, Permits, and Hazards:** The Company must also manage changing governmental laws and regulations, and the Company cannot guarantee title to its properties and permits. The Company must also contend with environmental hazards (including discharge of pollutants or hazardous chemicals), as well as industrial accidents and occupational and health hazards, mechanical failures, the unavailability of materials and equipment, and or lack of accessibility to required expertise.

**Acquisitions:** There is no assurance that the Company will acquire mineral properties and processing plants, and any acquisitions may expose the Company to new risks, and the mining industry is intensely competitive for acquiring new properties and plants.

*Financial risks:*

Financial risks include commodity prices, interest rates and fluctuating foreign exchange rates, all of which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital to continue funding its operations.

*Regulatory risks:*

Regulatory risks include the possible delays in getting regulatory approval to, and permits for, the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.



## **INCA ONE GOLD CORP.**

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2024, and 2023

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### **Cautionary Statement on Forward-Looking Information**

This MD&A contains forward-looking statements. All statements, other than statements of historical fact, constitute “forward-looking statements” and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, including the Company’s strategy, plans or future financial or operating performance and other statements that express management’s expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words “may”, “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company’s management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements.

Important factors that could cause actual results to differ from these forward-looking statements include but are not limited to: risks related to the exploration and potential development of the Company’s projects, risks associated with international operations, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of minerals, as well as those factors discussed in the sections relating to risk factors of the Company set out in this MD&A.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after their date of issue, or to revise them to reflect the occurrence of future unanticipated events.

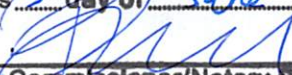
### **Disclosure Controls and Procedures**

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements for the three months and nine months ended January 31, 2024 and 2023 and this accompanying MD&A (together, the “Interim Filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at [www.sedar.com](http://www.sedar.com).

This is Exhibit " E " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at

Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Business Debtor - "INCA ONE GOLD"

**Search Date and Time:** May 27, 2024 at 5:23:40 pm Pacific time  
**Account Name:** BRIDGEHOUSE LAW LLP  
**Folio Number:** office

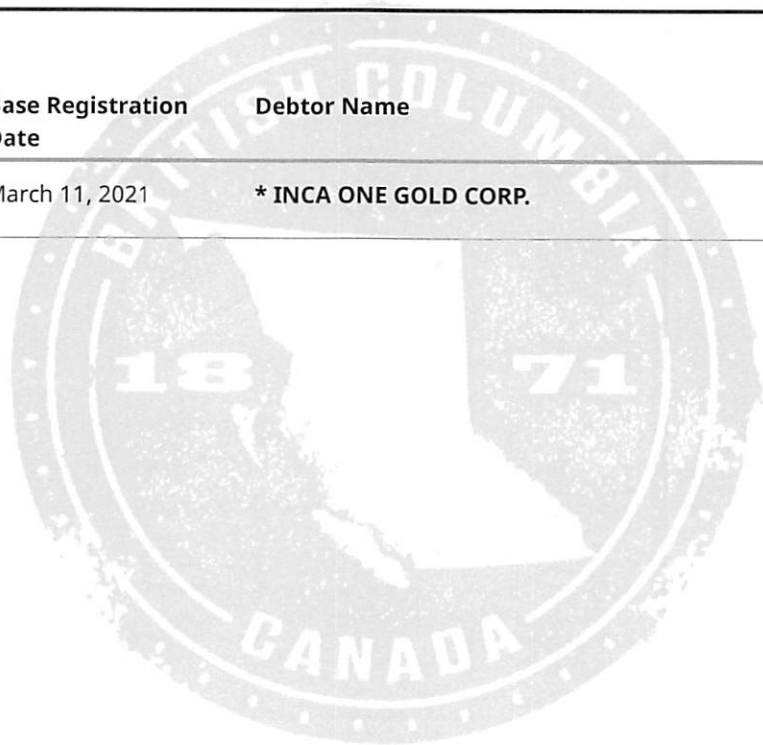
### TABLE OF CONTENTS

1 Match in 1 Registration in Report

Exact Matches: 1 (\*)

Total Search Report Pages: 6

	Base Registration	Base Registration Date	Debtor Name	Page
1	<a href="#">822837M</a>	March 11, 2021	* INCA ONE GOLD CORP.	2





# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Base Registration Number: 822837M

<b>Registration Description:</b>	PPSA SECURITY AGREEMENT
<b>Act:</b>	PERSONAL PROPERTY SECURITY ACT
<b>Base Registration Date and Time:</b>	March 11, 2021 at 8:36:55 am Pacific time
<b>Current Expiry Date and Time:</b>	March 11, 2025 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

### CURRENT REGISTRATION INFORMATION

(as of May 27, 2024 at 5:23:40 pm Pacific time)

#### Secured Party Information

**OCIM METALS AND MINING SA**

**Address**

RUE DU RHÔNE 49  
GENÈVE  
1204 Switzerland

**OCIM PRECIOUS METALS SA**

**Address**

RUE DU RHÔNE 49  
GENÈVE  
1204 Switzerland

#### Debtor Information

**INCA ONE GOLD CORP.**

**Address**

1140 W PENDER STREET - 850  
VANCOUVER BC  
V6E 4G1 Canada

**CHALA ONE S.A.C.**

**Address**

CAL. LOS TULIPANES NRO. 147 INT.  
LIMA  
503 Peru



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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## Vehicle Collateral

None

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## General Collateral

May 24, 2024 at 3:34:43 pm Pacific time

DELETED

ALL PRESENT AND AFTER ACQUIRED PROPERTY OF THE DEBTORS.

ADDED

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

---

### Base Registration General Collateral:

ALL PRESENT AND AFTER ACQUIRED PROPERTY OF THE DEBTORS.

---

## Original Registering Party

**BAKER & MCKENZIE LLP**

**Address**

181 BAY STREET, SUITE 2100  
TORONTO ON  
M5J 2T3 Canada



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**HISTORY**

(Showing most recent first)

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**AMENDMENT**

---

**Registration Date and Time:** May 24, 2024 at 3:34:43 pm Pacific time  
**Registration Number:** 400199Q  
**Description:**

**General Collateral**

May 24, 2024 at 3:34:43 pm Pacific time

**DELETED**

ALL PRESENT AND AFTER ACQUIRED PROPERTY OF THE DEBTORS.

**ADDED**

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

**Debtor Information**

**INCA ONE GOLD CORP.**  
*(Formerly INCA ONE GOLD CORP)*  
**NAME CHANGED**

**Address**  
1140 W PENDER STREET - 850  
VANCOUVER BC  
V6E 4G1 Canada

---

**CHALA ONE S.A.C.**  
**ADDED**

**Address**  
CAL. LOS TULIPANES NRO. 147 INT.  
LIMA  
503 Peru



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Secured Party Information

**OCIM PRECIOUS METALS SA**

ADDED

**Address**

RUE DU RHÔNE 49  
GENÈVE  
1204 Switzerland

## Registering Party Information

**DENTONS CANADA LLP**

**Address**

20TH FLOOR 250 HOWE STREET  
VANCOUVER BC  
V6C 3R8 Canada

## AMENDMENT

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**Registration Date and Time:**

January 30, 2024 at 2:18:53 pm Pacific time

**Registration Number:**

163416Q

**Description:**

## Secured Party Information

**OCIM METALS AND MINING SA**

ADDED

**Address**

RUE DU RHÔNE 49  
GENÈVE  
1204 Switzerland

## Registering Party Information

**DENTONS CANADA LLP**

**Address**

20TH FLOOR 250 HOWE STREET  
VANCOUVER BC  
V6C 3R8 Canada

## RENEWAL

---

**Registration Date and Time:**

August 3, 2021 at 9:58:35 am Pacific time

**Registration Number:**

151424N

**Registration Life:**

3 Years

**New Expiration Date and Time:**

March 11, 2025 at 11:59:59 pm Pacific time



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Registering Party Information

**BH LEGAL**

**Address**

1012-1030 W GEORGIA ST  
VANCOUVER BC  
V6E 2Y3 Canada



This is Exhibit " P " referred to in the  
 Affidavit of Edward Kelly  
 sworn (or affirmed) before me at  
Vancouver B.C.  
 this 3 day of June 2024.

  
 A Commissioner/Notary Public for the  
 Province of British Columbia

Execution Copy

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**GOLD LOAN AGREEMENT**

---

Between

**INCA ONE GOLD CORP.**  
as First Borrower

- and -

**CHALA ONE S.A.C.**  
as Second Borrower

- and -

**CORIZONA ONE S.A.C.**  
as Third Borrower

**OCIM PRECIOUS METALS S.A.**  
as Lender

Dated as of August 6, 2021

Handwritten signature and initials, possibly 'OK' with a flourish and the number '5' below it.

**GOLD LOAN AGREEMENT**

This Agreement is dated as of August 6, 2021.

**BETWEEN:**

**INCA ONE GOLD CORP.**, a corporation incorporated and organized under the laws of British Columbia, of 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada (the “**First Borrower**”);

**AND**

**CHALA ONE S.A.C.**, a *sociedad anónima cerrada* formed and organized under the laws of Peru, c/o Inca One Gold Corp. 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada (the “**Second Borrower**”);

**AND**

**CORIZONA ONE S.A.C.**, a *sociedad anónima cerrada* formed and organized under the laws of Peru, c/o Inca One Gold Corp. 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada (the “**Third Borrower**” and along with the First Borrower and the Second Borrower, the “**Obligors**”);

**AND**

**OCIM PRECIOUS METALS SA**, a *société anonyme* formed and organized under the laws of Switzerland, of rue du Rhône, 65, Genève, 1204 CH Switzerland (“**Lender**”),

**Background**

This Gold Loan Agreement (as may be amended from time to time, this “**Agreement**”) is being entered into by the Obligors and the Lender in connection with an advance to be provided to the Obligors by the Lender in an amount not to exceed the Facility Amount (the “**Loan**”). The Loan and the other obligations of the Obligors under this Agreement are secured or guaranteed or otherwise supported by, as the case may be, (i) the joint and several liabilities of the Obligors pursuant to Section 6 of this Agreement; (ii) the Canadian General Security Agreement; (iii) the Share Pledge Agreements (subject at all times to the limitation contained in Subsection 14(a) of this Agreement); and (iv) the Peruvian Security Agreements. This Agreement, the Canadian General Security Agreement, the Share Pledge Agreements and the Peruvian Security Agreements, as well as each and every other document or instrument executed in connection therewith by the Obligors, are hereinafter referred to as the “**Loan Documents**”.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree as follows. In addition to terms defined elsewhere in this Agreement, in this Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

“**Accounting Standards**” means the accounting standards to which the Obligors adhere to at the time of Closing.

**"Additional Property"** has the meaning specified thereto in subparagraph (g) of the definition of Permitted Financial Indebtedness herein.

**"Advance Date"** means the First Advance Date or the Subsequent Advance Date, as the case may be.

**"Borrower Account"** means the account number and details in the name of the Obligors, the details of which are set out in Appendix VII, as such account may be redenominated or redesignated in writing by the Obligors from time to time.

**"Business Day"** means any day that is not a Saturday, Sunday or other day on which banks in Vancouver, British Columbia or Geneva, Switzerland are authorized or required to close.

**"Canadian General Security Agreement"** means the general security agreement to be granted by the First Borrower in favour of the Lender on or before the First Advance Date.

**"Change of Control"** means (i) any change in the ownership, directly or indirectly, beneficially or of record, by any Person or group of Persons acting jointly or otherwise in concert, of equity securities representing more than 20% of the aggregate ordinary voting power represented by the issued and outstanding equity securities of the Obligors, (ii) the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Obligors by Persons who were neither (A) nominated by the board of directors of the Obligors nor (B) appointed by directors so nominated, (iii) the acquisition of direct or indirect control of the Obligors by any Person or group of Persons acting jointly or otherwise in concert, or (iv) the First Borrower ceasing to directly or indirectly hold 100% of the issued and outstanding share capital in the Second Borrower.

**"Closing"** means the completion of the delivery of the Facility Amount by the Lender to the Obligors and the exchange of all of the documents contemplated to be exchanged in this Agreement and the completion of all other steps contemplated to be taken in this Agreement on or before the First Advance Date or the Subsequent Advance Date, as the case may be.

**"Default"** has the meaning specified thereto in Section 5.

**"Delivery"** has the meaning specified thereto in Section 2.

**"Delivery Date"** means each date set out in the Direction on which Gold is, or is to be, delivered under this Agreement to the Lender Account and on which title and risk to such Gold delivered by the Obligors or their agent to the Lender shall be transferred to the Lender.

**"Delivery Obligations"** means, as the context requires, Delivery of Gold made, or to be made, under this Agreement or the amount of Gold remaining to be delivered under this Agreement.

**"Direction"** means the payment direction, the form of which is set out in Appendix VI, providing, among other details, the net amount after applicable deduction for Expenses, the account details of the Obligors to which the Lender will advance the Loan, the First Advance Date, and the dates on which repayment of the Loan by way of Delivery shall be made, and which the

Obligors and the Lender shall agree to and execute prior to the First Advance Date. In the case of a Subsequent Advance, the Lender and the Obligors will agree on the applicable terms to be set out in another Direction with respect to the Subsequent Advance.

**“Direction Date”** means the date specified in the Direction as the date in reference to which amounts of Gold are to be delivered pursuant to the terms of this Agreement shall be determined.

**“Effective Date”** means the date of the execution of this Agreement.

**“Eligible Purpose”** means the exclusive use of the Facility Amount for the Obligors’ operations in Peru, including for: (i) the purchase of material to use as mill feed for the Chala One and Kori One ore processing facilities in Peru, (ii) making the final payments owed by the First Borrower to the Emerging Manager Platform (2) Ltd. – Income Bonds Fund (“Emerging”) pursuant to the Amended and Restated Secured Debenture Certificate dated March 28, 2018 (currently C\$1,644,844) and (iii) for corporate matters in the ordinary course of the Obligors’ businesses, other than: (i) distributions or dividends made by either Obligor to its shareholders or (ii) employee or management bonuses, supplements or profit sharing arrangements.

**“Emerging”** means the Emerging Manager Platform (2) Ltd. – Income Bonds Fund.

**“Expenses”** means the Lender’s reasonably documented legal or technical fees or other costs associated with the preparation and execution of the term sheet setting out the terms of this Agreement, this Agreement, any of the other Loan Documents and preparations for Closing, including, without limitation, any expense incurred in connection with conducting any due diligence, up to a maximum of US\$50,000. For greater certainty, this maximum does not apply to any additional expenses or costs the Lender incurs in enforcing or litigating its rights under this Agreement after the Closing Date.

**“Facility Amount”** means the First Advance and the Subsequent Advance, if any.

**“Facility Obligations”** has the meaning specified thereto in Subsection 6(a).

**“First Advance”** means the advance of US\$6,000,000 by the Lender to the Obligors.

**“First Advance Date”** has the meaning specified thereto in Section 1.

**“Gold”** means gold of minimum .995 fineness in gold bars, conforming in all respects with the specification for “Good Delivery Gold Bars” under the “Good Delivery Rules”, as published by the LBMA from time to time.

**“Gold Loan Ounces”** has the meaning specified thereto in Section 2.

**“Gold Price”** means the LBMA AM (10:30am UTC) closing gold price on a date.

**“Governmental Authority”** means any national or federal government, any province, state, regional, municipal, local or other political subdivision thereof with jurisdiction and any person with jurisdiction exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

**"Indebtedness"** means, with respect to any Obligor, without limitation: (i) debt arising from the lending of money by any Person to any Obligor; (ii) debt, whether or not in any such case arising from the lending by any Person of money to any Obligor: (a) which is represented by notes payable or drafts accepted that evidence extensions of credit; (b) which constitutes obligations evidenced by bonds, debentures, notes or similar instruments; (c) upon which interest charges are customarily paid (other than accounts payable) or that was issued or assumed as full or partial payment for Property; or (d) to the extent not covered by the foregoing clauses (a) through (c), incurred pursuant to any amalgamation, consolidation or acquisition by any Obligor; (iii) debt that constitutes a capitalized lease obligation; (iv) reimbursement obligations with respect to letters of credit or guaranties of letters of credit; and (v) any guaranty of obligations that would constitute Indebtedness under clauses (i) through (iv) hereof if owed directly by a Person.

**"Intercreditor Agreement"** has the meaning specified thereto in Section 14(a).

**"LBMA"** means the London Bullion Market Association.

**"Lender Account"** means the account number and details in the name of the Lender at Julius Baer, Geneva, the details of which are set out in Appendix VII, as such account may be redenominated or redesignated from time to time in writing by the Lender from time to time.

**"Lien"** means any lien, encumbrance, mortgage, pledge, charge, restriction or other security interest of any kind upon any of the Obligors' Property, or upon the income or profits therefrom.

**"Loan Documents"** has the meaning ascribed to it in the recitals to this Agreement.

**"Material Adverse Effect"** means a material adverse effect on (i) the ability of either or both Obligors to perform and comply with their obligations under this Agreement or any of the Loan Documents, (ii) the business, operations, Property or financial condition of any of the Obligors, taken as a whole, excluding accepted industry-wide fluctuations or risks affecting the industry and acts of war, terrorism, natural disasters, epidemics and pandemics, or (iii) the validity or enforceability of any term of this Agreement or any of the Loan Documents.

**"Material Contracts"** means the contracts listed in Appendix III which are all of the agreements, contracts, arrangements or commitments material to the Obligors' businesses as they are now carried on.

**"Maturity Date"** means the date that is 540 days after the First Advance Date, or the next immediate Business Day if the 540<sup>th</sup> day is not a Business Day, unless extended in agreement between the Parties to reflect a Subsequent Advance.

**"Non-Guarantor Subsidiary"** has the meaning specified thereto in Section 14(a).

**"Obligors"** means, collectively, the First Borrower, the Second Borrower and the Third Borrower, and each an **"Obligor"**.

**"Permitted Encumbrances"** means, in respect of any Obligor, any one or more of the following:

- (a) security for taxes, labour matters, worker's compensation, unemployment insurance and other types of social security, assessments or other governmental charges or levies if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and where adequate reserves (segregated to the extent required by Accounting Standards) satisfactory to the Lender, acting reasonably, have been established in accordance with Accounting Standards and so long as such contested security could not reasonably be expected to have a Material Adverse Effect;
- (b) security imposed by law, such as landlords, carriers, warehousemen and mechanics' liens and other similar liens arising in the ordinary course of business associated with amounts not yet due and payable, provided that (i) such security is not registered against title to any assets of the Obligors and in respect of which adequate holdbacks are being maintained as required by law, (ii) such security does not, in the aggregate, materially detract from the value of the assets of the Obligors or materially impair the use thereof in the Obligors' operation of the assets of the Obligors, in each case, taken as a whole, or (iii) such security is being contested in good faith by appropriate proceedings and in respect of which there has been set aside a reserve (segregated to the extent required by Accounting Standards) in an amount satisfactory to the Lender, acting reasonably;
- (c) security created or arising under any conditional sale, hire purchase or other title retention agreement with respect to Property acquired by the Obligors in the ordinary course of business, provided the security is limited to such Property and the amount secured is not past due for more than 91 days after the date on which such security was created;
- (d) security created or arising under any capital or operating lease which is a Permitted Financial Indebtedness, provided that such security is limited to the relevant operating equipment or Property;
- (e) any netting or set-off arrangement entered into in the ordinary course of banking arrangements for the purpose of netting debit and credit balances of any bank accounts;
- (f) security arising under this Agreement and the other Loan Documents;
- (g) security permitted with the written consent of the Lender;
- (h) in the case of real property, any matters, restrictions, covenants, conditions, limitations, rights, rights of way, encumbrances, encroachments, defects, irregularities, reservations, easements, agreements and other matters of record, such state of facts of which an accurate survey of the property would reveal, which in the aggregate, are not material in amount, and which do not, in the aggregate, materially detract from the value of any such real property or materially interfere with the ordinary conduct of any Obligor's business;

A handwritten signature in black ink, appearing to be 'GJ' followed by the initials 'LN' to the right.

- (i) attachments, appeal bonds, judgments and other similar Liens for sums not exceeding US\$1,000,000 arising in connection with court proceedings; provided that the execution of such Liens is effectively stayed;
- (j) Liens incurred or deposits made to secure the performance of or otherwise in connection with statutory obligations, environmental reclamation obligations, bids, leases, customer or supplier contracts, government contracts, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;
- (k) Liens given to a public utility or any Governmental Authority when required by such utility or other authority in connection with the operation of the business or the ownership of the Property or assets of any Obligor;
- (l) Liens arising under customary contracts for the sale, purchase, exchange, transportation, gathering or processing of precious metals or other minerals incurred in the ordinary course of business and that do not secure Indebtedness;
- (m) Liens in favour of mining authorities arising by operation of law;
- (n) Liens on any Additional Property existing at the time of acquisition of such Additional Property by any Obligor;
- (o) Liens on inventory of the Second Borrower in favour of Avla Peru Compañia de Seguros S.A.; and
- (p) security granted in connection with subparagraphs (c), (d), (e), (f), (g) and (h) of the definition of Permitted Financial Indebtedness herein;

**“Permitted Financial Indebtedness”** means, in respect of any Obligor, any one or more of the following:

- (a) Indebtedness under any of the Loan Documents;
- (b) capital or operating lease obligations with respect to operating equipment or Property up to a maximum aggregate amount of US\$1,000,000;
- (c) existing Indebtedness of the Obligors as disclosed to the Lender in Appendix IV;
- (d) Indebtedness owed in connection with accounts payable to trade creditors and current operating expenses, in each case, incurred in the ordinary course of business;
- (e) Indebtedness consented to in writing by the Lender, such consent not to be unreasonably withheld;
- (f) Indebtedness incurred under any operating line of credit or similar loan facility or arrangement with a bank, financial institution and/or gold refiner or similar entity



up to a maximum aggregate amount of US\$1,500,000, provided that any such Indebtedness shall rank subordinate to the Facility Obligations and the Loan Documents;

- (g) Indebtedness incurred to acquire additional mineral properties, interests or projects located, in whole or in part, within Peru (each an "Additional Property"), whether by way of asset or share purchase, amalgamation, merger, arrangement or similar business combination, provided that such Indebtedness does not exceed (A) in respect of any Additional Property, 50% of the purchase price paid or payable by the Obligor for such Additional Property, or (B) a maximum aggregate amount of US\$15,000,000 for all Additional Properties, provided that any such Indebtedness shall rank subordinate to the Facility Obligations and the Loan Documents. Notwithstanding the foregoing, the Borrower shall be permitted to pay down, repay or prepay such Indebtedness in the ordinary course or as permitted thereunder, so long as no Event of Default exists or results from the making of such payment;
- (h) Indebtedness provided by the First Borrower to the Second Borrower; and
- (i) unsecured Indebtedness incurred in the ordinary course of business.

"Person" shall mean any individual, corporation, partnership, limited liability company, trust, unincorporated association, business, or other legal entity, and any Governmental Authority.

"Peruvian Security Agreements" means specifically, a) a pledge over movable assets granted by the Second Borrower, b) a mortgage document over the mining concessions granted by the Third Borrower, and c) a pledge over the plant granted by the Second Borrower in favour of the Lender as of the First Advance Date.

"Property" means all of the real and personal property of each of the Obligors, as applicable.

"Required Tax Deduction or Withholding" has the meaning specified thereto in Section 7.

"Share Pledge Agreements" means the (i) British Columbia law governed share pledge agreement to be granted by the First Borrower in favour of the Lender over the Shares of the Second Borrower on or before the First Advance Date and (ii) British Columbia law governed share pledge agreement to be granted in favour of the Lender over the Shares of the Third Borrower on or before the First Advance Date.

"Shares" means all of the issued and outstanding shares in the capital of each of the Obligors.

"Specified Time" has the meaning specified thereto in Section 3.

"Subsequent Advance" means the advance of US\$3,000,000 by the Lender to the Obligors.

**“Subsequent Advance Date”** has the meaning specified thereto in Section 1.

**“Third Party Lender”** has the meaning specified thereto in Section 14(a).

**“Time of Delivery”** has the meaning specified thereto in Section 3.

**“US\$”** means United States dollars.

1. **Advance of the Facility Amount.** Subject to the terms of this Agreement, the Lender agrees to make the Facility Amount, less the amount of the Expenses, available to the Obligors. The Loan will be made available in a one or more advances, with the first being on the date set forth in the Direction (the **“First Advance Date”**), payable by the Lender to the Obligors to such accounts as agreed between the Lender and the Obligors prior to the Direction Date; provided however that there shall be no unreasonable delay between the Effective Date and the First Advance Date and in no case will this delay exceed 30 days. Provided that the first fifty percent (50%), calculated based on the number of Gold ounces delivered, of the scheduled Gold Deliveries (as defined herein) set forth in the applicable Direction or more are made by the Obligors without a Default (as defined herein) having occurred, at the request of the Obligors and with the consent of the Lender, the Obligors will be entitled to receive a subsequent additional advance of US\$3,000,000 (the **“Subsequent Advance”**), expected to be payable on or about five (5) Business Days after the date that delivery of such fifty percent (50%) of the scheduled Gold Deliveries is completed and the Obligors have advised the Lender in writing of their request for a Subsequent Advance (the **“Subsequent Closing Date”**). The proceeds of the Loan may only be used by the Obligors for the Eligible Purpose and payment of the Expenses.

2. **Repayment.**

- (a) Subject to Section 7, the Obligors shall repay such portion of the Loan which is payable by delivering, or causing to be delivered, Gold (the **“Deliveries”** and each a **“Delivery”**) from the Obligors, or an account of their agent, to the Lender Account, that certain number of ounces of fine gold set forth in the Direction (the **“Gold Loan Ounces”**) finalized in the form attached as Appendix VI, based on the LBMA AM (10:30am UTC) closing Gold Price on the Direction Date rounded up to the nearest whole ounce, on the dates set forth in the Direction in accordance with the following schedule:
- (i) the Obligors will make, or cause to be made, a Delivery of 1/16 of the Gold Loan Ounces at or before the Specified Time on the 90<sup>th</sup> day following the First Advance Date; and
  - (ii) the Obligors will make 15 Gold Deliveries of 1/16 of the Gold Loan Ounces each before the Specified Time on the each of the subsequent dates that is 30 days after the previous Delivery Date, subject to adjustment for a Delivery Date falling on a date that is not a Business Day, with the last such Delivery due and payable on the Maturity Date.

For the avoidance of doubt, subject to Section 7, the number of Gold Loan Ounces will be calculated using a 13.5% (thirteen and a half percent) annualized discount

to the Gold Price and applying it over the term of the Loan in accordance with the following formula:

$$\text{Gold Loan Ounces} = (\$6,000,000) / \{ \text{Gold Price} - [ \text{Gold Price} \times (13.5\% / 12 \text{ months} \times 18 \text{ months}) ] \}$$

- (b) The Obligors may, at any time and from time to time, in their sole discretion, prepay the Loan, in whole or in part, without premium, penalty or discount, on any Delivery Date by written notice to the Lender at least five Business Days prior to such Delivery Date specifying the number of Gold Loan Ounces to be prepaid and delivered from the Borrower Account, or accounts of their agents, to the Lender Account. Partial prepayments of the Loan shall be permitted., provided that any prepayment of Gold Loan Ounces shall not relieve the Obligors of their obligations to make the Gold Deliveries set out in Subsection 2(a), on the due dates thereof until the total number of Gold Loan Ounces has been repaid by the Obligors to the Lender. Prepayments of Gold Loan Ounces will be applied against the next scheduled advance date.
- (c) In the case of a Subsequent Advance, in addition to their remaining Gold Delivery obligations associated with the First Advance, the number of Gold Loan Ounces deliverable in connection with the Subsequent Advance will be set out and agreed to in another Direction. The Obligors will make an additional 18 equal monthly Gold Deliveries at the Specified Time commencing on the date that is 30 days after the Subsequent Closing Date and continuing on each of the subsequent dates that is 30 days after the previous Delivery Date, subject to adjustment for a Delivery Date falling on a date that is not a Business Day, including on the subsequent Maturity Date.
- (d) The obligations of the Obligors under this Agreement are joint and several.

3. **Delivery of Gold.** Each Delivery to be made by, or for the benefit of, the Obligors to the Lender under this Agreement must be delivered by credit to the Lender Account no later than 3:00pm UTC (London time) or such other time as agreed between the Lender and the Obligors ("Specified Time") on each Delivery Date. A Delivery by the Obligors, as set out in the Direction finalized in accordance with Appendix VI, to the Lender will be deemed to have occurred on the day and at the time on which the relevant Gold is credited to the Lender Account ("Time of Delivery"), provided that if such time is later than the Specified Time, then the Time of Delivery shall be deemed to be 10:30am UTC (London time) on the next Business Day thereafter. The number of ounces of Gold credited to the Lender Account on each Delivery Date shall be final and conclusive, absent any manifest error, subject to any adjustment pursuant to Section 7. The Obligors shall be responsible for all costs and expenses relating to any Gold delivered or to be delivered to the Lender under this Agreement prior to the Time of Delivery, including but not limited to transportation, refining and insurance. All taxes (excluding income taxes payable by the Lender), tariffs and duties arising or incurred in relation to any Gold delivered or to be delivered by the Obligors to the Lender under this Agreement prior to the Time of Delivery shall be borne by the Obligors.

4. **Delivery by Obligors of Gold.** The Obligors agree to: (i) deposit sufficient Gold into the Lender Account to satisfy the Obligors' Delivery Obligations under this Agreement; (ii) contract with an LBMA approved refinery to deposit sufficient Gold into the Lender Account to satisfy the Obligors' Delivery Obligations; (iii) purchase sufficient Gold to deliver to the Lender by credit to the Lender Account to satisfy the Obligors' Delivery Obligations under this Agreement; or (iv) solely at the discretion of the Lender and upon payment of an additional substitution fee of up to US\$10,000 to compensate the Lender for its additional expense and opportunity cost, pay to the Lender the USD equivalent of the Delivery Obligations on each Delivery Date in the manner set out in this Agreement.

5. **Default.**

- (a) The occurrence of any of the following events shall be a default hereunder (each a "Default") but only after the expiration of any cure or remedy periods (unless, for greater certainty, by its nature such Default cannot be remedied by a cure or remedy period):
  - (1) the Obligors shall fail to make any payment or Delivery of any kind under this Agreement or any other Loan Document including, but not limited to, any Delivery Obligations, on any date such payment or delivery is due (provided that the Obligors shall have a period of 5 Business Days from the date of such failure, within which to cure such Default(s));
  - (2) any representation or warranty made by any Obligor to the Lender in this Agreement or any other Loan Document shall fail to be true and correct in any material respect (provided that such Obligor shall have a period of 30 Business Days from the date such Obligor receives written notice thereof from the Lender, within which to cure such Default(s));
  - (3) any Obligor shall fail to observe or perform any of the covenants, agreements or obligations (excluding the Obligors' obligation to make any payment or Delivery and the obligation to comply with the conditions precedent) contained in this Agreement, any other Loan Document, or any other agreement with the Lender in any material respect (provided that such Obligor shall have a period of 10 Business Days from the date such Obligor receives written notice thereof from the Lender within which to cure such Default(s));



- (4) any Obligor shall institute proceedings to be adjudicated bankrupt or insolvent, or the consent by any Obligor to the institution of bankruptcy or insolvency proceedings against it under any applicable federal, provincial or state insolvency, bankruptcy or reorganization law, including under Peruvian insolvency law, or acquiescence in, the filing of any such petition or in the appointment of a receiver, liquidator, assignee, trustee, or other similar official of any Obligor, or of any substantial part or its Property, or the making by such Obligor of an assignment for the benefit of creditors, or the admission by such Obligor in writing of its inability to pay its debts generally as they become due;
- (5) within 60 days after the commencement of proceedings against any Obligor seeking any bankruptcy, insolvency, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such action shall not have been dismissed or all orders or proceedings thereunder affecting the operations or the business of such Obligor stayed, or the stay of any such order or proceedings shall thereafter be set aside, or, within 30 days after the appointment without the consent or acquiescence of such Obligor of any trustee, receiver or liquidator of such Obligor over of all or any substantial part of the Property of such Obligor, such appointment shall have not been vacated;
- (6) breach of any Material Contract which results in an event of default being called against any Obligor under such Material Contract provided however, the Obligors shall have a period of 20 Business Days within which to cure such breach;
- (7) any event or circumstances has occurred and is continuing which, in the opinion of the Lender, acting reasonably and in good faith, has had or would reasonably be expected to have or cause, a material adverse change in, or a Material Adverse Effect on, the operations, business, Property, liabilities (actual or contingent) or financial condition of any of the Obligors;
- (8) any Obligor shall dissolve or take corporate action toward dissolution;
- (9) final judgments which exceed an aggregate of US\$1,500,000 shall be rendered against the Obligors and shall not have been paid, discharged or vacated within 60 days after entry or filing of such judgments, but excluding any final judgments covered by insurance, which coverage has been acknowledged by the relevant insurance company, provided that any such judgement shall rank subordinate to the Facility Obligations and the Loan Documents;
- (10) any "event of default" (as such term is defined under any applicable underlying agreement) of any Obligor's Indebtedness in excess of US\$500,000 in the aggregate shall occur or any failure of the Obligors to pay any such Indebtedness when due shall occur and all cure periods,

extensions, waivers and forbearances thereunder have expired and the applicable lender(s) thereunder is taking steps to realize such Indebtedness;

- (11) any Obligor ceases carrying on business, or a substantial part thereof;
- (12) a Change of Control or a change in key management of any of the Obligors shall have occurred, and the Lender's consent has not been obtained, such consent not to be unreasonably withheld, delayed or conditioned;
- (13) an order being made, a petition being filed or a resolution being passed for the winding up, dissolution or liquidation of an Obligor, as applicable, or for the suspension of the operations of an Obligor; and
- (14) any Loan Document shall cease to be legal, valid or enforceable or any Obligor alleges any Loan Document is not legal, valid or enforceable;

and in all cases of (1) through (14) above, the Obligors shall have provided the Lender with written notice in reasonable detail of such Default immediately upon discovering it.

- (b) **Remedies upon Default.** Upon the occurrence (and at any time during the continuance) of any Default, the Lender, by notice in writing to the Obligors, may (i) declare all outstanding Delivery Obligations and any other outstanding Facility Obligations to be immediately deliverable or otherwise due and payable and the same shall become immediately deliverable or otherwise due and payable upon such declaration, (ii) exercise or pursue any remedy available to the Lender under any of the Loan Documents, and (iii) pursue any remedy available to the Lender at law or in equity; provided, however, that in the event of any Default under Subsection 5(a)(4), 5(a)(5) or 5(a)(12) above, all outstanding Delivery Obligations and any other outstanding Facility Obligations shall automatically become immediately deliverable or otherwise due and payable, without the need for declaration, presentment, demand, protest, or other notice of any kind.
- (c) **Default Interest.** Upon the occurrence and during the continuance of a Default, the unpaid amount of the Facility Obligations outstanding (calculated by multiplying the portion of Delivery Obligations not yet satisfied by the Facility Amount, and then adding any other amounts then owing to the Lender under this Agreement) will accrue interest at 12% per annum. Any such interest shall be calculated daily on the basis of a year of 360 days and shall be payable by the Obligors to the Lender on the last day of each calendar month such amounts are owed and outstanding to the account specified by the Lender to the Obligors in any such notice. For greater certainty, this section does not relieve the Obligors of any obligation to make Gold Deliveries then outstanding, but does confirm that any default interest accruing on such Delivery Obligations and other amounts, if any, in default accrues as a cash payment obligation and not as additional Gold Deliveries.
- (d) **Criminal Interest.** If any provision of this Agreement would oblige an Obligor to make any payment of interest or other amount payable to the Lender in an amount

or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Lender of "interest" at a "criminal rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Lender of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:

- (i) first, by reducing the amount or rate of interest required to be paid to the Lender under the terms of this Agreement; and
  - (ii) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Lender which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).
- (e) **Remedies Cumulative.** No remedy conferred herein on the Lender is intended to be exclusive. Each and every remedy will be cumulative and will be in addition to every other remedy given hereunder or thereunder or now or hereafter existing at law or in equity or by statute or otherwise. The exercise or commencement of exercise by the Lender of any one or more of such remedies will not preclude the simultaneous or later exercise by the Lender of any or all other such remedies.
- (f) **Specific Performance.** The Obligors further agree that a breach of any of the covenants contained in this Agreement or any of the Loan Documents will cause irreparable injury to the Lender, that the Lender has no adequate remedy at law in respect of such breach and, as a consequence, agrees that each and every covenant contained in this Agreement by the Obligors be specifically enforceable against the Obligors, and the Obligors hereby waive and agree not to assert any defenses against an action for specific performance of such covenants except for a defense that the Facility Obligations are not then due and payable in accordance with the Loan Documents and instruments governing and evidencing such obligations.

**6. Joint and Several Obligations of Obligors.**

- (a) **Facility Obligations.** The Obligors hereby agree that they are jointly and severally liable for the prompt payment and performance when due, owing, and so obliged, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Loan and all other obligations (including all Delivery Obligations, all indemnity obligations and all costs and expenses including, without limitation, all court costs and reasonable attorneys' and paralegals' fees and expenses paid or incurred by the Lender in endeavoring to collect or secure performance of all or any part of these obligations from, or in prosecuting any action against, the Obligors or any other guarantor of all or any part of such obligations) of the Obligors owing to the Lender under, pursuant to or otherwise in connection with this Agreement or any other Loan Documents, whether now or hereafter existing or arising, and

whether due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined (collectively the "Facility Obligations").

- (b) Payment, Performance and Collection. The Obligors waive any right to require the Lender to all of the First Borrower, the Second Borrower and the Third Borrower or just the First Borrower or just the Second Borrower or just the Third Borrower, or any other Person obligated for all or any part of the Facility Obligations, or otherwise to enforce their payment against any collateral securing all or any part of the Facility Obligations.
- (c) No Discharge or Diminishment of Facility Obligations.
- (i) Except as otherwise provided for herein, the Facility Obligations are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason, other than the payment in full of the Facility Obligations, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Facility Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Obligors or any other obligated party liable for any of the Facility Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any obligated party, or their assets or any resulting release or discharge of any obligation of any obligated party; or (iv) the existence of any claim, setoff or other rights which the Obligors may have at any time against any other obligated party, the Lender, or any other Person, whether in connection herewith or in any unrelated transactions.
- (ii) The obligations of the Obligors hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Facility Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any obligated party, of the Facility Obligations or any part thereof.
- (iii) Further, the obligations of the Obligors hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Facility Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Facility Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Obligors for all or any part of the Facility Obligations or any obligations of any other obligated party liable for any of the Facility Obligations; (iv) any action or failure to act by the Lender with respect to any collateral securing any part of the Facility Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Facility Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the



Obligors or that would otherwise operate as a discharge of an Obligor as a matter of law or equity, other than the payment in full of the Facility Obligations.

- (d) **Defenses Waived.** To the fullest extent permitted by applicable law, the Obligors hereby waive any defense based on or arising out of any defense of the Obligors or the unenforceability of all or any part of the Facility Obligations from any cause, or the cessation from any cause of the liability of the Obligors, other than the payment in full of the Facility Obligations. Without limiting the generality of the foregoing, the Obligors irrevocably waive acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against the Obligors. The Obligors confirm that they are not a surety under any applicable law and shall not raise any such law as a defense to their obligations hereunder. The Lender may, at its election, foreclose on any security held by it by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Facility Obligations, compromise or adjust any part of the Facility Obligations, without affecting or impairing in any way the liability of the Obligors, except to the extent the Facility Obligations have been paid in full. To the fullest extent permitted by applicable law, the Obligors waive any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of the Obligors against any obligated party or any security.
- (e) **Rights of Subrogation.** The Obligors will not assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any other obligated party with respect to the Facility Obligations, or any collateral, until the Obligors have fully performed all their obligations to the Lender.
- (f) **Reinstatement; Stay of Acceleration.** If at any time any payment of any portion of the Facility Obligations, including a payment effected through exercise of a right of setoff, is rescinded, or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of the Obligors or otherwise, including pursuant to any settlement entered into by the Lender in its discretion, the Obligor's obligations with respect to the Facility Obligations shall be reinstated at such time as though the payment had not been made and irrespective of whether the Lender is in possession of this Facility Obligation. If acceleration of the time for payment of any of the Facility Obligations is stayed upon the insolvency, bankruptcy or reorganization of the Obligors, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Facility Obligations shall nonetheless be payable by the Obligors forthwith on demand by the Lender.

7. **Gross Up.** All payments under this Agreement by the Obligors will be made without any deduction or withholding for or on account of any tax or other withholding or deduction unless such tax, deduction or withholding is required by any applicable law then in effect

(a “Required Tax Deduction or Withholding”). If the Obligors are so required to deduct or withhold any Required Tax Deduction or Withholding, then the Obligors will promptly notify the Lender of such requirement and:

- (a) pay to the relevant authorities the full amount of the Required Tax Deduction or Withholding (including the full amount required to be deducted or withheld from any additional amount paid by the Obligors to the Lender under this Section 7) promptly upon the earlier of determining that the Required Tax Deduction or Withholding is required or receiving notice that such amount has been assessed against the Obligors and such payment will be made within the time limits prescribed by the applicable law;
- (b) promptly forward to the Lender an official receipt (or a certified copy), or other documentation reasonably acceptable to the Lender, evidencing such payment to such authorities; and
- (c) pay to the Lender, in addition to the payment to which the Lender is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by the Lender will equal the full amount the Lender would have received had no such Required Tax Deduction or Withholding been required.

8. **Expenses.** The Obligors agree to reimburse the Lender for any reasonably documented legal fees or other costs associated with the preparation and execution of the applicable term sheet, this Agreement or any of the other Loan Documents and preparations for Closing (the “Expenses”), including, without limitation, any expense incurred in connection with conducting any due diligence, up to a maximum of US\$50,000. The Lender shall provide a detailed budget setting out the proposed expenses for the due diligence costs and the Borrowers shall not be responsible for any costs that exceed the budgeted amounts by more than 10% and in no event will be responsible for any costs that exceed US\$50,000 in the aggregate. The Lender shall provide detailed receipts for all expenses incurred prior to being reimbursed by the Borrowers. In addition, the Obligors agree to pay all duty and registration fees or other similar duties, fees and taxes which may be payable or determined to be payable on or in connection with this Agreement or any other Loan Document. The Obligors, jointly and severally, will indemnify the Lender on demand against liability for all such duty, registration fees or other similar duties, fees and taxes payable or determined to be payable. This limit does not apply to any costs of the Lender in enforcing this Agreement.

9. **Representations and Warranties.** Each of the Obligors hereby makes each of the representations and warranties set forth on Appendix I hereto, as of the date of this Agreement and as of the First Advance Date and if applicable, as of the Subsequent Advance Date.

10. **Covenants.** Each of the Obligors hereby agrees to observe and fully perform each of the covenants set forth on Appendix II hereto.

11. **Conditions Precedent.** The Lender shall not be required to advance the Loan until such time as each of the Obligors, as applicable, shall have duly executed and delivered, or caused

to be duly executed and delivered to the Lender the following documents, in form and substance satisfactory to the Lender, acting reasonably, and performed the following undertakings to the satisfaction of the Lender, unless waived in writing by the Lender:

- (a) this Agreement;
- (b) the satisfaction of all of the Obligors obligations under the Gold Loan Agreement dated March 15, 2021 between the Lender and the Obligors;
- (c) the Canadian General Security Agreement, which, for greater certainty, shall exclude the shares in Anthem United Inc.;
- (d) release of existing security over the assets of the Obligors' (except for (i) security in favour of Emerging, which shall be released contemporaneously with delivery of the First Advance to the Obligors, (ii) security in favour of Equinox Gold Corp. and (ii) security in favour of Promerita Financial Corp. (for greater certainty, the Promerita security does not secure any obligations and action to discharge same are underway));
- (e) the Share Pledge Agreements and the perfection and registration requirements set forth in the Share Pledge Agreements;
- (f) the Peruvian Security Agreements and the perfection and registration requirements set forth in the Peruvian Security Agreements, all of which shall be tabled in executable form at the First Closing Date;
- (g) an officer's certificate of each Obligor with respect to incumbency and resolutions authorizing the execution of this Agreement and the other Loan Documents to which it is a party;
- (h) confirmation that the parties shall have received all authorizations required by the TSXV in connection with the transactions contemplated by this Agreement, if any;
- (i) confirmation that no default under this Agreement or under any other Loan Document or any Default shall have occurred and be continuing, nor shall the advance of the Loan result in the occurrence of any Default;
- (j) the limited undertaking dated as of the date hereof between the Parties provided with respect to the Peruvian Security Agreements; and
- (k) such other documents or certificates, and completion of such matters, as the Lender may deem reasonably necessary or appropriate, which shall include, amongst other things, evidence of insurance of the Obligors' businesses satisfactory to the Lender in its sole discretion.

12. **Confidentiality.** If either the Obligors or the Lender are required to file this Agreement in any public registry, filing system or depository, including SEDAR in order to comply with applicable law, such party shall notify the other party of such requirement promptly

and the Lender and Obligors shall consult with each other with respect to any proposed redactions to the Agreement in compliance with applicable law before it is filed in any such registry, filing system or depository.

13. **Future Right of Exclusivity.** The Obligors agree that during the period between the First Advance Date and the 3rd anniversary of the First Advance Date, the Lender shall have the following rights:

- (a) right of first offer such that the Obligors must first provide the Lender with the option to participate (on the same terms as others) in any gold loan to be entered into by the Obligors, or any affiliates of the Obligors, and
- (b) right of first refusal such that if either of the Obligors or any of their affiliates receives a bona fide written offer from an arm's length third party to provide a gold loan to either of the Obligors or any of their affiliates, such proposed financing must be first offered to the Lender on the same terms, but neither the Obligors or any of their affiliates shall be required to accept any proposed financing offered by the Lender.

14. **Miscellaneous.**

(a) The Lender acknowledges and agrees that immediately upon the registration and effectiveness of the Peruvian Security Agreements, the Share Pledge Agreements, and any registrations effected in connection with same shall be terminated, and any shares and power of attorneys delivered in connection with same shall be returned to the Obligors. The Lender further agrees that upon satisfaction of Section 11(b), the Gold Loan Agreement dated March 15, 2021 and any guarantees granted thereunder shall be terminated and of no further force or effect.

(b) Inter-Creditor Agreement. If an Obligor wishes to grant, directly or indirectly, a Permitted Encumbrance in, to or over all or any part of its present or after-acquired property or assets as security for or in connection with an operating line of credit or similar loan facility or arrangement and/or the acquisition of an Additional Property as contemplated in subparagraphs (f) and (g), respectively, of the definition of Permitted Financial Indebtedness herein, then the Lender agrees, if requested, to enter into an intercreditor agreement (an "Intercreditor Agreement") with the Obligors, the applicable third party lender (the "Third Party Lender"), and/or any other applicable subsidiary of the Obligor (a "Non-Guarantor Subsidiary"), such agreement to be negotiated in good faith and using all reasonable efforts at the cost and expense of the Obligor, to, inter alia, establish the respective rights, restrictions and priorities between the Lender and the Third Party Lender with respect to the property and assets of the Obligors and/or the Non-Guarantor Subsidiary, as applicable, subject to the following core principles:

- (i) the Lender shall have a first ranking claim in and to the plant of the Second Borrower, the mining concessions used in connection with the business operation of the Third Borrower and referenced in the applicable Peruvian

Security Agreements and all assets of the First Borrower (other than the shares in Anthem United Inc.) and any proceeds thereof; and

- (ii) the Third Party Lender shall have a first ranking claim in and to the Additional Property(s), as the case may be, and any proceeds thereof.
- (c) Waiver and Amendment. Any provision of this Agreement may be waived, amended or modified only upon the written consent of the Obligors and the Lender.
- (d) Interpretation. In this Agreement words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa. The division of this Agreement into Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.
- (e) Restriction on Transfer. The rights and obligations of the parties under this Agreement may only be transferred in compliance with applicable laws, including Canadian securities laws. All rights and obligations of the Obligors and the Lender under this Agreement shall be binding upon and benefit the successors, assigns, heirs, and administrators of the parties.
- (f) Payments and deliveries generally. Whenever any payment or delivery under this Agreement shall be stated to be due for payment or delivery on a day which is not a Business Day then such payment or delivery shall be made on the following Business Day.
- (g) Assignment; Participations. The Lender shall have the right to assign all or a part of its rights and obligations under this Agreement and any other Loan Document without the consent of the Obligors. The Obligors shall not assign their rights or obligations under this Agreement or any other Loan Document without the prior written consent of the Lender.
- (h) Governing Law. This Agreement shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each of the parties submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia.
- (i) Time of the Essence. Time shall be of the essence in connection with this Agreement and no extension, indulgence or variation granted by the Lender shall operate as a waiver of this provision.
- (j) Severability. If any of the provisions of this Agreement is held invalid, such invalidity shall not affect the other provisions hereof that can be given effect without the invalid provision, and to this end the provisions of this Agreement are intended to be and shall be deemed severable.

- (k) **Entire Agreement.** This Agreement and the Loan Documents constitute the entire agreement between the Lender and the Obligors with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.
- (l) **Force Majeure.** In the event the Obligors are prevented, hindered or delayed in satisfying the Obligors' Delivery Obligations by reason of acts of God, riots, terrorism, acts of war, epidemics, pandemics (including, but not limited to, a mandatory, government imposed business interruption due to COVID-19), governmental actions or judicial orders, earthquakes, natural disasters, flooding, fires, labor unrest, strikes or slowdowns or any other similar causes, the Obligors' Delivery Obligations will be suspended and extended for a period of time equivalent to the time lost because of any delay that is excusable under this Subsection 14(l).
- (m) **Indemnification.** The Obligors, jointly and severally, agree to hold harmless, defend and indemnify the Lender and its officers, employees, agents and representatives from and against any liability, loss (excluding indirect, consequential or special losses or loss of profits), cost, expense, damage claim or cause of action due to or arising from, related to or incurred in connection with any Loan Document, the entry into and performance of the obligations under this Agreement and the use of the proceeds provided for herein, or the consummation of any other transaction contemplated herein, including without limitation as to environmental and tax matters. The indemnification provided for in the immediately preceding sentence shall not apply to liabilities, losses, costs, expenses, damage, claims or causes of action which may arise as the result of the willful misconduct or gross negligence of the Lender or any of its officers, employees, agents or representatives as determined by a court of competent jurisdiction by final and non-appealable judgment.
- (n) **Discharge.** This Agreement (other than the provisions relating to indemnification of the Lender in Subsection 14(m) which shall survive termination) shall terminate on the date that the Loan and all Delivery Obligations, together with all other amounts (including interest on amounts in default, if any) due to the Lender hereunder or under any other Loan Document, have been repaid in full to the Lender. Upon termination of this Agreement, the Obligors shall be entitled to discharges of all security then held by the Lender hereunder, provided that the cost of preparing, executing, delivering and, if necessary, registering such discharges shall be paid by the Obligors.
- (o) **Counterparts.** This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, when taken together, shall constitute one and the same instrument.

