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**ARIZONA METALS CORP.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**THREE AND SIX MONTHS ENDED**  
**JUNE 30, 2024**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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**Notice To Reader**

The accompanying unaudited condensed interim consolidated financial statements of Arizona Metals Corp. (the "Company") have been prepared by and are the responsibility of management.

**Arizona Metals Corp.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Expressed in Canadian Dollars)**  
**Unaudited**

	As at June 30, 2024	As at December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 365,102	\$ 550,399
Investments	19,892,934	29,546,734
Sales tax recoverable	65,346	35,975
Prepaid expenses	293,314	388,076
<b>Total current assets</b>	<b>20,616,696</b>	<b>30,521,184</b>
<b>Non-current assets</b>		
Deposits	544,948	544,948
Property and equipment (note 3)	168,605	198,360
Reclamation bond (note 7)	295,028	295,028
<b>Total assets</b>	<b>\$ 21,625,277</b>	<b>\$ 31,559,520</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	\$ 1,284,537	\$ 1,534,729
<b>Total liabilities</b>	<b>1,284,537</b>	<b>1,534,729</b>
<b>Shareholders' equity</b>		
Share capital (note 4)	109,238,656	107,538,079
Reserves (notes 5 and 6)	7,642,068	6,363,279
Deficit	(96,539,984)	(83,876,567)
<b>Total shareholders' equity</b>	<b>20,340,740</b>	<b>30,024,791</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 21,625,277</b>	<b>\$ 31,559,520</b>

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)  
 Commitments and contingencies (notes 7 and 9)  
 Subsequent events (note 10)

## Arizona Metals Corp.

### Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
<b>Operating expenses</b>				
Salaries and benefits (note 8)	\$ 326,086	\$ 1,069,896	\$ 627,921	\$ 1,310,198
Exploration and evaluation expenditures (note 7)	5,028,734	3,864,137	9,253,216	7,604,213
Office and general	166,877	127,467	306,895	176,588
Professional fees (note 8)	336,152	103,537	507,894	162,665
Business development	99,159	88,948	257,671	170,330
Share-based payments (notes 5, 6 and 8)	911,020	563,671	2,174,516	686,975
Filing fees	24,411	198,516	101,749	277,933
Depreciation (note 3)	14,877	15,842	29,755	27,162
<b>Operating loss before the following item</b>	<b>(6,907,316)</b>	<b>(6,032,014)</b>	<b>(13,259,617)</b>	<b>(10,416,064)</b>
Interest income	263,722	386,443	596,200	806,372
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (6,643,594)</b>	<b>\$ (5,645,571)</b>	<b>\$ (12,663,417)</b>	<b>\$ (9,609,692)</b>
<b>Basic and diluted net loss per share</b>	<b>\$ (0.06)</b>	<b>\$ (0.05)</b>	<b>\$ (0.11)</b>	<b>\$ (0.08)</b>
Weighted average number of common shares outstanding	119,248,397	116,041,804	117,988,722