A handwritten signature in black ink, followed by the initials 'LN' to its right.

- (p) **Notices.** All notices and other communications given to or made upon any party hereto in connection with this Agreement shall, except as otherwise expressly herein provided, be in writing and mailed via certified or electronic mail, facsimile or delivered to the respective parties, as follows:

To the Lender:

OCIM Precious Metals SA  
 rue du Rhône, 65, Genève, 1204 CH Switzerland  
 Attention: Laurent Mathiot  
 Email: [laurent.mathiot@ocim.eu](mailto:laurent.mathiot@ocim.eu)

To the First Borrower:

Inca One Gold Corp.  
 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada  
 Attention: Kevin Hart  
 Email: [khart@incaone.com](mailto:khart@incaone.com)

To the Second Borrower:

Chala One S.A.C,  
 c/o Inca One Gold Corp.  
 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada  
 Attention: Kevin Hart  
 Email: [khart@incaone.com](mailto:khart@incaone.com)

To the Third Borrower:

Corizona One S.A.C,  
 c/o Inca One Gold Corp.  
 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada  
 Attention: Kevin Hart  
 Email: [khart@incaone.com](mailto:khart@incaone.com)

or in accordance with any subsequent written direction from the recipient party to the sending party delivered in accordance with this Section 14(p). All such notices and other communications shall, except as otherwise expressly herein provided, be effective upon (i) if delivered by hand, the date of delivery if delivered during normal business hours on a Business Day and, if not, then on the next Business Day following delivery; (ii) if by certified mail, the third (3rd) Business Day after the date sent; (iii) if by facsimile, on receipt by the sender of an acknowledgement or transmission report generated by the machine from which the facsimile was sent but if the delivery or receipt is on a day which is not a Business Day or is after 5:00pm on a Business Day (addressee's time), it is deemed to be received at 9:00 am on the following Business Day; or (iv) if by email, upon receipt by the sender of an automated message confirming delivery or 5 hours after the time sent (as

recorded on the device from which the sender sent the email) unless the sender receives an automated message that the e-mail has not been delivered, but if the delivery or receipt is on a day which is not a Business Day or is after 5:00pm on a Business Day (addressee's time), it is deemed to be received at 9:00 am on the following Business Day.


**[SIGNATURES ON THE NEXT PAGE]**

A handwritten signature in black ink, consisting of a stylized, cursive 'S' followed by a horizontal line and a small 'ln' to the right.



IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed by its officers, thereunto duly authorized as of the first date written above.

**INCA ONE GOLD CORP.**

By: 

Name: Edward Kelly

Title: President & CEO

**CHALA ONE S.A.C.**

By: 

Name: Edward Kelly

Title: Director

**CORIZONA ONE S.A.C.**

By: 

Name: Edward Kelly

Title: Director

**OCIM PRECIOUS METALS S.A.**

By: 

Name: Lauren Mathiot

Title: CEO

## APPENDIX I

Each of the Obligors jointly and severally represents and warrants to the Lender, as of the date of this Agreement, the following:

- (a) **Organization.** Each Obligor is a corporation duly organized, validly existing, and in good standing under the laws of the applicable jurisdiction, with full power and authority, and all necessary consents, authorizations, approvals, orders, licenses, certificates, and permits of and from, and declarations and filings with all Governmental Authorities and all courts and other tribunals, to own, lease, license and use its Property and assets, and to carry on its business or proposed business as required except where the failure to have such consents, authorizations, approvals, orders, licenses, certifications and permits could not reasonably be expected to have a Material Adverse Effect on such Obligor's business or operations. Each Obligor is duly licensed and qualified to do business and be in good standing in every jurisdiction in which the ownership, leasing, licensing or use of property and assets or the conduct of its business makes such qualification necessary except where the failure to have such licenses and qualifications could not reasonably be expected to have a Material Adverse Effect on its businesses or operations.
- (b) **Financial Statements.** The audited financial statements of the Obligors, prepared on a consolidated basis for the year ended April 30, 2020 (the "Annual Statements") and the unaudited balance sheet of each of the Obligors for the three and nine months period ended January 31, 2021, the related unaudited statements of operations and statements of cash flow for such periods and the unaudited balance sheet of each Obligor for such period (together with the Annual Statements, the "Financial Statements"), present fairly in all material respects the financial position and cash flows of each Obligor at the indicated dates and for the indicated periods. Except as set forth in the Financial Statements, no Obligor has any outstanding claims, liabilities, obligations or Indebtedness, contingent or otherwise, whether asserted or unasserted, other than obligations under contracts and other commitments and obligations incurred in the ordinary course of business which are not, individually or in the aggregate, material to the business, proposed business, financial condition or operating results of such Obligor. No Obligor is a guarantor or indemnitor of any Indebtedness of any other person, firm or corporation other than under Permitted Indebtedness.
- (c) **Title to Property; Encumbrances; Priority.** Each Obligor has good, valid and marketable title to all of the Property clear of all encumbrances, liens, claims, charges or other restrictions of whatever kind or character, except for Permitted Encumbrances.
- (d) **Material Agreements.** Each Obligor, is not in violation or breach of, or in material default with respect to, complying with any provision of any Material Contract, and each Material Contract is in full force and effect and is the legal, valid and binding obligation of such Obligor enforceable as to the Obligor in accordance with its terms (subject to applicable bankruptcy, insolvency and other laws affecting the

enforceability of creditors' rights generally and to general equitable principles), excluding any violation, breach or default that has not had, and would not reasonably be expected to have, a Material Adverse Effect on the business or operations of the Obligor. Each Obligor has performed in all material respects all obligations to have been performed on such Material Contracts through the date hereof. No Obligor is in violation or breach of, or in default with respect to, any term of its constituent documents. No third party is in default under any agreement, contract or other instrument, document or agreement to which an Obligor is a party, which default would or could have a Material Adverse Effect on such Obligor's Property or assets or businesses as presently conducted or proposed to be conducted.

- (e) Litigation. Other than as disclosed in Appendix V, there is no material action, suit, investigation, customer complaint, claim or proceeding at law or in equity by or before any arbitrator, governmental instrumentality or other agency now pending or threatened against or affecting any Obligor that has had or would reasonably be expected to have a Material Adverse Effect on such Obligor's business or operations, nor does there exist any basis therefor. No Obligor is subject to any judgment, order, writ, injunction or decree of any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign. None of the Obligor's officers or directors is a party to, or subject to the provisions of, any order, writ, injunction, judgment or decree of any court or governmental agency or instrumentality that has had or would reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations.
- (f) Non-Defaults. No Obligor is in material default in the performance or observance of any obligation with respect to any order, writ, injunction or decree of any court of any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign and there exists no condition, event or act which constitutes, nor which after notice, the lapse of time or both, would constitute, a material default under any of the foregoing, in each case that would reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations. No Obligor is in material breach of any term of any of the Loan Documents nor is any Default presently occurring, which, in either event, if not cured pursuant to the terms of this Agreement, would materially and adversely impair such Obligor's ability to perform the Facility Obligations.
- (g) Taxes. Each Obligor has filed all federal, state, local and foreign tax returns which are required to be filed by it and all such returns are true and correct in all material respects. Each Obligor has paid all taxes pursuant to such returns or pursuant to any assessments received by it (other than any amounts which such Obligor is disputing in good faith) and has withheld all amounts which it is obligated to withhold from amounts owing to any employee, creditor or third party. No deficiency assessment with respect to or proposed adjustment of any Obligor's federal, provincial, state, county or local taxes is pending or, to such Obligor's knowledge, threatened. There

is no tax lien, whether imposed by any federal, provincial, state, county or local taxing authority, outstanding against the assets, Property or business of any Obligor.

- (h) Compliance with Laws; Environmental Matters, Licenses, Etc. Other than as disclosed in Appendix V, no Obligor has received any notice of any violation of, or noncompliance with, any federal, provincial, state, local or foreign laws, ordinances, regulations or orders (including, without limitation, those relating to all applicable federal, provincial, state and local insurance laws, rules and regulations, environmental protection, occupational safety and health and other labor laws, drug laws, securities laws, equal employment opportunity, consumer protection, credit reporting, "truth-in-lending," and warranties and trade practices) applicable to its businesses or operations, the violation of, or noncompliance with which, would have a Material Adverse Effect on such businesses or operations, and no Obligor knows of any facts or set of circumstances which, to its knowledge, would give rise to such a notice. Each Obligor has all licenses and permits and other governmental certificates, authorizations and permits and approvals (collectively, "Governmental Licenses") required by every Governmental Authority for the operation of its businesses as currently conducted and the use of its Property where the failure to obtain or possess such Governmental Licenses would have a Material Adverse Effect on such businesses. The Governmental Licenses are in full force and effect and, no violations are or have been recorded in respect of any Governmental License and no proceeding is pending or threatened to revoke or limit any Governmental License, in each case that would reasonably be expected to have a Material Adverse Effect on the any Obligor's businesses or operations. No Obligor has received any written opinion or memorandum from legal counsel indicating that it has taken any action which has resulted in, or is reasonably likely to result in, such Obligor incurring any liability which may be material to its business, financial condition, operations or assets. Each Obligor is in compliance with all applicable laws, rules, regulations and orders, except for laws, rules, regulations and orders noncompliance with which has not had or would not reasonably be expected to have a materially adversely effect on any Obligor's businesses or operations. The Obligors have only purchased and processed minerals sold by legal miners in Peru, which have all permits and authorizations required under Peruvian Law to conduct their activities.
- (i) Authorization. The execution and delivery of this Agreement and the other Loan Documents to which each Obligor is a party have been duly authorized by all requisite corporate action of the such Obligor, as applicable, and when so executed and delivered, this Agreement and the other Loan Documents constitute the valid and binding obligations of such Obligor, enforceable against it in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and general principles of equity.
- (j) Non-Contravention Etc. Except as disclosed in Appendix V, the execution, delivery and performance of the this Agreement and the other Loan Documents will not: (i)

violate any provision of law or statute or any order of any court or other agency of government binding on any Obligor; or (ii) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time or both) a default under, or result in the creation of any Lien under its constituent documents or any indenture, mortgage, deed of trust, note, credit or lease agreement or other material agreement or instrument to which it is a party or by which it or any of its Property is bound or affected, except for such conflict, breach or default as to which requisite waivers or consents shall have been obtained and in all instances excluding any violation, conflict, breach, default, Lien, security interest, charge or encumbrance that has not had or would not reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations.

- (k) **Insurance.** On the Direction Date, the assets and Property of each Obligor will be insured against all risks usually insured against by persons owning or operating similar property and assets in the localities where such Property is or assets are located, through insurance policies all of which are in full force and effect. On the Direction Date, each Obligor will be insured against all claims relating to its activities to the same extent that the risks of such claims are usually insured against by persons or entities involved in similar activities. Each of the insurance policies referred to in this section will be issued by an insurer of recognized responsibility, and no Obligor has received any notice or threat of the cancellation or nonrenewal of any such policy.
- (l) **No Consent.** No permit, consent, approval, authorization, order or filing with any court or Governmental Authority is required in connection with the issuance of this Agreement or the other Loan Documents, except for consents, recordations or filings necessary to perfect any security interests granted pursuant to the Loan Documents.
- (m) **Employee Relations.** Each Obligor is in material compliance with all applicable federal, provincial, state, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours and there are no pending investigations involving any domestic or foreign governmental agency responsible for the enforcement of such federal, provincial, state, local, or foreign laws and regulations. There is no unfair labor practice charge or complaint against any Obligor pending or any strike, picketing, boycott, dispute, slowdown or stoppage pending or threatened against or involving any Obligor. No collective bargaining agreement or modification thereof is currently being negotiated by any Obligor and no labor dispute with any employees of any Obligor exists or is imminent.
- (n) **Transactions with Affiliates.** No stockholder, officer or director of any Obligor (herein, a "Related Party") is a party to any agreement with any Obligor including, without limitation, any contract, agreement or other arrangement providing for the rental of real or personal property from, or otherwise requiring payments not in the ordinary course of business to, any Related Party.

- (o) **Financial Statements.** The Financial Statements delivered by each Obligor to the Lender fairly and accurately present in all material respects the current financial position of such Obligor, and have been prepared by each Obligor and, as applicable, its auditors in accordance with Accounting Standards.
- (p) **Financial Information.** All information, materials and documents, including all cash flow projections, economic models, capital and operating budgets and other information and data prepared and provided to the Lender as required by the terms of this Agreement, were, in the case of financial projections, prepared in good faith based upon reasonable assumptions at the date of preparation, and, in all other cases, true, complete and correct in all material respects as of the respective dates thereof.
- (q) **Solvency.** No Obligor is an "insolvent person" under any applicable federal, provincial or state insolvency, bankruptcy or reorganization law.

The representations and warranties set out in this Appendix I shall survive the execution and delivery of this Agreement and shall be repeated each time financial statements or reports are delivered to the Lender pursuant to the terms of this Agreement, notwithstanding any investigations or examinations which may be made by the Lender or its counsel.

A handwritten signature in black ink, followed by the initials 'LO' written below it.

**APPENDIX II**

Each Obligor, as applicable, covenants and agrees that, for so long as any Facility Obligations (other than only indemnity obligations of the Obligors to the Lender hereunder) remain outstanding, it shall observe and abide by each of the covenants and agreements contained in this Appendix II, unless consented to in writing in advance by the Lender or otherwise permitted under this Agreement.

1.1 **Indebtedness.** Without the prior written consent of the Lender, which consent may not be unreasonably withheld, conditioned or delayed, the Obligors will not create, incur, assume, or suffer to exist, any Indebtedness, except Permitted Financial Indebtedness.

1.2 **Liens.** Without the prior written consent of the Lender, which consent may not be unreasonably withheld, conditioned or delayed, other than Permitted Encumbrances, each of the Obligors will not: (i) create or incur or suffer to be created or incurred any Lien, except as otherwise permitted herein, or transfer any Property or the income or profits therefrom for the performance of any other obligation in priority to payment of its general creditors; or (ii) acquire, or agree or have an option to acquire, any Property upon conditional sale or other title retention or purchase money security agreement, device or arrangement.

1.3 **Amalgamations.** Without the prior written consent of the Lender, which consent may not be unreasonably withheld, conditioned or delayed, the Obligors will not affect any amalgamation or consolidation.

1.4 **Disposition of Property.** Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, the Obligors will not sell, lease or otherwise dispose of any of the Property, including any disposition of the Property as part of a sale and leaseback transaction, to or in favor of any Person, except for: (i) sales of inventory made in the ordinary course (including, without limitation, pursuant to any installment, output requirement, offtake or similar agreement with respect to the sale of future production in the ordinary course); (ii) dispositions of equipment for cash and fair value that are worn out, obsolete or no longer used or useful in the business of the Obligors to the extent that all net proceeds of any such sale, lease or disposition do not exceed, in the aggregate, US\$150,000; and (iii) dispositions of mining claims, concessions or other mineral interests for cash, shares, property or other consideration at fair value, provided that disposition would not be reasonably likely to have a Material Adverse Effect on any of the Obligors' business or operations.

1.5 **Compliance with Environmental Laws.** The Obligors will not: (i) use any of the Property or any portion thereof for the handling, processing, storage, generation, manufacture, treatment, production, refining or disposal of hazardous substances, other than in compliance with environmental laws, except where the failure of such compliance would not be reasonably likely to have a Material Adverse Effect on any of the Obligors' business or operations; (ii) cause or permit to be located on any of the Property any underground tank, surface impoundment, lagoons, pits, sumps, or underground storage

receptacle for hazardous substances in any manner that would violate any environmental law in any material respects or bring such Property in violation of any environmental law in any material respects; (iii) generate any hazardous substances on any of the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law, except where the violation would not be reasonably expected to have a Material Adverse Effect on any Obligor's business or operations; (iv) conduct any activity at any of the Property or use any of the Property in any manner so as to cause a release of hazardous substances on, upon or into the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law, except where the violation would not be reasonably expected to have a Material Adverse Effect on any Obligor's business or operations; or (v) otherwise conduct any activity at any of the Property or use any of the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law in any material respects, in each case except where such violation would not be reasonably likely to have a Material Adverse Effect on any of the Obligor's business or operations.

1.6 Business Activities. Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, no Obligor will engage directly or indirectly (whether through subsidiaries or otherwise) in any type of business other than the businesses presently or currently planned to be conducted by it and in related lines of businesses.

1.7 Conflicting Agreements. Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, the Obligors will not enter into any amendment or other modification to any currently existing contractual obligation, which by its terms materially impairs the ability of the Obligors to fully satisfy all of the Facility Obligations hereunder.

1.8 Operating Reports. As soon as practicable following the end of each calendar month during the term of this Agreement commencing with the calendar month in which the Obligors are required to make their first Delivery to the Lender pursuant to Subsections 2(a)(i) and 2(b)(i) of this Agreement, the Obligors shall deliver to the Lender management prepared, unaudited monthly operating and budgeting reports for the Obligors, monthly accounts receivable and accounts payable listings for the Obligors, and such other reports and financial information in respect of the Obligors and their respective businesses as the Lender may reasonably request, in all cases in form and content reasonably acceptable to Lender.

1.9 Notification as to Certain Events. Each of the Obligors shall notify the Lender in writing within 24 hours if such Obligor becomes aware of any event that has or would reasonably be expected to have a Material Adverse Effect on any Obligor's business or operations with respect to the Property or any Obligors' ability to perform its obligations under this Agreement or the occurrence of any Default or any event which, with the giving of notice or lapse of time or otherwise, might constitute an Default.



1.10 Maintenance of Required Approvals and Consents: Compliance with Laws. The Obligors will take all action necessary to maintain all material approvals and consents necessary with respect to the operation of their respective businesses and the maintenance of the Property, except where the failure to maintain such approvals and consents would not be expected to have a Material Adverse Effect on any Obligor's business or operations. Each Obligor shall comply in all material respects with all applicable laws with respect to the operation of its business and the maintenance of the Property.

1.11 Taxes. Each Obligor will pay and discharge promptly all taxes, assessments and other governmental charges imposed upon it, upon its Property or any part thereof, or upon its income or profits or any part thereof, except that the Obligors shall not be required to pay or cause to be paid any tax, assessment or other governmental charge not yet past due or that is being contested in good faith by appropriate proceedings and in respect of which (i) an amount in cash sufficient to pay such taxes, assessments, charges or other statutory Liens or security interests shall have been deposited with a court, a taxing or assessing authority or the Lender or (ii) a surety bond, satisfactory to the Lender, for such amount shall have been deposited with the Lender, or where the failure to pay or discharge the same would not reasonably be expected to have a Material Adverse Effect.

1.12 Licenses. Each of the Obligors will preserve and maintain its existence, licenses, rights, franchises, and privileges in the jurisdiction of its incorporation and all authorizations, consents, approvals, orders, licenses, exemptions from or registrations with, any court or governmental department, public body, authority, commission, board, bureau, agency or instrumentality that is necessary for the transaction of its business, and qualify and remain qualified to do business in each jurisdiction in which such qualification is necessary in view of its business or the ownership or leasing of its Property, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect.

1.13 Maintenance of Property. Each of the Obligors will maintain, preserve and protect all of its Property in good order and condition, subject to wear and tear in the ordinary course of business, except for any failure to do so that would not reasonably be expected to have a Material Adverse Effect.

1.14 Inspection. Each of the Obligors will allow the Lender reasonable access to visit and inspect its assets, Property and premises during regular working hours upon reasonable notice.

1.15 Insurance. As of the Direction Date, each of the Obligors will maintain adequate and appropriate insurance on its assets and provide the Lender with copies of such policies.

1.16 Litigation. The Obligors will notify the Lender in writing within 24 hours of any material litigation commenced or threatened against any Obligors and furnish the Lender with copies of details of any such material litigation or proceedings at the Lender's reasonable request.

A handwritten signature or set of initials, possibly 'LN', written in black ink.

1.17 **Name Change.** Each of the Obligors will notify the Lender at least 30 days in advance of any name changes or any change in operational locations or locations of Property and assets.

1.18 **Use of Proceeds.** The Obligors will only use the proceeds of the Loan solely for the Eligible Purpose.

1.19 **Further Assurances.** Each of the Obligors shall forthwith at any time and from time to time upon request by the Lender do, execute, acknowledge and deliver each and every further act, deed, document, instrument or assurance as the Lender may reasonably require for the better accomplishing or effectuating the intention of this Agreement or any other Loan Document.

1.20 **Production Priority.** The Obligors agree to prioritize their Delivery Obligations such that:

- (a) the Obligors will cooperate to monitor, model and adjust production and competing production commitments so as to meet the Delivery Obligations;
- (b) if the Obligors become aware that it is reasonably likely between Delivery Dates to not have sufficient production to make an upcoming Delivery on a Delivery Date, they shall prioritize their production and shipping by either: (i) reducing other production commitments or (ii) increasing overall production, to ensure such Delivery is made on the respective scheduled Delivery Date;
- (c) if the Obligors become aware that it is reasonably likely between Delivery Dates to have sufficient production to make an upcoming Delivery, but due to timing commitments with respect to competing production commitments, will be unable to make such Delivery on a Delivery Date, they shall prioritize their production and shipping by either: (i) reducing other production commitments or (ii) increasing overall production, to ensure such Delivery is made on the respective scheduled Delivery Date; and
- (d) commencing on the date of a completed Delivery, the Obligors shall model their production in sufficient detail so as to ensure the next Delivery is adequately planned for.



**Appendix III - Material Contracts**

1. Refining Agreement with a Sale Option  
IGR Metals Trading DMCC  
Almas Torres, 24 E  
Jumeirah Lake Tower P.O. Box: 625849,  
Dubai, United Arab Emirates
  
2. Refining Agreement with a Sale Option  
Istanbul Altin Rafinerisi A.S. (IAR)  
Kuyumcukent, Fabrika No. 7, 34197,  
Yenibosna, Istanbul,  
Turkey
  
3. Buyer's Contract  
OCEAN PARTNERS USA INC  
43 Danbury Road  
Wilton CT  
06897  
United States

A handwritten signature in black ink, appearing to be 'S. M.', located in the bottom right corner of the page.

Execution Copy

**Appendix IV - Indebtedness**

1. Non-interest bearing promissory note payable to Equinox Gold Corp. ("Equinox") with the following details:

Face Value	Due date	Payable in:
CAD		
1,500,000	August 20, 2022	Cash
1,451,939	August 20, 2023	Cash or shares <sup>(a)</sup>
2,500,000	August 20, 2024	Cash or shares <sup>(a)</sup>
2,500,000	August 20, 2025	Cash or shares <sup>(a)</sup>
<b>7,951,939</b>		

(a) Inca One has the discretion to pay in cash or shares based on the higher of the preceding 20-day volume weighted average price of Inca One shares and CAD\$0.65, subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares.

2. CAD\$1.6 million Secured Debenture payable to Emerging Manager Platform (2) LTD. – Income Bonds Fund maturing on September 1, 2021.
3. US\$862,000 promissory notes payable to several individuals and maturing on March 16, 2023.
4. US\$779,308 contingent debenture certificate which only becomes payable on the date that the Company achieves two production milestones.
5. US\$350,000 loan payable to Atria Energy in three equal payments due on the 15th day of November 2021, December 2021 and January 2021.
6. US\$500,000 revolving line of credit for factoring mineral purchases in favour of the Second Borrower owed to Blanco Sociedad Administradora de Fondos de Inversion SAC.

**Execution Copy**

**Appendix V – Disclosures**

Nil.

*SKM*

Execution Copy

**Appendix VI – Direction (Loan Proceeds to Obligators)**

**From:** Inca One Gold Corp. (the “First Borrower”)

Chala One S.A.C. (the “Second Borrower”)

Corizona One S.A.C. (the “Third Borrower”)

**To:** OCIM Precious Metals SA (the “Lender”)

**Dated:** July [●], 2021

Dear Sirs:

**Direction regarding advance under the Gold Loan Agreement dated [●], 2021 as amended from time to time (the “Agreement”)**

Reference is hereby made to the Agreement. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms under the Agreement. This is a Direction under the Agreement.

We wish to borrow the Loan on the following terms:

<b>Borrowers:</b>	Inca One Gold Corp. and Chala One S.A.C.
<b>Advance Date:</b>	[●] (or, if that is not a Business Day, the next Business Day)
<b>Currency of Loan:</b>	USD
<b>Expenses:</b>	US\$50,000
<b>Amount of advance (excluding Expenses):</b>	US\$6,000,000
<b>Direction Date:</b>	[●]
<b>LBMA (10:30am UTC) Closing Gold Price:</b>	US\$[●]
<b>Gold Loan Ounces (subject to adjustment in accordance with the Agreement):</b>	[●]

The Gold Loan Ounces shall be delivered or caused to be delivered by the Obligators to the Lender in 16 equal Deliveries of 1/16 of the total Gold Loan Ounces, being [●] Gold Loan Ounces, on each of the following Delivery Dates:

- (a) before the Specified Time on [●], 2021, being the date that is 90 days following the Advance Date;
- (b) before the Specified Time on [●], 2021, being the date that is 120 days following the Advance Date;
- (c) before the Specified Time on [●], 2021, being the date that is 150 days following the Advance Date;
- (d) before the Specified Time on [●], 2021, being the date that is 180 days following the Advance Date;
- (e) before the Specified Time on [●], 2021, being the date that is 210 days following the Advance Date;
- (f) before the Specified Time on [●], 2021, being the date that is 240 days following the Advance Date;
- (g) before the Specified Time on [●], 2021, being the date that is 270 days following the Advance Date;
- (h) before the Specified Time on [●], 2021, being the date that is 300 days following the Advance Date;
- (i) before the Specified Time on [●], 2021, being the date that is 330 days following the Advance Date;
- (j) before the Specified Time on [●], 2021, being the date that is 360 days following the Advance Date;
- (k) before the Specified Time on [●], 2021, being the date that is 390 days following the Advance Date;
- (l) before the Specified Time on [●], 2021, being the date that is 420 days following the Advance Date;
- (m) before the Specified Time on [●], 2021, being the date that is 450 days following the Advance Date;
- (n) before the Specified Time on [●], 2021, being the date that is 480 days following the Advance Date;
- (o) before the Specified Time on [●], 2021, being the date that is 510 days following the Advance Date; and
- (p) before the Specified Time on [●], 2021, being the date that is 540 days following the Advance Date, being the Maturity Date.



In all cases, if the Delivery Date falls on a date that is not a Business Day, such Delivery Date will be the Business Day immediately following such date and such adjustment shall not impact the calculation of the next Delivery Date.

The undersigned hereby confirms that the Obligors will only use the funds advanced for an Eligible Purpose.

The net proceeds of the advance, net of Expenses, should be credited to the following account:

### Beneficiary Details

<b>Name:</b>	Chala One SAC
<b>Address:</b>	Calle los Tulipanes 147, oficina,503, Urbanizacion Lima Polo Hunt,Surco,Lima,Lima 33,PE
<b>Beneficiary Account </b>	193-2290652-1-07
<b>Beneficiary Bank ID:</b>	BCPLPEPL
<b>Beneficiary Bank ID Type:</b>	SWIFT
<b>Beneficiary Bank Name:</b>	Banco de Credito del Peru
<b>Beneficiary Bank Address:</b>	Lampa 401/499 (100),LIMA,Lima,1,PE

*[Remainder of page intentionally left blank. Signature page follows.]*





Execution Copy

This Direction is hereby irrevocably made by the Obligors.

Yours faithfully,

**INCA ONE GOLD CORP.**

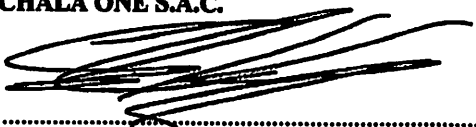


.....

authorised signatory for First Borrower

Yours faithfully,

**CHALA ONE S.A.C.**

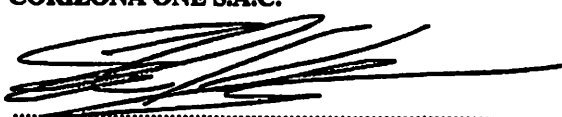


.....

authorised signatory for Second Borrower

Yours faithfully,

**CORIZONA ONE S.A.C.**



.....

authorised signatory for Third Borrower

This Direction is hereby accepted and agreed to by the Lender:

**OCIM PRECIOUS METALS SA**

.....

authorised signatory for the Lender

Ln

**Appendix VII – Accounts****Gold Account of Lender**

**Beneficiary:** OCIM Precious Metals SA  
**Bank:** Julius Baer, Geneva  
**SWIFT:** BAERCHZZ  
**IBAN XAU (Metal account):** CH42 0851 5031 6916 3200 4  
**Correspondent Bank:** UBS AG Zurich (UBSBCHZZ), Account 0315 00 00019048.7EX

OR

HSBC Bank plc, London (MIDLGB22), Account 15950

**Borrower Account****Beneficiary Details**

**Name:** Chala One SAC  
**Address:** Calle los Tulipanes 147, oficina,503, Urbanizacion Lima Polo Hunt,Surco,Lima,Lima 33,PE  
**Beneficiary Account:** 193-2290652-1-07  
**Beneficiary Bank ID:** BCPLPEPL  
**Beneficiary Bank ID Type:** SWIFT  
**Beneficiary Bank Name:** Banco de Credito del Peru  
**Beneficiary Bank Address:** Lampa 401/499 (100),LIMA,Lima,1,PE



This is Exhibit " G " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

Execution Version

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**GENERAL SECURITY AGREEMENT**

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between

**INCA ONE GOLD CORP. and CHALA ONE S.A.C.**  
as Debtors

- and -

**OCIM PRECIOUS METALS SA**  
as Lender

Dated as of August 6, 2021

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line and a vertical line, with the letters 'en' written below it.

Execution Version

**GENERAL SECURITY AGREEMENT**

This **GENERAL SECURITY AGREEMENT** dated as of August 6, 2021 (as the same may be amended, supplemented, extended or restated from time to time, this "Agreement") is made by **INCA ONE GOLD CORP.**, a corporation incorporated under the laws of the province of British Columbia, (including its successors and assigns, "Inca One"), **CHALA ONE S.A.C.**, a *sociedad anónima cerrada* formed under the laws of Peru (including its successors and assigns, "Chala One", and together with Inca One, the "Borrowers" or the "Debtors") in favour of **OCIM PRECIOUS METALS SA**, a *société anonyme* formed and organized under the laws of Switzerland, as lender (the "Lender");

**RECITALS**

WHEREAS, pursuant and subject to the terms and conditions set forth in that certain Gold Loan Agreement dated as of the date hereof between the Borrowers, as co-borrowers, EMC Green, as guarantor, the Lender, as lender (as the same may be amended, supplemented, restated or extended from time to time, the "Gold Loan Agreement"), the Lender and the Lenders have agreed to extend certain loans, advances and other financial accommodations to the Borrowers (the "Credit Facilities") in order to finance the purchase of material to use as mill feed for the Chala One and Korin One ore processing facilities of the Debtors and their affiliates in Peru and the payment of the Expenses;

AND WHEREAS, the obligations of the Lender to extend and provide the Credit Facilities to the Borrowers under the Gold Loan Agreement are conditioned upon, among other things, the execution and delivery of this Agreement by the Debtors;

**AGREEMENT**

NOW, THEREFORE, to secure the Obligations, as hereinafter defined, under the Gold Loan Agreement and in consideration of the premises and the mutual covenants hereinafter contained and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereby agree as follows:

**ARTICLE 1  
INTERPRETATION**

1.1 Definitions. In this Agreement, the following terms shall have the following meanings:

- (a) "Account Debtor" means any Person who may become obligated to the Debtors under, with respect to, or on account of, an Account;
- (b) "Agreement" has the meaning ascribed thereto in the preamble of this Agreement;
- (c) "Borrowers" has the meaning ascribed thereto in the preamble of this Agreement;
- (d) "Chala One" has the meaning ascribed thereto in the preamble of this Agreement;
- (e) "Collateral" has the meaning ascribed thereto in Section 1.3 of this Agreement;
- (f) "Contracts" means all contracts, undertakings or agreements (other than rights evidenced by Chattel Paper, Security or Instruments) in or under which the Debtors may now or hereafter have any right, title or interest, including any agreement relating to the terms of payment or the terms of performance of any Account;

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- (g) "Contractual Rights" has the meaning ascribed thereto in Section 2.4 of this Agreement;
- (h) "Credit Facilities" has the meaning ascribed thereto in the Recitals of this Agreement;
- (i) "Debtors" has the meaning ascribed thereto in the preamble of this Agreement;
- (j) "Deficiency" means, at any time, the difference, if any, between: (i) the aggregate of the amount of the Obligations at that time and the Reasonable Expenses incurred up to that time; and (ii) the proceeds of disposition received by the Lender from a disposition of the Collateral pursuant to this Agreement;
- (k) "Gold Loan Agreement" has the meaning ascribed thereto in the Recitals of this Agreement;
- (l) "Inca One" has the meaning ascribed thereto in the preamble of this Agreement;
- (m) "Insurance Policies" has the meaning ascribed thereto in Subsection 1.3(h) of this Agreement;
- (n) "Intellectual Property" means patent rights (including patent applications, disclosures, and registrations), registered or unregistered trade-marks, trade names, utility models, copyrights (including applicable applications and registrations), *sui generis* rights of extraction relating to databases, designs (including applicable applications and registrations), trade secrets, moral rights, know-how and any other similar rights or intangible assets recognized under any law(s) or international convention(s) in any country or jurisdiction in the world where such rights accrue and/or may be secured;
- (o) "Lender" has the meaning ascribed thereto in the recitals of this Agreement;
- (p) "Lien" means any mortgage, pledge, charge, assignment, security interest, conditional sale, lien or other encumbrance and any agreement to give any of the foregoing;
- (q) "Obligations" means all of the obligations, liabilities and indebtedness, now or hereafter existing, direct or indirect, contingent or absolute, as principal or surety, of each Debtor to the Lender, including, without limitation, all Facility Obligations;
- (r) "PPSA" means the *Personal Property Security Act* (British Columbia), including the regulations thereto and related Minister's Orders, provided that if perfection or the effect of perfection or non-perfection or the priority of any Lien created under this Agreement on the Pledged Collateral is governed by the personal property security legislation or other applicable legislation with respect to personal property security in effect in any applicable jurisdiction in Canada, "PPSA" means the Personal Property Security Act or such other applicable legislation (including, the Civil Code of Quebec) in effect from time to time in such other jurisdiction in Canada for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority;
- (s) "Reasonable Expenses" means any and all reasonable expenses incurred from time to time by the Lender or any Receiver, including without limitation: (i) expenses incurred in the perfection or preservation of the Security Interest; (ii) expenses incurred in enforcing payment or performance of the Obligations or any part thereof; (iii) expenses incurred in locating, taking possession of, transporting, holding, repairing, processing, preparing for and arranging for the disposition of Collateral (including the cost of insurance and the payment of taxes); (iv) expenses incurred in

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disposing of the Collateral (including the cost of insurance and the payment of taxes); (v) any and all other reasonable expenses incurred by the Lender or any Receiver as a result of the Lender or Receiver exercising any of their rights or remedies pursuant to this Agreement; (vi) any and all reasonable legal expenses including those incurred in any legal action or proceeding or appeal therefrom commenced or taken in good faith by the Lender or any Receiver; and (vii) any and all reasonable fees and disbursements of any solicitor, accountant or valuator or similar person employed by the Lender or any Receiver in connection with any of the foregoing;

(t) "Receiver" means a receiver, manager, receiver-manager and receiver and manager;

(u) "Security Interest" has the meaning ascribed thereto in Section 2.1 of this Agreement; and

(v) "STA" means the *Securities Transfer Act, 2006* (British Columbia), as from time to time in effect, and includes all regulations from time to time made under such legislation.

1.2 Definitions Incorporated by Reference. In addition to the foregoing definitions, capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Gold Loan Agreement. Terms not defined in this Agreement or the Gold Loan Agreement that are defined in the PPSA shall have the meanings ascribed to them in the PPSA. Terms not defined in this Agreement, the Gold Loan Agreement or the PPSA that are defined in the STA shall have the meanings ascribed to them in the STA.

1.3 Collateral. For the purposes of this Agreement, "Collateral" means all of the Debtors' right, title and interest in, to and under all of the Debtors' present and after-acquired personal property, assets, and undertakings including without limitation all of the following now owned or hereafter owned or acquired by or on behalf of the Debtors:

(a) all Accounts, claims, choses in action and demands of every nature and kind, howsoever arising or secured, including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by, or which may hereafter become due, owing or accruing or growing due to or owned by, the Debtors;

(b) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Money, Securities, Investment Property (excluding, for greater certainty, all shares in Anthem Untied Inc.), Financial Assets and Securities Accounts;

(c) all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto);

(d) all Inventory, including all returned, reclaimed or repossessed Inventory;

(e) all Equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures, motor vehicles and other vehicles of whatsoever nature or kind;

(f) all deposit, disbursement, operating and other bank accounts and all deposits therein;

(g) all present and future Contracts, contract rights and insurance claims;

(h) all proceeds of all builders' risk, hazard, damage, rental, income loss and public liability insurance policies ("Insurance Policies") now or hereafter obtained or maintained in connection

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with the business operations of the Debtors and any real property interests of the Debtors, including all improvements, buildings, structures, erections, fixtures, plant or other improvements thereon or thereto;

(i) any amendments, extensions, renewals and replacements which have been or may hereafter be made to any of the Insurance Policies or the Contracts;

(j) all Intellectual Property;

(k) all Intangibles;

(l) all deeds, documents, writings, papers, books of account and other books relating to or being records of any of the foregoing or by which such are or may hereafter be secured, evidenced, acknowledged or made payable; and

(m) all Proceeds, products and renewals of any of the foregoing, accretions thereto and substitutions therefor and any proceeds arising from any preference action under Section 95 of the *Bankruptcy and Insolvency Act* (Canada) or any comparable preference action arising under any provincial law or analogous law of another jurisdiction (whether dealing with fraudulent conveyances, assignments and preferences or otherwise),

provided that the term Collateral shall not include any property of the Debtors that constitutes Consumer Goods for the personal use of the Debtors.

1.4 Schedules. The following schedules are attached to this Agreement and form a part thereof:

Schedule "A" – Locations

Schedule "B" – Permitted Encumbrances

1.5 Headings and Subheadings. The inclusion in this Agreement of headings and subheadings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.6 Gender and Number. In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing one gender include all genders.

1.7 Currency. In this Agreement, all amounts are stated and payable in United States Dollars.

1.8 Invalidity of Provisions. Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement.

1.9 Entire Agreement. This Agreement, together with the other Loan Documents and any schedules or appendices attached hereto or thereto, constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and there are no warranties, representations or agreements between the parties in connection with the subject matter of this Agreement except as specifically set forth or referred to in this Agreement and the Loan Documents. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Gold



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Loan Agreement, the rights and obligations of the Lender and the Debtors shall be governed by the provisions of the Gold Loan Agreement.

- 1.10 Effective Date. This Agreement shall become effective according to its terms immediately upon the execution hereof by the Lender and the Debtors. This Agreement and the Security Interest are in addition to and not in substitution for any other agreement made between the Lender and the Debtors or any other security granted by the Debtors to the Lender whether before or after the execution of this Agreement. The Security Interest shall be a general and continuing security notwithstanding that the Obligations shall at any time or from time to time be fully satisfied or performed and shall continue in full force and effect until terminated as provided for in this Agreement.
- 1.11 Modification and Waiver. This Agreement may not be modified unless agreed to in writing by duly authorized representatives of the Lender and the Debtors. No extension of any time limit granted by a party shall constitute an extension of any other time limit or any subsequent instance involving the same time limit. No consent by a party to, nor waiver of, a breach by the other party, whether express or implied, shall constitute a consent to or waiver of or excuse for any other different or subsequent breach, unless such waiver or consent is in writing and signed by the party claimed to have so waived or consented. Except as otherwise provided herein, no term or provision of this Agreement shall be deemed waived and no breach shall be excused.
- 1.12 Counterparts. This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, when taken together, shall constitute one and the same instrument.
- 1.13 Transmission by Facsimile or Electronic Means. The Lender and the Debtors hereby agree that this Agreement may be executed, delivered, and transmitted by facsimile or other electronic means, including without limitation by way of portable document format (.PDF) and that the reproduction of signatures by facsimile or other electronic means will be treated as binding as if such signatures were originals.

ARTICLE 2  
SECURITY INTEREST

- 2.1 Grant of Security Interest. As continuing security for the due payment and performance by the Debtors of all of the Obligations, the Debtors hereby grant, assign, transfer, set over, charge and pledge to the Lender a security interest in the Collateral (which, for greater certainty, shall exclude all shares in Anthem Untied Inc.), wherever located and whenever acquired (the "Security Interest").
- 2.2 Proceeds of Collateral. For greater certainty, the Security Interest shall extend to any and all Proceeds, additions, accessions to, substitutions and replacements for, rents, profits and products of and all supporting obligations relating to the Collateral.
- 2.3 Attachment. The Debtors and the Lender hereby acknowledge and agree that:
  - (a) value has been given;
  - (b) the Debtors have rights in the Collateral or the power to transfer rights in the Collateral and, to the extent that the Debtors do not acquire rights or interests in any of the Collateral until



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after the execution and delivery of this Agreement, the Security Interest hereby created shall attach to such after-acquired Collateral at the time the Debtors acquire rights or interests therein;

(c) the Debtors and the Lender have not agreed to postpone the time of attachment of the Security Interest; and

(d) this Agreement constitutes a "security agreement" as that term is defined in the PPSA.

2.4 Exception to Last Day. The Security Interest hereby granted shall not extend or apply to, and Collateral shall not include, the last day of the term of any lease of real property or agreement therefor, but upon the enforcement of the Security Interest, the Debtors shall stand possessed of such last day in trust to assign the same to any person acquiring such term. The Security Interest hereby granted does not and will not extend to, and Collateral shall not include, any agreement, right, franchise, licence or permit (the "Contractual Rights") to which the Debtors are a party or of which the Debtors have the benefit, to the extent that the creation of the Security Interest herein would constitute a breach of the terms of or permit any person to terminate the Contractual Rights, but the Debtors must hold their interest therein in trust for the Lender and will assign such Contractual Rights to the Lender forthwith upon obtaining the consent of the applicable counterparties thereto. The Debtors agree that they will, upon the request of the Lender, use their best efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Security Interest.

2.5 Transfers to Lender. Following the occurrence of a Default, the Debtors shall, upon request by the Lender, forthwith deliver to the Lender to be held by the Lender hereunder, all Instruments, Investment Property, Securities, Financial Assets, Accounts and Documents of Title, in its possession or control, and shall, where appropriate, duly endorse the same for transfer in blank or as the Lender may direct and shall make all reasonable efforts to forthwith deliver to the Lender any and all consents or other instruments or documents necessary or desirable to comply with any restrictions on the transfer thereof in order to effectively transfer the same to the Lender.

2.6 Additional Security. As further continuing security for the due and timely payment and performance by the Debtors of the Obligations, the Debtors, subject to Section 2.4 of this Agreement, hereby grant, sell, assign, and transfer to the Lender all Collateral such that title thereto and ownership therein shall belong to and be vested in the Lender, provided that the Lender shall not thereby assume or be liable for any obligations or payments in respect of any of the Collateral and further provided that, upon the sale of any Inventory by the Debtors in the ordinary course of business and provided that the Debtor is not in Default hereunder, title thereto and ownership therein shall be automatically divested from the Lender and provided further that, upon the termination of this Agreement in accordance with the provisions of this Agreement, title to and ownership in the Collateral shall be automatically again vested in the Debtors without any further act of the Lender or the Debtors.

2.7 Grant of Licence to Use Intellectual Property. For the purposes of enabling the Lender to exercise its rights and remedies pursuant to this Agreement, at such time as the Lender shall lawfully be entitled to exercise its rights and remedies and for no other purpose, the Debtors hereby grant to and in favour of the Lender an irrevocable, non-exclusive licence (exercisable without payment of royalty or other compensation to the Debtors) to use, assign or sub-license any of the Intellectual Property wherever the same may be located, including in such licence access to (i) all media in which any of the licensed Intellectual Property may be recorded or stored, and (ii) all computer programs used for compilation or print-out.

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**ARTICLE 3  
RIGHTS OF THE LENDER**

- 3.1 Notice to Account Debtors. The Lender may, after the occurrence of a Default, give notice of this Agreement and the Security Interest and assignment hereby granted to any Account Debtor of the Debtors or to any other person liable to the Debtors in respect to an Account, Chattel Paper or an Instrument, to make payment to the Lender of all such present and future amounts due thereunder. The Debtors acknowledges and agrees that any payment or other Proceeds of Collateral received by the Debtors from Account Debtors or from any other person liable to the Debtors as described above, whether before or after any notice is given by the Lender, is received and must be held by the Debtors in trust for the Lender and must be paid over to the Lender on request for application toward repayment of the Obligations.
- 3.2 Registration or Transfer of Securities. After the occurrence and during the continuance of a Default:
- (a) the Lender shall have the right to have any Uncertificated Securities or Certificated Securities included in the Collateral registered in the name of the Lender or its nominee, upon request of the Lender;
- (b) the Lender shall have the right to become or have its nominee become the Entitlement Holder with respect to any Security Entitlements or Investment Property included in the Collateral, upon request of the Lender; and
- (c) as the registered holder of any Certificated Securities or Uncertificated Securities or the Entitlement Holder with respect to any Investment Property included in the Collateral, the Lender shall be entitled but not bound or required to exercise any of the rights that any holder of such Certificated Securities, Uncertificated Securities or such Entitlement Holder may at any time have; provided that at all times other than during the continuance of a Default, the Debtors will be entitled to exercise, in a manner not prejudicial to the interests of the Lender or which would violate or otherwise be inconsistent with this Agreement unless permitted under the Gold Loan Agreement, all voting power from time to time exercisable in respect of the Certificated Securities, Uncertificated Securities or the Security Entitlements thereto; and the Lender will not be responsible for any loss occasioned by its exercise of any such rights or by failure to exercise the same within the time limited for the exercise thereof.

**ARTICLE 4  
REPRESENTATIONS AND WARRANTIES**

- 4.1 Representations and Warranties of the Debtors. The representations and warranties made by the Debtors in the Gold Loan Agreement are hereby expressly incorporated as a part of this Agreement and are hereby made by each Debtor in connection with this Agreement. In addition, the Debtors hereby each represent to the Lender, and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:
- (a) the entering into of this Agreement and the performance by the Debtor of its obligations hereunder does not and will not contravene, breach or result in any default under the articles, by-laws, constituting documents or other organizational documents of the Debtor or under any mortgage, lease, agreement or other legally binding instrument, license, permit or law to which the Debtor is a party or by which the Debtor or any of its properties or assets may be bound;

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- (b) except as disclosed to the Lender, in connection with this Agreement, no authorization, consent or approval of any Person or Governmental Authority is required in connection with the execution, delivery or performance of this Agreement by the Debtor;
- (c) the Debtor own the Collateral free of all Liens, except for Permitted Encumbrances; and, and none of the Collateral is held by the Debtor in a trust capacity; and
- (d) the Debtor's jurisdiction of organization, chief executive office, principal place of business, registered office according to its constating documents, its offices and the locations of all of its books and records concerning the Collateral and all Account Debtors are set forth on Schedule "A" attached hereto.

**ARTICLE 5  
COVENANTS OF THE DEBTOR**

5.1 General Covenants of the Debtor. The covenants made by the Debtors in the Gold Loan Agreement are hereby expressly incorporated as a part of this Agreement and are hereby made by each Debtor in connection with this Agreement. In addition, the Debtors hereby each covenant and agree with the Lender that:

- (a) the Debtor will keep the Collateral in good order, condition and repair, reasonable wear and tear excepted, will not permit the Collateral to be affixed to real or personal property so as to become a fixture or Accession without the prior written consent of the Lender and will not use the Collateral in violation of the provisions of this Agreement or any other Loan Document relating to the Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (b) the Debtor will promptly notify the Lender of: (i) any change in the information contained in this Agreement relating to the Debtor, its business or the Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Debtor or the Collateral; (iv) any default by any Account Debtor in the payment or performance of such Account Debtor's obligations to the Debtor; and (v) any loss of or damage to the Collateral;
- (c) the Debtor will not locate any Collateral at any location other than the Debtor's principal place of business, as set out on Schedule "A" attached hereto, without the Lender's prior written consent; and
- (d) the Debtor will not change its name without giving prior written notice to the Lender of the new name and the date upon which such change of name is to take effect.

5.2 Verification of Collateral. The Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtors agree to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its Lenders access to all places where Collateral may be located and to all premises occupied by the Debtors.

5.3 Reasonable Expenses of the Lender. The Debtors shall pay forthwith to the Lender, on demand by the Lender, all of the Lender's Reasonable Expenses, and such Reasonable Expenses shall be deemed to form part of the Obligations.

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5.4 **Registration.** The Debtors agree to promptly effect all registrations, filings, recordings and all re-registrations, refilings and re-recordings of or in respect of this Agreement and the Security Interest in all offices in all jurisdictions and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority of this Agreement and/or the Security Interest. The Debtors hereby authorize the Lender to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in any Intellectual Property and Intangibles forming part of the Collateral granted by the Debtors hereunder, without need for further authorization or approval of the Debtors.

**ARTICLE 6  
DEFAULT AND REMEDIES**

6.1 **Events of Default.** The Default provisions of the Gold Loan Agreement are hereby incorporated in this Agreement, and the occurrence of any event constituting a Default under the Gold Loan Agreement shall constitute a default hereunder. In addition, the following events shall constitute a Default:

- (a) any Debtor admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency; or
- (b) any creditor of any Debtors or any other Person shall privately appoint a receiver, trustee or similar official for any substantial part of such Debtors' properties or assets or for any part of the Collateral, and such appointment is not being contested in good faith and by appropriate proceedings or, if so contested, such appointment continues for more than sixty (60) days.

6.2 **Remedies.** Upon the occurrence of a Default, the Security Interest hereby granted shall immediately become enforceable and the Lender or any Receiver appointed by the Lender may, forthwith or at any time thereafter during the continuance of such Default and without notice to the Debtors, except as provided by applicable law or this Agreement, take one or more of the following actions:

- (a) declare any or all of the Obligations not then due and payable to be immediately due and payable by giving notice in writing thereof to the Debtors and, in such event, such Obligations shall be forthwith due and payable by the Debtors to the Lender;
- (b) pursuant to the power of attorney granted to the Lender by the Debtors contemporaneously herewith, execute on behalf of the Debtors and register such further and other instruments whether pursuant to any legislation in any Province of Canada relating to the registration of mortgages, charges, hypothecs, pledges, liens or other security interests or encumbrances against land or otherwise, against the Collateral or any of it as may be necessary or desirable in order to fix the Lender's priority as a creditor of the Debtor vis-à-vis other creditors of the Debtor;
- (c) require the Debtor, at the Debtors' expense, to assemble the Collateral at a place or places designated by notice in writing given by the Lender to the Debtor, and the Debtor agrees to so assemble the Collateral, and, if requested, deliver the Collateral, or make the Collateral available at a place and time designated by the Lender by notice in writing;
- (d) without legal process, enter any premises where the Collateral may be situate and take possession of the Collateral by any method permitted by law;

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- (e) take such steps as it considers desirable to maintain, preserve or protect the Collateral or the value of the Collateral, or prepare the Collateral for disposition;
- (f) sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable, irrespective of whether the Lender has taken possession of the Collateral, as set out in Section 6.5 of this Agreement;
- (g) carry on all or any part of the business or businesses of the Debtors and may, to the exclusion of all others including the Debtors, enter upon, occupy and use all or any of the premises, buildings, plant, undertaking and other property of or used by the Debtors for such time and in such manner as the Lender sees fit and the Lender shall not be liable to the Debtors for any act, omission or negligence in so doing or for any rent, charges, depreciation, damages or other amount in connection therewith or resulting therefrom;
- (h) file such proofs of claim or other documents as may be necessary or desirable to have its claim lodged in any bankruptcy, winding-up, liquidation, dissolution or other proceedings (voluntary or otherwise) relating to the Debtors;
- (i) borrow money for the purpose of carrying on the business of the Debtors or for the maintenance, preservation or protection of the Collateral, whether or not in priority to the mortgages, charges, hypothecs, assignments and Security Interest hereby created and granted, to secure repayment of any money so borrowed;
- (j) commence legal action against the Debtors for any Deficiency;
- (k) retain the Collateral irrevocably, as set out in Section 6.3 of this Agreement;
- (l) appoint a Receiver, as set out in Section 6.4 of this Agreement;
- (m) usurp all rights of the Debtors to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral;
- (n) pay or discharge any mortgage, charge, encumbrance, lien, adverse claim or security interest claimed by any person, firm or corporation and reasonably established to the satisfaction of the Lender in the Collateral, and the amount so paid shall be added to the Obligations;
- (o) exercise all of the rights under all Contracts, Investment Property notes, debentures or other instruments in writing comprising the Collateral as fully and effectually as if the Lender was the absolute owner thereof;
- (p) commence legal proceedings for and on behalf of and in the name of the Lender and at the expense of the Debtors in order to enforce the rights of the Debtors under any Contracts, agreements, indentures or other instruments in writing which may form part of the Collateral; and
- (q) take any other action, suit, remedy or proceeding authorized or permitted by this Agreement, the PPSA, the STA or by law or equity.

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- 6.3 Retention of Collateral by Lender. The Lender may at its discretion retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the Debtors, and such retention of Collateral by the Lender shall reduce the amount of the Obligations by an amount equal to the fair market value, as reasonably determined by the Lender, of the Collateral so retained.
- 6.4 Appointment of Receiver. The Lender may appoint, by an instrument in writing delivered to the Debtors, a Receiver, and remove any Receiver so appointed and appoint another Receiver or other Receivers in its stead, or institute proceedings in any court of competent jurisdiction for the appointment of a Receiver, it being understood and agreed that:
  - (a) the Lender may appoint any person, firm or corporation, including any employee of the Lender, as Receiver;
  - (b) the appointment of a Receiver by the Lender may be made at any time either before or after the Lender shall have taken possession of the Collateral;
  - (c) the Lender may from time to time fix the reasonable remuneration of the Receiver and direct the payment thereof out of the Collateral or any proceeds derived from a sale or other disposition of dealing thereof or therewith;
  - (d) the Receiver shall be deemed to be the Lender of the Debtors for all purposes and, for greater certainty, the Lender shall not be in any way responsible for any actions, whether willful, negligent or otherwise, of any Receiver or for any tax liabilities arising from the use, sale or other disposition of the Collateral by the Receiver (unless all rights of ownership in the Collateral have been transferred to and vested in the Lender prior to the use, sale or other disposition thereof by the Receiver), and the Debtors hereby agree to indemnify and save harmless the Lender from and against any and all claims, demands, actions, costs, damages, expenses or payments which the Lender may hereafter suffer, incur or be required to pay as a result of, in whole or in part, any action taken by the Receiver or any failure of the Receiver to do any act or thing;
  - (e) the Debtors hereby irrevocably authorize the Lender to give instructions to the Receiver relating to the performance of its duties;
  - (f) the Debtors hereby irrevocably waive any right they may have, now or in the future, under any applicable law, to make application to a court for the removal, replacement or discharge of the Receiver or for directions on any matter relating to the duties of the Receiver (unless such duties are not being performed in a commercially reasonable manner) or in respect of the Receiver's accounts or remuneration or in respect of any other matter; and
  - (g) the Receiver shall, subject to the provisions of any agreement appointing the Receiver, have the right to perform any of the actions set out in Section 6.2 of this Agreement, including without limitation the power to take possession of the Collateral, to preserve Collateral or its value in such manner as it considers appropriate, to carry on all or any part of the business of the Debtors, and to sell, lease or otherwise dispose of Collateral in such manner and on such terms as it considers to be commercially reasonable;
  - (h) except as may be otherwise directed by the Lender, all Proceeds realized from time to time by the Receiver in carrying out its appointment shall be received in trust for and paid over to the Lender; and

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- (i) any Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender under this Agreement or otherwise.
- 6.5 Disposal of Collateral. The Lender may dispose of any Collateral, in whole or in part, by way of public or private sale or otherwise, without notice, advertisement or any other formality, all of which are hereby waived by the Debtors. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Lender in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell without being answerable for any loss. The Lender may sell the Collateral in whole or in part for consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Collateral and give receipts for the purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Debtors and all those claiming an interest in the Collateral by, from, through or under the Debtors. The Debtors acknowledge that the Collateral is of a nature that may decline speedily in value after a Default.
- 6.6 Possession of Collateral. The Debtors acknowledge that the Lender or any Receiver appointed by the Lender may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtors agree, upon request by the Lender or any such Receiver, to deliver possession of the Collateral at such place or places as directed by the Lender or a Receiver appointed by the Lender, as the case may be.
- 6.7 No Obligation to Dispose of Collateral. The Lender shall not be under any obligation to, or be liable or accountable for any failure to, enforce payment or performance of the Obligations or to seize, realize, take possession of or dispose of the Collateral and shall not be under any obligations to institute proceedings for any of such purposes.
- 6.8 Standard Applicable to the Lender. In enforcing its rights under this Agreement, the Lender shall be required to act at least to the standards which are consistent with the commercial practices of a person carrying on a business in a distress, default or liquidation situation.
- 6.9 Collateral in Possession of the Lender. Where any Collateral is in the possession of the Lender:
- (a) the Lender shall have no duty of care whatsoever with respect to such Collateral other than to use reasonable care in the custody and preservation thereof, provided that the Lender need not take any steps of any nature to defend or preserve the rights of the Debtors therein against prior parties;
- (b) the Lender may, at any time following the occurrence of a Default, grant or otherwise create a security interest in such Collateral upon any terms whether or not such terms impair the Debtors' right to redeem such Collateral; and
- (c) the Lender may, at any time following the occurrence of a Default, use such Collateral in any manner and to such extent as it, in its sole discretion, deems necessary or desirable.
- 6.10 Application of Proceeds. The proceeds arising from the enforcement of the Security Interest as a result of the possession by the Lender or the Receiver of Collateral or from any sale, lease or other disposition of, or realization of security on, the Collateral (except following acceptance by the Lender of Collateral in satisfaction of the Obligations) shall be applied by the Lender or the Receiver in the manner stipulated by the PPSA.



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- 6.11 **Remedies Not Exclusive.** All rights, powers and powers and remedies of the Lender under this Agreement may be exercised separately or in combination and shall be in addition to, and not in substitution for, any other security now or hereafter held by the Lender and any other rights, powers and remedies of the Lender however created or arising. No single or partial exercise by the Lender of any of the rights, powers and remedies under this Agreement or under any other security now or hereafter held by the Lender shall preclude any other and further exercise of any other right, power or remedy pursuant to this Agreement or any other security or at law, in equity or otherwise. The Lender shall at all times have the right to proceed against Collateral or any other security in such order and in such manner as it shall determine without waiving any rights, powers or remedies which the Lender may have with respect to this Agreement or any other security or at law, in equity or otherwise. No delay or omission by the Lender in exercising any right, power or remedy hereunder or otherwise shall operate as a waiver thereof or of any other right, power or remedy.

**ARTICLE 7  
GENERAL PROVISIONS**

- 7.1 **Termination and Release.** This Agreement may be terminated by written agreement made between the Lender and the Debtors or by notice in writing given by the Debtors to the Lender at any time when all of the Obligations have been fully satisfied and performed by the Debtors. Upon termination of this Agreement in accordance with this paragraph, the Lender shall, at the request and expense of the Debtors, make and do all such acts and things and execute and deliver all such financing statements, financing change statements, instruments, agreements and documents as the Debtors reasonably consider necessary or desirable to discharge the Security Interest, to release and discharge the Collateral therefrom and to record such release and discharge in all appropriate offices of public record.
- 7.2 **Acknowledgement of Receipt.** The Debtors hereby acknowledge receipt of a copy of this Agreement.
- 7.3 **Power of Attorney.** The Debtors hereby each appoint the Lender as the Debtors' attorney, with full power of substitution, in the name and on behalf of the Debtors, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, Contracts, assurances, consents, financing statements and things as the Debtors have herein agreed to execute, deliver and do or as may be required by the Lender or any Receiver to give effect to this Agreement or in the exercise of any rights, powers or remedies hereby conferred on the Lender, and generally to use the name of the Debtors in the exercise of all or any of the rights, powers or remedies hereby conferred on the Lender. This appointment, coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtors or for any other reason.
- 7.4 **Dealing with Others.** The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, make settlements, grant releases and discharges and otherwise deal with the Debtors, debtors of the Debtors, sureties and other Persons and with Collateral and other security as the Lender sees fit, without prejudice to the liability of the Debtors to the Lender or the rights, powers and remedies of the Lender under this Agreement.
- 7.5 **Lender May Perform.** If the Debtors fail to perform any Obligation or obligation contained in this Agreement relating to the Collateral, the Lender may itself perform, or cause performance of, such obligations, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Debtors, provided that the Lender shall not be required to perform or discharge any

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obligation of the Debtors and the performance by the Lender shall not constitute a waiver of the rights of the Lender to enforce this Agreement.

7.6 Set-Off. The Lender may, without notice to the Debtors or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Debtors from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Lender may in its sole discretion see fit, irrespective of whether the Obligations are due and payable. The Lender's records are deemed to be conclusive proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Lender will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Lender in good faith.

7.7 Perfection of Security Interest. The Debtors hereby authorize the Lender to file such financing statements and other documents and do such acts, matters and things as the Lender may consider appropriate to perfect and continue the Security Interest, to protect and preserve the interest of the Lender in the Collateral and to realize upon the Security Interest.

The Debtors acknowledge and agree that, in the event any Debtor amalgamates, merges, or otherwise combines its business with any other entity or entities, it is the intention of the parties hereto that the term "Debtor", when used herein, shall apply to each of the amalgamating, merging, or combining entities and to the amalgamated, merged, or combined entity, such that the Security Interest granted hereby:

- (a) shall extend to all "Collateral", as that term is defined herein, owned by each of the surviving entities at the time of amalgamation and to any "Collateral" thereafter owned or acquired by such entity; and
- (b) shall secure all "Obligations", as that term is defined herein, of each of the amalgamating, merging, or combining entities to the Lender at the time of such amalgamation, merger, or other business combination and all "Obligations" of the surviving entity or entities to the Lender thereafter arising; and that the Security Interest shall attach to all "Collateral" owned by each entity amalgamating, merging, or otherwise combining its business with such Debtor, and by the surviving entity, at the time of such transaction, and shall attach to all "Collateral" thereafter owned or acquired by the surviving entity when such becomes owned or is acquired.

7.10 Assignment. This Agreement may not be assigned by the Debtors without the prior written consent of the Lender, which consent will not be unreasonably withheld. Any attempt by the Debtors to assign any of its rights, duties or obligations hereunder in contravention to the above requirements shall be void and of no effect. The Debtors agree that this Agreement may be assigned by the Lender without the consent of or notice to the Debtors, to such Person as the Lender may determine in its discretion, free of any set-off, counterclaim or equities between the Debtors and the Lender, and, in that case:

- (a) the assignee of the Lender shall be entitled to all of the rights and remedies of the Lender as set out in this Agreement or otherwise;
- (b) the Lender shall be released and discharged from its obligations under this Agreement; and
- (c) the Debtors shall not assert against an assignee of the Lender any claim or defence that the Debtor has or may have against the Lender.

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- 7.11 **Waiver by Debtors.** To the extent not prohibited by law, the Debtors hereby waive the benefit of all of the provisions of the PPSA or any other legislation which would in any manner adversely affect the Lender's rights or remedies under this Agreement.
- 7.12 **Waiver by Lender.** The Lender may, in whole or in part, as it sees fit, grant extensions of time or other indulgences to the Debtors, waive any breach of any provision of this Agreement by the Debtors, waive any default by the Debtors in the payment or performance of any of the Obligations, release or discharge the Debtors in respect to the Collateral or fail to exercise any of its rights and remedies whether provided for hereunder or otherwise, provided that:
- (a) no such waiver, extension, indulgence, release or discharge shall be considered to have been given unless given expressly by the Lender to the Debtors in writing; and
- (b) no such waiver, extension, indulgence, release or discharge shall in any way affect or impair the Security Interest or the rights or remedies of the Lender, whether provided for in this Agreement or otherwise.
- 7.13 **Limitation on Liability.** In no event whatsoever shall the Lender nor any Receiver appointed by the Lender be liable for any failure to exercise its rights, powers or remedies under this Agreement or otherwise, including without limitation any failure to take possession of, collect, enforce, realize, sell, lease or otherwise dispose of, preserve or protect the Collateral, to carry on all or any part of the business of the Debtors relating to the Collateral or to take any steps or proceedings for any such purposes. Neither the Lender nor any Receiver appointed by the Lender shall have any obligation to take any steps or proceedings to preserve rights against prior parties to or in respect of Collateral including without limitation any Instrument, Chattel Paper or Securities, whether or not in the Lender's or the Receiver's possession, and neither the Lender nor any Receiver appointed by it shall be liable for failure to do so.
- 7.14 **Notice.** Any notice or other communication required or permitted to be given pursuant to this Agreement shall be deemed to be delivered when delivered in accordance with the applicable sections of the Gold Loan Agreement.
- 7.15 **Time of the Essence.** Time shall be of the essence in connection with this Agreement and no extension, indulgence or variation granted by the Lender shall operate as a waiver of this provision.
- 7.16 **Calculation of Time.** When calculating the period of time within which or following which any act is to be done or step taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is not a Business Day, then the time period in question shall end of the first Business Day following such non-Business Day.
- 7.17 **Further Assurances.** Each of the Lender and each Debtor hereby agrees that it will promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as another party may reasonably require from time to time for the purpose of giving effect to the provisions of this Agreement and each of the Lender and each Debtor agrees that it will use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.
- 7.18 **Survival.** The parties agree that all representations, warranties and covenants made by the Debtors shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Obligations.

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- 7.19 **No Limit on Additional Remedies.** Nothing contained in this Agreement shall limit any other remedies which any party may have as a result of the default of the other party under this Agreement, and the parties agree that remedies for breach of this Agreement may be in equity by way of injunctive relief or specific performance, as well as for damages, and any other relief available, whether in equity, in law or otherwise.
  
- 7.20 **Equitable Remedies.** Each party acknowledges that a breach or threatened breach by a party of any of certain provision of this Agreement may result in the other party suffering irreparable harm, which may not be able to be calculated or fully or adequately compensated by recovery of damages alone. Accordingly, each party agrees that in the event of a breach of the provisions of this Agreement by a party, the other party may be entitled to interim and permanent injunctive relief, specific performance and other equitable remedies, in addition to any other relief to which such other party may otherwise be entitled.
  
- 7.21 **Enurement.** This Agreement shall enure to the benefit of, and be binding upon, the Lender and the Debtor and their respective successors, affiliates and permitted assigns.
  
- 7.22 **Governing Law.** This Agreement shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein, the parties select the courts of the Province of British Columbia as the forum for hearing disputes arising from this Agreement, and each of the Lender and the Debtors hereby submits to the non-exclusive jurisdiction of the Province of British Columbia in connection with this Agreement.
  
- 7.23 **Limitation Periods.** To the extent that any limitation period applies to any claim for payment of the Obligations or remedy for enforcement of the Obligations, the Debtors agree that:
  - (a) any limitation period is expressly excluded and waived entirely if permitted by applicable law;
  - (b) if a complete exclusion and waiver of any limitation period is not permitted by applicable law, any limitation period is extended to the maximum length permitted by applicable law;
  - (c) any applicable limitation period shall not begin before an express demand for payment of the Obligations is made in writing by the Lender to the Debtors; and
  - (d) any applicable limitation period shall begin afresh upon any payment or other acknowledgment of the Obligations by the Debtors.

*[Remainder of page intentionally left blank. Signature page follows.]*




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**IN WITNESS WHEREOF, the Debtors have executed this Agreement as of the date first above written.**

**INCA ONE GOLD CORP., as Debtor**

  
 By: \_\_\_\_\_  
 Name: Edward Kelly  
 Title: President & CEO

**CHALA ONE S.A.C., as Debtor**

  
 By: \_\_\_\_\_  
 Name: Edward Kelly  
 Title: Director

ln

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**IN WITNESS WHEREOF, the Lender has executed this Agreement as of the date first above written.**

**OCIM PRECIOUS METALS SA, as Lender**

**By:**   
**Name:** Laurent Mathiot  
**Title:** CEO

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**SCHEDULE "A"  
LOCATIONS**

**INCA ONE GOLD CORP.**

Debtor's Jurisdiction of Formation: British Columbia

Debtor's Chief Executive Office: 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada

Debtor's Principal Place of Business: 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada

Debtor's Registered Office: 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada

Location of all books and records relating to the Collateral: 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada

**CHALA ONE S.A.C.**

Debtor's Jurisdiction of Formation: Peru

Debtor's Chief Executive Office: Cal. Los Tulipanes Nro. 147 Int. 503, Lima, Peru

Debtor's Principal Place of Business: Cal. Los Tulipanes Nro. 147 Int. 503, Lima, Peru

Debtor's Registered Office: Cal. Los Tulipanes Nro. 147 Int. 503, Lima, Peru

Location of all books and records relating to the Collateral: Cal. Los Tulipanes Nro. 147 Int. 503, Lima, Peru



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**SCHEDULE "B"**  
**PERMITTED ENCUMBRANCES**


An amended and restated general security agreement in favour of Emerging Manager Platform (2) Ltd. – Income Bonds Fund granted by Chala One S.A.C. dated as of March 24, 2015; and

A securities pledge agreement in favour of Equinox Gold Corp. granted by Inca One Gold Corp dated as of August 20, 2018.

A handwritten signature in black ink, consisting of stylized initials and a surname, located in the bottom right corner of the page.



This is Exhibit " H " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

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**SHARE PLEDGE AGREEMENT**

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granted by

**INCA ONE GOLD CORP., DYNASTY ONE MINING S.A. and EDWARD JOHN KELLY**  
as Pledgors

in favour of

**OCIM PRECIOUS METALS SA**  
as Lender

Dated as of August 6, 2021

**Baker  
McKenzie.**

181 Bay Street, Suite 2100  
Toronto, Ontario M5J 2T3  
Canada

A handwritten signature in black ink, appearing to be a stylized name, possibly 'EJK' or similar, with a small mark below it.

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## SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT dated as of August 6, 2020 (as the same may be amended, supplemented, extended or restated from time to time, this "Agreement") is granted by Inca One Gold Corp., a company continued under the laws of the Province of British Columbia, Dynasty One Mining S.A. and Edward John Kelly (the "Pledgors"), in favour of OCIM PRECIOUS METALS SA (the "Lender").

### RECITALS

WHEREAS, pursuant to, and subject to the terms and conditions set forth in that certain Gold Loan Agreement dated as of the date hereof between the Lender, Inca One Gold Corp., Corizona One S.A.C. and Chala One S.A.C. (the "Pledged Entity"), as the same may be amended, supplemented, restated or extended from time to time, (the "Loan Agreement"), the Lender has agreed to extend certain loans, advances and other financial accommodations to the Pledged Entity in order to provide for working capital in accordance with the Loan Agreement terms;

AND WHEREAS in order to induce the Lender to enter into the Loan Agreement with the Pledged Entity, the Pledgors have agreed to pledge to the Lender all of the Pledgors' right, title and interest in the Pledged Collateral pursuant to the terms hereof.

### AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Pledgors agree as follows:

1. Terms Defined by Reference. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement, and terms defined in the PPSA or STA (each as defined below) which are not otherwise defined in this Agreement or the Loan Agreement are used herein as defined in the PPSA or STA, as applicable.
2. Definitions of Certain Terms Used Herein. As used in this Agreement, the following terms shall have the following meanings:
  - (a) "Agreement" has the meaning given to it in the Preamble to this Agreement;
  - (b) "Indemnatee" has the meaning given to it in Section 25;
  - (c) "Lender" has the meaning given to it in the Recitals to this Agreement;
  - (d) "Loan Agreement" has the meaning given to it in the Recitals to this Agreement;
  - (e) "Ownership Interests" has the meaning given to it in Section 3(a);
  - (f) "Pledge Amendment" has the meaning given to it in Section 9(d);
  - (g) "Pledged Collateral" has the meaning given to it in Section 3;
  - (h) "Pledged Entity" has the meaning given to it in the Recitals to this Agreement;

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- (i) "Pledged Securities" has the meaning given to it in Section 3(a);
- (j) "Pledgors" has the meaning given to it in the Preamble to this Agreement;
- (k) "PPSA" means the *Personal Property Security Act* (British Columbia), including the regulations thereto, provided that if perfection or the effect of perfection or non-perfection or the priority of any Security created under this Agreement on the Pledged Collateral is governed by the personal property security legislation or other applicable legislation with respect to personal property security in effect in any applicable jurisdiction in Canada, "PPSA" means the Personal Property Security Act or such other applicable legislation (including, the Civil Code of Quebec) in effect from time to time in such other jurisdiction in Canada for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority;
- (l) "Proceeds" has the meaning ascribed thereto in the PPSA;
- (m) "Secured Obligations" means any and all indebtedness, liabilities and obligations of every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Pledged Entity or the Pledgors to the Lender under or in connection with this Agreement and the payment of all reasonable costs and expenses incurred by the Lender in enforcing any rights under this Agreement; and
- (n) "STA" means the *Securities Transfer Act* (British Columbia), as from time to time in effect, and includes all regulations from time to time made under such legislation.

3. Pledge. The Pledgors hereby pledge, mortgage, charge, hypothecate, assign, transfer, deliver and set over to the Lender and grants to the Lender a first priority security interest in, all of the following (collectively, the "Pledged Collateral"):

- (a) all of the issued and outstanding securities, investment property, units, trust units, partnership, membership and other equity interests, participations, investment certificates, notes, or other ownership or profit interests in or of the Pledged Entity, including, without limitation, the securities described in Schedule "A" hereto (collectively, "Ownership Interests"), all warrants, options or other rights for the purchase or acquisition from the Pledged Entity of Ownership Interests in the Pledged Entity, all of the securities convertible into or exchangeable for Ownership Interests in the Pledged Entity or warrants, rights or options for the purchase or acquisition from the Pledged Entity of Ownership Interests, and all of the other ownership or profit interests in the Pledged Entity, including, without limitation, partnership, member or trust interests therein, whether voting or non-voting, and whether or not such Ownership Interests are outstanding on any date of determination, in each case that are now or from time to time hereafter held by the Pledgors (the "Pledged Securities");
- (b) all certificates and other instruments and agreements from time to time representing or evidencing the Pledged Securities, together with all claims, rights, privileges, authority and powers of the Pledgors relating to the Pledged Securities, and all income, dividends, interest, distributions, cash, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Securities;
- (c) such portion, as determined by the Lender as provided in Section 9(d) below, of any additional Securities from time to time acquired by the Pledgors in the capital of the Pledged Entity in any manner, including any options, warrants or other rights for the purchase and



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acquisition of Ownership Interests in the capital of the Pledged Entity, which shares, options, warrants or other rights shall be deemed to be part of the Pledged Securities, and the certificates and other instruments from time to time representing or evidencing such additional shares, options, warrants or other rights, and all dividends, distributions, cash, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed or distributable in respect of or in exchange for any or all of such additional shares;

(d) all Pledged Securities issued in respect of the securities referred to in subsections (a) through (c) upon any consolidation, amalgamation or merger of the Pledged Entity; and

(e) all Proceeds and products of the foregoing, all supporting obligations related thereto, and all accessions to, substitutions and replacements for, and profits and products of, each of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guarantee payable to the Pledgors from time to time with respect to any of the foregoing.

4. Security for Secured Obligations. This Agreement secures, and the Pledged Collateral is security for, the prompt payment in full, whether at stated maturity, by acceleration or otherwise, and performance of the Secured Obligations.

5. Delivery of Pledged Collateral. The Pledgors shall deliver, concurrently with the execution of this Agreement, all certificates and other instruments evidencing the Pledged Collateral to the Lender. The Pledged Securities shall be accompanied by a duly executed transfer power signed in blank by the Pledgors substantially in the form of Schedule "B" hereto.

6. Attachment. The Pledgors each hereby acknowledges (a) value has been given for the pledges, mortgages, charges, hypothecates, assignment, transfer and security interests granted hereunder, (b) the Pledgors have rights in the Pledged Collateral, or in the case of after-acquired Pledged Collateral, will have rights in such after-acquired Pledged Collateral upon acquisition thereof, and (c) the Pledgors and the Lender have not agreed to postpone the time for attachment of the pledges, mortgages, charges, hypothecates, assignment, transfer and security interests granted hereunder.

7. Representations and Warranties. The Pledgors represent and warrant to the Lender as follows:

(a) The Pledged Securities. All information set forth in Schedule "A" relating to the Pledged Securities is accurate and complete.

(b) Copy of Loan Agreement. The Pledgors acknowledge that they have been provided with a duly executed copy of the Loan Agreement including any amendments thereto.

(c) Organization. Inca One Gold Corp. is a company duly incorporated and validly existing under the laws of the Province of British Columbia, Canada and has the capacity to pledge the Pledged Collateral and to incur and perform its obligations under this Agreement. Inca One Gold Corp. has all requisite capacity, power and authority to own, hold under licence or lease its properties necessary for the conduct of its business and to carry on its business as currently conducted.

(d) Authority and Conflict. The Pledgors have the right and power and has taken all necessary action, corporate or otherwise, to be duly authorized and empowered to enter into, execute and deliver this Agreement, and to perform its obligations hereunder. The execution, delivery and performance of this Agreement does not and shall not conflict with or violate any law or regulation applicable to the Pledgors or any order of any Governmental Agency, their

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constitutional documents, or any agreement or instrument binding on either of them or any of their assets and should there be any conflict, such conflict would not have a Material Adverse Effect, and the execution, delivery and performance of this Agreement shall not result in the imposition of any Security or other encumbrance upon any of the property of the Pledgors under any existing indenture, mortgage, deed of trust, loan or credit agreement or other agreement or instrument by which the Pledgors or any of its property may be bound or affected.

(e) Binding Obligation and Enforceability. This Agreement has been duly authorized, executed and delivered by the Pledgors and, to the best of their knowledge, constitutes a valid and legally binding obligation of the Pledgors, enforceable against the Pledgors in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles.

(f) Execution and Delivery. This Agreement has been duly executed and delivered by the of the Pledgors.

(g) Non-Violation. The execution and delivery by the Pledgors of this Agreement and the performance of their obligations hereunder do not and will not: (i) contravene, violate, or result in a breach or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any applicable obligations of the Pledgors under: (A) the articles of incorporation, by-laws or any resolutions of the board of directors or shareholders of the Pledgors, (B) any law or regulation applicable to the Pledgors, (C) any judgment, order, writ, injunction or decree of any Governmental Agency having jurisdiction over the Pledgors; or (iii) conflict with any other agreement, or instrument to which the Pledgors is a party or by which the Pledgors or the Pledgors' property may be bound or affected, and should there be any conflict, such conflict would not have a Material Adverse Effect.

(h) No Consents or Approvals. No consent, approval, authorization or other order or other action by and no notice to or filing with, any Governmental Agency or any other Person is required for the pledge by the Pledgors of the Pledged Securities or for the execution, delivery or performance of this Agreement by the Pledgors.

(i) Solvency. The Pledgors are solvent, able to pay their respective debts as they become due and has capital sufficient to carry on its business, now owns property having a value both at fair valuation and at present fair saleable value greater than the amount required to pay their debts, and will not be rendered insolvent by the execution and delivery of this Agreement or any of the finance documents to which they are a party or by completion of the transactions contemplated hereunder or thereunder.

(j) Title. The Pledgors are, and at the time of delivery of the Pledged Securities to the Lender will be, the sole holders of record and the sole beneficial owners of such Pledged Collateral pledged by such Pledgors free and clear of any Security thereon or affecting the title thereto, except for any Security created by this Agreement or by any other finance document.

(k) Validly Issued. All of the Pledged Securities have been duly authorized, validly issued and are fully paid and non-assessable. None of the Pledged Securities have been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject.

(l) Delivery of Certificated Securities. The Pledged Collateral does not include any certificated securities that the Pledgors have not delivered to the Lender. Without limiting the



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foregoing, all certificates, agreements or instruments representing or evidencing the Pledged Securities in existence on the date hereof have been delivered to the Lender in suitable form for transfer by delivery or accompanied by duly executed instruments of transfer in the form set out in Schedule "B" hereto.

(m) Control. The Pledgors have taken all action required on its part for control, as defined in the PPSA and the STA, to have been obtained by the Lender over all Pledged Collateral with respect to which such control may be obtained under the PPSA. No Person other than the Lender has control or possession of all or any part of the Pledged Collateral.

(n) Ownership of Pledged Securities. All of the Pledged Securities are presently owned by the Pledgors and are presently represented by the certificates listed on Schedule "A" hereto. As of the date hereof, there are no existing options, warrants or other rights of any character whatsoever relating to the Pledged Securities.

(o) Security Interest. The pledge, mortgage, charge, assignment, transfer and delivery of the Pledged Collateral pursuant to this Agreement creates, to the best of the Pledgors' knowledge, a valid security interest on and a perfected security interest in favour of the Lender in the Pledged Collateral and the Proceeds thereof, securing the payment of the Secured Obligations, subject to no other Security, except the Security created by this Agreement or by any other finance document.

8. Survival of Representations and Warranties. All agreements, representations, warranties and covenants made by the Pledgors in this Agreement are material, will be considered to have been relied on by the Lender and the Finance Parties and will survive the execution and delivery of this Agreement, any investigation made at any time by or on behalf of the Lender and the Finance Parties, or any disposition or payment of the Secured Obligations until repayment and performance in full of the Secured Obligations and termination of all rights of the Pledged Entity that, if exercised, would result in the existence of Secured Obligations. Except for representations and warranties expressed herein to be made as of a specific date, the representations and warranties contained herein will be repeated and deemed to be repeated by the Pledgors as being true and correct in every material respect in the same manner as such are deemed to be repeated in the Loan Agreement.

9. Covenants. The Pledgors covenant and agree with the Lender that until the Secured Obligations are satisfied in full to the complete satisfaction of the Lender:

(a) Restriction on Transfer and Other Security Interests. Without the prior written consent of the Lender, such Pledgors will not, directly or indirectly, sell, assign, transfer, pledge, or otherwise encumber any of their rights in or to the Pledged Collateral, or any unpaid dividends, interest or other distributions or payments with respect to the Pledged Collateral or grant a Security in the Pledged Collateral, except in favour of the Lender.

(b) Further Instruments. Such Pledgors will, at their expense, promptly execute, authorize, acknowledge and deliver all such instruments and take all such actions as the Lender from time to time may request in order to ensure to the Lender the benefits of the Security in and to the Pledged Collateral intended to be created by this Agreement, including the filing of any necessary financing or continuation statements, which may be filed by the Lender with or without the signature or consent of such Pledgors, and will cooperate with the Lender, at such Pledgors' expense, in obtaining all necessary approvals and making all necessary filings under law in connection with such Security or any sale or transfer of the Pledged Collateral. Without limiting the generality of the foregoing, such Pledgors ratify and authorize the filing by the Lender of any

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financing statements filed prior to the date hereof. Such Pledgors will join with the Lender in notifying any third party who has possession of any Pledged Collateral of the Lender's security interest therein and obtaining an acknowledgment from the third party that is holding the Pledged Collateral for the benefit of the Lender.

(c) Preservation of Title and Security. Such Pledgors have and will defend the title to the Pledged Collateral and the Security of the Lender in the Pledged Collateral against the claim of any Person and will maintain and preserve such Security.

(d) Additional Shares. Such Pledgors will, upon obtaining ownership of any additional Ownership Interests, or options, warrants or other rights in respect thereof, which Ownership Interests are not already Pledged Collateral, promptly, and in any event within three Business Days, deliver to the Lender a Pledge Amendment, duly executed by such Pledgors and acknowledged by the Pledged Entity in substantially the form of Schedule "C" hereto (a "Pledge Amendment") in respect of any such additional Ownership Interests pursuant to which such Pledgors shall pledge to the Lender all of such additional Ownership Interests. Such Pledgors hereby authorize the Lender to attach each Pledge Amendment to this Agreement and agree that all Pledged Securities listed on any Pledge Amendment delivered to the Lender shall for all purposes hereunder be considered Pledged Securities and shall form part of the Pledged Collateral.

(e) Control over Pledged Collateral. If at any time the Pledged Collateral constitutes a "security" or "security entitlement" as defined in the PPSA, such Pledgors shall, or shall permit the Lender to, promptly take all actions necessary or appropriate to cause the Lender to have sole and exclusive control, as such term is defined in the PPSA, over the Pledged Collateral and at all times such Pledgors shall take, or shall permit the Lender to take, all action necessary or appropriate to create, perfect and maintain a first perfected priority security interest in the Pledged Collateral in favour of the Lender.

(f) Notice Regarding Change of Name or Place of Business. Such Pledgors will not, without providing at least 30 days' prior written notice to the Lender, change their legal name, jurisdiction of incorporation, the location of their chief executive office or their principal place of business or amend their constating documents to change the Province or territory in which their registered office is located. Such Pledgors will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Pledged Collateral.

10. Pledgors' Rights. As long as no Event of Default has occurred and is continuing:

(a) the Pledgors have the right, from time to time, to vote and give consents, ratifications and waivers with respect to the Pledged Collateral, or any part thereof for all purposes not inconsistent with the provisions of this Agreement, the Loan Agreement or any other Finance Document; provided that, no vote shall be cast, and no consent, ratification or waiver shall be given or action taken, which could, in the Lender's reasonable judgment, have the effect of detracting from the value of the Pledged Collateral or impairing the position or interest of the Lender in respect of the Pledged Collateral or which would authorize, effect or consent to:

- (i) the dissolution or liquidation, in whole or in part, of the Pledged Entity;
- (ii) the amalgamation, consolidation or merger of the Pledged Entity with any other Person;



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- (iii) the sale, disposition or encumbrance of all or substantially all of the assets of the Pledged Entity except for Security in favour of the Lender;
- (iv) any change in the authorized number of shares, the stated capital or the authorized share capital of the Pledged Entity or the issuance of any additional shares of its capital or issuance of any options, warrants or other rights in respect thereof except for the issuance of additional shares pursuant to the options and warrants set out in Schedule "D" and the issuance of any additional shares as permitted by the Loan Agreement; or
- (v) the alteration of the voting rights with respect to the capital of the Pledged Entity;

(b) the Pledgors shall be entitled, from time to time, to collect and receive for their own use all cash dividends and interest paid in respect of the Pledged Securities to the extent not in violation of the Loan Agreement other than any and all: (i) dividends and interest paid or payable other than in cash in respect of any Pledged Collateral, and instruments and other property received, receivable or otherwise distributed or distributable in respect of, or in exchange for, any Pledged Collateral; (ii) dividends and other distributions paid or payable in cash in respect of any Pledged Securities in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid in capital of the Pledged Entity; and (iii) cash paid, payable or otherwise distributed or distributable, in respect of principal of, or in redemption of or in exchange for any Pledged Collateral; provided that, until actually paid all rights to such distributions shall remain subject to the Security created by this Agreement; and

(c) all dividends and interest, other than such cash dividends and interest as are permitted to be paid to the Pledgors in accordance with Section 10(b), and all other distributions in respect of any of the Pledged Securities whenever paid or made, shall be delivered to the Lender to hold as Pledged Collateral and shall, if received by the Pledgors, be received in trust for the benefit of the Lender, be segregated from the other property or funds of the Pledgors, and be forthwith delivered to the Lender as Pledged Collateral in the same form, as so received (with any necessary endorsement).

11. Remedies: Proxy.

(a) Upon the occurrence of an Event of Default which is continuing the Lender (personally or through an Lender) is hereby authorized and empowered to, in addition to any rights that may be afforded to the Lender or any of the Finance Parties under applicable law:

- (i) transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral;
- (ii) exchange certificates or instruments representing or evidencing the Pledged Collateral for certificates or instruments of smaller or larger denominations;
- (iii) exercise the voting and consent, ratification and waiver rights, and all other rights as a holder with respect to the Pledged Collateral;
- (iv) collect and receive all cash dividends, interest, principal and other distributions made on the Pledged Collateral;
- (v) sell in one or more sales the whole or any part of the Pledged Collateral; and

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(vi) otherwise act with respect to the Pledged Collateral as though the Lender was the outright owner thereof,

and any right that the Pledgors would have otherwise retained pursuant to Section 10 to do any of the acts set forth in this Section 11(a) shall immediately cease.

Any sale shall be made at a public or private sale, either for cash or upon credit or for future delivery at such price as the Lender may deem fair, and Lender or any of the Finance Parties may be the purchaser or purchasers of the whole or any part of the Pledged Collateral and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Pledged Collateral sold, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Pledged Collateral or any part thereof payable at such sale, and may hold the same thereafter in its own right free from any claim of the Pledgors or any right of redemption. Each sale shall be made to the highest bidder, but the Lender reserves the right to reject any and all bids at such sale which, in its sole discretion, the Lender deems inadequate. Demands of performance, except as otherwise herein specifically provided for, notices of sale, advertisements and the presence of property at sale are hereby waived to the extent permitted by law and any sale hereunder may be conducted by an auctioneer or any owner or Lender of the Lender. The Lender shall apply the net Proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Secured Obligations as provided in the Loan Agreement, and only after so paying over such net Proceeds, and after the payment by the Lender of any other amount required by any provision of law, need the Lender account for the surplus, if any, to the Pledgors. The Pledgors shall, at their joint cost and expense, from time to time execute and deliver to the Lender all such instruments as the Lender may request in order to permit the Lender to exercise the rights which it may be entitled to exercise under this Section 11(a) and to receive all distributions which it may be entitled to receive under Section 11(a).

(b) The Pledgors hereby irrevocably constitute and appoint the Lender, and each officer or Lender of the Lender, as the proxy and attorney-in-fact of the Pledgors with respect to the Pledged Collateral, including the right to vote the Pledged Securities, with full power of substitution to do so, all in accordance with the provisions of this Agreement. Upon the occurrence and during the continuance of an Event of Default, the appointment of the Lender as proxy and attorney-in-fact is coupled with an interest and shall be irrevocable until the payment in full of the Secured Obligations. In addition to the right to vote the Pledged Securities, the appointment of the Lender as proxy and attorney-in-fact includes the right to exercise all other rights, powers, privileges and remedies to which a holder of the Pledged Securities would be entitled (including giving or withholding written consent of shareholders, calling special meetings of shareholders and voting at such meetings). Such proxy shall be effective automatically and without the necessity of any action (including any transfer or any Pledged Securities on the books and records of the Pledged Entity) by any Person (including any officer or Lender thereof) upon the occurrence of an Event of Default. Notwithstanding the foregoing, the Lender shall not have any duty to exercise any such right or to preserve the same and shall not be liable for any failure to do so or for any delay in doing so.

(c) Upon the occurrence and during the continuance of any Event of Default, the Lender shall have, in addition to all other rights and remedies granted to it in this Agreement, the Loan Agreement, any other Finance Document or any other document, instrument or agreement delivered in connection thereto, all rights and remedies of a secured party under the PPSA and other laws. The Pledgors recognize that the Lender may be unable to make a public sale of any or all of the Pledged Collateral by reason of prohibitions contained in applicable securities laws or

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otherwise, and expressly agrees that a private sale to a restricted group of purchasers for investment and not with a view to any distribution thereof shall be considered a commercially reasonable sale. The Lender shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Pledged Collateral so sold, free of any right or equity of redemption, which right or equity of redemption the Pledgors hereby release to the extent permitted by law.

(d) The Pledgors agree, to the maximum extent permitted by law, that following the occurrence of an Event of Default, the Pledgors will not at any time plead, claim or take the benefit of any appraisal, valuation, stay, extension, moratorium or redemption law now or hereafter in force in order to prevent or delay the enforcement of this Agreement, or the absolute sale of the whole or any part of the Pledged Collateral or the possession thereof by any purchaser at any sale hereunder, and the Pledgors each waive the benefit of all such laws to the extent it lawfully may do so. The Pledgors agree that they will not interfere with any right, power and remedy of the Lender provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Lender of any one or more of such rights, powers or remedies. No failure or delay on the part of the Lender to exercise any such right, power or remedy and no notice or demand which may be given to or made upon the Pledgors by the Lender with respect to any such remedies operate as a waiver thereof, or limit or impair the Lender's right to take any action or to exercise any power or remedy hereunder without notice or demand, or prejudice its rights as against the Pledgors in any respect.

(e) The Pledgors further agree that a breach of any of the covenants contained in this Section 11 will cause irreparable injury to the Lender, that the Lender have no adequate remedy at law in respect of such breach and, as a consequence, agrees that each and every covenant contained in this Section 11 be specifically enforceable against the Pledgors, and the Pledgors hereby waive and agree not to assert any defenses against an action for specific performance of such covenants except for a defense that the Secured Obligations are not then due and payable in accordance with the agreements and instruments governing and evidencing such obligations.

(f) The Pledgors further agree to indemnify and hold harmless the Lender, their respective directors, officers, employees, Lenders, and parent and subsidiary corporations, and each of them, from and against any and all liabilities, obligations, claims, damages, or expenses incurred by any of them arising out of or by reason of entering into this Agreement or the consummation of the transactions contemplated by this Agreement, save and except for those arising from the gross negligence or wilful misconduct of the Lender, and to pay or reimburse the Lender for the fees and disbursements of counsel incurred in connection with any investigation, litigation or other proceedings, irrespective of whether the Lender is a party thereto, arising out of or by reason of any of the aforesaid. The Lender will promptly give the Pledgors written notice of the assertion of any claim which it believes is subject to the indemnity set forth in this Section 11 and will upon the request of the Pledgors promptly furnish such Pledgors with all material in its possession relating to such claim or the defense thereof to the extent that the Lender may do so without breach of duty to others. Any amounts properly due under this Section 11 will form part of the Secured Obligations and will be secured by the mortgages, charges and security interests created by this Agreement and will be deducted from any Proceeds of the Pledged Collateral.

(g) Until the Secured Obligations shall be satisfied in full, the Pledgors shall not have, and shall not directly or indirectly exercise: (i) any rights that it may acquire by way of subrogation under or in respect of this Agreement or otherwise, or (ii) any rights of contribution, indemnification, reimbursement or similar suretyship claims arising out of this Agreement.

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12. Limitation on the Lender's Duty in Respect of Pledged Collateral. Except as expressly provided by law, the Lender's duty as to any Pledged Collateral in its possession or control or in the possession or control of any Lender or nominee of the Lender or as to any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto shall be limited to the same degree of care as the Lender would exercise with respect to similar property of its own of similar value held in the same place. Nothing set forth in this Agreement, nor the exercise by the Lender of any of the rights and remedies hereunder, shall relieve of the Pledgors from the performance of any obligation of the Pledgors to be performed or observed in respect of any of the Pledged Collateral. Nothing in this Agreement shall make the Lender or any Lender liable to observe or perform any term of any agreement to which the Pledgors are a party or by which the Pledgors or the Pledged Collateral a bound, or make the Lender a mortgagee in possession. The Pledgors shall indemnify the Lender and save it harmless from any claim arising from any such agreement.

13. Waiver.

(a) No delay on the Lender's part in exercising any power of sale, option or other right hereunder, and no notice or demand which may be given to or made upon the Pledgors by the Lender with respect to any power of sale, option or other right hereunder, shall constitute a waiver thereof, or limit or impair the Lender's right to take any action or to exercise any power of sale, option, or any other right hereunder, without notice or demand, or prejudice the Lender's rights as against the Pledgors in any respect. Except to the extent that the Lender has specifically and expressly waived such remedies in this Agreement or otherwise in writing, the rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. The Lender may resort to and realize on the Pledged Collateral simultaneously with any acts or proceedings initiated by the Lender in its sole and conclusive discretion to resort to or realize upon any other sources of repayment of the Secured Obligations, including collateral granted by other security agreements and the personal liability of the Pledgors and any person or corporation which has guaranteed repayment of the Secured Obligations.

(b) The Pledgors waive and agree not to assert: (i) any right to require the Lender to proceed against guarantor or any other person, to proceed against or exhaust any other security held for the Secured Obligations or to pursue any other right, remedy, power or privilege of the Lender whatsoever; (ii) the defense of the statute of limitations in any action hereunder or for the collection or performance of the Secured Obligations; (iii) any defense arising by reason of any lack of corporate or other authority or any other defense of such Pledgors or any other person; (iv) any defense based upon an election of remedies, including, if available, an election to proceed by non-judicial foreclosure, which destroys or impairs the subrogation rights of such Pledgors or the right of such Pledgors to proceed against any other obligor of the Secured Obligations for reimbursement; (v) without limiting the generality of the foregoing, to the fullest extent permitted by law, any defenses or benefits that may be derived from or afforded by law limiting the liability of or exonerating guarantors or sureties or which may conflict with the terms of this Agreement.

14. Obligations Absolute. All rights of the Lender hereunder and all obligations of the Pledgors hereunder shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of the Loan Agreement or any other finance documents or any other agreement, instrument or document governing or evidencing any Secured Obligations;

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- (b) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Loan Agreement, any other Finance Document or any other agreement, instrument or document governing or evidencing any Secured Obligations;
- (c) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to departure from any guarantee, for all or any of the Secured Obligations;
- (d) the insolvency, dissolution or liquidation of the Pledged Entity or of any of the Pledgors;
- (e) any other circumstance which might otherwise constitute a defense available to or a discharge of the Pledgors; or
- (f) any claim, defense, counterclaim or setoff, other than that of prior performance, that the Pledged Entity, Pledgors or any other Person may have or assert.

15. Performance by Lender of Pledgors' Obligations. If the Pledgors fail to perform or comply with any of their obligations under this Agreement, the Lender may, but need not, perform or otherwise cause the performance or compliance of such obligation, provided that such performance or compliance will not constitute a waiver, remedy or satisfaction of such failure. The expenses of the Lender incurred in connection with any such performance or compliance will form part of the Secured Obligations and will be secured by the mortgages, charges and security interests created by this Agreement and will be deducted from any Proceeds of the Pledged Collateral.

16. Release. The Pledgors each hereby consent and agree that the Lender may at any time, or from time to time, in its sole discretion:

- (a) renew, extend or change the time of payment, and/or the manner, place or terms of payment of all or any part of the Secured Obligations; and
- (b) exchange, release and/or surrender all or any of the Pledged Collateral, or any part thereof, by whomsoever deposited, which is now or may hereafter be held by the Lender in connection with all or any of the Secured Obligations, all in such manner and upon such terms as the Lender may deem proper, and without notice to or further assent from such Pledgors, it being hereby agreed that such Pledgors shall be and remain bound upon this Agreement, irrespective of the value or condition of any of such Pledged Collateral, and notwithstanding any such change, exchange, settlement, compromise, surrender, release, renewal or extension, and notwithstanding also that the Secured Obligations may, at any time, exceed the aggregate principal amount thereof set forth in the Loan Agreement or any other finance documents. The Pledgors hereby waive notice of acceptance of this Agreement, and also presentment, demand, protest and notice of dishonour of any and all of the Secured Obligations, and promptness in commencing suit against any party hereto or liable hereon, and in giving any notice to or of making any claim or demand hereunder upon such Pledgors. In the absence of gross negligence or wilful misconduct, no act or omission of any kind on the Lender's part shall in any event affect or impair this Agreement.

17. Termination. Immediately following the payment in full of the Secured Obligations, and upon the Lender not being under any further obligation to extend credit or provide other financial accommodation to the Pledged Entity, the Pledgors may request in writing that the Lender, at the expense of the Pledged Entity, deliver to the Pledgors the Pledged Collateral pledged by the Pledgors at the time subject to this Agreement and all instruments of assignment executed in connection therewith, free and

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clear of the Security hereof and except as otherwise provided herein, all of the Pledgors' obligations hereunder shall at such time terminate.

18. Expenses. The amount of all expenses incurred in recovering any Secured Obligations or in enforcing the security hereby constituted including the expenses incurred in connection with the re-possession, holding, repairing, processing, preparing for disposition and disposing of any of the Pledged Collateral (including reasonable legal expenses, receiver's fees and expenses, and other expenses), including interest thereon from the date of the incurring of such expenses at the rate or rates of interest set out in the Loan Agreement, will form part of the Secured Obligations and will be secured by the mortgages, charges and security interests created by this Agreement and will be deducted from any Proceeds of the Pledged Collateral and, for certainty, the Lender shall not have recourse to any other assets of the Pledgors, save and except for the gross negligence and wilful misconduct of the Pledgors.

19. Notices. All written notices and other written communications with respect to this Agreement shall be sent by ordinary or registered mail, electronic delivery, by telecopy, or delivered in person as follows:

(i) in the case of the Lender to it at:

Party: OCIM Precious Metals SA  
Address: rue du Rhône, 65, Genève, 1204 CH Switzerland  
Attention: Laurent Mathiot  
E-mail: laurent.mathiot@ocim.eu

(ii) in the case of the Pledgors at:

Party: Inca One Gold Corp., Dynasty One Mining S.A. and Edward John Kelly  
Address: 1140 W Pender St #850, Vancouver, BC V6E 4G1, Canada  
Attention: Kevin Hart  
Email: khart@incaone.com

The notice or other communication so sent shall be deemed to be received on the day of personal delivery or telecopy, or if mailed, three days following the date of such mailing.

20. Acknowledgement of Receipt/Waiver. The Pledgors, to the extent permitted by law, waive the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.

21. Interpretation. The division of this Agreement into sections and paragraphs, and the insertion of headings, is for convenience of reference only and will not affect the construction or interpretation of this Agreement. Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders. Any reference in this Agreement to a "Section" means the relevant Section of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

22. Time of the Essence. Time shall be of the essence of this Agreement.

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23. **Severability.** If any provision hereof is determined to be void, voidable or unenforceable, in whole or in part, such determination shall to the extent permitted by law, not affect or impair or be deemed to affect or impair the validity of any other provision hereof and all provisions hereof are hereby declared to be separate, severable and distinct.
24. **Successors and Assigns.** This Agreement shall be binding upon the Pledgors and its respective successors and assigns and shall enure to the benefit of the Lender and its successors and assigns.
25. **Indemnity.** The Pledgors hereby agree to indemnify the Lender and its respective successors, assigns, lenders and employees (each such Person being called an "Indemnitee"), from and against any and all liabilities, damages, penalties, suits, fees, costs, and expenses of any kind and nature, including, without limitation, all expenses of litigation or preparation therefor, irrespective of whether the Lender or any finance party is a party thereto, imposed on, incurred by or asserted against any Indemnitee, in any way relating to or arising out of this Agreement, or the purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of the Pledged Collateral, including, without limitation, latent and other defects, irrespective of whether discoverable by the Lender or the Finance Parties; *provided that*, such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, damages, penalties, suits, fees, costs or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.
26. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The Pledgors hereby submits and attorns to the non-exclusive jurisdiction of the courts of the Province of British Columbia. To the extent permitted by law, the Pledgors irrevocably waives any objection, including any claim of *forum non-conveniens*, that the Pledgors may now or hereafter have to the venue of any legal proceeding arising out of or relating to this Agreement in courts of such province.
27. **Electronic Signature; Counterparts.** Delivery of this Agreement by electronic transmission, including facsimile, portable document format (.PDF), and other electronic transmissions, shall be deemed to constitute valid execution and effective delivery. If requested by the Lender, the Pledgors shall deliver their respective original executed copies of this Agreement to the Lender forthwith upon delivery of the electronic copy. This Agreement may be executed in any number of counterparts, and by the parties hereto on the same or separate counterparts, and each such counterpart, when executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.
28. **Copy of Agreement.** The Pledgors hereby acknowledge receipt of a fully executed copy of this Agreement by evidence of their signatures hereto.
29. **Independent Advice.** The Pledgors hereby acknowledges and agrees that it has taken all the necessary steps to consider this Agreement and have obtained, or have freely chosen not to obtain, independent professional legal, tax, accounting, and such other advice as may be necessary concerning the interpretation and effect of this Agreement.
30. **Limitation Periods.** To the extent that any limitation period applies to any claim for payment of the Secured Obligations or remedy for enforcement of the Secured Obligations, the Pledgors agree that:
- (a) any limitation period is expressly excluded and waived entirely if permitted by applicable law;

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- (b) if a complete exclusion and waiver of any limitation period is not permitted by applicable law, any limitation period is extended to the maximum length permitted by applicable law;
- (c) any applicable limitation period shall not begin before an express demand for payment of the Secured Obligations is made in writing by the Lender to the Pledgors;
- (d) any applicable limitation period shall begin afresh upon any payment or other acknowledgment of the Secured Obligations by the Pledgors; and
- (e) this Agreement is a "business agreement" as defined in the *Limitation Act* (British Columbia).

31. Paramountcy. In the event of any conflict, inconsistency, ambiguity or difference between the terms of this Agreement and the Loan Agreement, the terms of the Loan Agreement shall govern and be paramount.

*[Remainder of page intentionally left blank. Signature page follows.]*







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IN WITNESS WHEREOF, the Pledgors have executed this Agreement as of the date first above written.

**INCA ONE GOLD CORP.**

By:   
Name: Edward Kelly  
Title: President & CEO

**DYNASTY ONE MINING S.A.**

By:   
Name: Edward Kelly  
Title: Director

  
**EDWARD JOHN KELLY**

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IN WITNESS WHEREOF, the Lender has executed this Agreement as of the date first above written.

**OCIM PRECIOUS METALS SA**

By:   
Name: Laurent Mathiot  
Title: CEO

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**SCHEDULE "A"**  
**PLEGDED SECURITIES**

<b>Pledged Entity</b>	<b>Pledgor</b>	<b>Class of Shares</b>	<b>Share Certificate Number(s)</b>	<b>Number of Shares</b>	<b>Percentage of Outstanding Shares</b>
Chala One S.A.C.	Inca One Gold Corp.	Registered Shares with a nominal value of S / 1.00 each	No. 8	100,000	99.009901%
Chala One S.A.C.	Edward John Kelly	Registered Shares with a nominal value of S / 1.00 each	No. 4	1	0.0009901%
Chala One S.A.C.	Dynasty One Mining S.A.	Registered Shares with a nominal value of S / 1.00 each	No. 5	999	0.98910891%



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**SCHEDULE "B"**  
**FORM SHARE TRANSFER POWER**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto [●], [●] shares in Chala One S.A.C. standing in the name of the undersigned on the books of the said corporation represented by certificate number(s) [●], together with all renewals thereof, substitutions therefor, accretions thereto and Proceeds thereof (all of which are hereinafter collectively referred to as the "Securities") and hereby irrevocably constitutes and appoints any one officer of [●] as the attorney of the undersigned to transfer the said Securities on the books of the said corporation with full power of substitution in the premises.

THE UNDERSIGNED shall, from time to time at the request of [●], do such further acts and execute all such further deeds and instruments as shall be necessary to fully perform and carry out the terms and intent of this Share Transfer Power.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2020.

[●]

By: \_\_\_\_\_  
Name:  
Title:



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**SCHEDULE "C"  
PLEDGE AMENDMENT**

This Pledge Amendment, dated as of [●] is delivered pursuant to Section 9(d) of the Pledge Agreement referred to below. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Pledge Agreement dated the [●] day of [●], 2020 made by, among others, the undersigned, as Pledgor, to and in favour of [●] (as the same may be amended, supplemented, extended or restated from time to time, the "Pledge Agreement"). The undersigned hereby certifies that the representations and warranties in Section 7 of the Pledge Agreement are and continue to be true and correct as to the shares, options, warrants or other rights pledged prior to this Pledge Amendment and as to the shares, options, warrants or other rights pledged pursuant to this Pledge Amendment. The undersigned further agrees that this Pledge Amendment may be attached to the Pledge Agreement and that the Pledged Securities listed on this Pledge Amendment shall be and become a part of the Pledged Collateral referred to in the Pledge Agreement and shall secure all Secured Obligations referred to in the Pledge Agreement. The undersigned acknowledges that any shares, options, warrants or other rights not included in the Pledged Collateral at the sole discretion of the Lender may not otherwise be pledged by the Pledgor to any other Person or otherwise used as security for any obligations other than the Secured Obligations.

*[Insert appropriate pledgor]*

By: \_\_\_\_\_  
Name:  
Title:

**ADDITIONAL PLEDGED SECURITIES**

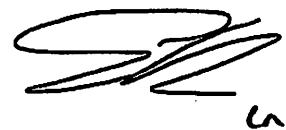
Pledged Entity	Class of Shares/ Other Interests	Certificate Number(s)	Number of Shares or Other Interests



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**SCHEDULE "D"**  
**OUTSTANDING OPTIONS AND WARRANTS**

None.

A handwritten signature in black ink, consisting of several overlapping loops and a final flourish that ends in a small hook.

This is Exhibit " 1 " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

## Constitución Garantía Mobiliaria y Otros Actos

REGISTRO MOBILIARIO DE CONTRATOS  
Garantía mobiliaria preconstituida

**Participantes**

DEUDOR/CONSTITUYENTE: CHALA ONE S.A.C. PARTIDA 13036694

RUC 20553178445

CALLE LOS TULIPAN ES 147, INTERIOR 503, URBANIZACIÓN LIMA POLO HUNT, Santiago de Surco, Lima, Lima

DEUDOR / DEPOSITARIO: CORIZONA ONE S.A.C. PARTIDA 13050532

RUC 20553630569

CALLE LOS TULIPANES NO. 147, INTERIOR 503, URBANIZACIÓN LIMA POLO HUNT, Santiago de Surco, Lima, Lima

ACREEDOR: OCIM PRECIOUS METALS S.A. RUC .

PARTIDA .

RUE DU RHONE, 65, GENÈVE, 1204, CH SWITZERLAND (SUIZA), .

**Monto de gravamen**

Determinado US\$ 12,000,000.00

**Valor del (los) bien (es) afectado(s) en garantía**

US\$ .00

**Motivo de preconstitución**

Obligación existente

**Identificación y descripción del(los) bien(es)**

TOLVA DE GRUESOS DE 30 TONELADAS Cantidad: 1 UNIDAD

BIENES GENÉRICOS.

CHANCADORA DE QUIJADA PRIMARIA (20'X21') Cantidad: 1 UNIDAD

CHANCADORA CÉNICA SECUNDARIA (2) Cantidad: 1 UNIDAD

FAJA TRANSPORTADORA DE CIRCUITO CERRADO Cantidad: 1 UNIDAD

TOLVA FINOS DE 30 TONELADAS Cantidad: 1 UNIDAD

MOLINO DE BOLAS PRIMARIO (6'X8') Cantidad: 1 UNIDAD

MOLINO DE BOLAS SECUNDARIO (6'X8') Cantidad: 1 UNIDAD

MOLINO DE BOLAS PEQUEÑO (3.5'X3.5') Cantidad: 1 UNIDAD

HIDROCICLON Cantidad: 1 UNIDAD

FAJAS TRANSPORTADORAS, TUBERÍAS Y PANEL DE CONTROL ELECTRICO Cantidad: 1 UNIDAD

TANQUE CARBÓN EN LIXIVIACIÓN #1 (20'X20') Cantidad: 1 UNIDAD

TANQUE CIL #2 (20'X20') Cantidad: 1 UNIDAD

TANQUE CIL #3 (20'X20') Cantidad: 1 UNIDAD

TANQUE CIL #4 (16'X16') Cantidad: 1 UNIDAD



- TANQUE CIL #5 (14'X14') Cantidad: 1 UNIDAD
- TANQUE CIL #6 (12'X12') Cantidad: 1 UNIDAD
- TANQUE CIL #7 (12'X12') Cantidad: 1 UNIDAD
- TANQUE CIL #8 (12'X12') Cantidad: 1 UNIDAD
- TANQUE CIL #9 (12'X12') Cantidad: 1 UNIDAD
- TANQUE DE TRANSFERENCIA DE CARBONO Y CIRCUITO DE LA COMPRESORA DE AIRE DE 10 M3 Cantidad: 1 UNIDAD
- TANQUE DE PREPARACION Y ALMACENAMIENTO DE REACTIVOS #1 DE 10 M3 Cantidad: 1 UNIDAD
- TANQUE DE PREPARACION Y ALMACENAMIENTO DE REACTIVOS #2 DE 10 M3 Cantidad: 1 UNIDAD
- TANQUE DE DESORCION #1 Cantidad: 1 UNIDAD
- TANQUE DE DESORCION #2 Cantidad: 1 UNIDAD
- TANQUE DE DESORCION #3 Cantidad: 1 UNIDAD
- CALENTADOR DE SOLUCION DE EXTRACCION Cantidad: 1 UNIDAD
- TANQUE DE RECIRCULACION DE LA SOLUCION DE EXTRACCION Cantidad: 1 UNIDAD
- CELDA DE PRECIPITACION ELECTROLITICA #1 DE 17 C TODOS Cantidad: 1 UNIDAD
- CELDA DE PRECIPITACION ELECTROLITICA #2 DE 17 C TODOS Cantidad: 1 UNIDAD
- HORNO RETORTA PARA RECUPERACION DE MERCURIO DE 50 KG Cantidad: 1 UNIDAD
- HORNO #1 DE 60 KG DE CAPACIDAD Cantidad: 1 UNIDAD
- HORNO #2 DE 400 KG DE CAPACIDAD Cantidad: 1 UNIDAD
- CUARTO DE ORO Y BVEDA DE CONCRETO ARMADO (30 CM) Y DOBLE MALLA (4MT X 2.5 MT) CON PUERTA BLINDADA Cantidad: 1 UNIDAD
- ESCALA DE PESO DE 80 TONELADAS Cantidad: 1 UNIDAD
- SUBESTACION ELECTRICA 1200 KVA Cantidad: 1 UNIDAD
- GENERADOR ELECTRICO 350 KVA Cantidad: 1 UNIDAD
- GENERADOR ELECTRICO 120 KVA Cantidad: 1 UNIDAD
- MOLINO DE PREPARACION DE MUESTRAS #1 Cantidad: 1 UNIDAD
- MOLINO DE PREPARACION DE MUESTRAS #2 Cantidad: 1 UNIDAD
- EDIFICIO DE LABORATORIO METALURGICO Cantidad: 1 UNIDAD
- CIRCUITO DE AGITACION METALURGICA Y CELDAS DE LIXIVIACION PILOTO Cantidad: 1 UNIDAD
- ENSAYO DE FUEGO, ANALISIS QUIMICO POR AGUA-REGIA Y EQUIPOS DE ESPECTROMETRIA Cantidad: 1 UNIDAD
- PRESA DE RELAVES 450 000 M3 Cantidad: 1 UNIDAD

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Forma y condiciones de ejecución del bien  
**FORMA DE EJECUCION: EXTRAJUDICIAL, JUDICIAL O LA ADJUDICACION.**

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Fecha del acto constitutivo  
 04-08-2021

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Plazo de la Garantía  
 Indeterminado

---

Depositario

Representante(s)  
SERVICIOS CONEXOS NOTREG EIRL PARTIDA 14203618 RUC 20511037426  
CALLE ESTADOS UNIDOS 1266, Jesus Maria, Lima, Lima

Pactos especiales

GARANTIA MOBILIARIA ES UNILATERAL SIN INTERVENCION DEL ACREEDOR EN EL CTO. SE DEJA CONSTANCIA QUE: EL MONTO DEL GRAVAMEN AFECTA ACTIVOS PRESENTES Y FUTUROS; EL VALOR DE LOS BIENES ES EQUIVALENTE AL PRECIO BASE QUE SERA VALORIZADO POR VALUADOR PARA LOS EFECTOS DE LA EJECUCION, CONFORME A LA CLAUSULA 11RA DEL CONTRATO. LAS PARTES ACUERDAN ESTABLECER REPRESENTANTES SUSTITUTOS: FIDUPERU SA RUC 20519151279 DOM.AV LARCO 1301 INT.1001 MIRAFLORES. CENTRO PERUANO DE EJECUCION DE GARANTIAS MOBILIARIAS SAC RUC 20513338296 CALLE AMADOR MERINO REYNA 307 INT.11 SAN ISIDRO. LA FIDUCIARIA SA RUC 20501842771, CALLE LOS LIBERTADORES 155 OF.801 SAN ISIDRO. TODOS EN LIMA PERU.


Documento: Escritura Publica  
Funcionario: Notario EDUARDO LAOS DE LAMA  
Fecha: 10-AUG-21

Documento: Escritura Publica  
Funcionario: Notario EDUARDO LAOS DE LAMA  
Fecha: 15-OCT-21

Titulo Nro. : 2021 - 3220912  
Orden Nro. : 2021 - 13220912  
Fecha : 17/11/2021 12:45:55 pm  
Derechos Pagados : S/ 8,800.00  
Recibo : 2021-1-1221167 / 2021-1-1285754  
Fecha de Asiento : 22/01/2022 11:28:13 am  
Sede : LIMA .

Fin de fines Informativos  
Fiducia registral

Este documento solo es  
y no constituye

  
EUFEMIA ANILA SANCHEZ ALDEA  
Registrador Público  
Zona Registral N° IX - Sede Lima

This is Exhibit " 5 " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

**DENTONS**

**Greg McNab**  
Partner  
greg.mcnab@dentons.com  
D +1 416-863 4492

Dentons Canada LLP  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON, Canada M5K 0A1

dentons.com

May 23, 2024

File No. 593513-000003

**Inca One Gold Corp.**  
1140 West Pender Street #850  
Vancouver, BC V6E 4G1

**Inca One Gold Corp.**  
c/o Registered and Records Office  
15<sup>th</sup> Floor, 1111 West Hastings Street  
Vancouver, BC V6e 2J3

**DELIVERED VIA EMAIL: [khart@incaone.com](mailto:khart@incaone.com)**

**DELIVERED BY REGISTERED MAIL**

Attention: Kevin Hart

**Chala One S.A.C.**  
c/o Inca One Gold Corp.  
1140 West Pender Street #850  
Vancouver, BC V6E 4G1

**Corizona One S.A.C.**  
c/o Inca One Gold Corp.  
1140 West Pender Street #850  
Vancouver, BC V6E 4G1

**DELIVERED VIA EMAIL: [khart@incaone.com](mailto:khart@incaone.com)**

**DELIVERED VIA EMAIL: [khart@incaone.com](mailto:khart@incaone.com)**

Attention: Kevin Hart

Attention: Kevin Hart

Dear Sir/Madam:

**Re: Indebtedness to OCIM Metals and Mining SA ("OCIM") pursuant to the Gold Loan Agreement dated August 6, 2021, between Inca One Gold Corp. ("Inca One"), as first borrower, Chala One S.A.C. ("Chala"), as second borrower, and Corizona One S.A.C. ("Corizona", and collectively with Inca One and Chala, the "Obligors"), as third borrower, and OCIM, as lender (as amended from time to time, and assigned, the "Gold Loan Agreement")**

We are counsel for OCIM in respect of the above captioned matter. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Gold Loan Agreement.

We are instructed that the Obligors are indebted to OCIM pursuant to certain loan facilities provided to the Obligors by our client in accordance with the terms and conditions set out in the Gold Loan Agreement (as the same may have been amended, modified, supplemented, assigned, or restated from time to time).

We are further instructed that, as at March 28, 2024, the Obligors owed OCIM 4,124.4 Gold Loan Ounces, which using the XAU LBMA AM Fixing of May 23, 2024, is a USD equivalent amount of US\$9,741,008.00, with interest accruing thereafter at the current daily rate of 0.033% and 1.3748 Gold Loan Ounces (or \$3,247.00 daily using the May 23, 2024, fixing rate) (the "Indebtedness"). Please note any and

**DENTONS**Inca One Gold Corp. et al  
May 23, 2024  
Page 2

dentons.com

all additional Facility Obligations will be added to the total amount owing and will continue to accrue interest pursuant to the Gold Loan Agreement until paid in full.

Our client is willing to accept payment by USD equivalent. If the Obligors elect for the USD equivalent, a substitution fee of US\$10,000 pursuant to the Gold Loan Agreement will apply and would be added to the Indebtedness.

As security for the Indebtedness, among other security, Inca One and Chala granted a general security agreement dated August 6, 2021 (the "GSA"), in favour of OCIM.

As a result of certain defaults under the Gold Loan Agreement and the GSA, OCIM is entitled to demand immediate repayment of all amounts the Obligors currently owe to it. Therefore, on behalf of our client, we hereby make formal demand upon the Obligors for payment of the Indebtedness. We also make demand upon Inca One and Chala pursuant to the GSA.

This letter is to advise the Obligors that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs, is made into this office by certified cheque or bank draft payable to Dentons Canada LLP in trust, or the outstanding number of Gold Loan Ounces are delivered to OCIM on or before **June 3, 2024**, legal proceedings, which may include enforcement of the GSA and/or the appointment of a receiver or a receiver manager, may be commenced against the Obligors without further notice.

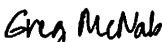
Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to the Obligor's account.

Yours truly,

Dentons Canada LLP

DocuSigned by:



7A8D463C578E429...

Greg McNab  
Partner

GM/efw

Enclosure

**BANKRUPTCY AND INSOLVENCY ACT**

**FORM 86**

**NOTICE OF INTENTION TO ENFORCE SECURITY  
[Subsection 244(1)]**

TO: INCA ONE GOLD CORP., an insolvent person.

TAKE NOTICE THAT:

1. OCIM METALS AND MINING SA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) all of the insolvent person's present and after acquired personal property.
2. The security that is to be enforced is in the form of:
  - (a) general security agreement, dated August 6, 2021, notice of which was registered in the British Columbia Personal Property Registry under base registration number 822837M.
3. The total amount of indebtedness secured by the security as at March 28, 2024, using the XAU LBMA AM Fixing of May 23, 2024, is a USD equivalent amount of US\$9,741,008.00, plus costs and interest which continue to accrue.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 23<sup>th</sup> day of May, 2024.

OCIM METALS AND MINING SA

DocuSigned by:

*Greg McNab*  
7A9D463C578E429

DENTONS CANADA LLP, solicitors for OCIM Metals and Mining SA

THE UNDERSIGNED hereby consents to OCIM METALS AND MINING SA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS \_\_\_ day of May, 2024.

INCA ONE GOLD CORP.

Per:

\_\_\_\_\_  
Authorized Signatory

This is Exhibit "K" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

FERMIN ANTONIO ROSALES SEPULVEDA  
 NOTARIO DE LIMA  
**CARTA NOTARIAL**  
 24 MAY 2024  
 No. 68466  
 Av. Juan de Arona 707  
 SAN ISIDRO  
 15000 - 3700  
 Lima, May 23/2024

URGENTE  
 NOTARIZED LETTER

**CARTA NOTARIAL**

Lima, 23 de mayo de 2024

Señores  
**CORIZONA ONE S.A.C.**  
 Calle Amador Merino Reyna No. 465, Int.  
 402,  
San Isidro, Lima.-

Messrs.  
**CORIZONA ONE S.A.C.**  
 Amador Merino Reyna Street No. 465, Int.  
 402,  
San Isidro, Lima.-

**Atención:** Gerencia General /  
 Administración de  
 CORIZONA ONE S.A.C.

**Attention:** General Management /  
 Administration of  
 CORIZONA ONE S.A.C.

Con copia a:

With copy to:

**Kevin Ryan Hart / Edward John Kelly**

**Kevin Ryan Hart / Edward John Kelly**

Atención: Kevin Hart / Edward John

Attention: Kevin Hart / Edward John

Correo electrónico: [khart@incaone.com](mailto:khart@incaone.com) /  
[ekelly@incaone.com](mailto:ekelly@incaone.com)

Email: [khart@incaone.com](mailto:khart@incaone.com) /  
[ekelly@incaone.com](mailto:ekelly@incaone.com)

Referencia: Comunicación de  
 transferencia de acciones

Reference: Share Transfer Communication

Estimados:

Dear all,

Por medio de la presente, los saludamos cordialmente y hacemos referencia a (i) el *Share Pledge Agreement* del 14 de octubre de 2022, suscrito entre Kevin Ryan Hart y Edward John Kelly, en calidad de *Pledgors*; y, OCIM Metals & Mining S.A., en calidad de *Lender* (el "Contrato"); y, (ii) la comunicación enviada por el *Lender* a los *Pledgors* el 23 de mayo de 2024, mediante la cual se ejerció el derecho establecido en el *Contrato* y el *Lender* adquirió la propiedad del *Pledged Collateral* (según este término se define en el *Contrato*), incluyendo las acciones emitidas por Corizona One S.A.C. (la "Compañía") en favor de los *Pledgors* (la "Comunicación"). Se adjunta una copia de la Comunicación como Anexo 1 del presente documento. Todos aquellos términos en mayúscula que no hubieren sido definidos en el presente documento tendrán el significado que se les asigna en el *Contrato* o en la *Comunicación*.

Through this letter, we greet you cordially and refer to (i) the *Share Pledge Agreement* of October 14, 2022, executed between Kevin Ryan Hart and Edward John Kelly, as *Pledgors*, and OCIM Metals & Mining S.A., as *Lender* (the "Agreement"), and (ii) the communication sent by the *Lender* to the *Pledgors* on May 23, 2024, whereby the right set forth in the *Agreement* was exercised and the *Lender* assumed the ownership of the *Pledged Collateral* (as such term is defined in the *Agreement*), including the shares issued by Corizona One S.A.C. (the "Company") in favor of the *Pledgors* (the "Communication"). A copy of the *Communication* is attached to this document as Annex 1. All capitalized terms not defined in this document shall have the meaning assigned to them in the *Agreement* or the *Communication*.

Al respecto, de conformidad con lo establecido en el artículo 92 y 93 de la Ley General de Sociedades, les comunicamos

In this regard, in accordance with articles 92 and 93 of the General Corporations Law, we inform you that, in application of the

EL NOTARIO NO ASUME RESPONSABILIDAD SOBRE EL CONTENIDO DE LA CARTA, NI DE LA FIRMA IDENTIDAD, CAPACIDAD O REPRESENTACIÓN DEL REMITENTE (Art. 102 - D. LEG 1643).



DOCUMENTO NO REDACTADO EN ESTA NOTARIA



que, en aplicación del Contrato y la Comunicación, OCIM Metals & Mining S.A. es el nuevo propietario del 100% de las acciones emitidas por la Compañía (las "Acciones") y, por tanto, Kevin Ryan Hart y Edward John Kelly (los "Anteriores Propietarios") han dejado de ser propietarios de dichas Acciones.

En ese sentido, solicitamos que, a la brevedad, pero en un plazo no mayor a dos (2) días hábiles de recibida esta comunicación, procedan a (i) anotar en la matrícula de acciones de la Compañía la transferencia de las Acciones a favor de OCIM Metals & Mining S.A. y la cancelación de los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios; (ii) anular los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios; (iii) emitir nuevos certificados de acción representativos de las Acciones a favor de OCIM Metals & Mining S.A.; (iv) entregar a Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada en sus oficinas ubicadas en Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, distrito de San Isidro, provincia y departamento de Lima, todos los libros contables y societarios de la Compañía, incluyendo el libro de matrícula de acciones y el libro de actas de junta general de accionistas; (v) entregar a Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada en sus oficinas, una copia certificada notarialmente de los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios debidamente anulados; y, (vi) comunicar a la SUNAT la transferencia de las Acciones de los Anteriores Propietarios a favor de OCIM Metals & Mining S.A., de conformidad con el formulario SUNAT de comunicación de transferencia de acciones; de acuerdo con el Texto Único Ordenado de la Ley del Impuesto a la Renta.

Finalmente, para cualquier efecto, precisamos que cualquier comunicación que deba ser enviada por OCIM Metals & Mining S.A. puede realizarse a la dirección Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, distrito de San Isidro, provincia y departamento de Lima y correos electrónicos [laurent.mathiot@ocim.com](mailto:laurent.mathiot@ocim.com),

Agreement and the Communication, OCIM Metals & Mining S.A. is the new owner of 100% of the shares issued by the Company (the "Shares") and, therefore, Kevin Ryan Hart and Edward John Kelly (the "Former Owners") have ceased to be owners of said Shares.

Accordingly, we request that, as soon as possible, but no later than two (2) business days after receiving this communication, you proceed to (i) record in the Company's share ledger book the transfer of the Shares in favor of OCIM Metals & Mining S.A. and the cancellation of the share certificates issued by the Company to the Former Owners; (ii) annul the share certificates issued by the Company to the Former Owners; (iii) issue new share certificates representing the Shares in favor of OCIM Metals & Mining S.A.; (iv) deliver to Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada at their offices located at Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, district of San Isidro, province and department of Lima, all the accounting and corporate books of the Company, including the stock register book and the minutes book of the general shareholders' meeting; (v) deliver to Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada at their offices a notarized certified copy of the stock certificates issued by the Company in favor of the Former Owners duly annulled; and (vi) notify SUNAT of the transfer of the Shares from the Former Owners to OCIM Metals & Mining S.A., in accordance with the SUNAT form for communication of share transfer; in accordance with the Consolidated Text of the Income Tax Law.

Finally, for all purposes, we specify that any communication to be sent by OCIM Metals & Mining S.A. can be made to the address Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, district of San Isidro, province and department of Lima and e-mails [laurent.mathiot@ocim.com](mailto:laurent.mathiot@ocim.com),

[luis.saenz@blbadvisory.com](mailto:luis.saenz@blbadvisory.com)  
[ina.drago@cuatrecasas.com](mailto:ina.drago@cuatrecasas.com).

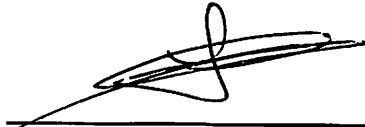
y [luis.saenz@blbadvisory.com](mailto:luis.saenz@blbadvisory.com)  
[ina.drago@cuatrecasas.com](mailto:ina.drago@cuatrecasas.com).

and

Sin otro particular por el momento, We remain at your disposal.  
quedamos de ustedes.

Atentamente,

Sincerely,



**OCIM Metals & Mining S.A.**  
**P.p. Jean-Francois Laurent Mathiot**

# **ANEXO 1 / ANNEX 1**

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

**Strictly Private & Confidential  
Without Prejudice**

May 23, 2024

To: Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Chala One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Attention: Kevin Hart  
Email: khart@incaone.com

Attention: Kevin Hart  
Email: khart@incaone.com

Corizona One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Attention: Kevin Hart

Email: khart@incaone.com

**Re: (1) Notice of Default under the Gold Loan Agreement between Inca One Gold Corp., Chala One S.A.C., Corizona One S.A.C. and OCIM Metals & Mining S.A.  
(2) Notice of Exercise of the Chala One S.A.C. Share Pledge  
(3) Notice of Exercise of the Corizona One S.A.C. Share Pledge**

Dear Mr. Hart:

Reference is made to that certain Gold Loan Agreement dated as of August 6, 2021 as amended and assigned, including as of April 29, 2022, October 14, 2022, March 30, 2023, November 27, 2023 and February 28, 2024 (the "Loan Agreement") by and among Inca One Gold Corp., Chala One S.A.C. and Corizona One S.A.C. (collectively the "Obligors"), and OCIM Metals & Mining SA (the "Lender"). The Obligors and the Lender were also party to a Gold Loan Amendment, Waiver and Consent Agreement dated as of September 10, 2022 which was terminated on October 6, 2022. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Loan Agreement.

The Obligors have failed to make a Delivery (the "Failed Delivery") to the Lender as of March 28, 2024 as required by the Loan Agreement. The Obligors failed to cure such Failed Delivery within 5 Business Days, which is a Default under the Loan Agreement. The Lender has relied on the Obligors' commitments under the Loan Agreement and will continue to suffer damages and hardship as result of the Failed Delivery. As of March 28, 2024, the Obligors owed the Lender 4,124.4 Gold Loan Ounces, which using the XAU LBMA AM Fixing of May 23, 2024 is a USD equivalent amount of US\$ USD 9,741,008.00.

The Lender then issued its Notice of Default to the Obligors, dated April 8, 2024. That notice confirmed to the Obligors that they are in default of their obligations under the Loan Agreement.

Pursuant to Section 5(b) of the Loan Agreement, the Obligors are hereby notified that the Lender:

- (i) declares all outstanding Delivery Obligations, Outstanding Deliveries and any other outstanding Facility Obligations to be immediately deliverable or otherwise due and payable;
- (ii) reminds the Borrowers that it may exercise or pursue any remedy available to the Lender under any of the Loan Documents;
- (iii) reminds the Borrowers that it may pursue any remedy available to the Lender at law or in equity;
- (iv) is exercising its rights under the Share Pledge Agreement dated as of October 14, 2022 granted by Inca One Gold Corp. and Edward John Kelly in favour of OCIM Metals & Mining SA with respect

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

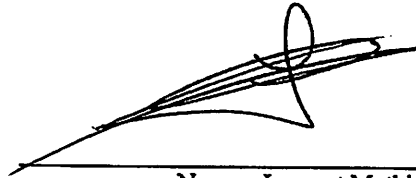
- to shares of Chala One S.A.C. and hereby takes ownership of the Pledged Collateral (as defined in that agreement) with immediate effect; and
- (v) is exercising its rights under the Share Pledge Agreement dated as of October 14, 2022 granted by Kevin Ryan Hart and Edward John Kelly in favour of OCIM Metals & Mining SA with respect to shares of Corizona One S.A.C. and hereby takes ownership of the Pledged Collateral (as defined in that agreement) with immediate effect.

Delivery of this letter is without prejudice to any other rights or remedies of the Lender under the Loan Agreement, all of which are hereby reserved.

Very truly yours,

OCIM Metals & Mining SA

By:

A handwritten signature in black ink, appearing to be 'Laurent Mathiot', written over a horizontal line.

Name: Laurent Mathiot  
Title: CEO

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

**CARTA NOTARIAL**

Lima, 23 de mayo de 2024

Para: Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Chala One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Atención: Kevin Hart  
Email: khart@incaone.com

Atención: Kevin Hart  
Email: khart@incaone.com

Corizona One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Atención: Kevin Hart

Email: khart@incaone.com

**Ref.: (1) Notificación de Incumplimiento bajo el Gold Loan Agreement celebrado entre Inca One Gold Corp., Chala One S.A.C., Corizona One S.A.C. y OCIM Metals & Mining S.A.  
(2) Notificación de Ejecución de la Garantía de Acciones de Chala One S.A.C.  
(3) Notificación de Ejercicio de la Garantía de Acciones de Corizona One S.A.C.**

Estimado Sr. Hart:

Se hace referencia al Gold Loan Agreement de fecha 6 de agosto de 2021, según fue modificado y cedido, incluyendo las modificaciones del 29 de abril del 2022, 14 de octubre de 2022, 30 de marzo de 2023, 27 de noviembre de 2023 y 28 de febrero de 2024 (el "Contrato de Préstamo") celebrado entre Inca One Gold Corp, Chala One S.A.C. y Corizona One S.A.C. (los "Deudores") y OCIM Metals & Mining S.A. (el "Prestamista"). Los Deudores y el Prestamista también celebraron un Acuerdo de Modificación, Renuncia y Consentimiento de Gold Loan Agreement con fecha 10 de setiembre de 2022, que fue resuelto el 6 de octubre de 2022. Los términos en mayúsculas que no se definen de otro modo en el presente documento tienen el significado que se les atribuye en el Contrato de Préstamo.

Los Deudores han incumplido con realizar la entrega (la "Entrega Fallida") al Prestamista el 28 de marzo de 2024, tal como era requerido por el Contrato de Préstamo. Los Deudores no lograron subsanar dicha Entrega Fallida dentro de los 5 días hábiles del periodo de cura del Contrato de Préstamo, lo cual constituye un Incumplimiento bajo este contrato. El Prestamista ha confiado en los compromisos de los Deudores según el Contrato de Préstamo y, a la fecha, continúa sufriendo daños y dificultades como resultado de la Entrega Fallida. Al 28 de marzo de 2024, los Deudores adeudaban al Prestamista 4,124.4 Onzas de Oro según el Contrato de Préstamo, lo que aplicando el *XAU LBMA AM Fixing* del 23 de mayo de 2024 equivale al monto de US\$ 9,741,008.00.

El Prestamista emitió su Notificación de Incumplimiento a los Deudores, con fecha del 8 de abril de 2024. Esa notificación confirmó que los Deudores están en incumplimiento de sus obligaciones según el Contrato de Préstamo.

De conformidad con la Sección 5(b) del Contrato de Préstamo, se notifica por la presente a los Deudores que el Prestamista:

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

- (i) declara que todas las Obligaciones de Entrega pendientes, las Entregas Pendientes y cualquier otra Obligación de la Facilidad pendiente son inmediatamente exigibles o de otro modo, vencidas y exigibles;
- (ii) recuerda a los Deudores que puede ejercer o perseguir cualquier remedio disponible para el Prestamista bajo cualquiera de los Documentos del Préstamo;
- (iii) recuerda a los Deudores que puede perseguir cualquier remedio disponible para el Prestamista en derecho o en equidad;
- (iv) está ejerciendo sus derechos en virtud del Contrato de Garantía de Acciones de fecha 14 de octubre de 2022 otorgado por Inca One Gold Corp. y Edward John Kelly en favor de OCIM Metals & Mining S.A. con respecto a las acciones de Chala One S.A.C. y por la presente adquiere la propiedad del Colateral Pignorado (según se define en ese acuerdo) con efecto inmediato; y,
- (v) está ejerciendo sus derechos en virtud del Contrato de Garantía de Acciones de fecha 14 de octubre de 2022 otorgado por Kevin Ryan Hart y Edward John Kelly en favor de OCIM Metals & Mining S.A. con respecto a las acciones de Corizona One S.A.C. y por la presente adquiere la propiedad del Colateral Pignorado (según se define en ese acuerdo) con efecto inmediato.

La entrega de esta carta no perjudica ningún otro derecho o recurso del Prestamista en virtud del Contrato de Préstamo, todos los cuales se reservan por la presente.

Muy atentamente,

**OCIM Metals & Mining SA**

Por:

---

Nombre: Laurent Mathiot  
Título: CEO / Gerente General

**URGENTE**

FERMÍN ANTONIO ROSALES SEPÚLVEDA  
NOTARIO DE LIMA  
**CARTA NOTARIAL**  
24 MAY 2024  
N° 68462  
Av. Juan de Arona 707  
23, 2024 IDRO  
Teléfono: 200 - 3700

**CARTA NOTARIAL**

**NOTARIZED LETTER**

Lima, 23 de mayo de 2024

Lima, May 23, 2024

Señores  
**CHALA ONE S.A.C.**  
Calle Amador Merino Reyna No. 465, Int. 402,  
San Isidro, Lima.-

Messrs.  
**CHALA ONE S.A.C.**  
Amador Merino Reyna Street No. 465, Int. 402,  
San Isidro, Lima.-

Atención: Gerencia General /  
Administración de Chala One  
S.A.C.

Attention: General Management /  
Administration of Chala One  
S.A.C.

Con copia a:

With copy to:

**Inca One Gold Corp. / Dynasty One Mining S.A. / Edward John Kelly**

**Inca One Gold Corp. / Dynasty One Mining S.A. / Edward John Kelly**

Atención: Kevin Hart

Attention: Kevin Hart

Correo electrónico: [khart@incaone.com](mailto:khart@incaone.com)

Email: [khart@incaone.com](mailto:khart@incaone.com)

**CHALA ONE S.A.C.**  
24 MAYO 2024  
**RECIBIDO**  
NO ES SEÑAL DE CONFORMIDAD

Referencia: Comunicación de transferencia de acciones

Reference: Share Transfer Communication

Estimados:

Dear all,

Por medio de la presente, los saludamos cordialmente y hacemos referencia a (i) el *Share Pledge Agreement* del 14 de octubre de 2022, suscrito entre Inca One Gold Corp., Dynasty One Mining S.A. y Edward John Kelly, en calidad de *Pledgors*; y, OCIM Metals & Mining S.A., en calidad de *Lender* (el "Contrato"); y, (ii) la comunicación enviada por el *Lender* a los *Pledgors* el 23 de mayo de 2024, mediante la cual se ejerció el derecho establecido en el Contrato y el *Lender* adquirió la propiedad del *Pledged Collateral* (según este término se define en el Contrato), incluyendo las acciones emitidas por Chala One S.A.C. (la "Compañía") en favor de los *Pledgors* (la "Comunicación"). Se adjunta una copia de la Comunicación como Anexo 1 del presente documento. Todos aquellos términos en mayúscula que no hubieren sido definidos en el presente documento tendrán el significado que se les asigna en el Contrato o en la Comunicación.

We hereby cordially greet you and refer to (i) the *Share Pledge Agreement* of October 14, 2022, executed between Inca One Gold Corp., Dynasty One Mining S.A., and Edward John Kelly, as *Pledgors*, and OCIM Metals & Mining S.A., as *Lender* (the "Agreement"), and (ii) the communication sent by the *Lender* to the *Pledgors* on May 23, 2024, whereby the right set forth in the Agreement was exercised and the *Lender* assumed the ownership of the *Pledged Collateral* (as such term is defined in the Agreement), including the shares issued by Chala One S.A.C. (the "Company") in favor of the *Pledgors* (the "Communication"). A copy of the Communication is attached to this document as Annex 1. All capitalized terms not defined in this document shall have the meaning assigned to them in the Agreement or the Communication.

Al respecto, de conformidad con lo establecido en el artículo 92 y 93 de la Ley General de Sociedades, les comunicamos

In this regard, in accordance with articles 92 and 93 of the General Corporations Law, we inform you that, in application of the

EL NOTARIO NO ASUME RESPONSABILIDAD SOBRE EL CONTENIDO DE LA CARTA, NI DE LA FIRMA, IDENTIDAD, CAPACIDAD O REPRESENTACIÓN DEL RENDIENTE (Art. 102 - D. LEG 1049).

DOCUMENTO NO REDACTADO EN ESTA NOTARIA



que, en aplicación del Contrato y la Comunicación, OCIM Metals & Mining S.A. es el nuevo propietario del 100% de las acciones emitidas por la Compañía (las "Acciones") y, por tanto, Inca One Gold Corp., Dynasty One Mining S.A. y Edward John Kelly (los "Anteriores Propietarios") han dejado de ser propietarios de dichas Acciones.

En ese sentido, solicitamos que, a la brevedad, pero en un plazo no mayor a dos (2) días hábiles de recibida esta comunicación, procedan a (i) anotar en la matrícula de acciones de la Compañía la transferencia de las Acciones a favor de OCIM Metals & Mining S.A. y la cancelación de los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios; (ii) anular los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios; (iii) emitir nuevos certificados de acción representativos de las Acciones a favor de OCIM Metals & Mining S.A.; (iv) entregar a Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada en sus oficinas ubicadas en Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, distrito de San Isidro, provincia y departamento de Lima, todos los libros contables y societarios de la Compañía, incluyendo el libro de matrícula de acciones y el libro de actas de junta general de accionistas; (v) entregar a Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada en sus oficinas, una copia certificada notarialmente de los certificados de acciones emitidos por la Compañía a favor de los Anteriores Propietarios debidamente anulados; y, (vi) comunicar a la SUNAT la transferencia de las Acciones de los Anteriores Propietarios a favor de OCIM Metals & Mining S.A., de conformidad con el formulario SUNAT de comunicación de transferencia de acciones; de acuerdo con el Texto Único Ordenado de la Ley del Impuesto a la Renta.

Finalmente, para cualquier efecto, precisamos que cualquier comunicación que deba ser enviada por OCIM Metals & Mining S.A. puede realizarse a la dirección Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, distrito de San Isidro, provincia y departamento de Lima y correos

Agreement and the Communication, OCIM Metals & Mining S.A. is the new owner of 100% of the shares issued by the Company (the "Shares") and, therefore, Inca One Gold Corp., Dynasty One Mining S.A., and Edward John Kelly (the "Former Owners") have ceased to be owners of said Shares.

Accordingly, we request that, as soon as possible, but no later than two (2) business days after receiving this communication, you proceed to (i) record in the Company's share ledger book the transfer of the Shares in favor of OCIM Metals & Mining S.A. and the cancellation of the share certificates issued by the Company to the Former Owners; (ii) annul the share certificates issued by the Company to the Former Owners; (iii) issue new share certificates representing the Shares in favor of OCIM Metals & Mining S.A.; (iv) deliver to Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada at their offices located at Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, district of San Isidro, province and department of Lima, all the accounting and corporate books of the Company, including the stock register book and the minutes book of the general shareholders' meeting; (v) deliver to Cuatrecasas Gonçalves Pereira Sociedad Civil De Responsabilidad Limitada at their offices a notarized certified copy of the stock certificates issued by the Company in favor of the Former Owners duly annulled; and (vi) notify SUNAT of the transfer of the Shares from the Former Owners to OCIM Metals & Mining S.A., in accordance with the SUNAT form for communication of share transfer; in accordance with the Consolidated Text of the Income Tax Law.

Finally, for all purposes, we specify that any communication to be sent by OCIM Metals & Mining S.A. can be made to the address Av. Santo Toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real, district of San Isidro, province and department of Lima and e-mails [laurent.mathiot@ocim.com](mailto:laurent.mathiot@ocim.com),

DOCUMENTO NO REDACTADO  
EN ESTA NOTARIA

electrónicos [laurent.mathiot@ocim.com](mailto:laurent.mathiot@ocim.com), [luis.saenz@blbadvisory.com](mailto:luis.saenz@blbadvisory.com) and  
[luis.saenz@blbadvisory.com](mailto:luis.saenz@blbadvisory.com) y [ina.drago@cuatrecasas.com](mailto:ina.drago@cuatrecasas.com).  
[ina.drago@cuatrecasas.com](mailto:ina.drago@cuatrecasas.com).

Sin otro particular por el momento, We remain at your disposal.  
quedamos de ustedes.

Atentamente,

Sincerely,



**OCIM Metals & Mining S.A.**  
**P.p. Jean-Francois Laurent Mathiot**

# **ANEXO 1 / ANNEX 1**

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OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

**Strictly Private & Confidential  
Without Prejudice**

May 23, 2024

To: Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Chala One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Attention: Kevin Hart  
Email: khart@incaone.com

Attention: Kevin Hart  
Email: khart@incaone.com

Corizona One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Attention: Kevin Hart

Email: khart@incaone.com

**Re: (1) Notice of Default under the Gold Loan Agreement between Inca One Gold Corp., Chala One S.A.C., Corizona One S.A.C. and OCIM Metals & Mining S.A.  
(2) Notice of Exercise of the Chala One S.A.C. Share Pledge  
(3) Notice of Exercise of the Corizona One S.A.C. Share Pledge**

Dear Mr. Hart:

Reference is made to that certain Gold Loan Agreement dated as of August 6, 2021 as amended and assigned, including as of April 29, 2022, October 14, 2022, March 30, 2023, November 27, 2023 and February 28, 2024 (the "Loan Agreement") by and among Inca One Gold Corp., Chala One S.A.C. and Corizona One S.A.C. (collectively the "Obligors"), and OCIM Metals & Mining SA (the "Lender"). The Obligors and the Lender were also party to a Gold Loan Amendment, Waiver and Consent Agreement dated as of September 10, 2022 which was terminated on October 6, 2022. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Loan Agreement.

The Obligors have failed to make a Delivery (the "Failed Delivery") to the Lender as of March 28, 2024 as required by the Loan Agreement. The Obligors failed to cure such Failed Delivery within 5 Business Days, which is a Default under the Loan Agreement. The Lender has relied on the Obligors' commitments under the Loan Agreement and will continue to suffer damages and hardship as result of the Failed Delivery. As of March 28, 2024, the Obligors owed the Lender 4,124.4 Gold Loan Ounces, which using the XAU LBMA AM Fixing of May 23, 2024 is a USD equivalent amount of US\$ USD 9,741,008.00.

The Lender then issued its Notice of Default to the Obligors, dated April 8, 2024. That notice confirmed to the Obligors that they are in default of their obligations under the Loan Agreement.

Pursuant to Section 5(b) of the Loan Agreement, the Obligors are hereby notified that the Lender:

- (i) declares all outstanding Delivery Obligations, Outstanding Deliveries and any other outstanding Facility Obligations to be immediately deliverable or otherwise due and payable;
- (ii) reminds the Borrowers that it may exercise or pursue any remedy available to the Lender under any of the Loan Documents;
- (iii) reminds the Borrowers that it may pursue any remedy available to the Lender at law or in equity;
- (iv) is exercising its rights under the Share Pledge Agreement dated as of October 14, 2022 granted by Inca One Gold Corp. and Edward John Kelly in favour of OCIM Metals & Mining SA with respect

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

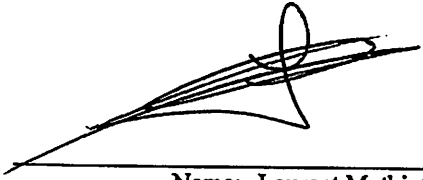
- (v) to shares of Chala One S.A.C. and hereby takes ownership of the Pledged Collateral (as defined in that agreement) with immediate effect; and
- (v) is exercising its rights under the Share Pledge Agreement dated as of October 14, 2022 granted by Kevin Ryan Hart and Edward John Kelly in favour of OCIM Metals & Mining SA with respect to shares of Corizona One S.A.C. and hereby takes ownership of the Pledged Collateral (as defined in that agreement) with immediate effect.

Delivery of this letter is without prejudice to any other rights or remedies of the Lender under the Loan Agreement, all of which are hereby reserved.

Very truly yours,

OCIM Metals & Mining SA

By:



Name: Laurent Mathiot  
Title: CEO

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

**CARTA NOTARIAL**

Lima, 23 de mayo de 2024

Para: Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Chala One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Atención: Kevin Hart  
Email: khart@incaone.com

Atención: Kevin Hart  
Email: khart@incaone.com

Corizona One S.A.C.  
c/o Inca One Gold Corp.  
1140 W Pender St #850,  
Vancouver, BC V6E 4G1

Atención: Kevin Hart                      Email: khart@incaone.com

- Ref.: (1) Notificación de Incumplimiento bajo el Gold Loan Agreement celebrado entre Inca One Gold Corp., Chala One S.A.C., Corizona One S.A.C. y OCIM Metals & Mining S.A.**  
**(2) Notificación de Ejecución de la Garantía de Acciones de Chala One S.A.C.**  
**(3) Notificación de Ejercicio de la Garantía de Acciones de Corizona One S.A.C.**

Estimado Sr. Hart:

Se hace referencia al Gold Loan Agreement de fecha 6 de agosto de 2021, según fue modificado y cedido, incluyendo las modificaciones del 29 de abril del 2022, 14 de octubre de 2022, 30 de marzo de 2023, 27 de noviembre de 2023 y 28 de febrero de 2024 (el "Contrato de Préstamo") celebrado entre Inca One Gold Corp, Chala One S.A.C. y Corizona One S.A.C. (los "Deudores") y OCIM Metals & Mining S.A. (el "Prestamista"). Los Deudores y el Prestamista también celebraron un Acuerdo de Modificación, Renuncia y Consentimiento de Gold Loan Agreement con fecha 10 de setiembre de 2022, que fue resuelto el 6 de octubre de 2022. Los términos en mayúsculas que no se definen de otro modo en el presente documento tienen el significado que se les atribuye en el Contrato de Préstamo.

Los Deudores han incumplido con realizar la entrega (la "Entrega Fallida") al Prestamista el 28 de marzo de 2024, tal como era requerido por el Contrato de Préstamo. Los Deudores no lograron subsanar dicha Entrega Fallida dentro de los 5 días hábiles del periodo de cura del Contrato de Préstamo, lo cual constituye un Incumplimiento bajo este contrato. El Prestamista ha confiado en los compromisos de los Deudores según el Contrato de Préstamo y, a la fecha, continúa sufriendo daños y dificultades como resultado de la Entrega Fallida. Al 28 de marzo de 2024, los Deudores adeudaban al Prestamista 4,124.4 Onzas de Oro según el Contrato de Préstamo, lo que aplicando el *XAU LBMA AM Fixing* del 23 de mayo de 2024 equivale al monto de US\$ 9,741,008.00.

El Prestamista emitió su Notificación de Incumplimiento a los Deudores, con fecha del 8 de abril de 2024. Esa notificación confirmó que los Deudores están en incumplimiento de sus obligaciones según el Contrato de Préstamo.

De conformidad con la Sección 5(b) del Contrato de Préstamo, se notifica por la presente a los Deudores que el Prestamista:

OCIM Metals & Mining SA  
Rue de Rhone 49, 1208  
Geneva, Switzerland

- (i) declara que todas las Obligaciones de Entrega pendientes, las Entregas Pendientes y cualquier otra Obligación de la Facilidad pendiente son inmediatamente exigibles o de otro modo, vencidas y exigibles;
- (ii) recuerda a los Deudores que puede ejercer o perseguir cualquier remedio disponible para el Prestamista bajo cualquiera de los Documentos del Préstamo;
- (iii) recuerda a los Deudores que puede perseguir cualquier remedio disponible para el Prestamista en derecho o en equidad;
- (iv) está ejerciendo sus derechos en virtud del Contrato de Garantía de Acciones de fecha 14 de octubre de 2022 otorgado por Inca One Gold Corp. y Edward John Kelly en favor de OCIM Metals & Mining S.A. con respecto a las acciones de Chala One S.A.C. y por la presente adquiere la propiedad del Colateral Pignorado (según se define en ese acuerdo) con efecto inmediato; y,
- (v) está ejerciendo sus derechos en virtud del Contrato de Garantía de Acciones de fecha 14 de octubre de 2022 otorgado por Kevin Ryan Hart y Edward John Kelly en favor de OCIM Metals & Mining S.A. con respecto a las acciones de Corizona One S.A.C. y por la presente adquiere la propiedad del Colateral Pignorado (según se define en ese acuerdo) con efecto inmediato.

La entrega de esta carta no perjudica ningún otro derecho o recurso del Prestamista en virtud del Contrato de Préstamo, todos los cuales se reservan por la presente.

Muy atentamente,


**OCIM Metals & Mining SA**

Por:

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Nombre: Laurent Mathiot  
Título: CEO / Gerente General

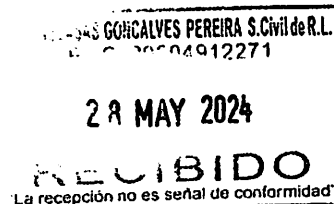
This is Exhibit " L " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver ,B.C.  
this 3 day of June 2024.



  
A Commissioner/Notary Public for the  
Province of British Columbia



## CARGO

<p>Lima, 28 de mayo de 2024</p> <p>Señores  <b>OCIM Metals &amp; Mining S.A.</b>          Av. Santo toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real San Isidro, Lima.          Presente.-</p> <p><b>Asunto:</b> Respuesta a carta recibida el 24 de mayo de 2024</p> <p>De nuestra consideración:</p> <p>Por medio de la presente, [<del>Chala One S.A.C.</del> / <del>Córzona One S.A.C.</del>] acusa recibo de su comunicación recibida el 24 de mayo pasado y les manifiesta lo siguiente:</p> <ul style="list-style-type: none"> <li>- Confirmamos la recepción de su carta en nuestras oficinas en Lima.</li> <li>- Hemos corrido traslado de la misma a nuestra gerencia en Canadá.</li> <li>- Nuestra compañía requerirá asesoría legal especializada de un asesor legal en Canadá respecto al curso de acción, teniendo en cuenta que el Contrato de Prenda sobre Acciones (<i>Share Pledge Agreement</i>) del 14 de octubre de 2021 se encuentra regulado bajo leyes de Canadá.</li> </ul> <p>Sin perjuicio de lo anterior, se debe tener en consideración que, bajo ley peruana, OCIM Metals &amp; Mining S.A. no tiene legitimidad para llevar a cabo el proceso de ejecución de una garantía mobiliaria sobre acciones, pues aquel debe llevarse a cabo por un representante común designado por el acreedor garantizado y el constituyente, para tales efectos, en el propio contrato de garantía mobiliaria.</p> <p>Adicionalmente, es nuestro entendimiento - conforme a lo informado por nuestros accionistas - que existe un entendimiento comercial sobre el monto al cual se adjudicarían las acciones de [<del>Chala One S.A.C.</del> / <del>Córzona One S.A.C.</del>] que aún se encuentra en proceso de determinación y es un aspecto crítico a fin de poder continuar con los siguientes pasos de este proceso.</p> <p>En base a lo anterior, no nos resulta posible cumplir, en un plazo no mayor de dos (2) días hábiles (conforme a su solicitud), con los</p>	<p>Lima, May 28, 2024</p> <p>Messrs.  <b>OCIM Metals &amp; Mining S.A.</b>          Av. Santo toribio 173, Edificio Real Ocho, Piso 8, Vía Central, Centro Empresarial Real San Isidro, Lima.</p> <p><b>Subject:</b> Response to letter received on May 24, 2024</p> <p>Dear Sirs,</p> <p>Hereby, [<del>Chala One S.A.C.</del> / <del>Córzona One S.A.C.</del>] acknowledges receipt of your letter dated May 24, 2024 and states the following:</p> <ul style="list-style-type: none"> <li>- We can confirm your letter was received at our offices in Lima.</li> <li>- We have sent the letter to our management team in Canada.</li> <li>- The company will need advice from legal counsel in Canada regarding next steps, considering that the Share Pledge Agreement dated October 14, 2021, is governed by Canadian law.</li> </ul> <p>Notwithstanding the foregoing, it must be considered that, under Peruvian law, OCIM Metals &amp; Mining S.A. does not have the legitimacy to carry out the foreclosure procedure of a shares pledge, as such must be carried out by a common representative appointed by the secured creditor and the grantor, for said purposes, in the pledge agreement itself.</p> <p>Additionally, it is our understanding - as informed by our shareholders - that there is a commercial understanding regarding the amount to which the shares of [<del>Chala One S.A.C.</del> / <del>Córzona One S.A.C.</del>] would be adjudicated, which is still being determined and is a critical aspect in order to proceed with the next steps of this process.</p> <p>In light of the above, it is not possible for us to comply, within a period not later than two (2) business days (as per your request), with the</p>
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<p>requerimientos expuestos en su carta enviada con fecha 24 de mayo de 2024.</p> <p>Sin otro particular.</p> <p>Atentamente,</p> <p> ..... Manuel Alaiobos GERENTE DE ADMINISTRACIÓN Y GESTIÓN HUMANA</p> <hr/> <p>Representante de compañía</p>	<p>requirements set forth in your letter sent on May 24, 2024.</p> <p>Without further ado.</p> <p>Sincerely,</p> <p> ..... Manuel Alaiobos GERENTE DE ADMINISTRACIÓN Y GESTIÓN HUMANA</p> <hr/> <p>Company Representative</p>
--	--

This is Exhibit " M " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver.....B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



TSX: EQX  
NYSE-A: EQX

Inca One Gold Corp.  
Suite 850 – 1140 West Pender Street  
Vancouver, BC V6E 4G1

Attention: Edward Kelly  
e-mail: ekelly@incaone.com

**By email**

**STRICTLY PRIVATE AND CONFIDENTIAL**

April 18, 2024

Dear Sirs and Mesdames,

**Reservation of rights under the Promissory Note (as defined below)**

**1. Introduction**

- (a) We refer to the share purchase agreement dated July 13, 2018 (the "**Purchase Agreement**") among, *inter alios*, Inca One Gold Corp. (the "**Corporation**"), as purchaser, and Equinox Gold Corp. (the "**Holder**"), as seller, with respect to the purchase and sale of certain shares in the capital of EMC Green Group S.A.
- (b) We also refer to the secured promissory note dated August 20, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Promissory Note**") issued by the Corporation to the Holder in partial satisfaction of the purchase price payable under the Purchase Agreement.
- (c) Capitalized terms defined in the Promissory Note have the same meanings when used in this letter unless expressly defined in this letter.

**2. Occurrence of Default**

- (a) Pursuant to Section 4(g) of the Promissory Note, the Corporation is required to forthwith notify the Holder of the occurrence of any Default or any event of which it is aware which with notice or lapse or time or both would constitute a Default (the "**Default Notice Covenant**").
- (b) On April 8, 2024, the Corporation received a notice of default from OCIM Precious Metals ("**OCIM**") related to a missed gold loan payment in an amount of 75 ounces of gold valued at approximately US\$170,000, due pursuant to the Corporation's gold pre-payment facility dated August 9, 2021 (the "**OCIM Payment Default**"). The Corporation did not forthwith provide notice to the Holder of the OCIM Payment Default in accordance with the Default Notice Covenant.

- (c) Pursuant to Section 6(1)(c) of the Promissory Note, it is a Default if the Corporation defaults or an event of default occurs under any other indebtedness for borrowed money of the Corporation, and such default or event of default is not cured within the time period stipulated therein (the "Cross Default Provision"). The notice of default from OCIM did not specify when the OCIM Payment Default occurred.
- (d) Accordingly, in the event that the OCIM Payment Default has not been or is not remedied within 10 Business Days of the date of the missed gold loan payment, the OCIM Payment Default has resulted or will result in a Default under Section 6(1)(c) of the Promissory Note.

### 3. Reservation of Rights

- (a) Without prejudice to the Holder's rights, and in its sole and revocable discretion, it is not presently the intention of the Holder to enforce its rights or take any immediate action in respect of the Corporation's failure to comply with the Default Notice Covenant and the Default under the Cross Default Provision resulting from the OCIM Payment Default. Notwithstanding any funding under the Promissory Note, the rights of the Holder to enforce its rights arising out of or in connection with the Corporation's failure to comply with the Default Notice Covenant and the Default under the Cross Default Provision resulting from the OCIM Payment Default are hereby explicitly reserved. The discretionary and revocable forbearance described in this letter and, if applicable, any subsequent advances made by the Holder are each without prejudice to the Holder's rights and remedies in respect of the Corporation's failure to comply with the Default Notice Covenant and the Default under the Cross Default Provision resulting from the OCIM Payment Default and any other event or circumstance, whether now subsisting or occurring in the future, which is or may constitute any Default(s), and the Holder expressly reserves all its rights and remedies in respect of any breach of the Promissory Note, the Purchase Agreement and any other related document.
- (b) No delay or omission by the Holder in exercising its rights under the Promissory Note, the Purchase Agreement and any other related document shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any such right prevent any other or further exercise thereof or the exercise of any other right.
- (c) Nothing in this letter is intended to or shall constitute a waiver or amendment to the terms of (or the rights of any party under) the Promissory Note, the Purchase Agreement and any other related document or otherwise under any applicable law and all such rights are expressly reserved and may be exercised without further notice.
- (d) The Promissory Note, the Purchase Agreement and any other related document remain in full force and effect.

### 4. Governing Law

This letter is governed by the laws of the Province of British Columbia and the federal laws of Canada applicable in that Province.

Yours truly,



---

Peter Hardie, Chief Financial Officer

This is Exhibit " N " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



INCA ONE GOLD CORP.

Consolidated Financial Statements  
For the Year Ended April 30, 2023, and 2022  
(Expressed in US Dollars)



# Independent Auditor's Report

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**Grant Thornton LLP**  
 Suite 1600  
 333 Seymour Street  
 Vancouver, BC  
 V6B 0A4  
 T +1 604 687 2711  
 F +1 604 685 6569

To the shareholders of Inca One Gold Corp.

## Opinion

We have audited the consolidated financial statements of Inca One Gold Corp. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2023 and 2022, and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Inca One Gold Corp. as at April 30, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a comprehensive loss of \$5,331,361 for the year ended April 30, 2023. As at April 30, 2023, the Company had an accumulated deficit of \$42,846,001. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.





### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because of the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Robert J. Riecken.

*Grant Thornton LLP*

Vancouver, Canada  
August 24, 2023

Chartered Professional Accountants

**INCA ONE GOLD CORP.**Consolidated Statements of Financial Position  
(Expressed in US Dollars)

	Note	April 30, 2023	April 30, 2022
		\$	\$
<b>Assets</b>			
<b>Current:</b>			
Cash		761,542	1,565,378
Restricted cash	4	-	284,547
Receivables	3	2,977,070	3,216,672
Derivative financial asset	4	-	528,320
Prepaid expenses and deposits	5	1,164,369	1,291,106
Inventory	6	5,949,862	8,174,011
<b>Total current assets</b>		<b>10,852,843</b>	<b>15,060,034</b>
Long term receivable	7	296,303	292,074
Property, plant and equipment	8	9,589,852	10,111,856
Right of use assets	10	198,932	273,992
<b>Total assets</b>		<b>20,937,930</b>	<b>25,737,956</b>
<b>Liabilities</b>			
<b>Current:</b>			
Accounts payable and accrued liabilities	9	4,107,411	4,829,497
Contractual liabilities payable to Equinox	11	2,450,069	1,384,129
Loans payable	12	2,156,111	2,173,301
Deferred revenue	17	1,488,000	840,000
Current portion of gold loan	13	7,953,755	8,712,330
Current portion of lease liabilities	10	56,532	81,092
<b>Total current liabilities</b>		<b>18,211,878</b>	<b>18,020,349</b>
Accounts payable and accrued liabilities	9	93,074	90,609
Contractual liabilities payable to Equinox	11	3,140,319	4,115,881
Loans payable	12	944,536	11,459
Gold loan	13	-	516,518
Asset retirement and reclamation obligations	14	1,915,366	1,391,454
Deferred income tax	22	441,513	424,793
Lease liabilities	10	99,323	145,590
<b>Total liabilities</b>		<b>24,846,009</b>	<b>24,716,653</b>
<b>Shareholders' Equity</b>			
Share capital	15	32,537,441	32,194,972
Equity reserves	15	5,482,275	5,435,660
Convertible debentures – equity component	12	12,895	-
Accumulated other comprehensive income		(324,673)	(697,831)
Deficit		(42,846,001)	(37,131,873)
Shareholders' equity (deficiency) attributable to Inca One		(5,138,063)	(199,072)
Non-controlling interest		1,229,984	1,220,375
<b>Total shareholders' equity</b>		<b>(3,908,079)</b>	<b>1,021,303</b>
<b>Total liabilities and shareholders' equity</b>		<b>20,937,930</b>	<b>25,737,956</b>

Nature of operations and going concern (note 1)

Commitments (note 17)

**Approved on behalf of the Board of Directors on August 24, 2023***"Bruce Bragagnolo"*

Director

*"Edward Kelly"*

Director

The accompanying notes are an integral part of these Consolidated Financial Statements.

**INCA ONE GOLD CORP.**Consolidated Statements of Operations and Comprehensive Loss  
(Expressed in US Dollars)

	Notes	Year Ended April 30,	
		2023	2022
		\$	\$
<b>Revenue</b>		<b>40,227,202</b>	47,146,334
<b>Cost of goods sold</b>			
Cost of operations	21	(36,862,159)	(43,781,106)
Depreciation	21	(1,275,121)	(1,154,041)
<b>Total cost of goods sold</b>		<b>(38,137,280)</b>	(44,935,147)
<b>Gross operating margin</b>		<b>2,089,922</b>	2,211,187
<b>Corporate and administrative expenses</b>	21	<b>(2,948,857)</b>	(3,645,882)
<b>Loss from operations</b>		<b>(858,935)</b>	(1,434,695)
<b>Finance costs</b>	21	<b>(3,948,530)</b>	(2,213,370)
Loss on gold loan remeasurement	13	(954,651)	-
Restructuring loss		74,317	-
Recognition of contingent debenture	12	-	(779,310)
<b>Net loss before income taxes</b>		<b>(5,687,799)</b>	(4,427,375)
Deferred income tax expense		(16,720)	(424,793)
<b>Net loss for the year</b>		<b>(5,704,519)</b>	(4,852,168)
<b>Other comprehensive income:</b>			
Foreign currency translation adjustment		373,158	294,858
<b>Comprehensive loss for the year</b>		<b>(5,331,361)</b>	(4,557,310)
<b>Net loss and comprehensive loss attributable to:</b>			
Inca One Gold Corp.'s shareholders		(5,340,970)	(4,548,563)
Non-controlling interest		9,609	(8,747)
		<b>(5,331,361)</b>	<b>(4,557,310)</b>
<b>Weighted average shares outstanding</b>			
Basic		39,527,926	38,316,840
Diluted		39,527,926	38,316,840
<b>Loss per share</b>			
Basic		(0.14)	(0.13)
Diluted		(0.14)	(0.13)

The accompanying notes are an integral part of these Consolidated Financial Statements.

# INCA ONE GOLD CORP.

## Consolidated Statements of Changes in Equity (Expressed in US Dollars)

	Common shares #	Share capital \$	Equity reserves \$	Convertible debenture – equity component \$	Non- controlling interest \$	Accumulated other comprehensive (loss) income \$	Deficit \$	Total shareholders' equity \$
<b>Balance, April 30, 2021</b>	<b>35,503,583</b>	<b>31,012,161</b>	<b>5,216,367</b>	-	<b>1,229,122</b>	<b>(992,689)</b>	<b>(32,288,452)</b>	<b>4,176,509</b>
Comprehensive income (loss) for the year	-	-	-	-	(8,747)	294,858	(4,843,421)	(4,557,310)
Issuance of shares on private placement, net of share issue costs	1,533,645	337,891	165,941	-	-	-	-	503,832
Shares issued pursuant to agreement with Equinox	1,096,842	557,768	-	-	-	-	-	557,768
Warrants exercised	100,000	21,225	(6,997)	-	-	-	-	14,228
Options exercised	966,600	265,927	(57,950)	-	-	-	-	207,977
Share-based payments	-	-	118,299	-	-	-	-	118,299
<b>Balance, April 30, 2022</b>	<b>39,200,670</b>	<b>32,194,972</b>	<b>5,435,660</b>	-	<b>1,220,375</b>	<b>(697,831)</b>	<b>(37,131,873)</b>	<b>1,021,303</b>
Comprehensive loss for the year	-	-	-	-	9,609	373,158	(5,714,128)	(5,331,361)
Convertible debentures – equity component (note 12 (d))	-	-	-	12,895	-	-	-	12,895
Shares issued pursuant to agreement with Equinox	281,843	134,556	-	-	-	-	-	134,556
Shares issued for debt settlement (note 15 (e))	466,000	73,281	-	-	-	-	-	73,281
Warrants exercised (note 15 (e))	662,076	134,632	(46,324)	-	-	-	-	88,308
Share-based payments (note 15 (d))	-	-	92,939	-	-	-	-	92,939
<b>Balance April 30, 2023</b>	<b>40,610,589</b>	<b>32,537,441</b>	<b>5,482,275</b>	<b>12,895</b>	<b>1,229,984</b>	<b>(324,673)</b>	<b>(42,846,001)</b>	<b>(3,908,079)</b>

The accompanying notes are an integral part of these Consolidated Financial Statements.

**INCA ONE GOLD CORP.**  
Consolidated Statements of Cash Flows  
(Expressed in US Dollars)

	Year Ended April 30,	
	2023	2022
<b>Cash flows provided by (used in):</b>	<b>\$</b>	<b>\$</b>
<b>Operating activities:</b>		
Net loss for the year	(5,704,519)	(4,852,168)
Items not involving cash:		
Depreciation	1,313,902	1,175,693
Depreciation of right of use assets	81,383	63,047
Share-based payments	92,939	118,299
Accretion expense	-	6,904
Accretion of asset retirement and reclamation obligations	102,938	77,900
Interest expense	753,622	472,316
Unrealized foreign exchange	63,319	(2,166)
Fair value adjustment on long term receivable	(49,121)	(18,353)
Accretion of contractual liabilities payable to Equinox	462,108	516,947
Change in fair value of derivatives	2,655,808	1,128,159
Loss on gold loan remeasurement	954,651	-
Restructuring cost	(74,317)	-
Income tax provision	16,720	424,793
Recognition of contingent debenture	-	779,310
Changes in non-cash operating working capital:		
Receivables	329,130	(2,072,742)
Prepaid expenses and deposits	(556,164)	129,339
Inventory	2,224,149	(3,510,662)
Accounts payable and accrued liabilities	(856,377)	2,015,567
Deferred revenue	648,000	360,000
<b>Net cash provided (used in) by operating activities</b>	<b>2,458,171</b>	<b>(3,187,817)</b>
<b>Financing activities:</b>		
Proceeds from issuance of shares (including exercised warrants and options)	88,308	726,036
Proceeds from issuance of convertible debentures	957,431	-
Proceeds from liquidation of derivative financial assets	-	323,749
Proceeds from loans (net of repayments)	867,985	238,085
Proceeds from Gold Loans (net of repayment)	(3,344,939)	3,964,569
Payment of notes payable	(862,000)	(68,000)
Payment of secured debenture	-	(1,279,836)
Decrease in restricted cash	(23,212)	(109,547)
Interest paid	(617,438)	(476,778)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,933,865)</b>	<b>3,318,278</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(334,094)	(532,841)
<b>Net cash used in investing activities</b>	<b>(334,094)</b>	<b>(532,841)</b>
Decrease in cash	(809,788)	(402,380)
Effect of exchange rates on cash held in foreign currencies	5,952	4,184
Cash, beginning of the year	1,565,378	1,963,574
<b>Cash, end of the year</b>	<b>761,542</b>	<b>1,565,378</b>

Supplemental disclosure with respect to cash flows (note 23)

The accompanying notes are an integral part of these Consolidated Financial Statements

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

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**NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

Inca One Gold Corp. (the "Company") was incorporated under the laws of Canada on November 9, 2005 and was continued under the British Columbia Business Corporations Act on November 26, 2010. On September 17, 2014, the Company changed its name from Inca One Resources Corp. to Inca One Gold Corp. The Company's shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol "INCA", on the OTCQB under the symbol "INCAF", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL". The head office and principal address of the Company are located at Suite 850 - 1140 West Pender Street, Vancouver, Canada, V6E 4G1 and its registered office is located at 10th Floor, 595 Howe Street, Vancouver, Canada, V6C 2T5.

Inca One is engaged in the business of operating and developing gold-bearing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, through its Peruvian subsidiaries Chala One S.A.C. ("Chala One") and EMC Green Group S.A. ("EMC") owns two Peruvian mineral processing plants with 450 tonnes per day ("TPD") of processing capacity. The Company's business plan is to source high grade gold mill feed from legally recognized Peruvian artisanal and small scale miners, purchase and process the material, and export gold doré.

The Company continues to actively evaluate potential mineral projects, including additional mineral processing operations.

These consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the year ended April 30, 2023, the Company had comprehensive loss of \$5.3 million, a deficit of \$42.8 million and working capital deficit of \$7.4 million. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to fund operating and administration costs and debt and debt service costs over the year with the proceeds from gold doré sales at the Company's gold ore processing facilities in Peru and where required, from debt and equity financing and proceeds from option and warrant exercises.

The Company's ability to continue as a going concern is dependent upon its ability to generate net income and positive cash flows from its mineral processing operations and its ability to raise equity capital or debt sufficient to meet current and future obligations. These consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of presentation**

These consolidated financial statements have been prepared in accordance 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”). The accounting principles adopted are consistent with those of the previous financial year.

These consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below and were approved by the board of directors for issue on August 24, 2023.

**(b) Basis of consolidation**

The consolidated financial statements are presented in US dollars unless otherwise noted and include the accounts of the Company and its subsidiaries listed below:

	<b>Country of Incorporation</b>	<b>Equity Interest</b>
Chala One S.A.C.	Peru	100%
Inca One Metals Peru S.A.	Peru	100%
Dynasty One S.A.	Peru	100%
Corizona S.A.C.	Peru	100%
Anthem United Inc.	Canada	100%
Anthem United (Holdings) Inc.	Canada	100%
Oro Proceso Co. S.A.C.	Peru	100%
EMC Green Group S.A.C.	Peru	90.14%
Koricancha Joint Venture	Peru	90.14%

**(c) Changes in accounting policies and disclosures**

There were no new standards effective May 1, 2022 that impacted these consolidated financial statements or are expected to have a material effect in the future.

**(d) Significant accounting judgements and estimates**

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.



**INCA ONE GOLD CORP.**  
Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

Significant accounting judgments

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include but are not limited to the following:

*(i) Going concern*

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption were not appropriate for the consolidated financial statements, then adjustments to the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position would be necessary (note 1).

*(ii) Debt-holder or shareholder*

Management assessed the relationship between the debt-holders and their potential shareholdings in the Company, with reference to IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments. Based on the facts of the transaction, management has concluded that the debt-holders were acting solely in their capacity as debt holders and not shareholders.

*(iii) Replacement debt - extinguishment versus modification*

Management assessed the impact of the modification of the term for its Gold Loan to determine if the application of the new terms would qualify as either an extinguishment or modification of the old debt. Based on these factors, management concluded that the transaction should be treated as an extinguishment.

*(iv) Functional currency*

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgements to determine the primary economic environment of an entity. The Company re-evaluates the functional currency of its entities when there is a change in events and conditions which previously determined the primary economic environment of an entity.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)***(v) Gold Loan*

Management performed a qualitative assessment regarding its pre-payment facility (note 13) and determined that is under the scope of IFRS 9. The facility is considered a financial liability with an embedded derivative. The Company has elected to fair value the gold loan at fair value through profit and loss.

*(vi) Contingent debenture*

Management has performed an assessment of its daily production capacity against the contingent debenture criteria in assessing whether or not a liability exists. As a result of current production levels the Company recognized the liability in its consolidated financial statements (note 12 (c)).

*(vii) Convertible debenture*

Each convertible debenture or debenture unit with warrants is separated into its liability and equity components. The fair value of the liability component at the time of issue is estimated by measuring the fair value of similar liability that does not have a conversion feature. The amount allocated to the equity component (conversion or warrant feature) is determined at the time of issue as the difference between the face value of the debenture and the fair value of the liability component. Changes in the input assumptions can materially affect the fair value estimates and the Company's classification between debt and equity components.

**Significant estimates and assumptions**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

*(i) Value of share-based compensation and share-purchase warrants*

The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, expected life and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimates and the Company's earnings and equity reserves.

Proceeds received on the sale of shares and share-purchase warrants are allocated using the residual method. Under the residual method, the Company measures first the warrant component using the Black-Scholes model (described in the previous paragraph) with the residual amount being allocated to the capital.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)***(ii) Fair value measurement*

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

*(iii) Deferred Revenue*

The advances related to the future sale of gold doré pursuant to contracts qualify as deferred revenue and represents the estimated amount (net of adjustments) that will eventually be recognized as revenue when the appropriate revenue recognition criteria are met.

*(iv) Depreciation*

Property, plant and equipment depreciation is determined at rates which will reduce original cost to estimated residual value over the expected useful life of each asset. The expected useful lives used to compute depreciation could be materially affected by changes in the underlying estimates. Changes in estimates can be the result of actual future production differing from current forecasts of future production, differences between estimated and actual useful lives and costs of production and differences in gold prices.

Significant judgement is involved in the estimation of useful life and residual values for the computation of depreciation and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

*(v) Right of use assets/lease liability*

Management uses estimation in determining the incremental borrowing rate used to measure the lease liability, specific to the asset, underlying currency and geographic location

*(vi) Inventory*

Expenditures incurred, and depreciation of assets used in production activities are deferred and accumulated as the cost of stockpiled gold-bearing material, in-process inventory and finished goods - gold doré inventory. These deferred amounts are carried at the lower of cost and net realizable value ("NRV") and are subject to significant measurement uncertainty.

Write-downs of stockpiled gold-bearing material and in process inventory and finished goods - gold inventory resulting from NRV impairments are reported as a component of current period costs. The primary factors that influence the need to record write-downs include prevailing and long-term metal prices and prevailing costs for production inputs such as labour, fuel and energy, materials and supplies, as well as realized material grades and actual production levels.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

Costs are attributed to the material in process based on current gold-bearing material purchases, including applicable depreciation and depletion relating to production operations incurred up to the point of placing the material in the leach tanks. Costs are removed from material in process based on the average cost per estimated recoverable ounce of gold in the leach tanks as the gold is recovered. Estimates of recoverable gold in the leach tanks are calculated from the quantities of material placed in the tanks, the grade of material placed in the leach tanks and an estimated percentage of recovery. Timing and ultimate recovery of gold contained in leach tanks can vary significantly from the estimates.

The quantities of recoverable gold placed in the leach tanks are reconciled to the quantities of gold actually recovered (metallurgical balancing), by comparing the grades of material placed in the leach tanks to actual ounces recovered. The nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time. The ultimate recovery of gold from a leach tank will not be known until the leaching process is completed.

The allocation of costs to stockpiled gold-bearing material and in process inventory and finished goods gold inventory, and the determination of NRV involve the use of estimates. There is a high degree of judgement in estimating future costs, future production levels, gold prices, and the ultimate estimated recovery for material in process. There can be no assurance that actual results will not differ significantly from estimates used in the determination of the carrying value of inventories.

*(vii) Asset retirement and reclamation obligations*

The Company assesses its asset retirement and reclamation obligation at each reporting date. Significant estimates and assumptions are made in determining the asset retirement obligation as there are numerous factors that will affect the ultimate amount payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, the area of land requiring reclamation, regulatory changes, cost increases as compared to the inflation rates, and changes in discount rates.

These uncertainties may result in future actual expenditures differing from the amounts currently provided. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

*(viii) Deferred taxes*

Deferred tax assets and liabilities are measured using the tax rates expected to be in effect in future periods. Management estimates these future tax rates based on information available at the period end.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

*(ix) Contingencies*

Due to the nature of the Company's operations, various legal and tax matters can arise from time to time. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of the changes in its consolidated financial statements for the period in which such changes occur.

**(e) Foreign Currency Translation**

*(i) Functional currency and presentation currency*

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

The functional currency of Inca One Gold Corp. is the Canadian dollar and the functional currency of all of its subsidiaries is the US dollar.

*(ii) Foreign currency transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are included in profit or loss.

*(iii) Consolidated entities*

The results and financial position of consolidated entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Monetary assets and liabilities are translated at the closing rate at the reporting date;
- Non-monetary assets and equity are translated using the exchange rates at the date of the transaction. Non-monetary items measured at fair value are translated using the exchange rate at the date when the fair value was determined; and
- Income and expenses for each income statement are translated at exchange rates at the dates of the transactions and where appropriate, approximated by the average exchange rates for the period.
- The resulting exchange differences are recognized in other comprehensive income.

**(f) Cash**

Cash includes short-term deposits that are cashable at any time at the option of the holder.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Inventory**

Finished goods, work-in-process, stockpiled gold-bearing materials, and materials and supplies are measured at the lower of cost and net realizable value. Net realizable value is the amount estimated to be obtained from sale of the inventory in the normal course of business, less any anticipated costs to be incurred prior to its sale. The cost of inventories is determined on a weighted average basis and includes cost of production consumables, direct labor, applicable overhead and depreciation of property, plant and equipment.

Any write-down of inventory is recognized as an expense in profit or loss in the period the write-down occurs. Reversal of any write-down of inventory, arising from an increase in net realizable value, is recognized in profit or loss as a reduction in the amount of inventory recognized as an expense in the period in which the reversal occurs.

**(h) Property, Plant and Equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is determined at rates which will reduce original cost to estimated residual value over the expected useful life of each asset.

The expected useful lives used to compute depreciation is as follows:

Plant and equipment	5 to 30 years straight line basis
Computers	3 years declining-balance basis
Furniture and office equipment	5 years declining-balance basis

**(i) Impairment of Non-Financial Assets**

The carrying amount of the Company's non-financial assets (which includes property, plant and equipment) is reviewed at each financial reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized when the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss for the period.

The recoverable amount of assets is the greater of an asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)****(j) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset until the asset is substantially ready for its intended use. Other borrowing costs are recognized as an expense in the period incurred.

**(k) Assets Retirement and Reclamation Obligations, Contingent Liabilities and Contingent Assets**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the ongoing production and or by further expansion of plant's facilities. The Company records the estimated present value of future cash flows associated with site reclamation as a liability when the liability is incurred with a corresponding increase in the carrying value of the related assets. Discount rates using a pre-tax, risk-free rate that reflect the time value of money are used to calculate the net present value. The liability is accreted over time to reflect the unwinding of the discount with the accretion expense included in finance costs in the consolidated statement of operations and comprehensive income. Changes in estimates or circumstances include changes in legal or regulatory requirements, increased obligations arising from plant capabilities expansions, changes to cost estimates, changes to the inflation rate, discount rate and changes to the risk-free interest rates.

Asset retirement and reclamation obligations are determined on the basis of the best estimates of future costs, based on information available on the reporting date. Best estimates of future costs are the amount the Company would reasonably pay to settle its obligation on the closing date to transfer it to a third party on the same date. Future costs are discounted using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the liability. A corresponding asset is recognized in property, plant and equipment when establishing the provision.

The provision is reviewed at each reporting date to reflect changes in the estimated outflow of resources as a result of changes in obligations or legislation, changes in the current market-based discount rate or an increase that reflects the passage of time. The accretion expense is recognized in the consolidated statement of operations and comprehensive income as a financial cost as incurred. The cost of the related asset is adjusted to reflect changes in the reporting period. Costs of asset retirement are deducted from the provision when incurred.

**(l) Leases**

Upon lease commencement, the Company recognizes a right-of-use asset, which is initially measured at the amount of the lease liability plus any direct costs incurred, which is then amortized over the life of the lease on a straight-line basis. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease; if the implicit lease rate cannot be determined, the incremental borrowing rate is used. Payments against the lease are then offset against the lease liability. The lease liability and right-of-use asset are subsequently remeasured to reflect changes to the terms of the lease. Assets and liabilities are recognized for all leases unless the lease term is twelve months or less or the underlying asset has a low value.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)****(m) Share Capital**

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

The Company's common shares and share purchase warrants and options are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

The proceeds from the exercise of stock options or warrants together with amounts previously recorded in reserves over the vesting periods are recorded as share capital. Share capital issued for non-monetary consideration is recorded at an amount based on fair value on the date of issue.

**(n) Share-based Payments**

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of debts or shares or the purchase of assets. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in stock option reserves is credited to share capital, adjusted for any consideration paid. Amounts recorded for forfeited or expired unexercised options are reversed in the period the forfeiture occurs.



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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)****(o) Revenue**

Revenue includes sales of precious metal derived from the mineral processing operation. Sales of precious metals are based on spot metal prices and are recognized when the Company has satisfied its performance obligation which includes but are not limited to whether: the Company has transferred control and physical possession, the Company has a present right to payment and the customer has legal title to the asset as well as bears the significant risks and rewards of the asset; any payment received before these conditions are met is considered as deferred revenue and is recognized in the consolidated statement of financial position as part of its short term liabilities.

**(p) Earnings (loss) per Share**

The Company calculates basic Earnings (loss) per share by dividing the net earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the relevant period. Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding by an amount that assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are applied to repurchase common shares at the average market price for the period in calculating the net dilution impact. Stock options and warrants are dilutive when the Company has income from continuing operations and the average market price of the common shares during the period exceeds the exercise price of the options and warrants. All potential dilutive common shares are anti-dilutive for the years presented.

**(q) Comprehensive Loss**

Comprehensive loss consists of loss for the year and other comprehensive loss. Other comprehensive loss consists of gain or losses related to foreign currency translation.

**(r) Financial Instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities are measured initially at fair value. If the financial asset or liability is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's or liability's acquisition or origination.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Under IFRS 9, the classification depends on the entity's business model for managing the financial asset and the cash flow characteristics of the asset. The classification and measurement of the Company's financial assets are as follows:

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial assets at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interests. These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss. Discounting is omitted where the effect of discounting is immaterial. Financial assets at amortized cost include the Company's cash, restricted cash and receivables (excluding sales taxes receivable and advances to suppliers).

Financial assets at fair value through other comprehensive income

Assets that are held for collection of contractual cash flow and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI for debt instruments are reclassified to profit or loss; otherwise, no reclassification is made for equity instruments. The Company has no financial assets in this category.

Financial assets at fair value through profit or loss

Assets are classified in this category if they do not meet the criteria for amortized cost or fair value through other comprehensive income. These assets are subsequently measured at fair value. Net gains and losses including interest or dividend income, are recognized in profit or loss. The Company's financial assets at fair value through profit or loss includes its derivative financial assets.

Financial liabilities

The Company's financial liabilities include accounts payable and accrued liabilities (except wages and benefits payable), contractual liabilities payable to Equinox, loans payable that are classified at amortized cost and a gold loan classified at fair value through profit or loss.

Fair value measurement

Assets and liabilities measured at amortized cost for which the fair value is disclosed and assets and liabilities at fair value are classified using a fair value hierarchy which has the following levels:

- Level 1- valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2- valuation techniques based on 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- valuation techniques using inputs for the asset or liability that are not based on observable market data.

**INCA ONE GOLD CORP.**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)****Impairment of financial assets**

The Company uses the expected credit losses impairment model with respect to its financial assets carried at amortized cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument. The Company accounts for expected credit losses over the life of financial assets measured at amortized cost under the simplified approach. Expected credit losses over the life of the asset are expected credit losses for all of the default events that a financial instrument may experience over its expected life.

The assessment of expected credit losses reflects reasonable and justifiable information about past events, current circumstances and forecasts of events and economic conditions and takes into account the factors specific to the accounts receivable, the general condition of the economy and a current as well as expected appreciation of the conditions prevailing at the balance sheet date, including the time value of the money, if any.

**(s) Income taxes**

Income tax expense comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date. As the Company is in a loss position there is no current tax payable.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities and assets are expected to be settled or recovered.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**(t) Non-controlling Interest**

Non-controlling interests are recorded at their proportionate share of the fair value of identifiable net assets acquired on initial recognition. Subsequent to the acquisition date, adjustments are made to the carrying amount of the non-controlling interests for the non-controlling interests' share of changes to the subsidiary's equity. In the event a non-controlling interest is represented by a non-participating entity, then the non-controlling interest is not recognized until the entity has the right to receive its share of the subsidiary's net assets.

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interests is adjusted to reflect the change in the non-controlling interests' relative interest in the subsidiary and the difference to the carrying amount of the non-controlling interests and the Company's share of proceeds received and/or consideration paid is recognized in equity and attributed to the shareholders of the Company.

**NOTE 3 – RECEIVABLES**

	April 30, 2023	April 30, 2022
	\$	\$
GST recoverable (Canada)	9,334	12,567
IGV recoverable (Peru)	2,958,791	3,199,814
Other	8,945	4,291
	<b>2,977,070</b>	<b>3,216,672</b>

**NOTE 4 – DERIVATIVE FINANCIAL ASSETS**

	April 30, 2023	April 30, 2022
	\$	\$
Beginning of year	528,320	50,940
Fair value gain (loss)	-	801,129
Fair value gain (loss) on disposition of assets net of commissions	(836,045)	(323,749)
Cash transferred from restricted cash	284,512	-
Cash transferred after disposition of assets	23,213	-
	-	528,320

During the year ended April 30, 2023, the Company liquidated its 44 contracts to buy 4,400 ounces of gold, and as result a loss of \$0.8 million has been recognized as fair value loss on financial instruments.

As at April 30, 2023 the Company was released of its obligation to maintaining restricted cash in a margin account as a collateral for its derivative assets which at the end of April 30, 2023 was \$nil (April 30, 2022 - \$0.28 million).

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**NOTE 5 – PREPAID EXPENSES AND DEPOSITS**

	April 30, 2023	April 30, 2022
	\$	\$
Other deposits and advances	108,959	133,277
Prepaid taxes	693,020	469,863
Prepaid expenses	362,390	71,796
Deferred financing cost (note 13)	-	616,170
	<b>1,164,369</b>	<b>1,291,106</b>

**NOTE 6 – INVENTORY**

	April 30, 2023	April 30, 2022
	\$	\$
Ore stockpiles and gold in process	3,270,726	5,698,215
Finished goods – gold doré bars	2,253,003	1,957,820
Materials and supplies	426,133	517,976
	<b>5,949,862</b>	<b>8,174,011</b>

As at April 30, 2023 and April 30, 2022, the Company recorded the value of its mineral in stockpiles, tanks and finished products at cost.

The amount of inventory recognized as expense as at April 30, 2023 was \$25.5 million (April 30, 2022 - \$37.4 million)

**NOTE 7 – LONG TERM RECEIVABLE**

As a result of the acquisition of Anthem United Inc. (“Anthem”) from Equinox Gold Corp. (“Equinox”), the Company acquired the right to claim refunds of prior years’ general sales taxes (“Historical IGV”) related to the construction of the Kori One Plant in Peru for approximately \$4.2 million of which \$1.4 million still remains to be collected. The Company has agreed to pay Equinox 50% of any amounts collected less costs to collect, the remainder of which is for the benefit of the Company.

As at April 30, 2023, the Company assessed that the collectability of the Historical IGV balance is uncertain and therefore has been reflected at its estimated fair value of \$0.3 million (April 30, 2022 \$0.3 million) and has been classified as a long-term receivable. The Company used a discount rate of 11% (April 30, 2022 – 11%), and a duration of approximately 11.8 years (April 30, 2022 – 12.5 years) for its estimation.

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**NOTE 8 – PROPERTY, PLANT AND EQUIPMENT**

	Plant	Computers	Furniture and Equipment	Total
	\$	\$	\$	\$
<b>Costs:</b>				
<b>Balance, April 30, 2021</b>	<b>15,645,200</b>	<b>208,514</b>	<b>121,108</b>	<b>15,974,822</b>
Additions	546,933	523	296	547,752
Change in ARO reserve	160,901	-	-	160,901
<b>Balance, April 30, 2022</b>	<b>16,353,034</b>	<b>209,037</b>	<b>121,404</b>	<b>16,683,475</b>
Additions	370,924	-	-	370,924
Change in ARO reserve	420,974	-	-	420,974
Reclassification	(88,518)	102,193	(13,675)	-
<b>Balance, April 30, 2023</b>	<b>17,056,414</b>	<b>311,230</b>	<b>107,729</b>	<b>17,475,373</b>
<b>Accumulated Depreciation:</b>				
<b>Balance, April 30, 2021</b>	<b>5,144,993</b>	<b>148,254</b>	<b>102,679</b>	<b>5,395,926</b>
Depreciation	1,147,298	17,507	10,888	1,175,693
<b>Balance, April 30, 2022</b>	<b>6,292,291</b>	<b>165,761</b>	<b>113,567</b>	<b>6,571,619</b>
Depreciation	1,255,474	45,427	13,001	1,313,902
Reclassification	27,045	-	(27,045)	-
<b>Balance, April 30, 2023</b>	<b>7,574,810</b>	<b>211,188</b>	<b>99,523</b>	<b>7,885,521</b>
<b>Net Book Value:</b>				
April 30, 2022	10,060,743	43,276	7,837	10,111,856
<b>April 30, 2023</b>	<b>9,481,604</b>	<b>100,042</b>	<b>8,206</b>	<b>9,589,852</b>

**NOTE 9 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	April 30, 2023	April 30, 2022
	\$	\$
Trade accounts payable and accruals <sup>(a)</sup>	4,004,470	4,784,182
Accrued interest	102,941	45,315
	<b>4,107,411</b>	<b>4,829,497</b>

<sup>(a)</sup> Includes tax liabilities of which \$0.02 million has been classified as current and \$0.1 million has been classified as non-current liabilities

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**NOTE 10 – LEASES**

The Company has leases for the land of its Chala One plant and for administrative offices in Lima and Vancouver, which have initial terms between 3 to 30 years. Certain leases include an option to renew the lease after the end of the contract term.

Right-of-use assets

	Land \$	Buildings \$	Total \$
<b>Costs:</b>			
Initial recognition	18,804	76,186	94,990
Additions	120,716	121,333	242,049
<b>Balance, April 30, 2022</b>	<b>139,520</b>	<b>197,519</b>	<b>337,039</b>
Additions	2,795	3,528	6,323
<b>Balance, April 30, 2023</b>	<b>142,315</b>	<b>201,047</b>	<b>343,362</b>
<b>Accumulated Depreciation:</b>			
Depreciation	1,453	61,594	63,047
<b>Balance, April 30, 2022</b>	<b>1,453</b>	<b>61,594</b>	<b>63,047</b>
Depreciation	4,512	76,871	81,383
<b>Balance, April 30, 2023</b>	<b>5,965</b>	<b>138,465</b>	<b>144,430</b>
<b>Net Book Value:</b>			
April 30, 2022	138,067	135,925	273,992
<b>April 30, 2023</b>	<b>136,350</b>	<b>62,582</b>	<b>198,932</b>

Lease liabilities

	April 30, 2023	April 30, 2022
	\$	\$
Beginning of year	226,682	-
Initial recognition	-	94,900
New lease Liability	3,773	242,090
Payment of lease liabilities	(74,600)	(110,308)
	<b>155,855</b>	<b>226,682</b>

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**NOTE 10 – LEASES (continued)**

The following table presents future lease payments:

	\$
Within one year	56,532
Within more than one to five years	17,230
After five years	82,093
Balance as at April 30, 2023	155,855

**NOTE 11 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX**

As result of the Acquisition of Anthem, the Company entered into non-interest bearing promissory notes with Equinox which as at April 30, 2023, had a face value of CAD\$7.06 million (April 30, 2022, CAD\$ 7.24 million) with the following details:

Face Value as at inception	Payments	Face Value as at April 30, 2023	due date	Payable in:	Carrying value (c) as at April 30, 2023
CAD\$	CAD\$	CAD\$			USD\$
1,500,000	-	1,500,000	Deferred Indefinitely (a)	Cash	1,104,728
2,500,000	(1,944,207)	555,793	August 20, 2023	Cash or shares (b)	385,124
2,500,000	-	2,500,000	August 20, 2024	Cash or shares (b)	1,642,021
2,500,000	-	2,500,000	August 20, 2025	Cash or shares (b)	1,498,298
9,000,000	(1,944,207)	7,055,793			4,630,171

(a) On July 14, 2022 the Company agreed with Equinox to defer this cash payment (which was due on August 20, 2022) indefinitely.

(b) As per the share purchase agreement with Equinox, Inca One has the discretion to pay in cash or shares based on the higher of the preceding 20-day volume weighted average price of Inca One shares and CAD\$0.65, subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the "Equinox Ownership Limit").

(c) The carrying value has been estimated considering a discount rate of 9.59%.

The acquisition of Anthem also has a provision to pay in cash to Equinox, an amount equal to 50% of Historical IGV recoveries. As at April 30, 2023, the estimated balance payable to Equinox is approximately \$0.28 million and is classified as a current liability.

Additionally, the Company must pay in cash to Equinox, the difference between the amount of working capital at August 21, 2018 and \$3.0 million. Anthem's working capital at such date was \$3.7 million and therefore the estimated amount payable would be \$0.7 million payable on August 20, 2023. As at April 30, 2023, the fair value of this payment has been estimated at \$0.7 million considering a discount rate of 9.59% and is classified as a current liability.



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**NOTE 11 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX (continued)**

The following table is a reconciliation of the movement related to these contractual liabilities as at April 30, 2022:

	April 30, 2021	OCI <sup>(a)</sup>	Accretion adjustments	Payments (note 15 (c))	New liability recognized	Reclass.	April 30, 2022
	\$	\$	\$	\$	\$	\$	\$
<b>Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In cash	-	(16,280)	69,216	-	-	1,093,124	1,146,060
<b><u>Historical IGV</u></b>							
Payable in cash	193,177	-	-	-	44,892	-	238,069
<b>Total Current</b>	<b>193,177</b>	<b>(16,280)</b>	<b>69,216</b>	<b>-</b>	<b>44,892</b>	<b>1,093,124</b>	<b>1,384,129</b>
<b>Non-Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In Cash	1,088,906	(27,915)	32,133	-	-	(1,093,124)	-
In cash or shares	3,851,543	(160,186)	362,779	(557,768)	-	-	3,496,368
<b><u>Working Capital Payable</u></b>							
In cash	566,694	-	52,819	-	-	-	619,513
<b>Total Non-Current</b>	<b>5,507,143</b>	<b>(188,101)</b>	<b>447,731</b>	<b>(557,768)</b>	<b>-</b>	<b>(1,093,124)</b>	<b>4,115,881</b>

(a) Other Comprehensive Income.

The following table is a reconciliation of the movement related to these contractual liabilities as at April 30, 2023:

	April 30, 2022	OCI <sup>(a)</sup>	Accretion adjustments	Payments (note 15 (c))	New liability recognized	Reclass.	April 30, 2023
	\$	\$	\$	\$	\$	\$	\$
<b>Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In cash	1,146,060	(67,698)	26,366	-	-	-	1,104,728
In cash or shares	-	(17,993)	63,219	(134,556)	-	474,454	385,124
<b><u>Working Capital Payable<sup>(b)</sup></u></b>							
In cash	-	-	39,064	-	-	638,192	677,256
<b><u>Historical IGV</u></b>							
Payable in cash	238,069	-	-	-	44,892	-	282,961
<b>Total Current</b>	<b>1,384,129</b>	<b>(85,691)</b>	<b>128,649</b>	<b>(134,556)</b>	<b>44,892</b>	<b>1,112,646</b>	<b>2,450,069</b>
<b>Non-Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In cash or shares	3,496,368	(196,375)	314,780	-	-	(474,454)	3,140,319
<b><u>Working Capital Payable</u></b>							
In cash	619,513	-	18,679	-	-	(638,192)	-
<b>Total Non-Current</b>	<b>4,115,881</b>	<b>(196,375)</b>	<b>333,459</b>	<b>-</b>	<b>-</b>	<b>(1,112,646)</b>	<b>3,140,319</b>

(a) Other Comprehensive Income

(b) On August 20, 2023 the Company agreed with Equinox to defer this payment (which was due on August 20, 2023) to August 20, 2024.

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**NOTE 12 – LOANS PAYABLE**

	April 30, 2023	April 30, 2022
<b>Current Liabilities</b>	<b>\$</b>	<b>\$</b>
Promissory note <sup>(a)</sup>	1,411,437	531,991
USD Notes Payable <sup>(b)</sup>	-	862,000
USD Contingent Debenture <sup>(c)</sup>	744,674	779,310
<b>Total Current loans payable</b>	<b>2,156,111</b>	<b>2,173,301</b>
<b>Non-current Liabilities</b>		
Promissory note	-	11,459
CAD Unsecured Convertible debenture <sup>(d)</sup>	944,536	-
<b>Total Non-current loans payable</b>	<b>944,536</b>	<b>11,459</b>

As at April 30, 2023, the Company had the following loans payable:

- (a) The Company received \$1.4 million from different lenders in exchange for 45 to 60 day promissory notes with an annual interest rate of 18%.
- (b) On March 16, 2020, the Company issued notes payable (the “Notes”) in the amount of \$0.93 million. The Notes had a three-year term, borne interest at an annual rate of 10% and were repayable at any time at the Company’s option. During May 2021, the Company made principal payments of \$0.07 million, the balance of \$0.86 million was fully paid during March 2023.
- (c) In September 2016, the Company completed a comprehensive capital restructuring which included issuing contingent debentures (the “Contingent Debentures”) totaling \$0.78 million. The Contingent Debentures were recognized as a current liability and as an expense on October 31, 2021, after the Company achieved production milestones. The Contingent Debentures have an annual interest rate of 12% payable quarterly and had a 12 months term of maturity. During October 2022, the Company agreed the extension of the term to October 31, 2023 with Contingent Debentures holders that represents \$0.74 million of the total debt; the balance of \$0.04 million was settled with shares (note 15 (c)). Accrued interest of \$0.02 million has been included in accounts payable at April 30, 2023.
- (d) On April 17, 2023 the Company closed its unsecured convertible debenture offering for gross proceeds of CAD\$ 1.3 million; of which CAD\$ 0.25 million and CAD\$ 0.49 million were subscribed by the CEO and CFO respectively. Each unit has a price of CAD\$ 1,000 and a maturity term of 36 months following to the date of issuance. The principal amount of each convertible debenture is convertible into units of the Company at a conversion price of CAD\$ 0.17 per Unit at the option of the holder of a Convertible Debenture at any time prior to the close of business on the Maturity Date.

Each Unit is comprised of one common share in the capital of the Company and one Common Share purchase warrant. Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.25 per Common Share for a period of twenty-four (24) months from the date of issuance thereof, subject to applicable policies of the TSX Venture Exchange.

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**NOTE 12 – LOANS PAYABLE (continued)**

Each Convertible Debenture bears interest at a rate of 12% per annum payable quarterly in arrears with first payment due on July 17, 2023. All interest accrued on the Convertible Debentures will be payable in cash or Common Shares at the election of the Debenture Holder, following written notice by a holder of a Convertible Debenture to the Company, provided that the Debenture Holder provides written notice to the Company no less than ten (10) trading days prior to the applicable interest payment, at a price equal to the Market Price (as defined in the policies of the TSXV) of the Common Shares on the TSXV on the applicable interest payment date. Accrued interest of \$0.005 million has been included in accounts payable at April 30, 2023.

In accordance with IFRS 9, each convertible debenture is separated into its liability and equity components. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the convertible debenture assuming a 12.42% as discount rate which was the estimated rate for a debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible debenture and the fair value of the liability component as result an amount of \$0.01 million has been recorded as part of shareholder equity.

**NOTE 13 – GOLD LOAN**

On August 6, 2021, the Company arranged a \$9 million gold pre-payment facility (the “Facility”), available in two tranches, as follows.

**First Tranche**

The first tranche (“Tranche 1”) of \$6 million was drawn down on the same date as the Facility and was agreed to be repaid with 4,181 ounces of gold in 16 equal, monthly payments of gold bullion of 261.3 ounces of which the Company had delivered ten payments, or approximately 2,613 ounces. On March 30, 2023, the delivery of the balance of approximately 1,307 ounces was restructured.

**Second Tranche**

The second tranche (“Tranche 2”) of \$3 million was drawn down on December 8, 2021 and was agreed to be payable with 2,017 ounces of gold in 12 equal, monthly payments of gold bullion of 168.1 ounces of which the Company had delivered five payments, or approximately 840 ounces; the delivery of the balance of approximately 1,177 was restructured on March 30, 2023.

On April 25, 2022, the Company agreed to amend the Facility to include an additional third tranche of \$1.5 million with details as follows:

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**NOTE 13 – GOLD LOAN (continued)**Third Tranche

The third tranche (“Tranche 3”) of \$1.5 million was drawn down on April 29, 2022 and was agreed to be payable with 905.4 ounces of gold in three equal payments of gold bullion of 301.8 ounces being the payments due 180 days, 270 days and 368 days after the respective release of the funds. The delivery of these ounces was restructured on March 30, 2023.

The Facility was considered under the scope of IFRS 9 – Financial Instruments and was determined to be a financial liability with an embedded derivative, the Company elected to measure the entire instrument at fair value which was calculated as the discounted cash flow of the expected gold deliveries considering the future price of the gold which approximates to each delivery date quoted in active markets and an annual discount rate of 12.67%, as result the Company recorded a deferred financing cost of \$1.03 million.

Changes on the term of the facility

On October 14, 2022, the Company reached an agreement to restructure the payment schedule for each tranche, as a result it was agreed to deliver additional 286 ounces on June 30, 2023. Management assessed that the new schedule of deliveries constitutes a modification for which the Company has re-measured the expected cash flow of all deliveries under the new terms, as a result an additional deferred financing cost of \$0.3 million has been recorded and will be accreted for the duration of the facility.

Restructuring of the facility

On March 30, 2023, the Company agreed to restructure all its payment schedules to 7 monthly deliveries of 75 ounces starting March 2023 with a final payment of 3,749 ounces due on November 30, 2023. In accordance with IFRS 9, the Company has assessed that the combined effect of the change in the delivery schedules as well as in the total amount of ounces to deliver qualifies as a modification which implies the recognition of an expense of \$0.95 million which has been classified as a loss on gold modification and recognized in the consolidated statement of operations and comprehensive loss.

The following table reconciles the movement of the Gold Loans as at April 30, 2023:

	April 30, 2022	Re- measurement of fair value (a)	Fair value loss (gain)		Delivery	Non- current to current	Re- measurement of fair value (a)	April 30, 2023
	\$	\$	Unrealized	Realized	\$	\$	\$	\$
<b>Current</b>								
Tranche 1	4,282,776	(40,874)	182,594	12,869	(1,877,946)	-	(2,559,419)	-
Tranche 2	3,350,197	(32,374)	168,114	1,336	(1,186,242)	-	(2,301,031)	-
Tranche 3	1,079,357	(18,038)	194,094	-	-	516,518	(1,771,931)	-
October 14, 2022	-	444,821	108,793	-	-	-	(553,614)	-
March 30, 2023	-	-	77,179	16,681	(280,751)	-	8,140,646	7,953,755
<b>Total Current</b>	<b>8,712,330</b>	<b>353,535</b>	<b>730,774</b>	<b>30,886</b>	<b>(3,344,939)</b>	<b>516,518</b>	<b>954,651</b>	<b>7,953,755</b>
<b>Non-current</b>								
Tranche 3	516,518	-	-	-	-	(516,518)	-	-
<b>Total Non-current</b>	<b>516,518</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(516,518)</b>	<b>-</b>	<b>-</b>

(a) Remeasurement of fair value was the result of changes made in the number of ounces to be delivered and extension of contracts terms made in October 2022 and March 2023.

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**NOTE 13 – GOLD LOAN (continued)**

The facility is secured by a Canadian general security agreement and has a registered security agreement over the Chala One Plant.

The following table reconciles the movement of the deferred financing cost as at April 30, 2023:

	April 30, 2023	April 30, 2022
	\$	\$
Beginning of year	616,170	-
Additions:		
Deferred financing costs Tranche 1	-	653,013
Deferred financing costs Tranche 2	-	276,255
Deferred financing costs Tranche 3	-	95,875
Remeasurement of deferred financing costs (October 14, 2022)	353,535	-
Accretion <sup>(1)</sup>	(843,888)	(408,973)
Derecognition of deferred financing cost (modification March 30, 2023) <sup>(1)</sup>	(125,817)	-
	-	616,170

(1) Amounts have been included in the consolidated statements of operations and comprehensive loss and classified as fair value loss on financial instruments.

**NOTE 14 – ASSET RETIREMENT AND RECLAMATION PROVISION**

The Company's operations are governed by laws and regulations covering the protection of the environment. The Company will implement progressive measures for rehabilitation work to be carried out during the operation, closing and follow-up work upon closing of the gold processing plants; consequently, the Company accounted for its asset retirement obligations for the plants using best estimates of future costs, based on information available at the reporting date. These estimates are subject to change following modifications to laws and regulations or as new information becomes available.

	April 30, 2023	April 30, 2022
	\$	\$
Beginning of year	1,391,454	1,152,653
Accretion	102,938	77,900
Change in estimate	420,974	160,901
	1,915,366	1,391,454

As at April 30, 2023, the estimated undiscounted cash flow required to settle the asset retirement obligation for both the "Chala Plant" and "Kori One Plant" and their related tailings ponds is approximately \$0.8 million and \$1.0 million respectively (April 30, 2022 – \$0.7 million and \$0.8 million respectively) and are projected to be disbursed over 2036 and 2042 respectively. A 6.90% (April 30, 2022 – 6.90%) discount rate (Peruvian government bond rate) and an average of 5.90% (April 30, 2022 – 5.78%) inflation rate was used to calculate the present value of these provisions.

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**NOTE 15 – SHARE CAPITAL AND EQUITY RESERVES****(a) Authorized**

Unlimited number of voting common shares without par value.

**(b) Issued Share Capital**

At April 30, 2023, there were 40,610,589 shares issued and outstanding (April 30, 2022 – 39,200,670).

**(c) Share Issuances**

Share capital transactions for the year ended April 30, 2023 were:

During the year ended April 30, 2023, 662,076 common shares were issued for proceeds of \$0.09 million on the exercise of same number of warrants at CAD\$0.18 per share.

On March 6, 2023, the Company issued 281,843 common shares at CAD\$0.65 as partial payment of its note payable to Equinox (note 11).

On January 30, 2023, the Company issued 466,000 common shares for the payment of \$0.04 million of its contingent debentures plus additional related indebtedness of \$0.03 million.

Share capital transactions for the year ended April 30, 2022 were:

On May 26, 2021, the Company closed a private placement and issued 1,533,645 units (“the Units”) for net proceeds of \$0.5 million. Each unit is comprised of one common share and one transferable common share purchase warrant. The total value of the warrants contained in the units issued is \$165,941, with the remainder allocated to common shares. The fair value of this warrants was estimated using the Black-Scholes options pricing model using a risk free rate between 0.25%, a volatility of 76.28% and an expected life of 3 years

On December 8, 2021 and April 29, 2022 the Company issued 900,315 and 196,527 common shares respectively at CAD\$0.65 as partial payment of its note payable to Equinox (note 11).

During the year ended April 30, 2022, 1,066,600 common shares were issued for proceeds of \$0.22 million on the exercise of 966,600 stock options at an average price of CAD\$0.27 per share and 100,000 warrants at CAD\$0.18 per share.

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**NOTE 15 – SHARE CAPITAL AND EQUITY RESERVES (continued)****(d) Share-based Options**

The Company adopted an incentive share-based option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable share-based options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Share-based options will be exercisable for a period of up to 10 years from the date of grant.

The following table is a reconciliation of the movement in share-based options for the period:

	Share-based Options #	Weighted Average Exercise Price CAD\$
<b>Balance, April 30, 2021</b>	<b>3,059,546</b>	<b>0.48</b>
Granted	2,080,600	0.38
Exercised <sup>(1)</sup>	(966,600)	0.27
Expired/cancelled	(645,000)	0.43
<b>Balance, April 30, 2022</b>	<b>3,528,546</b>	<b>0.48</b>
Granted	1,960,000	0.18
Expired/cancelled	(1,709,546)	0.55
<b>Balance, April 30, 2023</b>	<b>3,779,000</b>	<b>0.29</b>

(1) For the year ended April 30, 2022, the weighted average trading price for the options exercised was CAD\$0.37 per option.

The following table summarizes the share-based options outstanding as at April 30, 2023:

Share-based Options #	Exercise Price CAD\$	Expiry Date	Vesting Provisions
37,500	0.50	August 1, 2023	Vested
915,000	0.37	March 2, 2024	Vested
300,000	0.55	December 18, 2024	Unvested
1,900,000	0.18	December 20, 2024	Vested
50,000	0.22	January 17, 2025	Vested
10,000	0.19	February 15, 2025	Vested
155,900	0.50	March 5, 2025	Unvested
75,000	0.38	June 30, 2025	Unvested
150,000	0.37	March 2, 2026	Unvested
185,600	0.37	April 21, 2026	Unvested
<b>3,779,000</b> <sup>(1)</sup>			

(1) As at April 30, 2023, the total number of exercisable options is 3,442,450 share-based options

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**NOTE 15 – SHARE CAPITAL AND EQUITY RESERVES (continued)**

As at April 30, 2023, the weighted average remaining contractual life of the share-based options was 1.57 years (April 30, 2022 – 1.64 years).

During the year ended April 30, 2023, the Company recognized share-based payments of \$0.09 million (April 30, 2022 - \$0.12 million) for share-based options vested during the period.

The fair value of share-based options granted during the year ended April 30, 2023 was estimated using the Black-Scholes options pricing model using a risk free rate between of 3% (April 30, 2022 – between 0.25% to 1.25%), a volatility of between 53.80% and 56.51% (April 30, 2022 – between 46.84% and 76.28%), an expected life of 1 year (April 30, 2022 – between 0.58 and 3.0 years) and a forfeiture rate of nil% (April 30, 2022 - nil%).

**(e) Warrants**

The following table is a reconciliation of the movement in warrants for the period:

	Warrants #	Weighted Average Exercise Price CAD\$
<b>Balance April 30, 2021</b>	<b>868,743</b>	<b>0.28</b>
Issued <sup>(1)</sup>	1,533,645	0.60
Exercised	(100,000)	0.18
Expired/Cancelled	(106,667)	1.00
<b>Balance, April 30, 2022</b>	<b>2,195,721</b>	<b>0.47</b>
Exercised	(662,076)	0.18
<b>Balance, April 30, 2023</b>	<b>1,533,645</b>	<b>0.41</b>

(1) The fair value of the share purchase warrants was estimated using Black-Scholes pricing model using a risk free rate of 0.25%, volatility of 76.28% and expected life of 3 years

The following table summarizes the share purchase warrants as at April 30, 2023:

Warrants #	Exercise Price \$	Expiry Date
995,364	0.30	May 26, 2024
538,281	0.60	May 26, 2024
<b>1,533,645</b>		

As at April 30, 2023, the weighted average remaining contractual life of the warrants was 1.07 years (April 30, 2022 – 1.71 years).



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**NOTE 16 – RELATED PARTY TRANSACTIONS****(a) Related Party Transactions**

Management and consulting fees were paid to companies controlled by the CEO and VP Operations & New Projects. The Company incurred charges to directors and officers or to companies associated with these individuals during the year ended April 30, 2023 and 2022 as follows:

	Year Ended April 30,	
	2023	2022
	\$	\$
Management, salaries and consulting fees	608,110	688,049
Director fees	28,757	29,823
Professional fees	6,066	9,261
Share-based payment	60,634	51,777
	<b>703,567</b>	<b>778,910</b>

**(b) Compensation of Key Management Personnel**

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options. The compensation for key management personnel for the year ended April 30, 2023 and 2022 as follows:

	Year Ended April 30,	
	2023	2022
	\$	\$
Management fees	355,853	400,286
Salaries	252,257	287,763
Share-based payment	44,678	32,701
	<b>652,788</b>	<b>720,750</b>

**(c) Related Party Balances**

All related party balances payable, including for business expenses reimbursements, annual bonuses are approved by the board of directors, and for services rendered as at April 30, 2023 are non-interest bearing and payable on demand, with the exception of CAD convertible debentures and USD contingent debenture (note 12 (d) and (c)). Those balances include \$0.6 million (April 30, 2022 - \$0.6 million) payable to the CEO and a company controlled by the CEO and \$0.6 million (April 30, 2022 - \$0.6 million) payable to the CFO.

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

**NOTE 17 – COMMITMENTS**

As at April 30, 2023, the Company had a commitment to sell approximately 786 ounces of gold doré (April 30, 2022 - 502 ounces of gold doré) to a third party, which was settled subsequent to April 30, 2023; the fair value of this commitment is \$1.49 million (April 30, 2022 - \$0.3 million) and have been classified as current deferred revenues in the consolidated statement of financial position.

A summary of liabilities and future operating commitments at April 30, 2023 are as follows:

	Total	Within One Year	One to Five Years	Greater than Five Years
<b>Maturity analysis of financial liabilities</b>	\$	\$	\$	\$
Accounts payable and accrued liabilities	4,200,485	4,107,411	93,074	-
Contractual liabilities payable to Equinox	5,590,388	2,450,069	3,140,319	-
Loans payable	3,100,647	2,156,111	944,536	-
Gold loan	7,953,755	7,953,755	-	-
Lease liabilities	155,855	56,532	17,230	82,093
	<b>21,001,130</b>	<b>16,723,878</b>	<b>4,195,159</b>	<b>82,093</b>
<b>Commitments</b>				
Gold sale deferred revenue	1,488,000	1,488,000	-	-
Asset retirement and reclamation obligations	1,915,366	-	-	1,915,366
	<b>3,403,366</b>	<b>1,488,000</b>	<b>-</b>	<b>1,915,366</b>
	<b>24,404,496</b>	<b>18,211,878</b>	<b>4,195,159</b>	<b>1,997,459</b>

**NOTE 18 – SEGMENTED INFORMATION**

All of the Company's operating and capital assets are located in Peru except for \$1.0 million (April 30, 2022 - \$1.5 million) of cash and other current assets which are held in Canada.

Segmented information is provided on the basis of geographic segments consistent with the Company's core long-term and operating assets as follows:

	Year Ended April 30,	
	2023	2022
<b>Peru segment</b>	\$	\$
Revenue	40,183,968	47,074,879
Cost of goods	(38,095,211)	(44,863,887)
Gross margin	2,088,757	2,210,992
Loss for the year	(2,657,075)	(2,377,898)

During the year ended April 30, 2023, the Company received 100% of its metal revenues from three customers, noting that the Company has business relationships with other customers, and is not dependent on them.

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

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**NOTE 19 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT****(a) Fair Value of Financial Instruments**

As at April 30, 2023, the Company's financial instruments consist of cash, restricted cash, receivables, long term receivables, accounts payable and accrued liabilities, contractual liabilities payable to Equinox, loans payable and gold loan.

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 (note 2(r)).

As at April 30, 2023 and 2022, the Company believes that the carrying values of the financial instruments noted above approximate their fair values because of their nature and relatively short maturity dates or durations or their interest rates approximate market interest rates. The gold loan has been assessed on the fair value hierarchy described above and is classified as Level 2.

**(b) Financial Instruments Risk**

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

*(i) Credit risk*

Credit risk exposure primarily arises with respect to the Company's cash, restricted cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high credit worthiness within Canada and Peru. The Company also continuously monitors the collection of receivables.

*(ii) Liquidity risk*

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to settle obligations and liabilities when they become due. As at April 30, 2023, the Company had cash of \$0.8 million (April 30, 2022 - \$1.6 million) and current liabilities in excess of current assets of \$7.4 million (April 30, 2022 – current liabilities in excess of current assets \$3.0 million) with total liabilities of \$21.4 million (April 30, 2022 - \$24.7 million).

A summary of the Company's future operating commitments is presented in note 17.

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements

For the Years Ended April 30, 2023 and 2022

(Expressed in US Dollars)

**NOTE 19 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)***(iii) Market risk*

## a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At April 30, 2023, the Company is not exposed to interest rate risk as all financial liabilities have fixed rates of interest.

## b. Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates associated with the fluctuations in its Canadian dollar and the Peruvian New Sol (“Sol”) bank accounts as well as the translation of foreign held assets and liabilities at current exchange rates.

The Company’s net exposure to the Canadian dollar and Sol on financial instruments, in US dollar equivalents, is as follows:

	April 30, 2023	April 30, 2022
	\$	\$
CAD dollar:		
Cash	224,603	17,459
Receivables	9,334	12,567
Accounts payable and accrued liabilities	(538,073)	(436,595)
Contractual liabilities payable to Equinox	(4,630,171)	(4,642,483)
Loans payable	(944,536)	-
<b>Net assets (liabilities)</b>	<b>(5,878,843)</b>	<b>(5,049,052)</b>
Sol:		
Cash	82,835	30,081
Receivables	2,968,296	3,213,243
Accounts payable and accrued liabilities	(973,579)	(969,991)
<b>Net assets (liabilities)</b>	<b>2,077,552</b>	<b>2,273,333</b>

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

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**NOTE 19 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

Assuming all other variables constant, an increase or a decrease of 10% of the Canadian dollar (CAD\$1.3578 per USD\$1.00) against the US dollar, as of April 30, 2023 would have changed the Company's net loss by approximately \$0.5 million. Assuming all other variables constant, an increase or a decrease of 10% of the Peruvian Sol (PEN\$3.719 per USD\$1.00) against the US dollar, as of April 30, 2023 would have changed the Company's net loss by approximately \$0.2 million.

The Company had no hedging agreements in place with respect to foreign exchange rates.

c. Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's price risk relates primarily to its gold loan balances and future gold price expectations as it relates to gold-bearing mineral purchases and sales revenues. The Company continuously monitors precious metal trading prices as they are included in projections prepared to determine its future strategy.

**NOTE 20 – CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the plant operations and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, issue debt instruments or return capital to its shareholders.

The Company's current capital structure consists of loans payable of \$3.1 million (April 30, 2022 - \$2.2 million), contractual liabilities payable to Equinox of \$5.6 million (April 30, 2022 - \$5.2 million), a gold loan of \$7.9 million (April 30, 2022 - \$9.2 million) and shareholders' equity deficit of \$5.1 million (April 30, 2022 – shareholder's equity deficit of \$0.2 million). The Company's ability to generate sufficient funds to service its debts and to provide funding for future operations are dependent on its capital resources which are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets and by its ability to compete for investor support of its projects. The Company is not subject to externally imposed capital requirements.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the further operation of its Peruvian ore processing operations the Company prepares expenditure budgets which are updated as necessary and are reviewed and approved by the Company's Board of Directors.

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

**NOTE 21 – INFORMATION INCLUDED IN THE CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended April 30,	
	2023	2022
<b>Cost of goods sold:</b>	<b>\$</b>	<b>\$</b>
Ore	25,529,394	37,384,154
Salaries, benefits and other employee expenses	2,638,125	2,560,559
Production supplies	2,639,222	2,783,087
Transportation	409,617	753,659
Other production costs	3,513,495	3,683,440
Depreciation of property plant and equipment	1,275,121	1,154,041
Variation of finished goods – gold doré bars	(295,183)	(1,440,070)
Variation of ore stock piles and gold in process	2,427,489	(1,943,723)
<b>Total cost of goods sold</b>	<b>38,137,280</b>	<b>44,935,147</b>

	Year Ended April 30,	
	2023	2022
<b>Corporate and administrative expenses:</b>	<b>\$</b>	<b>\$</b>
Consulting fees	52,356	1,135
Management fees and salaries	1,624,772	1,771,213
Depreciation	38,781	21,652
Depreciation – right of use assets	81,383	63,047
Directors fees	28,578	30,286
Investor relations and regulatory fees	169,197	152,891
Advertising and corporate development	3,542	311,984
Office, rent, utilities, insurance and other	348,484	593,703
Professional fees	419,223	559,035
Share-based payments	92,939	118,299
Travel and accommodation	89,602	22,637
<b>Total corporate and administrative expenses</b>	<b>2,948,857</b>	<b>3,645,882</b>

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

**NOTE 21 – INFORMATION INCLUDED IN THE CONSOLIDATED STATEMENTS OF OPERATIONS (continued)**

	Year Ended April 30,	
	2023	2022
<b>Finance costs:</b>	\$	\$
Accretion expense asset retirement and reclamation provision	(102,938)	(84,804)
Interest costs	(753,622)	(472,316)
Foreign exchange loss	(23,175)	(29,497)
Fair value loss on financial instruments	(2,655,808)	(1,128,159)
Accretion of contractual liabilities payable to Equinox	(462,108)	(516,947)
Change in value on long term receivable	49,121	18,353
<b>Total finance costs</b>	<b>(3,948,530)</b>	<b>(2,213,370)</b>

**NOTE 22 – INCOME TAXES****(a) Income tax expense (recovery)**

	Years ended April 30,	
	2023	2022
<b>Deferred tax expense (recovery)</b>	\$	\$
Origination and reversal of temporary differences	(1,470,448)	(814,545)
Change in unrecognized deductible temporary differences	1,487,168	1,239,338
<b>Total income tax expense (recovery)</b>	<b>16,720</b>	<b>424,793</b>

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined federal and provincial corporate tax rates to income before tax. These differences result from the following:

	Years ended April 30,	
	2023	2022
	\$	\$
Net loss before income taxes for the year	(5,687,799)	(4,427,375)
Statutory income tax rate	27%	27%
Expected income tax	(1,535,706)	(1,195,391)
Increase (decrease) resulting from		
Impact of different foreign statutory tax rates	(88,020)	(52,653)
Non-deductible amounts	303,470	456,606
Impact on change in foreign exchange rate	(150,192)	(22,120)
Share issuance costs	-	(987)
Change in unrecognized deductible temporary differences	1,487,168	1,239,338
<b>Income tax expense (recovery)</b>	<b>16,720</b>	<b>424,793</b>

**INCA ONE GOLD CORP.**

Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

**NOTE 22 – INCOME TAXES (continued)****(b) Recognized deferred tax assets and liabilities**

	Years ended April 30,	
	2023	2022
	\$	\$
Deferred tax assets are attributable to the following:		
Loss carryforwards	155,604	415,553
Asset retirement and reclamation provision	399,572	340,936
Set-off of tax		-
<b>Net deferred tax asset</b>	<b>555,176</b>	<b>756,489</b>
Deferred tax liabilities are attributable to the following:		
Property, plant and equipment	(1,046,462)	(1,065,658)
Set-off of tax	49,773	(115,624)
<b>Net deferred tax liabilities</b>	<b>(996,689)</b>	<b>(1,181,282)</b>
<b>Net deferred tax</b>	<b>(441,513)</b>	<b>(424,793)</b>

**(c) Unrecognized deferred tax assets**

The Company has the following deductible temporary differences for which no deferred tax assets have been recognized, because it is not probable that future taxable profits will be available against which the Company can use the benefits

	Years ended April 30,	
	2023	2022
	\$	\$
Loss carry forwards	26,147,915	28,657,049
Deductible temporary differences	8,009,778	816,046
	<b>34,157,693</b>	<b>29,473,095</b>

The Company has tax losses for Peruvian purposes of approximately \$5.1 million (2022 - \$6.5 million) available to offset against future years' taxable income in Peru. The Company also has non-capital losses available to reduce taxes in future years of approximately \$21,71 million (2022 - \$22.1 million) in Canada which expire over 2026 through 2043 which have not been recognized in these financial statements.

Tax attributes are subject to review, and potential adjustment, by tax authorities.



**INCA ONE GOLD CORP.**


Notes to the Consolidated Financial Statements  
For the Years Ended April 30, 2023 and 2022  
(Expressed in US Dollars)

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**NOTE 23 – SUPPLEMENTAL CASH FLOW INFORMATION**

Interest and income taxes paid in cash during the year ended April 30, 2023, were \$0.6 million (April 30, 2022 - \$0.5 million) and \$0.4 million (April 30, 2022 - \$0.4 million) respectively. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows.

This is Exhibit " 0 " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



INCA ONE GOLD CORP.

Condensed Interim Consolidated Financial Statements  
For the Three Months Ended July 31, 2023, and 2022  
(Unaudited - Expressed in US Dollars)

**NOTICE TO READER**

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

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

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

**INCA ONE GOLD CORP.****Condensed Interim Consolidated Statements of Financial Position**  
**(Unaudited - Expressed in US Dollars)**

	Note	July 31, 2023	April 30, 2023
		\$	\$
<b>Assets</b>			
<b>Current:</b>			
Cash		1,148,179	761,542
Receivables	3	3,519,956	2,977,070
Prepaid expenses and deposits	4	1,225,770	1,164,369
Inventory	5	5,920,892	5,949,862
<b>Total current assets</b>		<b>11,814,797</b>	<b>10,852,843</b>
Long term receivable	6	297,414	296,303
Property, plant and equipment	7	9,298,040	9,589,852
Right of use assets	9	178,427	198,932
<b>Total assets</b>		<b>21,588,678</b>	<b>20,937,930</b>
<b>Liabilities</b>			
<b>Current:</b>			
Accounts payable and accrued liabilities	8	4,440,156	4,107,411
Contractual liabilities payable to Equinox	10	2,546,835	2,450,069
Loans payable	11	2,432,318	2,156,111
Deferred revenue		1,924,000	1,488,000
Gold loan	12	7,762,111	7,953,755
Current portion of lease liabilities	9	49,556	56,532
<b>Total current liabilities</b>		<b>19,154,976</b>	<b>18,211,878</b>
Accounts payable and accrued liabilities		89,913	93,074
Contractual liabilities payable to Equinox	10	3,310,786	3,140,319
Loans payable	11	973,280	944,536
Asset retirement and reclamation obligations	13	1,947,663	1,915,366
Deferred income tax		441,513	441,513
Lease liabilities	9	86,452	99,323
<b>Total liabilities</b>		<b>26,004,583</b>	<b>24,846,009</b>
<b>Shareholders' Equity</b>			
Share capital	14	32,552,516	32,537,441
Equity reserves	14	5,482,768	5,482,275
Convertible debentures – equity component	11	12,895	12,895
Accumulated other comprehensive income		(536,160)	(324,673)
Deficit		(43,161,103)	(42,846,001)
Shareholders' equity (deficiency) attributable to Inca One		(5,649,084)	(5,138,063)
Non-controlling interest		1,233,179	1,229,984
<b>Total shareholders' equity</b>		<b>(4,415,905)</b>	<b>(3,908,079)</b>
<b>Total liabilities and shareholders' equity</b>		<b>21,588,678</b>	<b>20,937,930</b>

Nature of operations and going concern (note 1)  
Commitments (note 16)

**Approved on behalf of the Board of Directors on September 29, 2023**

*"Bruce Bragagnolo"*

Director

*"Edward Kelly"*

Director

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
(Unaudited - Expressed in US Dollars)

	Notes	Three Months Ended	
		July 31,	
		2023	2022
		\$	\$
<b>Revenue</b>		<b>11,524,328</b>	<b>11,718,110</b>
<b>Cost of goods sold</b>			
Cost of operations	18	(10,468,484)	(10,702,255)
Depreciation	18	(303,074)	(300,842)
<b>Total cost of goods sold</b>		<b>(10,771,558)</b>	<b>(11,003,097)</b>
<b>Gross operating margin</b>		<b>752,770</b>	<b>715,013</b>
<b>Corporate and administrative expenses</b>	18	<b>(711,326)</b>	<b>(835,251)</b>
<b>Gain (Loss) from operations</b>		<b>41,444</b>	<b>(120,238)</b>
Impairments net of reversal of prior im		-	7,000
Finance costs	18	(353,351)	(921,614)
<b>Net loss for the period</b>		<b>(311,907)</b>	<b>(1,034,852)</b>
<b>Other comprehensive income:</b>			
Foreign currency translation adjustment		(211,487)	9,150
<b>Comprehensive loss for the period</b>		<b>(523,394)</b>	<b>(1,025,702)</b>
<b>Net loss and comprehensive loss attributable to:</b>			
Inca One Gold Corp.'s shareholders		(526,589)	(1,033,817)
Non-controlling interest		3,195	8,115
		<b>(523,394)</b>	<b>(1,025,702)</b>
<b>Weighted average shares outstanding</b>			
Basic		40,622,002	39,221,935
Diluted		40,622,002	39,221,935
<b>Loss per share</b>			
Basic		(0.01)	(0.03)
Diluted		(0.01)	(0.03)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# INCA ONE GOLD CORP.

## Condensed Interim Consolidated Statements of Changes in Equity (Unaudited - Expressed in US Dollars)

	Common shares #	Share capital \$	Equity reserves \$	Convertible debenture – equity component \$	Non-controlling interest \$	Accumulated other comprehensive (loss) income \$	Deficit \$	Total shareholders' equity \$
<b>Balance, April 30, 2022</b>	39,200,670	32,194,972	5,435,660	-	1,220,375	(697,831)	(37,131,873)	1,021,303
Comprehensive income (loss) for the period	-	-	-	-	8,115	9,150	(1,042,967)	(1,025,702)
Warrants exercised (note 14 (e))	51,482	10,740	(3,602)	-	-	-	-	7,138
Share-based payments (note 14 (d))	-	-	9,589	-	-	-	-	9,589
<b>Balance July 31, 2022</b>	39,252,152	32,205,712	5,441,647	-	1,228,490	(688,681)	(38,174,840)	12,328
Comprehensive income (loss) for the period	-	-	-	-	1,494	364,008	(4,671,161)	(4,305,659)
Convertible debentures – equity component (note 12 (d))	-	-	-	12,895	-	-	-	12,895
Shares issued pursuant to agreement with Equinox	281,843	134,556	-	-	-	-	-	134,556
Shares issued for debt settlement (note 14 (c))	466,000	73,281	-	-	-	-	-	73,281
Warrants exercised	610,594	123,892	(42,722)	-	-	-	-	81,170
Options exercised	-	-	-	-	-	-	-	-
Share-based payments	-	-	83,350	-	-	-	-	83,350
<b>Balance, April 30, 2023</b>	40,610,589	32,537,441	5,482,275	12,895	1,229,984	(324,673)	(42,846,001)	(3,908,079)
Comprehensive income (loss) for the period	-	-	-	-	3,195	(211,487)	(315,102)	(523,394)
Options exercised (note 14 (e))	90,000	15,075	(2,802)	-	-	-	-	12,273
Share-based payments (note 14 (d))	-	-	3,295	-	-	-	-	3,295
<b>Balance July 31, 2023</b>	40,700,589	32,552,516	5,482,768	12,895	1,233,179	(536,160)	(43,161,103)	(4,415,905)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - Expressed in US Dollars)

	Three Months Ended July 31,	
	2023	2022
<b>Cash flows provided by (used in):</b>	<b>\$</b>	<b>\$</b>
<b>Operating activities:</b>		
Net loss for the year	(311,907)	(1,034,852)
Items not involving cash:		
Depreciation	312,423	306,327
Depreciation of right of use assets	20,505	20,006
Share-based payments	3,295	9,589
Accretion of asset retirement and reclamation obligations	32,297	22,453
Interest expense	244,851	142,764
Unrealized foreign exchange	(65,847)	52,198
Fair value adjustment on long term receivable	(12,334)	(8,470)
Accretion of contractual liabilities payable to Equinox	113,872	133,629
Change in fair value of derivatives	97,672	592,150
Changes in non-cash operating working capital:		
Receivables	(520,844)	565,470
Prepaid expenses and deposits	(61,401)	(118,826)
Inventory	28,970	(133,224)
Accounts payable and accrued liabilities	319,430	(3,058)
Deferred revenue	436,000	977,870
<b>Net cash provided by operating activities</b>	<b>636,982</b>	<b>1,524,026</b>
<b>Financing activities:</b>		
Proceeds from issuance of shares (including exercised warrants and options)	12,273	7,138
Proceeds from loans (net of repayments)	247,463	(507,651)
Proceeds from Gold Loans (net of repayment)	(289,316)	(1,868,522)
Decrease in restricted cash	-	(330,000)
Interest paid	(202,519)	(120,155)
<b>Net cash used in financing activities</b>	<b>(232,099)</b>	<b>(2,819,190)</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(18,149)	(48,561)
<b>Net cash used in investing activities</b>	<b>(18,149)</b>	<b>(48,561)</b>
Increase (decrease) in cash	386,734	(1,343,725)
Effect of exchange rates on cash held in foreign currencies	(97)	(1,386)
Cash, beginning of the year	761,542	1,565,378
<b>Cash, end of the period</b>	<b>1,148,179</b>	<b>220,267</b>

**Supplemental disclosure with respect to cash flows (note 19)**

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements



**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended July 31, 2023 and 2022  
(Unaudited - Expressed in US Dollars)

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**NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

Inca One Gold Corp. (the "Company") was incorporated under the laws of Canada on November 9, 2005 and was continued under the British Columbia Business Corporations Act on November 26, 2010. On September 17, 2014, the Company changed its name from Inca One Resources Corp. to Inca One Gold Corp. The Company's shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol "INCA", on the OTCQB under the symbol "INCAF", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL". The head office and principal address of the Company are located at Suite 850 - 1140 West Pender Street, Vancouver, Canada, V6E 4G1 and its registered office is located at 10th Floor, 595 Howe Street, Vancouver, Canada, V6C 2T5.

Inca One is engaged in the business of operating and developing gold-bearing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, through its Peruvian subsidiaries Chala One S.A.C. ("Chala One") and EMC Green Group S.A. ("EMC") owns two Peruvian mineral processing plants with 450 tonnes per day ("TPD") of processing capacity. The Company's business plan is to source high grade gold mill feed from legally recognized Peruvian artisanal and small scale miners, purchase and process the material, and export gold doré.

The Company continues to actively evaluate potential mineral projects, including additional mineral processing operations.

These condensed interim consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the three months ended July 31, 2023, the Company had comprehensive loss of \$0.5 million, a deficit of \$43.1 million and working capital deficit of \$7.3 million. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to fund operating and administration costs and debt and debt service costs over the year with the proceeds from gold doré sales at the Company's gold ore processing facilities in Peru and where required, from debt and equity financing and proceeds from option and warrant exercises.

The Company's ability to continue as a going concern is dependent upon its ability to generate net income and positive cash flows from its mineral processing operations and its ability to raise equity capital or debt sufficient to meet current and future obligations. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**INCA ONE GOLD CORP.**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of presentation**

These condensed interim consolidated financial statements have been prepared in accordance 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”). The accounting principles adopted are consistent with those of the previous financial year.

These condensed interim consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below and were approved by the board of directors for issue on September 29, 2023.

**(b) Basis of consolidation**

The condensed interim consolidated financial statements are presented in US dollars unless otherwise noted and include the accounts of the Company and its subsidiaries listed below:

	<b>Country of Incorporation</b>	<b>Equity Interest</b>
Chala One S.A.C.	Peru	100%
Inca One Metals Peru S.A.	Peru	100%
Dynasty One S.A.	Peru	100%
Corizona S.A.C.	Peru	100%
Anthem United Inc.	Canada	100%
Anthem United (Holdings) Inc.	Canada	100%
Oro Proceso Co. S.A.C.	Peru	100%
EMC Green Group S.A.C.	Peru	90.14%
Koricancha Joint Venture	Peru	90.14%

**(c) Changes in accounting policies and disclosures**

There were no new standards effective May 1, 2023 that impacted these condensed interim consolidated financial statements or are expected to have a material effect in the future.

**(d) Significant accounting judgements and estimates**

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these condensed interim consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. The Company’s significant accounting judgments and estimates were presented in note 2 of the audited annual consolidated financial statements for the years ended April 30, 2023 and 2022.

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**NOTE 3 – RECEIVABLES**

	July 31, 2023	April 30, 2023
	\$	\$
GST recoverable (Canada)	9,911	9,334
IGV recoverable (Peru)	3,379,962	2,958,791
Other	130,083	8,945
	<b>3,519,956</b>	<b>2,977,070</b>

**NOTE 4 – PREPAID EXPENSES AND DEPOSITS**

	July 31, 2023	April 30, 2023
	\$	\$
Other deposits and advances	119,348	108,959
Prepaid taxes	706,645	693,020
Prepaid expenses	399,777	362,390
	<b>1,225,770</b>	<b>1,164,369</b>

**NOTE 5 – INVENTORY**

	July 31, 2023	April 30, 2023
	\$	\$
Ore stockpiles and gold in process	3,592,393	3,270,726
Finished goods – gold doré bars	1,903,596	2,253,003
Materials and supplies	424,903	426,133
	<b>5,920,892</b>	<b>5,949,862</b>

As at July 31, 2023 and April 30, 2022, the Company recorded the value of its mineral in stockpiles, tanks and finished products at cost.

The amount of inventory recognized as expense for the three months ended July 31, 2023 was \$7.8 million (July 31, 2022 - \$8.3 million)

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**NOTE 6 – LONG TERM RECEIVABLE**

As a result of the acquisition of Anthem United Inc. (“Anthem”) from Equinox Gold Corp. (“Equinox”), the Company acquired the right to claim refunds of prior years’ general sales taxes (“Historical IGV”) related to the construction of the Kori One Plant in Peru for approximately \$4.2 million of which \$1.4 million still remains to be collected. The Company has agreed to pay Equinox 50% of any amounts collected less costs to collect, the remainder of which is for the benefit of the Company.

As at July 31, 2023, the Company assessed that the collectability of the Historical IGV balance is uncertain and therefore has been reflected at its estimated fair value of \$0.3 million (April 30, 2023 \$0.3 million) and has been classified as a long-term receivable. The Company used a discount rate of 11% (April 30, 2023 – 11%), and a duration of approximately 11.8 years (April 30, 2023 – 11.8 years) for its estimation.

**NOTE 7 – PROPERTY, PLANT AND EQUIPMENT**

	Plant	Computers	Furniture and Equipment	Total
	\$	\$	\$	\$
<b>Costs:</b>				
<b>Balance, April 30, 2022</b>	<b>16,353,034</b>	<b>209,037</b>	<b>121,404</b>	<b>16,683,475</b>
Additions	370,924	-	-	370,924
Change in ARO reserve	420,974	-	-	420,974
Reclassification	(88,518)	102,193	(13,675)	-
<b>Balance, April 30, 2023</b>	<b>17,056,414</b>	<b>311,230</b>	<b>107,729</b>	<b>17,475,373</b>
Additions	20,611	-	-	20,611
Reclassification	(20,526)	-	20,526	-
<b>Balance, July 31, 2023</b>	<b>17,056,499</b>	<b>311,230</b>	<b>128,255</b>	<b>17,495,984</b>
<b>Accumulated Depreciation:</b>				
<b>Balance, April 30, 2022</b>	<b>6,292,291</b>	<b>165,761</b>	<b>113,567</b>	<b>6,571,619</b>
Depreciation	1,255,474	45,427	13,001	1,313,902
Reclassification	27,045	-	(27,045)	-
<b>Balance, April 30, 2023</b>	<b>7,574,810</b>	<b>211,188</b>	<b>99,523</b>	<b>7,885,521</b>
Depreciation	224,121	72,598	15,704	312,423
<b>Balance, July 31, 2023</b>	<b>7,798,931</b>	<b>283,786</b>	<b>115,227</b>	<b>8,197,944</b>
<b>Net Book Value:</b>				
April 30, 2023	9,481,604	100,042	8,206	9,589,852
<b>July 31, 2023</b>	<b>9,257,568</b>	<b>27,444</b>	<b>13,028</b>	<b>9,298,040</b>

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**NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	July 31, 2023	April 30, 2023
	\$	\$
Trade accounts payable and accruals <sup>(a)</sup>	4,304,486	4,004,470
Accrued interest	135,670	102,941
	<b>4,440,156</b>	<b>4,107,411</b>

<sup>(a)</sup> Includes tax liabilities of which \$0.02 million has been classified as current and \$0.1 million has been classified as non-current liabilities

**NOTE 9 – LEASES**

The Company has leases for the land of its Chala One plant and for administrative offices in Lima and Vancouver, which have initial terms between 3 to 30 years. Certain leases include an option to renew the lease after the end of the contract term.

Right-of-use assets

	Land \$	Buildings \$	Total \$
<b>Costs:</b>			
<b>Balance, April 30, 2022</b>	139,520	197,519	337,039
<b>Additions</b>	2,795	3,528	6,323
<b>Balance, April 30 and July 31, 2023</b>	<b>142,315</b>	<b>201,047</b>	<b>343,362</b>
<b>Accumulated Depreciation:</b>			
<b>Balance, April 30, 2022</b>	1,453	61,594	63,047
<b>Depreciation</b>	4,512	76,871	81,383
<b>Balance, April 30, 2023</b>	<b>5,965</b>	<b>138,465</b>	<b>144,430</b>
<b>Depreciation</b>	1,217	19,288	20,505
<b>Balance, July 31, 2023</b>	<b>7,182</b>	<b>157,753</b>	<b>164,935</b>
<b>Net Book Value:</b>			
April 30, 2023	136,350	62,582	198,932
<b>July 31, 2023</b>	<b>135,133</b>	<b>43,294</b>	<b>178,427</b>

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**NOTE 9 – LEASES (continued)**Lease liabilities

	July 31, 2023	April 30, 2023
	\$	\$
Beginning of year	155,855	226,682
New lease Liability	-	3,773
Payment of lease liabilities	(19,847)	(74,600)
	<b>136,008</b>	<b>155,855</b>

The following table presents future lease payments:

	\$
Within one year	49,556
Within more than one to five years	3,618
After five years	82,834
Balance as at July 31, 2023	<b>136,008</b>

**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX**

As result of the Acquisition of Anthem, the Company entered into non-interest bearing promissory notes with Equinox which as at July 31, 2023, had a face value of CAD\$7.06 million (April 30, 2023, CAD\$ 7.06 million) with the following details:

Face Value as at inception	Payments	Face Value as at July 31, 2023	due date	Payable in:	Carrying value ( <sup>e</sup> ) as at July 31, 2023
CAD\$	CAD\$	CAD\$			USD\$
1,500,000	-	1,500,000	Deferred Indefinitely <sup>(a)</sup>	Cash	1,138,347
2,500,000	(1,944,207)	555,793	August 20, 2023	Cash or shares <sup>(b)</sup>	421,790
2,500,000	-	2,500,000	August 20, 2024	Cash or shares <sup>(b)</sup>	1,731,184
2,500,000	-	2,500,000	August 20, 2025	Cash or shares <sup>(b)</sup>	1,579,602
9,000,000	(1,944,207)	7,055,793			4,870,923

(a) On July 14, 2022 the Company agreed with Equinox to defer this cash payment (which was due on August 20, 2022) indefinitely.

(b) As per the share purchase agreement with Equinox, Inca One has the discretion to pay in cash or shares based on the higher of the preceding 20-day volume weighted average price of Inca One shares and CAD\$0.65, subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the "Equinox Ownership Limit").

(c) The carrying value has been estimated considering a discount rate of 9.59%.

The acquisition of Anthem also has a provision to pay in cash to Equinox, an amount equal to 50% of Historical IGV recoveries. As at July 31, 2023, the estimated balance payable to Equinox is approximately \$0.29 million and is classified as a current liability.

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**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX (continued)**

Additionally, the Company must pay in cash to Equinox, the difference between the amount of working capital at August 21, 2018 and \$3.0 million. Anthem's working capital at such date was \$3.7 million and therefore the estimated amount payable would be \$0.7 million payable on August 20, 2023. As at July 31, 2023, the fair value of this payment has been estimated at \$0.7 million considering a discount rate of 9.59% and is classified as a current liability. Subsequent to July 31, 2023, the Company agreed with Equinox the deferral of this amount to August 20, 2024,

The following table is a reconciliation of the movement related to these contractual liabilities as at July 31, 2023:

	April 30, 2023	OCI <sup>(a)</sup>	Accretion adjustments	New liability recognized	July 31, 2023
	\$	\$	\$	\$	\$
<b>Current Contractual Liabilities</b>					
<b><u>Promissory Notes Payable</u></b>					
In cash	1,104,728	33,619	-	-	1,138,347
In cash or shares	385,124	12,034	24,632	-	421,790
<b><u>Working Capital Payable</u></b>					
In cash	677,256	-	15,258	-	692,514
<b><u>Historical IGV</u></b>					
Payable in cash	282,961	-	-	11,223	294,184
<b>Total Current</b>	<b>2,450,069</b>	<b>45,653</b>	<b>39,890</b>	<b>11,223</b>	<b>2,546,835</b>
<b>Non- Current Contractual Liabilities</b>					
<b><u>Promissory Notes Payable</u></b>					
In cash or shares	3,140,319	96,485	73,982	-	3,310,786

(a) Other Comprehensive Income

**NOTE 11 – LOANS PAYABLE**

	July 31, 2023	April 30, 2023
	\$	\$
<b>Current Liabilities</b>		
Promissory note <sup>(a)</sup>	1,687,644	1,411,437
USD Contingent Debenture <sup>(b)</sup>	744,674	744,674
<b>Total Current loans payable</b>	<b>2,432,318</b>	<b>2,156,111</b>
<b>Non-current Liabilities</b>		
Promissory note	-	-
CAD Unsecured Convertible debenture <sup>(c)</sup>	973,280	944,536
<b>Total Non-current loan payable</b>	<b>973,280</b>	<b>944,536</b>

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**NOTE 11 – LOANS PAYABLE (continued)**

As at July 31, 2023, the Company had the following loans payable:

- (a) The Company received \$1.7 million from different lenders in exchange for 45 to 60 day promissory notes with an annual interest rate of 18%.
- (b) In September 2016, the Company completed a comprehensive capital restructuring which included issuing contingent debentures (the “Contingent Debentures”), which have an annual interest rate of 12% payable quarterly and had a 12 months term of maturity. During October 2022, the Company agreed the extension of the term to October 31, 2023. Accrued interest of \$0.02 million has been included in accounts payable at July 31, 2023.
- (c) On April 17, 2023 the Company completed an unsecured convertible debenture financing for gross proceeds of CAD\$ 1.3 million; of which CAD\$ 0.25 million and CAD\$ 0.49 million were subscribed by the CEO and CFO respectively. Each unit has a price of CAD\$ 1,000 and a maturity term of 36 months following to the date of issuance. The principal amount of each convertible debenture is convertible into units of the Company at a conversion price of CAD\$ 0.17 per Unit at the option of the holder of a Convertible Debenture at any time prior to the close of business on the Maturity Date.

Each Unit is comprised of one common share in the capital of the Company and one Common Share purchase warrant. Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.25 per Common Share for a period of twenty-four (24) months from the date of issuance thereof, subject to applicable policies of the TSX Venture Exchange.

Each Convertible Debenture bears interest at a rate of 12% per annum payable quarterly in arrears. All interest accrued on the Convertible Debentures will be payable in cash or Common Shares at the election of the Debenture Holder, following written notice by a holder of a Convertible Debenture to the Company, provided that the Debenture Holder provides written notice to the Company no less than ten (10) trading days prior to the applicable interest payment, at a price equal to the Market Price (as defined in the policies of the TSXV) of the Common Shares on the TSXV on the applicable interest payment date. Accrued interest of \$0.005 million has been included in accounts payable at July 31, 2023.

In accordance with IFRS 9, each convertible debenture is separated into its liability and equity components. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the convertible debenture assuming a 12.42% as discount rate which was the estimated rate for a debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible debenture and the fair value of the liability component as result an amount of \$0.01 million has been recorded as part of shareholder equity.



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**NOTE 12 – GOLD LOAN**

On August 6, 2021, the Company arranged an initial \$9 million gold pre-payment facility (the “Facility”) which was drawn in two tranches of \$6 and \$3 million respectively with an additional tranche of \$1.5 million agreed on April 25, 2022. As result the Company committed to deliver approximately 4,350 ounces of which 300 ounces have been already delivered being the balance pending to deliver approximately 4,050 ounces.

The Facility was considered under the scope of IFRS 9 – Financial Instruments and was determined to be a financial liability with an embedded derivative, the Company elected to measure the entire instrument at fair value which has been calculated as the discounted cash flow of the expected gold deliveries considering the future price of the gold which approximates to each delivery date quoted in active markets and an annual discount rate of 14.47%,

The facility is secured by a Canadian general security agreement and has a registered security agreement over the Chala One Plant.

The following table reconciles the movement of the Gold Loan as at July 31, 2023:

	April 30, 2023	Fair value loss (gain)		Delivery	July 31, 2023
		Unrealized	Realized		
	\$	\$	\$	\$	\$
<b>Current</b>					
March 30, 2023	7,953,755	89,106	8,566	(289,316)	7,762,111

**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION**

The Company’s operations are governed by laws and regulations covering the protection of the environment. The Company will implement progressive measures for rehabilitation work to be carried out during the operation, closing and follow-up work upon closing of the gold processing plants; consequently, the Company accounted for its asset retirement obligations for the plants using best estimates of future costs, based on information available at the reporting date. These estimates are subject to change following modifications to laws and regulations or as new information becomes available.

	July 31, 2023	April 30, 2023
	\$	\$
Beginning of year	1,915,366	1,391,454
Accretion	32,297	102,938
Change in estimate	-	420,974
	1,947,663	1,915,366

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**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION (continued)**

As at July 31, 2023, the estimated undiscounted cash flow required to settle the asset retirement obligation for both the “Chala Plant” and “Kori One Plant” and their related tailings ponds is approximately \$0.8 million and \$1.0 million respectively (April 30, 2023 – \$0.8 million and \$1.0 million respectively) and are projected to be disbursed over 2036 and 2042 respectively. A 6.90% (April 30, 2023 – 6.90%) discount rate (Peruvian government bond rate) and an average of 5.90% (April 30, 2023 – 5.90%) inflation rate was used to calculate the present value of these provisions.

**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES****(a) Authorized**

Unlimited number of voting common shares without par value.

**(b) Issued Share Capital**

At July 31, 2023, there were 40,700,589 shares issued and outstanding (April 30, 2023 – 40,610,589).

**(c) Share Issuances**

During the three months ended July 31, 2023, 90,000 common shares were issued for proceeds of \$0.01 million on the exercise of same number of stock options at CAD\$0.18 per share.

**(d) Share-based Options**

The Company adopted an incentive share-based option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable share-based options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Share-based options will be exercisable for a period of up to 10 years from the date of grant.

The following table is a reconciliation of the movement in share-based options for the period:

	Share-based Options #	Weighted Average Exercise Price CAD\$
<b>Balance, April 30, 2022</b>	<b>3,528,546</b>	<b>0.48</b>
Granted	1,960,000	0.18
Expired/cancelled	(1,709,546)	0.55
<b>Balance, April 30, 2023</b>	<b>3,779,000</b>	<b>0.29</b>
Exercised	(90,000)	0.18
<b>Balance, July 31, 2023</b>	<b>3,689,000</b>	<b>0.29</b>

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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)**

The following table summarizes the share-based options outstanding as at July 31, 2023:

Share-based Options #	Exercise Price CAD\$	Expiry Date	Vesting Provisions
37,500	0.50	August 1, 2023	Vested
915,000	0.37	March 2, 2024	Vested
300,000	0.55	December 18, 2024	Unvested
1,900,000	0.18	December 20, 2024	Vested
50,000	0.22	January 17, 2025	Vested
10,000	0.19	February 15, 2025	Vested
155,900	0.50	March 5, 2025	Unvested
75,000	0.38	June 30, 2025	Unvested
150,000	0.37	March 2, 2026	Unvested
185,600	0.37	April 21, 2026	Unvested
<b>3,779,000</b> <sup>(1)</sup>			

(1) As at July 31, 2023, the total number of exercisable options is 3,377,450 share-based options

As at July 31, 2023, the weighted average remaining contractual life of the share-based options was 1.31 years (April 30, 2023 – 1.57 years).

During the three months ended July 31, 2023, the Company recognized share-based payments of \$0.001 million (April 30, 2023 - \$0.09 million) for share-based options vested during the period.

**(e) Warrants**

The following table is a reconciliation of the movement in warrants for the period:

	Warrants #	Weighted Average Exercise Price CAD\$
<b>Balance April 30, 2022</b>	<b>2,195,721</b>	<b>0.47</b>
Exercised	(662,076)	0.18
<b>Balance, April 30, and July 31, 2023</b>	<b>1,533,645</b>	<b>0.41</b>

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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)**

The following table summarizes the share purchase warrants as at July 31, 2023:

Warrants	Exercise Price	Expiry Date
#	\$	
995,364	0.30	May 26, 2024
538,281	0.60	May 26, 2024
<b>1,533,645</b>		

As at July 31, 2023, the weighted average remaining contractual life of the warrants was 0.82 years (April 30, 2023 – 1.07 years).

**NOTE 15 – RELATED PARTY TRANSACTIONS****(a) Related Party Transactions**

Management and consulting fees were paid to companies controlled by the CEO and VP Operations & New Projects. The Company incurred charges to directors and officers or to companies associated with these individuals during the three months ended July 31, 2023 and 2022 as follows:

	Three Months Ended	
	July 31,	
	2023	2022
	\$	\$
Management, salaries and consulting fees	95,651	184,603
Director fees	7,119	7,384
	<b>102,770</b>	<b>191,987</b>

**(b) Compensation of Key Management Personnel**

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options. The compensation for key management personnel for the three months ended July 31, 2023 and 2022 as follows:

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**NOTE 15 – RELATED PARTY TRANSACTIONS (continued)**

	Three Months Ended July 31,	
	2023	2022
	\$	\$
Management fees	58,184	106,879
Salaries	37,467	77,724
	95,651	184,603

**(c) Related Party Balances**

All related party balances payable, including for business expenses reimbursements, annual bonuses are approved by the board of directors, and for services rendered as at July 31, 2023 are non-interest bearing and payable on demand, with the exception of CAD convertible debentures and USD contingent debenture (note 11 (b) and (c)). Those balances include \$0.7 million (April 30, 2023 - \$0.6 million) payable to the CEO and a company controlled by the CEO and \$0.6 million (April 30, 2023 - \$0.6 million) payable to the CFO.

**NOTE 16 – COMMITMENTS**

As at July 31, 2023, the Company had a commitment to sell approximately 1,045 ounces of gold doré (April 30, 2023 - 786 ounces of gold doré) to a third party, which was settled subsequent to July 31, 2023; the fair value of this commitment is \$1.92 million (April 30, 2023 - \$1.49 million) and have been classified as current deferred revenues in the condensed interim consolidated statement of financial position.

A summary of liabilities and future operating commitments at July 31, 2023 are as follows:

	Total	Within One Year	One to Five Years	Greater than Five Years
<b>Maturity analysis of financial liabilities</b>	\$	\$	\$	\$
Accounts payable and accrued liabilities	4,530,069	4,440,156	89,913	-
Contractual liabilities payable to Equinox	5,857,621	2,546,835	3,310,786	-
Loans payable	3,405,598	2,432,318	973,280	-
Gold loan	7,762,111	7,762,111	-	-
Lease liabilities	136,008	49,556	3,618	82,834
	21,691,407	17,230,976	4,377,597	82,834
<b>Commitments</b>				
Gold sale deferred revenue	1,924,000	1,924,000	-	-
Asset retirement and reclamation obligations	1,947,663	-	-	1,947,663
	3,871,663	1,924,000	-	1,947,663
	25,563,070	19,154,976	4,377,597	2,030,497

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
 For the Three Months Ended July 31, 2023 and 2022  
 (Unaudited - Expressed in US Dollars)

**NOTE 17 – SEGMENTED INFORMATION**

All of the Company's operating and capital assets are located in Peru except for \$0.7 million (April 30, 2023 - \$1.0 million) of cash and other current assets which are held in Canada.

Segmented information is provided on the basis of geographic segments consistent with the Company's core long-term and operating assets as follows:

	Three Months Ended July 31,	
	2023	2022
<b>Peru segment</b>	\$	\$
Revenue	11,508,862	11,698,950
Cost of goods	(10,757,348)	(10,984,046)
Gross margin	751,514	714,904
Gain for the period	125,923	325,556

During the three months ended July 31, 2023, the Company received 100% of its metal revenues from two customers, noting that the Company has business relationships with other customers, and is not dependent on them.

**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended July 31,	
	2023	2022
<b>Cost of goods sold:</b>	\$	\$
Ore	7,827,101	8,287,861
Salaries, benefits and other employee expenses	729,628	758,675
Production supplies	681,742	789,380
Transportation	250,986	54,868
Other production costs	951,287	874,843
Depreciation of property plant and equipment	303,074	300,842
Variation of finished goods – gold doré bars	349,407	(968,336)
Variation of ore stock piles and gold in process	(321,667)	904,964
<b>Total cost of goods sold</b>	<b>10,771,558</b>	<b>11,003,097</b>

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended July 31, 2023 and 2022

(Unaudited - Expressed in US Dollars)

**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS (continued)**

	Three Months Ended July 31,	
	2023	2022
<b>Corporate and administrative expenses:</b>	<b>\$</b>	<b>\$</b>
Consulting fees	13,127	1,887
Management fees and salaries	414,626	433,379
Depreciation	9,349	5,485
Depreciation – right of use assets	20,505	20,006
Directors fees	7,119	7,384
Investor relations and regulatory fees	22,770	41,880
Advertising and corporate development	14,987	3,564
Office, rent, utilities, insurance and other	105,579	178,356
Professional fees	75,294	115,884
Share-based payments	3,295	9,589
Travel and accommodation	24,675	17,837
<b>Total corporate and administrative expenses</b>	<b>711,326</b>	<b>835,251</b>

	Three Months Ended July 31,	
	2023	2022
<b>Finance costs:</b>	<b>\$</b>	<b>\$</b>
Accretion expense asset retirement and reclamation provision	(32,297)	(22,453)
Interest costs	(244,851)	(142,764)
Foreign exchange gain (loss)	123,007	(39,088)
Fair value loss on financial instruments	(97,672)	(592,150)
Accretion of contractual liabilities payable to Equinox	(113,872)	(133,629)
Change in value on long term receivable	12,334	8,470
<b>Total finance costs</b>	<b>(353,351)</b>	<b>(921,614)</b>

**NOTE 19 – SUPPLEMENTAL CASH FLOW INFORMATION**

Interest and income taxes paid in cash during the three months ended July 31, 2023, were \$0.2 million (July 31, 2022 - \$0.01 million) and \$0.2 million (July 31, 2022 - \$0.1 million) respectively. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows.

This is Exhibit "P" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia





INCA ONE GOLD CORP.

Condensed Interim Consolidated Financial Statements  
For the Three and Six Months Ended October 31, 2023, and 2022  
(Unaudited - Expressed in US Dollars)

**NOTICE TO READER**

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

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

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

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Financial Position  
(Unaudited - Expressed in US Dollars)

	Note	October 31, 2023	April 30, 2023
		\$	\$
<b>Assets</b>			
<b>Current:</b>			
Cash		947,696	761,542
Receivables	3	2,861,534	2,977,070
Prepaid expenses and deposits	4	880,775	1,164,369
Inventory	5	6,412,697	5,949,862
<b>Total current assets</b>		<b>11,102,702</b>	<b>10,852,843</b>
Long term receivable	6	285,232	296,303
Property, plant and equipment	7	9,026,301	9,589,852
Right of use assets	9	703,457	198,932
<b>Total assets</b>		<b>21,117,692</b>	<b>20,937,930</b>
<b>Liabilities</b>			
<b>Current:</b>			
Accounts payable and accrued liabilities	8	4,967,567	4,107,411
Contractual liabilities payable to Equinox	10	4,167,826	2,450,069
Loans payable	11	2,092,771	2,156,111
Deferred revenue		1,959,000	1,488,000
Gold loan	12	7,385,332	7,953,755
Current portion of lease liabilities	9	298,698	56,532
<b>Total current liabilities</b>		<b>20,871,194</b>	<b>18,211,878</b>
Accounts payable and accrued liabilities		79,061	93,074
Contractual liabilities payable to Equinox	10	1,535,327	3,140,319
Loans payable	11	924,584	944,536
Asset retirement and reclamation obligations	13	1,979,961	1,915,366
Deferred income tax		441,513	441,513
Lease liabilities	9	372,599	99,323
<b>Total liabilities</b>		<b>26,204,239</b>	<b>24,846,009</b>
<b>Shareholders' Equity</b>			
Share capital	14	32,552,516	32,537,441
Equity reserves	14	5,485,989	5,482,275
Convertible debentures – equity component	11	12,895	12,895
Accumulated other comprehensive income		(163,478)	(324,673)
Deficit		(44,208,026)	(42,846,001)
Shareholders' equity (deficiency) attributable to Inca One		(6,320,104)	(5,138,063)
Non-controlling interest		1,233,557	1,229,984
<b>Total shareholders' equity</b>		<b>(5,086,547)</b>	<b>(3,908,079)</b>
<b>Total liabilities and shareholders' equity</b>		<b>21,117,692</b>	<b>20,937,930</b>

Nature of operations and going concern (note 1)  
Commitments (note 16)

Approved on behalf of the Board of Directors on December 8, 2023

*"Bruce Bragagnolo"*

Director

*"Edward Kelly"*

Director

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
(Unaudited - Expressed in US Dollars)

	Notes	Three Months Ended October 31,		Six Months Ended October 31,	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Revenue</b>		<b>9,699,798</b>	<b>9,385,695</b>	<b>21,224,126</b>	<b>21,103,805</b>
<b>Cost of goods sold</b>					
Cost of operations	18	(8,865,656)	(8,710,637)	(19,334,140)	(19,412,892)
Depreciation	18	(310,343)	(301,327)	(613,417)	(602,169)
<b>Total cost of goods sold</b>		<b>(9,175,999)</b>	<b>(9,011,964)</b>	<b>(19,947,557)</b>	<b>(20,015,061)</b>
<b>Gross operating margin</b>		<b>523,799</b>	<b>373,731</b>	<b>1,276,569</b>	<b>1,088,744</b>
<b>Corporate and administrative expenses</b>	18	<b>(768,517)</b>	<b>(843,131)</b>	<b>(1,479,843)</b>	<b>(1,678,382)</b>
<b>Gain (Loss) from operations</b>		<b>(244,718)</b>	<b>(469,400)</b>	<b>(203,274)</b>	<b>(589,638)</b>
Impairments net of reversal of prior year im		-	-	-	7,000
Finance costs	18	(801,827)	(571,089)	(1,155,178)	(1,492,703)
<b>Net loss for the period</b>		<b>(1,046,545)</b>	<b>(1,040,489)</b>	<b>(1,358,452)</b>	<b>(2,075,341)</b>
<b>Other comprehensive income:</b>					
Foreign currency translation adjustment		372,682	434,655	161,195	443,805
<b>Comprehensive loss for the period</b>		<b>(673,863)</b>	<b>(605,834)</b>	<b>(1,197,257)</b>	<b>(1,631,536)</b>
<b>Net loss and comprehensive loss attributable to:</b>					
Inca One Gold Corp.'s shareholders		(674,241)	(610,967)	(1,200,830)	(1,644,784)
Non-controlling interest		378	5,133	3,573	13,248
		<b>(673,863)</b>	<b>(605,834)</b>	<b>(1,197,257)</b>	<b>(1,631,536)</b>
<b>Weighted average shares outstanding</b>					
Basic		40,700,589	39,252,152	40,661,296	39,237,242
Diluted		40,700,589	39,252,152	40,661,296	39,237,242
<b>Loss per share</b>					
Basic		(0.03)	(0.03)	(0.03)	(0.05)
Diluted		(0.03)	(0.03)	(0.03)	(0.05)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# INCA ONE GOLD CORP.

## Condensed Interim Consolidated Statements of Changes in Equity (Unaudited - Expressed in US Dollars)

	Common shares #	Share capital \$	Equity reserves \$	Convertible debenture – equity component \$	Non-controlling interest \$	Accumulated other comprehensive (loss) income \$	Deficit \$	Total shareholders' equity \$
<b>Balance, April 30, 2022</b>	39,200,670	32,194,972	5,435,660	-	1,220,375	(697,831)	(37,131,873)	1,021,303
Comprehensive income (loss) for the period	-	-	-	-	13,248	443,805	(2,088,589)	(1,631,536)
Warrants exercised (note 14 (e))	51,482	10,740	(3,602)	-	-	-	-	7,138
Share-based payments (note 14 (d))	-	-	18,161	-	-	-	-	18,161
<b>Balance October 31, 2022</b>	39,252,152	32,205,712	5,450,219	-	1,233,623	(254,026)	(39,220,462)	(584,934)
Comprehensive income (loss) for the period	-	-	-	-	(3,639)	(70,647)	(3,625,539)	(3,699,825)
Convertible debentures – equity component (note 12 (d))	-	-	-	12,895	-	-	-	12,895
Shares issued pursuant to agreement with Equinox	281,843	134,556	-	-	-	-	-	134,556
Shares issued for debt settlement (note 14 (c))	466,000	73,281	-	-	-	-	-	73,281
Warrants exercised	610,594	123,892	(42,722)	-	-	-	-	81,170
Share-based payments	-	-	74,778	-	-	-	-	74,778
<b>Balance, April 30, 2023</b>	40,610,589	32,537,441	5,482,275	12,895	1,229,984	(324,673)	(42,846,001)	(3,908,079)
Comprehensive income (loss) for the period	-	-	-	-	3,573	161,195	(1,362,025)	(1,197,257)
Options exercised (note 14 (e))	90,000	15,075	(2,802)	-	-	-	-	12,273
Share-based payments (note 14 (d))	-	-	6,516	-	-	-	-	6,516
<b>Balance October 31, 2023</b>	40,700,589	32,552,516	5,485,989	12,895	1,233,557	(163,478)	(44,208,026)	(5,086,547)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - Expressed in US Dollars)

	Six Months Ended October 31,	
	2023	2022
<b>Cash flows provided by (used in):</b>	<b>\$</b>	<b>\$</b>
<b>Operating activities:</b>		
Net loss for the period	(1,358,452)	(2,075,341)
Items not involving cash:		
Depreciation	633,305	613,378
Depreciation of right of use assets	78,515	40,372
Share-based payments	6,516	18,161
Accretion of asset retirement and reclamation obligations	64,595	44,907
Interest expense	496,592	305,375
Unrealized foreign exchange	(38,113)	192,373
Fair value adjustment on long term receivable	(11,375)	(22,504)
Accretion of contractual liabilities payable to Equinox	194,027	240,061
Change in fair value of derivatives	301,971	704,790
Changes in non-cash operating working capital:		
Receivables	159,636	1,034,418
Prepaid expenses and deposits	283,594	(368,537)
Inventory	(462,835)	266,074
Accounts payable and accrued liabilities	714,284	(1,504,365)
Deferred revenue	471,000	4,044,900
<b>Net cash provided by operating activities</b>	<b>1,533,260</b>	<b>3,534,062</b>
<b>Financing activities:</b>		
Proceeds from issuance of shares (including exercised warrants and options)	12,273	7,138
Proceeds from loans (net of repayments)	(43,388)	427,159
Payments of Gold Loans	(870,394)	(2,632,746)
Decrease in restricted cash	-	(260,000)
Interest paid	(363,410)	(249,415)
<b>Net cash used in financing activities</b>	<b>(1,264,919)</b>	<b>(2,707,864)</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(57,371)	(70,042)
<b>Net cash used in investing activities</b>	<b>(57,371)</b>	<b>(70,042)</b>
Increase (decrease) in cash	210,970	756,156
Effect of exchange rates on cash held in foreign currencies	(24,816)	(8,103)
Cash, beginning of the year	761,542	1,565,378
<b>Cash, end of the period</b>	<b>947,696</b>	<b>2,313,431</b>

**Supplemental disclosure with respect to cash flows (note 19)**

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Six Months Ended October 31, 2023 and 2022  
(Unaudited - Expressed in US Dollars)

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**NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

Inca One Gold Corp. (the "Company") was incorporated under the laws of Canada on November 9, 2005 and was continued under the British Columbia Business Corporations Act on November 26, 2010. On September 17, 2014, the Company changed its name from Inca One Resources Corp. to Inca One Gold Corp. The Company's shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol "INCA", on the OTCQB under the symbol "INCAF", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL". The head office and principal address of the Company are located at Suite 850 - 1140 West Pender Street, Vancouver, Canada, V6E 4G1 and its registered office is located at 10th Floor, 595 Howe Street, Vancouver, Canada, V6C 2T5.

Inca One is engaged in the business of operating and developing gold-bearing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, through its Peruvian subsidiaries Chala One S.A.C. ("Chala One") and EMC Green Group S.A. ("EMC") owns two Peruvian mineral processing plants with 450 tonnes per day of processing capacity. The Company's business plan is to source high grade gold mill feed from legally recognized Peruvian artisanal and small scale miners, purchase and process the material, and export gold doré.

The Company continues to actively evaluate potential mineral projects, including additional mineral processing operations.

These condensed interim consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the six months ended October 31, 2023, the Company had comprehensive loss of \$1.2 million, a deficit of \$44.2 million and working capital deficit of \$7.3 million. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to fund operating and administration costs and debt and debt service costs over the year with the proceeds from gold doré sales at the Company's gold ore processing facilities in Peru and where required, from debt and equity financing and proceeds from option and warrant exercises.

The Company's ability to continue as a going concern is dependent upon its ability to generate net income and positive cash flows from its mineral processing operations and its ability to raise equity capital or debt sufficient to meet current and future obligations. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Six Months Ended October 31, 2023 and 2022  
(Unaudited - Expressed in US Dollars)

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of presentation**

These condensed interim consolidated financial statements have been prepared in accordance 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”). The accounting principles adopted are consistent with those of the previous financial year.

These condensed interim consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below and were approved by the board of directors for issue on December 8, 2023.

**(b) Basis of consolidation**

The condensed interim consolidated financial statements are presented in US dollars unless otherwise noted and include the accounts of the Company and its subsidiaries listed below:

	<b>Country of Incorporation</b>	<b>Equity Interest</b>
Chala One S.A.C.	Peru	100%
Inca One Metals Peru S.A.	Peru	100%
Dynasty One S.A.	Peru	100%
Corizona S.A.C.	Peru	100%
Anthem United Inc.	Canada	100%
Anthem United (Holdings) Inc.	Canada	100%
Oro Proceso Co. S.A.C.	Peru	100%
EMC Green Group S.A.C.	Peru	90.14%
Koricancha Joint Venture	Peru	90.14%

**(c) Changes in accounting policies and disclosures**

There were no new standards effective May 1, 2023 that impacted these condensed interim consolidated financial statements or are expected to have a material effect in the future.

**(d) Significant accounting judgements and estimates**

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these condensed interim consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. The Company’s significant accounting judgments and estimates were presented in note 2 of the audited annual consolidated financial statements for the years ended April 30, 2023 and 2022.



**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
 For the Three and Six Months Ended October 31, 2023 and 2022  
 (Unaudited - Expressed in US Dollars)

**NOTE 3 – RECEIVABLES**

	October 31, 2023	April 30, 2023
	\$	\$
GST recoverable (Canada)	5,327	9,334
IGV recoverable (Peru)	2,832,180	2,958,791
Other	24,027	8,945
	<b>2,861,534</b>	<b>2,977,070</b>

**NOTE 4 – PREPAID EXPENSES AND DEPOSITS**

	October 31, 2023	April 30, 2023
	\$	\$
Other deposits and advances	96,413	108,959
Prepaid taxes	356,039	693,020
Prepaid expenses	428,323	362,390
	<b>880,775</b>	<b>1,164,369</b>

**NOTE 5 – INVENTORY**

	October 31, 2023	April 30, 2023
	\$	\$
Ore stockpiles and gold in process	3,120,393	3,270,726
Finished goods – gold doré bars	2,851,048	2,253,003
Materials and supplies	441,256	426,133
	<b>6,412,697</b>	<b>5,949,862</b>

As at October 31, 2023 and April 30, 2023, the Company recorded the value of its mineral in stockpiles, tanks and finished products at cost.

The amount of inventory recognized as expense for the three and six months ended October 31, 2023 was \$7.8 million and \$14.8 million respectively (October 31, 2022 - \$6.1 million and \$14.4 million respectively)

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Six Months Ended October 31, 2023 and 2022  
(Unaudited - Expressed in US Dollars)

**NOTE 6 – LONG TERM RECEIVABLE**

	October 31, 2023	April 30, 2023
	\$	\$
Beginning of year <sup>(1)</sup>	296,303	292,074
Transferred to IGV recoverable (Peru)	(22,446)	(44,892)
Change in estimate <sup>(2)</sup>	11,375	49,121
	<b>285,232</b>	<b>296,303</b>

<sup>(1)</sup> Estimated fair value of the 50% of the right to claim refunds of prior years' general sales taxes ("Historical IGV") recognized as part of the acquisition of Anthem United Inc, from Equinox Gold Corp.

<sup>(2)</sup> The Company used a discount rate of 11% (April 30, 2023 – 11%) and a duration of approximately 11 years (April 30, 2023 – 11.8 years)

**NOTE 7 – PROPERTY, PLANT AND EQUIPMENT**

	Plant	Computers	Furniture and Equipment	Total
	\$	\$	\$	\$
<b>Costs:</b>				
<b>Balance, April 30, 2022</b>	<b>16,353,034</b>	<b>209,037</b>	<b>121,404</b>	<b>16,683,475</b>
Additions	370,924	-	-	370,924
Change in ARO reserve	420,974	-	-	420,974
Reclassification	(88,518)	102,193	(13,675)	-
<b>Balance, April 30, 2023</b>	<b>17,056,414</b>	<b>311,230</b>	<b>107,729</b>	<b>17,475,373</b>
Additions	69,754	-	-	69,754
Reclassification	(86,456)	28,397	58,059	-
<b>Balance, October 31, 2023</b>	<b>17,039,712</b>	<b>339,627</b>	<b>165,788</b>	<b>17,545,127</b>

	Plant	Computers	Furniture and Equipment	Total
	\$	\$	\$	\$
<b>Accumulated Depreciation:</b>				
<b>Balance, April 30, 2022</b>	<b>6,292,291</b>	<b>165,761</b>	<b>113,567</b>	<b>6,571,619</b>
Depreciation	1,255,474	45,427	13,001	1,313,902
Reclassification	27,045	-	(27,045)	-
<b>Balance, April 30, 2023</b>	<b>7,574,810</b>	<b>211,188</b>	<b>99,523</b>	<b>7,885,521</b>
Depreciation	510,649	89,106	33,550	633,305
Reclassification	82,508	(56,411)	(26,097)	-
<b>Balance, October 31, 2023</b>	<b>8,167,967</b>	<b>243,883</b>	<b>106,976</b>	<b>8,518,826</b>

**Net Book Value:**

April 30, 2023	9,481,604	100,042	8,206	9,589,852
<b>October 31, 2023</b>	<b>8,871,745</b>	<b>95,744</b>	<b>58,812</b>	<b>9,026,301</b>

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**NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	October 31, 2023	April 30, 2023
	\$	\$
Trade accounts payable and accruals <sup>(a)</sup>	4,776,051	4,004,470
Accrued interest	191,516	102,941
	<b>4,967,567</b>	<b>4,107,411</b>

<sup>(a)</sup> Includes tax liabilities of which \$0.02 million has been classified as current and \$0.1 million has been classified as non-current liabilities.

**NOTE 9 – LEASES**

The Company has leases for the land of its Chala One plant and for administrative offices in Lima and Vancouver, which have initial terms between 3 to 30 years. Certain leases include an option to renew the lease after the end of the contract term.

Right-of-use assets

	Land \$	Buildings \$	Vehicles \$	Total \$
<b>Costs:</b>				
<b>Balance, April 30, 2022</b>	<b>139,520</b>	<b>197,519</b>	<b>-</b>	<b>337,039</b>
Additions	2,795	3,528	-	6,323
<b>Balance, April 30, 2023</b>	<b>142,315</b>	<b>201,047</b>	<b>-</b>	<b>343,362</b>
Additions	-	-	583,040	583,040
<b>Balance, October 31, 2023</b>	<b>142,315</b>	<b>201,047</b>	<b>583,040</b>	<b>926,402</b>
<b>Accumulated Depreciation:</b>				
<b>Balance, April 30, 2022</b>	<b>1,453</b>	<b>61,594</b>	<b>-</b>	<b>63,047</b>
Depreciation	4,512	76,871	-	81,383
<b>Balance, April 30, 2023</b>	<b>5,965</b>	<b>138,465</b>	<b>-</b>	<b>144,430</b>
Depreciation	2,434	30,111	45,970	78,515
<b>Balance, October 31, 2023</b>	<b>8,399</b>	<b>168,576</b>	<b>45,970</b>	<b>222,945</b>
<b>Net Book Value:</b>				
April 30, 2023	136,350	62,582	-	198,932
October 31, 2023	133,916	32,471	537,070	703,457

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**NOTE 9 – LEASES (continued)**Lease liabilities

	October 31, 2023	April 30, 2023
	\$	\$
Beginning of year	155,855	226,682
New lease Liability	583,040	3,773
Payment of lease liabilities	(67,598)	(74,600)
	<b>671,297</b>	<b>155,855</b>

The following table presents future lease payments:

	\$
Within one year	298,698
Within more than one to five years	290,012
After five years	82,587
Balance as at October 31, 2023	<b>671,297</b>

**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX**

As result of the Acquisition of Anthem, the Company entered into non-interest bearing promissory notes with Equinox which as at October 31, 2023, had a face value of CAD\$7.06 million (April 30, 2023, CAD\$ 7.06 million) with the following details:

Face Value as at inception	Payments	Face Value as at October 31, 2023	due date	Payable in:	Carrying value (c) as at October 31, 2023
CAD\$	CAD\$	CAD\$			USD\$
1,500,000	-	1,500,000	Deferred Indefinitely (a)	Cash	1,081,393
2,500,000	(1,944,207)	555,793	August 20, 2023	Cash or shares (b)	400,687
2,500,000	-	2,500,000	August 20, 2024	Cash or shares (b)	1,682,663
2,500,000	-	2,500,000	August 20, 2025	Cash or shares (b)	1,535,327
9,000,000	(1,944,207)	7,055,793			4,700,070

(a) On August 18, 2023 the Company agreed with Equinox to defer this cash payment (which was due on August 20, 2022) indefinitely.

(b) As per the share purchase agreement with Equinox, Inca One has the discretion to pay in cash or shares based on the higher of the preceding 20-day volume weighted average price of Inca One shares and CAD\$0.65, subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the "Equinox Ownership Limit").

(c) The carrying value has been estimated considering a discount rate of 9.59%.

The acquisition of Anthem also has a provision to pay in cash to Equinox, an amount equal to 50% of Historical IGV recoveries. As at October 31, 2023, the estimated balance payable to Equinox is approximately \$0.31 million and is classified as a current liability.

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**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX (continued)**

Additionally, the Company must pay in cash to Equinox, the difference between the amount of working capital at August 21, 2018 and \$3.0 million. Anthem's working capital at such date was \$3.7 million and therefore the estimated amount payable would be \$0.7 million. On August 18, 2023 the Company agreed with Equinox the deferral of this payment initially due on August 20, 2023 to August 20, 2024 and the accrual of a 13% annual interest rate from the date of this agreement. Accrued interest of \$0.02 million has been included in accounts payable at October 31, 2023.

The following table is a reconciliation of the movement related to these contractual liabilities as at October 31, 2023:

	April 30, 2023	OCI <sup>(a)</sup>	Accretion adjustments	New liability recognized	Reclass.	October 31, 2023
	\$	\$	\$	\$	\$	\$
<b>Current Contractual Liabilities</b>						
<b><u>Promissory Notes Payable</u></b>						
In cash	1,104,728	(23,335)	-	-	-	1,081,393
In cash or shares	385,124	(51,423)	50,839	-	1,698,810	2,083,350
<b><u>Working Capital Payable</u></b>						
In cash	677,256	-	20,420	-	-	697,676
<b><u>Historical IGV</u></b>						
Payable in cash	282,961	-	-	22,446	-	305,407
<b>Total Current</b>	<b>2,450,069</b>	<b>(74,758)</b>	<b>71,259</b>	<b>22,446</b>	<b>1,698,810</b>	<b>4,167,826</b>
<b>Non- Current Contractual Liabilities</b>						
<b><u>Promissory Notes Payable</u></b>						
In cash or shares	3,140,319	(28,950)	122,768	-	(1,698,810)	1,535,327

(a) Other Comprehensive Income

**NOTE 11 – LOANS PAYABLE**

	October 31, 2023	April 30, 2023
<b>Current Liabilities</b>	<b>\$</b>	<b>\$</b>
Promissory note <sup>(a)</sup>	1,348,097	1,411,437
USD Contingent Debenture <sup>(b)</sup>	744,674	744,674
<b>Total Current loans payable</b>	<b>2,092,771</b>	<b>2,156,111</b>
<b>Non-current Liabilities</b>		
CAD Unsecured Convertible debenture <sup>(c)</sup>	924,584	944,536

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**NOTE 11 – LOANS PAYABLE (continued)**

As at October 31, 2023, the Company had the following loans payable:

- (a) The Company received \$1.3 million from different lenders in exchange for 45 to 60 day promissory notes with an annual interest rate of 18%.
- (b) In September 2016, the Company completed a comprehensive capital restructuring which included issuing contingent debentures (the “Contingent Debentures”), which have an annual interest rate of 12% payable quarterly and had a 12 months term of maturity. During October 2023, the Company agreed the extension of the term to October 31, 2024. Accrued interest of \$0.03 million has been included in accounts payable at October 31, 2023.
- (c) On April 17, 2023 the Company completed an unsecured convertible debenture financing for gross proceeds of CAD\$ 1.3 million; of which CAD\$ 0.25 million and CAD\$ 0.49 million were subscribed by the CEO and CFO respectively. Each unit has a price of CAD\$ 1,000 and a maturity term of 36 months following to the date of issuance. The principal amount of each convertible debenture is convertible into units of the Company at a conversion price of CAD\$ 0.17 per Unit at the option of the holder of a Convertible Debenture at any time prior to the close of business on the Maturity Date.

Each Unit is comprised of one common share in the capital of the Company and one Common Share purchase warrant. Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.25 per Common Share for a period of twenty-four (24) months from the date of issuance thereof, subject to applicable policies of the TSX Venture Exchange.

Each Convertible Debenture bears interest at a rate of 12% per annum payable quarterly in arrears. All interest accrued on the Convertible Debentures will be payable in cash or Common Shares at the election of the Debenture Holder, following written notice by a holder of a Convertible Debenture to the Company, provided that the Debenture Holder provides written notice to the Company no less than ten (10) trading days prior to the applicable interest payment, at a price equal to the Market Price (as defined in the policies of the TSXV) of the Common Shares on the TSXV on the applicable interest payment date.

In accordance with IFRS 9, each convertible debenture is separated into its liability and equity components. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the convertible debenture assuming a 12.42% as discount rate which was the estimated rate for a debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible debenture and the fair value of the liability component as result an amount of \$0.01 million has been recorded as part of shareholder equity.

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**NOTE 12 – GOLD LOAN**

On August 6, 2021, the Company arranged an initial \$9 million gold pre-payment facility (the “Facility”) which was drawn in two tranches of \$6 and \$3 million respectively with an additional tranche of \$1.5 million agreed on April 25, 2022. As result the Company committed to deliver a total of 7,103 ounces, of which 3,714 ounces have been delivered as of October 31, 2023.

On October 14, 2022 and March 30, 2023 respectively, the payment dates for the Facility were restructured to extend the term of the Facility to November 30, 2023. In exchange for the extensions, the Company agreed to pay an additional 961 ounces, of which 600 ounces have been delivered as of October 31, 2023.

The Facility was considered under the scope of IFRS 9 – Financial Instruments and was determined to be a financial liability with an embedded derivative, the Company elected to measure the entire instrument at fair value which has been calculated as the discounted cash flow of the expected gold deliveries considering the future price of gold on each delivery date as quoted in the active futures markets and an annual discount rate of 14.47%.

The Facility is secured by a Canadian general security agreement and has a registered lien as security over the Chala One Plant.

The following table reconciles the movement of the Facility as at October 31, 2023:

	April 30, 2023	Fair value loss		Delivery	October 31, 2023
		Unrealized	Realized		
	\$	\$	\$	\$	\$
<b>Current</b>					
March 30, 2023	7,953,755	273,829	28,142	(870,394)	7,385,332

Subsequent to October 31, 2023, the Company agreed to further extend the Facility. In exchange for the extension, the Company agreed to pay an additional 225 ounces. The additional ounces will be paid in monthly tranches of 75 ounces and the final payment for the Facility will now be 3,749 ounces due on February 29, 2024.

**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION**

The Company’s operations are governed by laws and regulations covering the protection of the environment. The Company will implement progressive measures for rehabilitation work to be carried out during the operation, closing and follow-up work upon closing of the gold processing plants; consequently, the Company accounted for its asset retirement obligations for the plants using best estimates of future costs, based on information available at the reporting date. These estimates are subject to change following modifications to laws and regulations or as new information becomes available.

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**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION (continued)**

	October 31, 2023	April 30, 2023
	\$	\$
Beginning of year	1,915,366	1,391,454
Accretion	64,595	102,938
Change in estimate	-	420,974
	<b>1,979,961</b>	<b>1,915,366</b>

As at October 31, 2023, the estimated undiscounted cash flow required to settle the asset retirement obligation for both the “Chala Plant” and “Kori One Plant” and their related tailings ponds is approximately \$0.8 million and \$1.0 million respectively (April 30, 2023 – \$0.8 million and \$1.0 million respectively) and are projected to be disbursed over 2036 and 2042 respectively. A 6.90% (April 30, 2023 – 6.90%) discount rate (Peruvian government bond rate) and an average of 5.90% (April 30, 2023 – 5.90%) inflation rate was used to calculate the present value of these provisions.

**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES****(a) Authorized**

Unlimited number of voting common shares without par value.

**(b) Issued Share Capital**

At October 31, 2023, there were 40,700,589 shares issued and outstanding (April 30, 2023 – 40,610,589).

**(c) Share Issuances**

During the six months ended October 31, 2023, 90,000 common shares were issued for proceeds of \$0.01 million on the exercise of same number of stock options at CAD\$0.18 per share.

**(d) Share-based Options**

The Company adopted an incentive share-based option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable share-based options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Share-based options will be exercisable for a period of up to 10 years from the date of grant.



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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)**

The following table is a reconciliation of the movement in share-based options for the period:

	Share-based Options #	Weighted Average Exercise Price CAD\$
<b>Balance, April 30, 2022</b>	<b>3,528,546</b>	<b>0.48</b>
Granted	1,960,000	0.18
Expired/cancelled	(1,709,546)	0.55
<b>Balance, April 30, 2023</b>	<b>3,779,000</b>	<b>0.29</b>
Exercised	(90,000)	0.18
Expired/cancelled	(37,500)	0.50
<b>Balance, October 31, 2023</b>	<b>3,651,500</b>	<b>0.29</b>

The following table summarizes the share-based options outstanding as at October 31, 2023:

Share-based Options #	Exercise Price CAD\$	Expiry Date	Vesting Provisions
915,000	0.37	March 2, 2024	Vested
300,000	0.55	December 18, 2024	Unvested
1,810,000	0.18	December 20, 2024	Vested
50,000	0.22	January 17, 2025	Vested
10,000	0.19	February 15, 2025	Vested
155,900	0.50	March 5, 2025	Unvested
75,000	0.38	June 30, 2025	Unvested
150,000	0.37	March 2, 2026	Unvested
185,600	0.37	April 21, 2026	Unvested
<b>3,651,500</b> <sup>(1)</sup>			

(1) As at October 31, 2023, the total number of exercisable options is 3,339,950 share-based options

As at October 31, 2023, the weighted average remaining contractual life of the share-based options was 1.08 years (April 30, 2023 – 1.57 years).

During the three and six months ended October 31, 2023, the Company recognized share-based payments of \$0.01 million and \$0.01 million respectively (three and six months ended October 31, 2022 - \$0.01 million and \$0.02 million respectively) for share-based options vested during the period.

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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)****(e) Warrants**

The following table is a reconciliation of the movement in warrants for the period:

	Warrants #	Weighted Average Exercise Price CAD\$
<b>Balance April 30, 2022</b>	<b>2,195,721</b>	<b>0.47</b>
Exercised	(662,076)	0.18
<b>Balance, April 30, and October 31, 2023</b>	<b>1,533,645</b>	<b>0.41</b>

The following table summarizes the share purchase warrants as at October 31, 2023:

Warrants #	Exercise Price CAD\$	Expiry Date
995,364	0.30	May 26, 2024
538,281	0.60	May 26, 2024
<b>1,533,645</b>		

As at October 31, 2023, the weighted average remaining contractual life of the warrants was 0.57 years (April 30, 2023 – 1.07 years).

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**NOTE 15 – RELATED PARTY TRANSACTIONS****(a) Related Party Transactions**

Management and consulting fees were paid to companies controlled by the CEO and VP Operations & New Projects. The Company incurred charges to directors and officers or to companies associated with these individuals during the three months ended October 31, 2023 and 2022 as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management, salaries and consulting fees	168,330	178,563	263,981	363,166
Director fees	6,998	7,142	14,117	14,526
	<b>175,328</b>	<b>185,705</b>	<b>278,098</b>	<b>377,692</b>

**(b) Compensation of Key Management Personnel**

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options.

The compensation for key management personnel for the three and six months ended October 31, 2023 and 2022 as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management fees	57,198	103,382	115,382	210,261
Salaries	111,132	75,181	148,599	152,905
	<b>168,330</b>	<b>178,563</b>	<b>263,981</b>	<b>363,166</b>

**(c) Related Party Balances**

All related party balances payable, including for business expenses reimbursements, annual bonuses are approved by the board of directors, and for services rendered as at October 31, 2023 are non-interest bearing and payable on demand, with the exception of CAD convertible debentures and USD contingent debenture (note 11 (b) and (c)). Those balances include \$0.6 million (April 30, 2023 - \$0.6 million) payable to the CEO and a company controlled by the CEO and \$0.6 million (April 30, 2023 - \$0.6 million) payable to the CFO.

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**NOTE 16 – COMMITMENTS**

As at October 31, 2023, the Company had a commitment to sell approximately 1,573 ounces of gold doré (April 30, 2023 - 786 ounces of gold doré) to a third party, which was settled subsequent to October 31, 2023; the fair value of this commitment is \$1.96 million (April 30, 2023 - \$1.49 million) and have been classified as current deferred revenues in the condensed interim consolidated statement of financial position.

A summary of liabilities and future operating commitments at October 31, 2023 are as follows:

	Total	Within One Year	One to Five Years	Greater than Five Years
<b>Maturity analysis of financial liabilities</b>	\$	\$	\$	\$
Accounts payable and accrued liabilities	5,046,628	4,967,567	79,061	-
Contractual liabilities payable to Equinox	5,703,153	4,167,826	1,535,327	-
Loans payable	3,017,355	2,092,771	924,584	-
Gold loan	7,385,332	7,385,332	-	-
Lease liabilities	671,297	298,698	290,012	82,587
	<b>21,823,765</b>	<b>18,912,194</b>	<b>2,828,984</b>	<b>82,587</b>
<b>Commitments</b>				
Gold sale deferred revenue	1,959,000	1,959,000	-	-
Asset retirement and reclamation obligations	1,979,961	-	-	1,979,961
	<b>3,938,961</b>	<b>1,959,000</b>	<b>-</b>	<b>1,979,961</b>
	<b>25,762,726</b>	<b>20,871,194</b>	<b>2,828,984</b>	<b>2,062,548</b>

**NOTE 17 – SEGMENTED INFORMATION**

All of the Company's operating and capital assets are located in Peru except for \$0.7 million (April 30, 2023 - \$1.0 million) of cash and other current assets which are held in Canada.

Segmented information is provided on the basis of geographic segments consistent with the Company's core long-term and operating assets as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2023	2022	2023	2022
<b>Peru segment</b>	\$	\$	\$	\$
Revenue	9,680,404	9,365,053	21,189,266	21,064,003
Cost of goods	(9,158,507)	(8,991,936)	(19,915,855)	(19,975,982)
Gross margin	521,897	373,117	1,273,411	1,088,021
Gain (loss) for the period	(502,707)	(251,543)	(376,784)	94,013

During the three and six months ended October 31, 2023, the Company received 100% of its metal revenues from two customers, noting that the Company has business relationships with other customers, and is not dependent on them.

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**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended		Six Months Ended	
	October 31,		October 31,	
	2023	2022	2023	2022
<b>Cost of goods sold:</b>	\$	\$	\$	\$
Ore	6,972,408	6,091,231	14,799,509	14,379,092
Salaries, benefits and other employee expenses	661,064	672,872	1,390,692	1,431,547
Production supplies	669,807	665,796	1,351,549	1,455,176
Transportation	211,081	143,423	462,067	198,291
Other production costs	826,749	801,456	1,778,036	1,676,299
Depreciation of property plant and equipment	310,343	301,327	613,417	602,169
Variation of finished goods – gold doré bars	(947,452)	(1,848,543)	(598,045)	(2,816,879)
Variation of ore stock piles and gold in process	471,999	2,184,402	150,332	3,089,366
<b>Total cost of goods sold</b>	<b>9,175,999</b>	<b>9,011,964</b>	<b>19,947,557</b>	<b>20,015,061</b>

	Three Months Ended		Six Months Ended	
	October 31,		October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Corporate and administrative expenses:</b>				
Consulting fees	10,531	2,753	23,658	4,640
Management fees and salaries	398,171	401,748	812,797	835,127
Depreciation	10,539	5,724	19,888	11,209
Depreciation – right of use assets	58,010	20,366	78,515	40,372
Directors fees	6,998	7,142	14,117	14,526
Investor relations and regulatory fees	35,068	34,843	57,838	76,723
Advertising and corporate development	-	-	14,987	3,564
Office, rent, utilities, insurance and other	119,708	211,509	225,287	389,865
Professional fees	81,604	132,659	156,898	248,543
Share-based payments	3,221	8,572	6,516	18,161
Travel and accommodation	44,667	17,815	69,342	35,652
<b>Total corporate and administrative expenses</b>	<b>768,517</b>	<b>843,131</b>	<b>1,479,843</b>	<b>1,678,382</b>

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**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS (continued)**


	Three Months Ended October 31,		Six Months Ended October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Finance costs:</b>				
Accretion expense <sup>(a)</sup>	(32,298)	(22,454)	(64,595)	(44,907)
Interest costs	(251,741)	(162,611)	(496,592)	(305,375)
Foreign exchange gain (loss)	(232,375)	(180,986)	(109,368)	(220,074)
Fair value loss on financial instruments	(204,299)	(112,640)	(301,971)	(704,790)
Accretion of contractual liabilities payable to Equinox	(80,155)	(106,432)	(194,027)	(240,061)
Change in value on long term receivable	(959)	14,034	11,375	22,504
<b>Total finance costs</b>	<b>(801,827)</b>	<b>(571,089)</b>	<b>(1,155,178)</b>	<b>(1,492,703)</b>

(a) Asset retirement and reclamation provision

**NOTE 19 – SUPPLEMENTAL CASH FLOW INFORMATION**

Interest and income taxes paid in cash during the six months ended October 31, 2023, were \$0.24 million (October 31, 2022 - \$0.2 million) and \$0.36 million (October 31, 2022 - \$0.2 million) respectively. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows.

This is Exhibit " Q " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



INCA ONE GOLD CORP.

Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024, and 2023  
(Unaudited - Expressed in US Dollars)



**NOTICE TO READER**

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

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

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

**INCA ONE GOLD CORP.**Condensed Interim Consolidated Statements of Financial Position  
(Unaudited - Expressed in US Dollars)

	Note	January 31, 2024	April 30, 2023
		\$	\$
<b>Assets</b>			
<b>Current:</b>			
Cash		1,249,528	761,542
Receivables	3	3,170,540	2,977,070
Prepaid expenses and deposits	4	1,057,599	1,164,369
Inventory	5	7,202,197	5,949,862
<b>Total current assets</b>		<b>12,679,864</b>	<b>10,852,843</b>
Long term receivable	6	283,224	296,303
Property, plant and equipment	7	8,702,492	9,589,852
Right of use assets	9	1,384,685	198,932
<b>Total assets</b>		<b>23,050,265</b>	<b>20,937,930</b>
<b>Liabilities</b>			
<b>Current:</b>			
Accounts payable and accrued liabilities	8	5,438,643	4,107,411
Contractual liabilities payable to Equinox	10	3,434,349	2,450,069
Loans payable	11	2,176,245	2,156,111
Deferred revenue		2,445,000	1,488,000
Gold loan	12	7,588,820	7,953,755
Current portion of lease liabilities	9	557,253	56,532
<b>Total current liabilities</b>		<b>21,640,310</b>	<b>18,211,878</b>
Accounts payable and accrued liabilities		148,845	93,074
Contractual liabilities payable to Equinox	10	1,626,473	3,140,319
Loans payable	11	957,297	944,536
Asset retirement and reclamation obligations	13	2,012,257	1,915,366
Deferred income tax		441,513	441,513
Lease liabilities	9	816,622	99,323
<b>Total liabilities</b>		<b>27,643,317</b>	<b>24,846,009</b>
<b>Shareholders' Equity</b>			
Share capital	14	33,768,344	32,537,441
Equity reserves	14	5,735,218	5,482,275
Convertible debentures – equity component	11	12,895	12,895
Accumulated other comprehensive income		(418,688)	(324,673)
Deficit		(44,925,792)	(42,846,001)
<b>Shareholders' equity (deficiency) attributable to Inca One</b>		<b>(5,828,023)</b>	<b>(5,138,063)</b>
Non-controlling interest		1,234,971	1,229,984
<b>Total shareholders' equity</b>		<b>(4,593,052)</b>	<b>(3,908,079)</b>
<b>Total liabilities and shareholders' equity</b>		<b>23,050,265</b>	<b>20,937,930</b>

Nature of operations and going concern (note 1)

Commitments (note 16)

**Approved on behalf of the Board of Directors on March 28, 2024***"Bruce Bragagnolo"*

Director

*"Edward Kelly"*

Director

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
(Unaudited - Expressed in US Dollars)

	Notes	Three Months Ended January 31,		Nine Months Ended January 31,	
		2024	2023	2024	2023
		\$	\$	\$	\$
<b>Revenue</b>		12,093,807	12,466,384	33,317,933	33,570,189
<b>Cost of goods sold</b>					
Cost of operations	18	(10,623,051)	(10,911,116)	(29,957,191)	(30,324,008)
Depreciation	18	(443,371)	(302,454)	(1,056,788)	(904,623)
<b>Total cost of goods sold</b>		<b>(11,066,422)</b>	<b>(11,213,570)</b>	<b>(31,013,979)</b>	<b>(31,228,631)</b>
<b>Gross operating margin</b>		<b>1,027,385</b>	<b>1,252,814</b>	<b>2,303,954</b>	<b>2,341,558</b>
Corporate and administrative expenses	18	(721,448)	(951,981)	(2,201,291)	(2,630,363)
<b>Gain (Loss) from operations</b>		<b>305,937</b>	<b>300,833</b>	<b>102,663</b>	<b>(288,805)</b>
Impairments net of reversal of prior year im		-	-	-	7,000
Finance costs	18	(754,953)	(1,536,823)	(1,910,131)	(3,029,526)
Loss on gold loan remeasurement	13	(267,336)	-	(267,336)	-
<b>Net loss for the period</b>		<b>(716,352)</b>	<b>(1,235,990)</b>	<b>(2,074,804)</b>	<b>(3,311,331)</b>
Deferred income tax expense		-	(12,667)	-	(12,267)
<b>Net loss for the period</b>		<b>(716,352)</b>	<b>(1,248,257)</b>	<b>(2,074,804)</b>	<b>(3,323,598)</b>
<b>Other comprehensive income:</b>					
Foreign currency translation adjustment		(255,210)	(171,076)	(94,015)	272,729
<b>Comprehensive loss for the period</b>		<b>(971,562)</b>	<b>(1,419,333)</b>	<b>(2,168,819)</b>	<b>(3,050,869)</b>
<b>Net loss and comprehensive loss attributable to:</b>					
Inca One Gold Corp.'s shareholders		(972,976)	(1,420,379)	(2,173,806)	(3,065,163)
Non-controlling interest		1,414	1,046	4,987	14,294
		<b>(971,562)</b>	<b>(1,419,333)</b>	<b>(2,168,819)</b>	<b>(3,050,869)</b>
<b>Weighted average shares outstanding</b>					
Basic		42,797,301	39,252,152	41,405,200	39,263,124
Diluted		42,797,301	39,252,152	41,405,200	39,263,124
<b>Loss per share</b>					
Basic		(0.02)	(0.03)	(0.05)	(0.08)
Diluted		(0.02)	(0.03)	(0.05)	(0.08)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# INCA ONE GOLD CORP.

## Condensed Interim Consolidated Statements of Changes in Equity (Unaudited - Expressed in US Dollars)

	Common shares	Share capital	Equity reserves	Convertible debenture – equity component	Non-controlling interest	Accumulated other comprehensive (loss) income	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$	\$	\$	\$
<b>Balance, April 30, 2022</b>	<b>39,200,670</b>	<b>32,194,972</b>	<b>5,435,660</b>	-	<b>1,220,375</b>	<b>(697,831)</b>	<b>(37,131,873)</b>	<b>1,021,303</b>
Comprehensive income (loss) for the period	-	-	-	-	14,294	272,729	(3,337,892)	(3,050,869)
Warrants exercised (note 14 (e))	115,982	23,949	(8,115)	-	-	-	-	15,834
Share-based payments (note 14 (d))	-	-	86,696	-	-	-	-	86,696
<b>Balance January 31, 2023</b>	<b>39,316,652</b>	<b>32,218,921</b>	<b>5,514,241</b>	-	<b>1,234,669</b>	<b>(425,102)</b>	<b>(40,469,765)</b>	<b>(1,927,036)</b>
Comprehensive income (loss) for the period	-	-	-	-	(4,685)	100,429	(2,376,236)	(2,280,492)
Convertible debentures – equity component (note 12 (d))	-	-	-	12,895	-	-	-	12,895
Shares issued pursuant to agreement with Equinox	281,843	134,556	-	-	-	-	-	134,556
Shares issued for debt settlement (note 14 (c))	466,000	73,281	-	-	-	-	-	73,281
Warrants exercised	546,094	110,683	(38,209)	-	-	-	-	72,474
Share-based payments	-	-	6,243	-	-	-	-	6,243
<b>Balance, April 30, 2023</b>	<b>40,610,589</b>	<b>32,537,441</b>	<b>5,482,275</b>	<b>12,895</b>	<b>1,229,984</b>	<b>(324,673)</b>	<b>(42,846,001)</b>	<b>(3,908,079)</b>
Comprehensive income (loss) for the period	-	-	-	-	4,987	(94,015)	(2,079,791)	(2,168,819)
Issuance of shares on private placement, net of share issue costs	6,969,000	264,323	257,009	-	-	-	-	521,332
Shares issued pursuant to agreement with Equinox	1,848,843	896,161	-	-	-	-	-	896,161
Options exercised (note 14 (e))	431,000	70,419	(13,419)	-	-	-	-	57,000
Share-based payments (note 14 (d))	-	-	9,353	-	-	-	-	9,353
<b>Balance January 31, 2024</b>	<b>49,859,432</b>	<b>33,768,344</b>	<b>5,735,218</b>	<b>12,895</b>	<b>1,234,971</b>	<b>(418,688)</b>	<b>(44,925,792)</b>	<b>(4,593,052)</b>

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - Expressed in US Dollars)

	Nine Months Ended January 31,	
	2024	2023
<b>Cash flows provided by (used in):</b>	<b>\$</b>	<b>\$</b>
<b>Operating activities:</b>		
Net loss for the period	(2,074,804)	(3,323,598)
Items not involving cash:		
Depreciation	970,192	944,976
Depreciation of right of use assets	213,201	60,877
Share-based payments	9,354	86,696
Accretion of asset retirement and reclamation obligations	96,891	67,603
Interest expense	800,417	513,546
Unrealized foreign exchange	(37,447)	70,117
Fair value adjustment on long term receivable	(20,590)	(35,923)
Accretion of contractual liabilities payable to Equinox	270,652	347,660
Change in fair value of derivatives	698,829	2,045,517
Loss on gold loan remeasurement	267,336	-
Changes in non-cash operating working capital:		
Receivables	(126,710)	674,740
Prepaid expenses and deposits	106,770	(298,792)
Inventory	(1,252,335)	4,000,657
Accounts payable and accrued liabilities	1,003,060	(1,692,392)
Deferred revenue	957,000	(840,000)
<b>Net cash provided by operating activities</b>	<b>1,881,816</b>	<b>2,621,684</b>
<b>Financing activities:</b>		
Proceeds from issuance of shares (including exercised warrants and options)	579,141	15,835
Proceeds from loans (net of repayments)	7,373	557,174
Payments of Gold Loans	(1,331,100)	(2,632,746)
Decrease in restricted cash	-	(23,212)
Interest paid	(565,878)	(407,978)
<b>Net cash used in financing activities</b>	<b>(1,310,464)</b>	<b>(2,490,927)</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(70,449)	(178,802)
<b>Net cash used in investing activities</b>	<b>(70,449)</b>	<b>(178,802)</b>
Increase (decrease) in cash	500,903	(48,045)
Effect of exchange rates on cash held in foreign currencies	(12,917)	3,856
Cash, beginning of the year	761,542	1,565,378
<b>Cash, end of the period</b>	<b>1,249,528</b>	<b>1,521,189</b>

**Supplemental disclosure with respect to cash flows (note 19)**

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

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**NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

Inca One Gold Corp. (the "Company") was incorporated under the laws of Canada on November 9, 2005 and was continued under the British Columbia Business Corporations Act on November 26, 2010. On September 17, 2014, the Company changed its name from Inca One Resources Corp. to Inca One Gold Corp. The Company's shares are traded on the TSX Venture Exchange (the "TSXV") under the symbol "INCA", on the OTCQB under the symbol "INCAF", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL". The head office and principal address of the Company are located at Suite 850 - 1140 West Pender Street, Vancouver, Canada, V6E 4G1 and its registered office is located at 10th Floor, 595 Howe Street, Vancouver, Canada, V6C 2T5.

Inca One is engaged in the business of operating and developing gold-bearing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, through its Peruvian subsidiaries Chala One S.A.C. ("Chala One") and EMC Green Group S.A. ("EMC") owns two Peruvian mineral processing plants with 450 tonnes per day of processing capacity. The Company's business plan is to source high grade gold mill feed from legally recognized Peruvian artisanal and small scale miners, purchase and process the material, and export gold doré.

The Company continues to actively evaluate potential mineral projects, including additional mineral processing operations.

These condensed interim consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the nine months ended January 31, 2024, the Company had a comprehensive loss of \$2.2 million, a deficit of \$44.9 million and working capital deficit of \$8.9 million. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to fund operating and administration costs and debt and debt service costs over the year with the proceeds from gold doré sales at the Company's gold ore processing facilities in Peru and where required, from debt and equity financing and proceeds from option and warrant exercises.

The Company's ability to continue as a going concern is dependent upon its ability to generate net income and positive cash flows from its mineral processing operations and its ability to raise equity capital or debt sufficient to meet current and future obligations. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of presentation**

These condensed interim consolidated financial statements have been prepared in accordance 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”). The accounting principles adopted are consistent with those of the previous financial year.

These condensed interim consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below and were approved by the board of directors for issue on March 28, 2024.

**(b) Basis of consolidation**

The condensed interim consolidated financial statements are presented in US dollars unless otherwise noted and include the accounts of the Company and its subsidiaries listed below:

	<b>Country of Incorporation</b>	<b>Equity Interest</b>
Chala One S.A.C.	Peru	100%
Inca One Metals Peru S.A.	Peru	100%
Dynasty One S.A.	Peru	100%
Corizona S.A.C.	Peru	100%
Anthem United Inc.	Canada	100%
Anthem United (Holdings) Inc.	Canada	100%
Oro Proceso Co. S.A.C.	Peru	100%
EMC Green Group S.A.C.	Peru	90.14%
Koricancha Joint Venture	Peru	90.14%

**(c) Changes in accounting policies and disclosures**

There were no new standards effective May 1, 2023 that impacted these condensed interim consolidated financial statements or are expected to have a material effect in the future.

**(d) Significant accounting judgements and estimates**

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these condensed interim consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. The Company’s significant accounting judgments and estimates were presented in note 2 of the audited annual consolidated financial statements for the years ended April 30, 2023 and 2022.

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

**NOTE 3 – RECEIVABLES**

	January 31, 2024	April 30, 2023
	\$	\$
GST recoverable (Canada)	7,031	9,334
IGV recoverable (Peru)	3,119,821	2,958,791
Other	43,688	8,945
	<b>3,170,540</b>	<b>2,977,070</b>

**NOTE 4 – PREPAID EXPENSES AND DEPOSITS**

	January 31, 2024	April 30, 2023
	\$	\$
Other deposits and advances	135,611	108,959
Prepaid taxes	431,503	693,020
Prepaid expenses	490,485	362,390
	<b>1,057,599</b>	<b>1,164,369</b>

**NOTE 5 – INVENTORY**

	January 31, 2024	April 30, 2023
	\$	\$
Ore stockpiles and gold in process	3,557,363	3,270,726
Finished goods – gold doré bars	3,174,512	2,253,003
Materials and supplies	470,322	426,133
	<b>7,202,197</b>	<b>5,949,862</b>

As at January 31, 2024 and April 30, 2023, the Company recorded the value of its mineral in stockpiles, tanks and finished products at cost.

The amount of inventory recognized as expense for the three and nine months ended January 31, 2024 was \$8.9 million and \$23.7 million respectively (three and nine months ended January 31, 2023 - \$5.3 million and \$19.7 million respectively).



**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

**NOTE 6 – LONG TERM RECEIVABLE**

	January 31, 2024	April 30, 2023
	\$	\$
Beginning of year <sup>(1)</sup>	296,303	292,074
Transferred to IGV recoverable (Peru)	(33,669)	(44,892)
Change in estimate <sup>(2)</sup>	20,590	49,121
	<b>283,224</b>	<b>296,303</b>

(1) Estimated fair value of the 50% of the right to claim refunds of prior years' general sales taxes ("Historical IGV") recognized as part of the acquisition of Anthem United Inc, from Equinox Gold Corp.

(2) The Company used a discount rate of 11% (April 30, 2023 – 11%) and a duration of approximately 11 years (April 30, 2023 – 11.8 years)

**NOTE 7 – PROPERTY, PLANT AND EQUIPMENT**

	Plant	Computers	Furniture and Equipment	Total
	\$	\$	\$	\$
<b>Costs:</b>				
<b>Balance, April 30, 2022</b>	<b>16,353,034</b>	<b>209,037</b>	<b>121,404</b>	<b>16,683,475</b>
Additions	370,924	-	-	370,924
Change in ARO reserve	420,974	-	-	420,974
Reclassification	(88,518)	102,193	(13,675)	-
<b>Balance, April 30, 2023</b>	<b>17,056,414</b>	<b>311,230</b>	<b>107,729</b>	<b>17,475,373</b>
Additions	82,832	-	-	82,832
Reclassification	(93,053)	31,183	61,870	-
<b>Balance, January 31, 2024</b>	<b>17,046,193</b>	<b>342,413</b>	<b>169,599</b>	<b>17,558,205</b>
<b>Accumulated Depreciation:</b>				
<b>Balance, April 30, 2022</b>	<b>6,292,291</b>	<b>165,761</b>	<b>113,567</b>	<b>6,571,619</b>
Depreciation	1,255,474	45,427	13,001	1,313,902
Reclassification	27,045	-	(27,045)	-
<b>Balance, April 30, 2023</b>	<b>7,574,810</b>	<b>211,188</b>	<b>99,523</b>	<b>7,885,521</b>
Depreciation	812,788	105,241	52,163	970,192
Reclassification	82,508	(56,411)	(26,097)	-
<b>Balance, January 31, 2024</b>	<b>8,470,106</b>	<b>260,018</b>	<b>125,589</b>	<b>8,855,713</b>
<b>Net Book Value:</b>				
April 30, 2023	9,481,604	100,042	8,206	9,589,852
<b>January 31, 2024</b>	<b>8,576,087</b>	<b>82,395</b>	<b>44,010</b>	<b>8,702,492</b>

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

**NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	January 31, 2024	April 30, 2023
	\$	\$
Trade accounts payable and accruals <sup>(a)</sup>	5,197,765	4,004,470
Accrued interest	240,878	102,941
	<b>5,438,643</b>	<b>4,107,411</b>

<sup>(a)</sup> Includes tax liabilities of which \$0.02 million has been classified as current and \$0.1 million has been classified as non-current liabilities.

**NOTE 9 – LEASES**

The Company has leases for the land of its Chala One plant, for administrative offices in Lima and Vancouver and vehicle leases in Peru, which have initial terms between 3 to 30 years. Certain leases include an option to renew the lease after the end of the contract term.

Right-of-use assets

	Land	Buildings	Vehicles	Total
	\$	\$	\$	\$
<b>Costs:</b>				
Balance, April 30, 2022	139,520	197,519	-	337,039
Additions	2,795	3,528	-	6,323
Balance, April 30, 2023	142,315	201,047	-	343,362
Additions	-	-	1,382,288	1,382,288
Change in estimation	16,666	-	-	16,666
Balance, January 31, 2024	<b>158,981</b>	<b>201,047</b>	<b>1,382,288</b>	<b>1,742,316</b>

	Land	Buildings	Vehicles	Total
	\$	\$	\$	\$
<b>Accumulated Depreciation:</b>				
Balance, April 30, 2022	1,453	61,594	-	63,047
Depreciation	4,512	76,871	-	81,383
Balance, April 30, 2023	5,965	138,465	-	144,430
Depreciation	4,369	40,934	167,898	213,201
Balance, January 31, 2024	<b>10,334</b>	<b>179,399</b>	<b>167,898</b>	<b>357,631</b>
<b>Net Book Value:</b>				
April 30, 2023	136,350	62,582	-	198,932
January 31, 2024	<b>148,647</b>	<b>21,648</b>	<b>1,214,390</b>	<b>1,384,685</b>

**INCA ONE GOLD CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended January 31, 2024 and 2023  
(Unaudited - Expressed in US Dollars)

**NOTE 9 – LEASES (continued)**Lease liabilities

	January 31, 2024	April 30, 2023
	\$	\$
Beginning of year	155,855	226,682
New lease Liability	1,382,288	3,773
Payment of lease liabilities	(164,268)	(74,600)
	<b>1,373,875</b>	<b>155,855</b>

The following table presents future lease payments:

	\$
Within one year	557,253
Within more than one to five years	716,105
After five years	100,517
Balance as at January 31, 2024	<b>1,373,875</b>

**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX**

As result of the Acquisition of Anthem, the Company entered into non-interest bearing promissory notes with Equinox which as at January 31, 2024, had a face value of CAD\$5.85 million (April 30, 2023, CAD\$ 7.06 million) with the following details:

Face Value as at inception	Payments	Face Value as at January 31, 2024	due date	Payable in:	Carrying value (c) as at January 31, 2024
CAD\$	CAD\$	CAD\$			USD\$
1,500,000	-	1,500,000	Deferred Indefinitely (a)	Cash	1,119,654
2,500,000	(2,500,000)	-	August 20, 2023	Cash or shares (b)	-
2,500,000	(645,955)	1,854,045	August 20, 2024	Cash or shares (b)	1,300,389
2,500,000	-	2,500,000	August 20, 2025	Cash or shares (b)	1,626,473
9,000,000	(3,145,955)	5,854,045			4,046,516

(a) On August 18, 2023 the Company agreed with Equinox to defer this cash payment (which was due on August 20, 2022) indefinitely and the accrual of interest at the annual rate of 13%. Accrued interest of \$0.2 million has been included in accounts payable as at January 31, 2024

(b) As per the share purchase agreement with Equinox, Inca One has the discretion to pay in cash or shares based on the higher of the preceding 20-day volume weighted average price of Inca One shares and CAD\$0.65, subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the "Equinox Ownership Limit").

(c) The carrying value has been estimated considering a discount rate of 9.59%.

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**NOTE 10 – CONTRACTUAL LIABILITIES PAYABLE TO EQUINOX (continued)**

The acquisition of Anthem also has a provision to pay in cash to Equinox, an amount equal to 50% of Historical IGTV recoveries. As at January 31, 2024, the estimated balance payable to Equinox is approximately \$0.31 million and is classified as a current liability.

Additionally, the Company must pay in cash to Equinox, the difference between the amount of working capital at August 21, 2018 and \$3.0 million. Anthem's working capital at such date was \$3.7 million and therefore the estimated amount payable would be \$0.7 million. On August 18, 2023 the Company agreed with Equinox the deferral of this payment initially due on August 20, 2023 to August 20, 2024 and the accrual of a 13% annual interest rate from the date of this agreement. Accrued interest of \$0.04 million has been included in accounts payable at January 31, 2024.

The following table is a reconciliation of the movement related to these contractual liabilities as at January 31, 2024:

	April 30, 2023	OCI <sup>(a)</sup>	Accretion adjustments	Payments (note 15 (c))	New liability recognized	Reclass.	January 31, 2024
	\$	\$	\$	\$	\$	\$	\$
<b>Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In cash	1,104,728	14,926	-	-	-	-	1,119,654
In cash or shares	385,124	21,711	90,905	(896,161)	-	1,698,810	1,300,389
<b><u>Working Capital Payable</u></b>							
In cash	677,256	-	20,420	-	-	-	697,676
<b><u>Historical IGTV</u></b>							
Payable in cash	282,961	-	-	-	33,669	-	316,630
<b>Total Current</b>	<b>2,450,069</b>	<b>36,637</b>	<b>111,325</b>	<b>(896,161)</b>	<b>33,669</b>	<b>1,698,810</b>	<b>3,434,349</b>
<b>Non- Current Contractual Liabilities</b>							
<b><u>Promissory Notes Payable</u></b>							
In cash or shares	3,140,319	(28,950)	122,768	-	-	(1,698,810)	1,535,327

(a) Other Comprehensive Income

**NOTE 11 – LOANS PAYABLE**

	January 31, 2024	April 30, 2023
<b>Current Liabilities</b>	<b>\$</b>	<b>\$</b>
Promissory note <sup>(a)</sup>	1,633,845	1,411,437
USD Contingent Debenture <sup>(b)</sup>	542,400	744,674
<b>Total Current loans payable</b>	<b>2,176,245</b>	<b>2,156,111</b>
<b>Non-current Liabilities</b>		
CAD Unsecured Convertible debenture <sup>(c)</sup>	957,297	944,536

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**NOTE 11 – LOANS PAYABLE (continued)**

As at January 31, 2024, the Company had the following loans payable:

- (a) The Company received \$1.6 million from different lenders in exchange for 45 to 60 day promissory notes with an annual interest rate of between 18% to 20%.
- (b) In September 2016, the Company completed a comprehensive capital restructuring which included issuing contingent debentures (the “Contingent Debentures”), which have an annual interest rate of 12% payable quarterly and had a 12 months term of maturity. During October 2023, the Company agreed the extension of the term to October 31, 2024. Accrued interest of \$0.02 million has been included in accounts payable at January 31, 2024.
- (c) On April 17, 2023 the Company completed an unsecured convertible debenture (the “Convertible Debentures”) financing for gross proceeds of CAD\$1.3 million. Each unit has a price of CAD\$1,000 and a maturity term of 36 months from the date of issuance. The principal amount of each Convertible Debenture is convertible into units of the Company at a conversion price of CAD\$ 0.17 per Unit at the option of the holder of a Convertible Debenture at any time prior to the close of business on April 17, 2026.

Each Unit is comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.25 per common share for a period of twenty-four (24) months from the date of issuance thereof, subject to applicable policies of the TSXV.

Each Convertible Debenture bears interest at a rate of 12% per annum payable quarterly in arrears. All interest accrued on the Convertible Debentures will be payable in cash or Common Shares at the election of the Convertible Debenture holder, following written notice by a holder to the Company, provided that the Debenture Holder provides written notice to the Company no less than ten (10) trading days prior to the applicable interest payment, at a price equal to the Market Price (as defined in the policies of the TSXV) of the common shares on the TSXV on the applicable interest payment date.

In accordance with IFRS 9, each Convertible Debenture is separated into its liability and equity components. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the convertible debenture assuming a 12.42% as discount rate which was the estimated rate for a debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible debenture and the fair value of the liability component as result an amount of \$0.01 million has been recorded as part of shareholder equity.

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**NOTE 12 – GOLD LOAN**

On August 6, 2021, the Company arranged an initial \$9 million gold pre-payment facility (the “Facility”) which was drawn in two tranches of \$6 and \$3 million respectively with an additional tranche of \$1.5 million agreed on April 25, 2022. As result the Company committed to deliver a total of 7,103 ounces, of which 3,714 ounces have been delivered as of January 31, 2024.

On October 14, 2022, March 30, 2023 and November 27, 2023 the payment dates for the Facility have been restructured to extend the term of the Facility to February 29, 2024. In exchange for the extensions, the Company agreed to pay an additional 1,186 ounces, of which 825 ounces have been delivered as of January 31, 2024.

Subsequent to January 31, 2024, the Company agreed to extend the term of the Facility to August 28, 2024. In exchange for the extensions, the Company agreed to pay an additional 450 ounces. The additional ounces will be paid in 7 monthly tranches of 75 ounces and the final payment for the Facility will now be 3,675 ounces due on August 28, 2024.

The Facility was considered under the scope of IFRS 9 – Financial Instruments and was determined to be a financial liability with an embedded derivative, the Company elected to measure the entire instrument at fair value which has been calculated as the discounted cash flow of the expected gold deliveries considering the future price of gold on each delivery date as quoted in the active futures markets and an annual discount rate of 14.47%.

The Facility is secured by a Canadian general security agreement and has a registered lien as security over the Chala One Plant.

The following table reconciles the movement of the Facility as at January 31, 2024:

	April 30, 2023	Re- measurement of fair value (a)	Fair value loss		Delivery	January 31, 2024
	\$	\$	Unrealized	Realized	\$	\$
<b>Current Gold loan</b>	7,953,755	267,336	652,272	46,557	(1,331,100)	7,588,820

**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION**

The Company’s operations are governed by laws and regulations covering the protection of the environment. The Company will implement progressive measures for rehabilitation work to be carried out during the operation, closing and follow-up work upon closing of the gold processing plants; consequently, the Company accounted for its asset retirement obligations for the plants using best estimates of future costs, based on information available at the reporting date. These estimates are subject to change following modifications to laws and regulations or as new information becomes available.

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**NOTE 13 – ASSET RETIREMENT AND RECLAMATION PROVISION (continued)**

	January 31, 2024	April 30, 2023
	\$	\$
Beginning of year	1,915,366	1,391,454
Accretion	96,891	102,938
Change in estimate	-	420,974
	<b>2,012,257</b>	<b>1,915,366</b>

As at January 31, 2024, the estimated undiscounted cash flow required to settle the asset retirement obligation for both the “Chala Plant” and “Kori One Plant” and their related tailings ponds is approximately \$0.8 million and \$1.0 million respectively (April 30, 2023 – \$0.8 million and \$1.0 million respectively) and are projected to be disbursed over 2036 and 2042 respectively. A 6.90% (April 30, 2023 – 6.90%) discount rate (Peruvian government bond rate) and an average of 5.90% (April 30, 2023 – 5.90%) inflation rate was used to calculate the present value of these provisions.

**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES****(a) Authorized**

Unlimited number of voting common shares without par value.

**(b) Issued Share Capital**

At January 31, 2024, there were 49,859,432 shares issued and outstanding (April 30, 2023 – 40,610,589).

**(c) Share Issuances**

During the nine months ended January 31, 2024, 2,279,843 common shares were issued as the result of:

- Issuance of 1,848,843 shares at CAD\$0.65 per share as partial payment of its note payable to Equinox (note 10).
- Issuance of 431,000 shares for proceeds of \$0.01 million on the exercise of same number of stock options at CAD\$0.18 per share.

On January 9, 2024, the Company closed the first tranche of a private placement and issued 6,969,000 units (the “Units”) for gross proceeds of \$0.5 million at CAD\$0.10 per Unit. Each Unit was comprised of one common share and one full, transferable common share purchase warrant. The total value of the warrants contained in the Units issued was \$0.2 million, with the remainder allocated to common shares. In connection with this private placement a total 10,800 non-transferable common shares purchase warrant were issued as finder’s fees

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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)****(d) Share-based Options**

The Company adopted an incentive share-based option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and consultants of the Company, non-transferable share-based options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Share-based options will be exercisable for a period of up to 10 years from the date of grant.

The following table is a reconciliation of the movement in share-based options for the period:

	Share-based Options #	Weighted Average Exercise Price CAD\$
<b>Balance, April 30, 2022</b>	<b>3,528,546</b>	<b>0.48</b>
Granted	1,960,000	0.18
Expired/cancelled	(1,709,546)	0.55
<b>Balance, April 30, 2023</b>	<b>3,779,000</b>	<b>0.29</b>
Exercised	(431,000)	0.18
Expired/cancelled	(37,500)	0.50
<b>Balance, January 31, 2024</b>	<b>3,310,500</b>	<b>0.31</b>

The following table summarizes the share-based options outstanding as at January 31, 2024:

Share-based Options #	Exercise Price CAD\$	Expiry Date	Vesting Provisions
915,000	0.37	March 2, 2024	Vested
300,000	0.55	December 18, 2024	Unvested
1,469,000	0.18	December 20, 2024	Vested
50,000	0.22	January 17, 2025	Vested
10,000	0.19	February 15, 2025	Vested
155,900	0.50	March 5, 2025	Unvested
75,000	0.38	June 30, 2025	Unvested
150,000	0.37	March 2, 2026	Unvested
185,600	0.37	April 21, 2026	Unvested
<b>3,310,500</b> <sup>(1)</sup>			

(1) As at January 31, 2024, the total number of exercisable options is 3,073,950 share-based options

As at January 31, 2024, the weighted average remaining contractual life of the share-based options was 0.82 years (April 30, 2023 – 1.57 years).

During the three and nine months ended January 31, 2024, the Company recognized share-based payments of \$0.01 million and \$0.01 million respectively (three and nine months ended January 31, 2023 - \$0.01 million and \$0.01 respectively) for share-based options vested during the period.



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**NOTE 14 – SHARE CAPITAL AND EQUITY RESERVES (continued)****(e) Warrants**

The following table is a reconciliation of the movement in warrants for the period:

	Warrants #	Weighted Average Exercise Price CAD\$
<b>Balance April 30, 2022</b>	<b>2,195,721</b>	<b>0.47</b>
Exercised	(662,076)	0.18
<b>Balance, April 30, 2023</b>	<b>1,533,645</b>	<b>0.41</b>
Issued (note 14 (c))	6,979,800	0.15
<b>Balance, January 31, 2024</b>	<b>8,513,445</b>	<b>0.20</b>

The following table summarizes the share purchase warrants as at January 31, 2024:

Warrants #	Exercise Price CAD\$	Expiry Date
995,364	0.30	May 26, 2024
538,281	0.60	May 26, 2024
6,979,800	0.15	January 8, 2027
<b>8,513,445</b>		

As at January 31, 2024, the weighted average remaining contractual life of the warrants was 2.47 years (April 30, 2023 – 1.07 years).

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**NOTE 15 – RELATED PARTY TRANSACTIONS****(a) Related Party Transactions**

Management and consulting fees were paid to companies controlled by the CEO and VP Operations & New Projects. The Company incurred charges to directors and officers or to companies associated with these individuals during the three and nine months ended January 31, 2024 and 2023 as follows:

	Three Months Ended		Nine Months Ended	
	January 31,		January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Management, salaries and consulting fees	96,160	148,345	285,842	511,511
Director fees	7,156	7,042	21,273	21,568
Share-based payment	-	60,634	-	60,634
Professional fees	1,568	-	1,568	-
	<b>104,884</b>	<b>216,021</b>	<b>308,683</b>	<b>593,713</b>

**(b) Compensation of Key Management Personnel**

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options.

The compensation for key management personnel for the three and nine months ended January 31, 2024 and 2023 as follows:

	Three Months Ended		Nine Months Ended	
	January 31,		January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Management fees	58,945	86,831	173,877	297,092
Salaries	37,665	61,514	111,965	214,419
Share-based payment	-	44,678	-	44,678
	<b>96,160</b>	<b>193,023</b>	<b>285,842</b>	<b>556,189</b>

**(c) Related Party Balances**

All related party balances payable, including for business expenses reimbursements, annual bonuses are approved by the board of directors, and for services rendered as at January 31, 2024 are non-interest bearing and payable on demand, with the exception of CAD convertible debentures. Those balances include \$0.3 million (April 30, 2023 - \$0.6 million) payable to the CEO and a company controlled by the CEO and \$0.2 million (April 30, 2023 - \$0.6 million) payable to the CFO.

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**NOTE 16 – COMMITMENTS**

As at January 31, 2024, the Company had a commitment to sell approximately 1,792 ounces of gold doré (April 30, 2023 - 786 ounces of gold doré) to a third party, which was settled subsequent to January 31, 2024; the fair value of this commitment is \$2.45 million (April 30, 2023 - \$1.49 million) and have been classified as current deferred revenues in the condensed interim consolidated statement of financial position.

A summary of liabilities and future operating commitments at January 31, 2024 are as follows:

	Total	Within One Year	One to Five Years	Greater than Five Years
<b>Maturity analysis of financial liabilities</b>	\$	\$	\$	\$
Accounts payable and accrued liabilities	5,587,488	5,438,643	148,845	-
Contractual liabilities payable to Equinox	5,060,822	3,434,349	1,626,473	-
Loans payable	3,133,542	2,176,245	957,297	-
Gold loan	7,588,820	7,588,820	-	-
Lease liabilities	1,373,875	557,253	716,105	100,517
	<b>22,744,547</b>	<b>19,195,310</b>	<b>3,448,720</b>	<b>100,517</b>
<b>Commitments</b>				
Gold sale deferred revenue	2,445,000	2,445,000	-	-
Asset retirement and reclamation obligations	2,012,257	-	-	2,012,257
	<b>4,457,257</b>	<b>2,445,000</b>	<b>-</b>	<b>2,012,257</b>
	<b>27,201,804</b>	<b>21,640,310</b>	<b>3,448,720</b>	<b>2,112,774</b>

**NOTE 17 – SEGMENTED INFORMATION**

All of the Company's operating and capital assets are located in Peru except for \$0.9 million (April 30, 2023 - \$1.0 million) of cash and other current assets which are held in Canada.

Segmented information is provided on the basis of geographic segments consistent with the Company's core long-term and operating assets as follows:

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
<b>Peru segment</b>	\$	\$	\$	\$
Revenue	12,077,643	12,466,787	33,266,909	33,530,790
Cost of goods	(11,052,404)	(11,213,967)	(30,968,259)	(31,189,949)
Gross margin	1,025,239	1,252,820	2,298,650	2,340,841
Gain (loss) for the period	(287,116)	(897,940)	(663,900)	(803,927)

During the three and nine months ended January 31, 2024, the Company received 100% of its metal revenues from one customer, noting that the Company has business relationships with other customers, and is not dependent on them.

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**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended		Nine Months Ended	
	January 31,		January 31,	
	2024	2023	2024	2023
<b>Cost of goods sold:</b>	\$	\$	\$	\$
Ore	8,963,387	5,281,405	23,762,896	19,660,497
Salaries, benefits and other employee expenses	786,323	617,931	2,177,015	2,049,478
Production supplies	702,499	500,286	2,054,048	1,955,462
Transportation	143,538	79,522	605,605	277,813
Other production costs	787,736	783,806	2,565,772	2,460,105
Depreciation of property plant and equipment	325,370	302,454	938,787	904,623
Depreciation of right-of-use assets	118,001	-	118,001	-
Variation of finished goods – gold doré bars	(323,463)	4,694,640	(921,508)	1,877,761
Variation of ore stock piles and gold in process	(436,969)	(1,046,474)	(286,637)	2,042,892
<b>Total cost of goods sold</b>	<b>11,066,422</b>	<b>11,213,570</b>	<b>31,013,979</b>	<b>31,228,631</b>

	Three Months Ended		Nine Months Ended	
	January 31,		January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Corporate and administrative expenses:</b>				
Consulting fees	10,402	5,120	34,060	9,760
Management fees and salaries	391,711	399,471	1,204,508	1,234,598
Depreciation	11,517	29,144	31,405	40,353
Depreciation – right of use assets	16,685	20,505	95,200	60,877
Directors fees	7,025	7,042	21,142	21,568
Investor relations and regulatory fees	32,075	38,561	89,913	115,284
Advertising and corporate development	2,075	-	17,062	3,564
Office, rent, utilities, insurance and other	130,500	198,885	355,787	588,750
Professional fees	106,097	148,811	262,995	397,354
Share-based payments	2,838	68,535	9,354	86,696
Travel and accommodation	10,523	35,907	79,865	71,559
<b>Total corporate and administrative expenses</b>	<b>721,448</b>	<b>951,981</b>	<b>2,201,291</b>	<b>2,630,363</b>

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**NOTE 18 – INFORMATION INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS (continued)**

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Finance costs:</b>				
Accretion expense <sup>(a)</sup>	(32,296)	(22,696)	(96,891)	(67,603)
Interest costs	(303,825)	(208,171)	(800,417)	(513,546)
Foreign exchange gain (loss)	45,436	128,951	(63,932)	(91,123)
Fair value loss on financial instruments	(396,858)	(1,340,727)	(698,829)	(2,045,517)
Accretion of contractual liabilities payable to Equinox	(76,625)	(107,599)	(270,652)	(347,660)
Change in value on long term receivable	9,215	13,419	20,590	35,923
<b>Total finance costs</b>	<b>(754,953)</b>	<b>(1,536,823)</b>	<b>(1,910,131)</b>	<b>(3,029,526)</b>

(a) Asset retirement and reclamation provision

**NOTE 19 – SUPPLEMENTAL CASH FLOW INFORMATION**

Interest and taxes paid in cash during the nine months ended January 31, 2024, were \$0.6 million (January 31, 2023 - \$0.4 million) and \$0.5 million (January 31, 2023 - \$0.3 million) respectively. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows.

This is Exhibit "R" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June, 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

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## Statements of Financial Position (Unaudited - Expressed in CA Dollars)

	April 30, 2024	April 30, 2023
	\$	\$
<b>Assets</b>		
Current:		
Cash	86,614	808,496
Receivables	416,933	146,770
Prepaid expenses and deposits	611,579	360,833
Inventory	31,026	102,138
Total current assets	1,146,151	1,418,237
Investment in Subsidiaries	35,092,417	30,846,486
Property, plant and equipment	16,304	29,883
Right of use assets	-	10,399
<b>Total assets</b>	<b>36,254,872</b>	<b>32,305,005</b>
<b>Liabilities</b>		
Current:		
Accounts payable and accrued liabilities	767,721	979,469
Contractual liabilities payable to Equinox	3,836,083	3,042,176
Loans payable	745,583	1,011,118
Current portion of lease liabilities	-	11,653
Total current liabilities	5,349,387	5,044,416
Accounts payable and accrued liabilities		
Contractual liabilities payable to Equinox	2,229,536	4,263,926
Loans payable	1,282,491	1,282,491
Loans payable to subsidiaries	14,536,135	9,909,084
<b>Total liabilities</b>	<b>23,397,549</b>	<b>20,499,916</b>
<b>Shareholders' Equity</b>		
Share capital	42,007,908	39,628,717
Equity reserves	7,409,220	6,963,171
Convertible debentures – equity component	17,509	17,509
Deficit	(36,577,314)	(34,804,309)
<b>Total Shareholders' equity (deficiency)</b>	<b>12,857,323</b>	<b>11,805,089</b>
<b>Total liabilities and shareholders' equity</b>	<b>36,254,872</b>	<b>32,305,005</b>

**INCA ONE GOLD CORP.**

Statements of Operations and Comprehensive Loss  
(Unaudited - Expressed in CA Dollars)

	Notes	Year Ended April 30,	
		2024	2023
		\$	\$
<b>Revenue</b>		<b>984,693</b>	1,230,240
<b>Cost of goods sold</b>		<b>(71,113)</b>	(55,940)
<b>Gross operating margin</b>		<b>913,581</b>	1,174,300
Corporate and administrative expenses		(1,468,257)	(2,029,103)
<b>Loss from operations</b>		<b>(554,677)</b>	(854,803)
Finance costs		(1,202,229)	(1,706,120)
Business development		(16,100)	-
Restructuring gain		-	98,821
<b>Net loss and comprehensive loss for the year</b>		<b>(1,773,005)</b>	(2,462,102)
<b>Weighted average shares outstanding</b>			
Basic		44,134,923	39,527,926
Diluted		44,134,923	39,527,926
<b>Loss per share</b>			
Basic		(0.04)	(0.06)
Diluted		(0.04)	(0.06)



This is Exhibit "S" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

## INCA ONE GOLD CORP.

Consolidated Statements of Financial Position  
(Unaudited - Expressed in US Dollars)

	Note	April 30, 2024	April 30, 2023
		\$	\$
<b>Assets</b>			
<b>Current:</b>			
Cash		688,828	761,542
Receivables	3	3,385,592	2,977,070
Prepaid expenses and deposits	4	1,026,793	1,164,369
Inventory	5	8,060,297	5,949,862
<b>Total current assets</b>		<b>13,161,510</b>	<b>10,852,843</b>
Long term receivable	6	282,005	296,303
Property, plant and equipment	7	8,601,520	9,589,852
Right of use assets	9	1,236,000	198,932
<b>Total assets</b>		<b>23,281,035</b>	<b>20,937,930</b>
<b>Liabilities</b>			
<b>Current:</b>			
Accounts payable and accrued liabilities	8	4,842,614	4,107,411
Contractual liabilities payable to Equinox	10	3,045,135	2,450,069
Loans payable	11	2,063,861	2,156,111
Deferred revenue		3,848,936	1,488,000
Gold loan	12	9,451,573	7,953,755
Current portion of lease liabilities	9	562,326	56,532
<b>Total current liabilities</b>		<b>23,814,445</b>	<b>18,211,878</b>
Accounts payable and accrued liabilities		69,659	93,074
Contractual liabilities payable to Equinox	10	1,621,897	3,140,319
Loans payable	11	932,992	944,536
Asset retirement and reclamation obligations	13	2,266,646	1,915,366
Deferred income tax		441,513	441,513
Lease liabilities	9	678,536	99,323
<b>Total liabilities</b>		<b>29,825,688</b>	<b>24,846,009</b>
<b>Shareholders' Equity</b>			
Share capital	14	34,313,185	32,537,441
Equity reserves	14	5,815,367	5,482,275
Convertible debentures — equity component	11	12,895	12,895
Accumulated other comprehensive income		(275,906)	(324,673)
Deficit		(47,642,175)	(42,846,001)
<b>Shareholders' equity (deficiency) attributable to Inca One</b>		<b>(7,776,634)</b>	<b>(5,138,063)</b>
Non-controlling interest		1,231,981	1,229,984
<b>Total shareholders' equity</b>		<b>(6,544,653)</b>	<b>(3,908,079)</b>
<b>Total liabilities and shareholders' equity</b>		<b>23,281,035</b>	<b>20,937,930</b>

Nature of operations and going concern (note 1)

Commitments (note 16)

Approved on behalf of the Board of Directors on August XX, 2024

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director


The accompanying notes are an integral part of these Consolidated Financial Statements.

**INCA ONE GOLD CORP.**

Consolidated Statements of Operations and Comprehensive Loss  
(Unaudited - Expressed in US Dollars)

	Notes	Year Ended April 30,	
		2024	2023
		\$	\$
<b>Revenue</b>		<b>42,314,325</b>	<b>40,227,202</b>
<b>Cost of goods sold</b>			
Cost of operations	18	(38,241,214)	(36,862,159)
Depreciation	18	(1,251,511)	(1,275,121)
<b>Total cost of goods sold</b>		<b>(39,492,725)</b>	<b>(38,137,280)</b>
<b>Gross operating margin</b>		<b>2,821,600</b>	<b>2,089,922</b>
<b>Corporate and administrative expenses</b>	18	<b>(2,933,136)</b>	<b>(2,948,857)</b>
<b>Gain (Loss) from operations</b>		<b>(111,536)</b>	<b>(858,935)</b>
<b>Finance costs</b>	18	<b>(3,551,463)</b>	<b>(3,948,530)</b>
Business development		(11,923)	-
Loss on gold loan remeasurement	13	(1,119,255)	(954,651)
Restructuring gain		-	74,317
<b>Net loss for the year</b>		<b>(4,794,177)</b>	<b>(5,687,799)</b>
Deferred income tax expense		-	(16,720)
<b>Net loss for the year</b>		<b>(4,794,177)</b>	<b>(5,704,519)</b>
<b>Other comprehensive income:</b>			
Foreign currency translation adjustment		48,767	373,158
<b>Comprehensive loss for the period</b>		<b>(4,745,410)</b>	<b>(5,331,361)</b>
<b>Net loss and comprehensive loss attributable to:</b>			
Inca One Gold Corp.'s shareholders		(4,747,407)	(5,340,970)
Non-controlling interest		1,997	9,609
		<b>(4,745,410)</b>	<b>(5,331,361)</b>
<b>Weighted average shares outstanding</b>			
Basic		44,134,923	39,527,926
Diluted		44,134,923	39,527,926
<b>Loss per share</b>			
Basic		(0.11)	(0.14)
Diluted		(0.11)	(0.14)

This is Exhibit " J " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver, B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

Inca One Gold Corp.  
List of Known Creditors as at May 1, 2024  
Amounts are presented in CAD

Notes to List of Creditors

- The attached list of creditors was prepared based on information available from the books and records of Inca One Gold Corp. as of May 1, 2024.
- The list is provided pursuant to section 231(16) of the CCAA and regulations made thereunder. The list of creditors has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
- The dollar amounts are not to be used for the purpose of valuing any claims against Inca One Gold Corp., as they are subject to change based on updated or additional information.
- If a Claims Procedure is approved by the Court, creditors will be notified by the Monitor and invited to submit a proof of claim at that time.

Inca One Gold Corp.'s List of Known Creditors

Creditor Name	Address	City	Province	Postal Code	Country	Currency	Secured Amount	Unsecured Amount
OCIM Metals & Mining SA	Rue de Rhône 45, 1208	Geneva			Switzerland	USD	13,350,361	-
Equinox Gold Corp. CAD	Suite 1501 - 700 West Pender St.	Vancouver	BC	V6C 1G8	Canada	CAD	5,635,130	-
Equinox Gold Corp. USD	Suite 1501 - 700 West Pender St.	Vancouver	BC	V6C 1G8	Canada	USD	1,485,938	-
PI Financial Corp. - ITF Kevin Hart	2500 - 733 Seymour Street	Vancouver	BC	V6B 0S6	Canada	CAD	-	52,203
PI Financial Corp. - ITF Michelle Hart	2500 - 733 Seymour Street	Vancouver	BC	V6B 0S6	Canada	CAD	-	52,203
Kevin Hart	1992 60th Ave. W	Vancouver	BC	V6P 2B1	Canada	CAD	-	140,947
Michelle Hart	1992 60th Ave. W	Vancouver	BC	V6P 2B1	Canada	CAD	-	261,014
Elkly Investments Ltd.	2708 E 16th Ave.	Vancouver	BC	V5M 2L8	Canada	CAD	-	141,991
Edward Kelly	2708 E 16th Ave.	Vancouver	BC	V5M 2L8	Canada	CAD	-	116,934
Elizabeth Kelly	2708 E 16th Ave.	Vancouver	BC	V5M 2L8	Canada	CAD	-	232,824
Debbie Toon	8260 St. Jean St. Crescent	Yukon	BC	V0R 3E1	Canada	CAD	-	67,969
Hans Wick	Talstrasse 59	Zurich	Zurich	CH-8000	Switzerland	CAD	-	60,888
D.W. Pellen Holdings Inc.	3655 Somerset Cres	Surrey	BC	V3Z 0H9	Canada	CAD	-	101,447
Leo Berazan	700 - 200 Burrard Street	Vancouver	BC	V6C 3L6	Canada	CAD	-	50,723
Stephanie Berazan	700 - 200 Burrard Street	Vancouver	BC	V6C 3L6	Canada	CAD	-	15,559
Mackie Research Capital Corp. ITF Charles Brophy	199 Bay Street, Suite 4500, Commerce Court West Box 368	Toronto	Ontario	M5L 1G2	Canada	USD	-	7,779
Mackie Research Capital Corp. ITF Sylvia Brophy	199 Bay Street, Suite 4500, Commerce Court West Box 368	Toronto	Ontario	M5L 1G2	Canada	USD	-	46,675
Mackie Research Capital Corp. ITF Heather Couillard	199 Bay Street, Suite 4500, Commerce Court West Box 368	Toronto	Ontario	M5L 1G2	Canada	USD	-	28,685
Mackie Research Capital Corp. ITF Couillard Developments Ltd.	199 Bay Street, Suite 4500, Commerce Court West Box 368	Toronto	Ontario	M5L 1G2	Canada	USD	-	257,679
Scotia Capital Inc. ITF Dr. Leonard B. Smith	40 King Street West, PO BOX 4085	Toronto	Ontario	M5W 2C6	Canada	USD	-	70,983
Kathryn J. Levy	P.O. Box 247	Turner Valley	Alberta	T0L 2A0	Canada	USD	-	24,309
Mackie Research Capital Corp. ITF Bitco Capital Partners	400, 505 8th Ave SW	Calgary	Alberta	T2P 1G2	Canada	USD	-	12,135
Diane Clough	3406 - 188 Esplanade Ave. E	Calgary	Alberta	T2P 1G2	Canada	USD	-	24,309
Toro Pacific Management Inc.	3071 Spencer Court	North Vancouver	BC	V7L 4Y1	Canada	USD	-	34,033
Haywood Securities Inc.	700 - 200 Burrard Street	West Vancouver	BC	V7V 3C5	Canada	USD	-	7,292
Haywood Securities Inc.	700 - 200 Burrard Street	Vancouver	BC	V6C 3L6	Canada	USD	-	183,293
Canaccord Genuity Corp ITF Graham Saunders ACR31CS3AS1	700 - 200 Burrard Street	Vancouver	BC	V6C 3L6	Canada	USD	-	24,309
Paul-André Billette,	Suite 2200 - 609 Granville Street	Vancouver	BC	V7Y 1H2	Canada	USD	-	46,200
Generations IACP Inc.	306 - 2550 Saint-Jacques	Montreal	Quebec	H3J 2S3	Canada	USD	-	54,149
George Moon							-	6,930
Markenwire L.P.							-	81
Mediant Communications Inc. (amounts in United States Dollars)	PO Box 201371	Dallas	Texas	75320-1371	USA	USD	-	-

This is Exhibit "U" referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia

**Inca One Gold Corp.**  
 Cash Flow Statement  
 For the 7-week period ending July 19, 2024

<i>Week Ending (CAD)</i>	<i>Notes</i>	<i>Week 1 7-Jun-24 Forecast</i>	<i>Week 2 14-Jun-24 Forecast</i>	<i>Week 3 21-Jun-24 Forecast</i>	<i>Week 4 28-Jun-24 Forecast</i>	<i>Week 5 5-Jul-24 Forecast</i>	<i>Week 6 12-Jul-24 Forecast</i>	<i>Week 7 19-Jul-24 Forecast</i>	<i>Total</i>
<b>Operating Receipts</b>									
GST receipts	[1]	\$ 7,500	-	-	-	-	-	-	\$ 7,500
<b>Total Operating Receipts</b>		<b>7,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,500</b>
<b>Operating Disbursements</b>									
Payroll and Benefits	[2]	-	(12,000)	-	(42,000)	-	(11,000)	(12,000)	(77,000)
Office and Administrative	[3]	-	-	-	(4,000)	-	-	-	(4,000)
Rent	[4]	-	-	-	(5,000)	-	-	-	(5,000)
Restructuring Professional Fees	[5]	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(385,000)
Other Professional Fees	[6]	-	(20,000)	-	(38,000)	(35,000)	(7,000)	(10,000)	(110,000)
Other Operating Disbursements	[7]	-	-	-	(20,000)	-	-	-	(20,000)
<b>Total Operating Disbursements</b>		<b>(55,000)</b>	<b>(87,000)</b>	<b>(55,000)</b>	<b>(164,000)</b>	<b>(90,000)</b>	<b>(73,000)</b>	<b>(77,000)</b>	<b>(601,000)</b>
<b>Net Change in Cash</b>		<b>(47,500)</b>	<b>(87,000)</b>	<b>(55,000)</b>	<b>(164,000)</b>	<b>(90,000)</b>	<b>(73,000)</b>	<b>(77,000)</b>	<b>(593,500)</b>
<b>Opening Cash</b>		611,204	563,704	476,704	421,704	257,704	167,704	94,704	611,204
<b>Ending Cash</b>		<b>\$ 563,704</b>	<b>\$ 476,704</b>	<b>\$ 421,704</b>	<b>\$ 257,704</b>	<b>\$ 167,704</b>	<b>\$ 94,704</b>	<b>\$ 17,704</b>	<b>\$ 17,704</b>

**Notes:**

Management has prepared this Cash Flow Statement solely for the purposes of determining the liquidity requirements of Inca One Gold Corp. during the anticipated CCAA Proceedings. The Cash Flow Statement is based on the probable and hypothetical assumptions detailed below. Actual results will likely vary from forecast and such variations may be material.

- [1] Receipts relate solely to GST recoveries.
- [2] Payroll and benefits relates to management, employee and director costs.
- [3] Office and administration expenses relate to email and website services, telephone, internet, cloud servers and subscriptions.
- [4] Rent relates to a Vancouver office lease.
- [5] CCAA professional fees includes the Applicant's legal counsel, the Monitor and the Monitor's legal counsel.
- [6] Other professional fees includes external accounting and legal work in respect of audit, corporate and foreign matters.
- [7] Other operating disbursements contains certain public company related costs and contingencies.

This is Exhibit " V " referred to in the  
Affidavit of Edward Kelly  
sworn (or affirmed) before me at  
Vancouver .B.C.  
this 3 day of June 2024.

  
A Commissioner/Notary Public for the  
Province of British Columbia



No. \_\_\_\_\_

Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,

R.S.C. 1985, c. C-36, AS AMENDED

- AND -

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57, AS  
AMENDED

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF  
INCA ONE GOLD CORP.

PETITIONER

**CONSENT TO ACT**

FTI Consulting Canada, Inc. ("FTI") is a licensed trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2) of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended ("CCAA").

FTI hereby consents to act as court-appointed monitor of Inca One Gold Corp. in the above captioned CCAA proceedings.

DATED at Vancouver, British Columbia this 3<sup>rd</sup> day of June 2024.

FTI Consulting Canada, Inc.



Per: Tom Powell

Title: Senior Managing Director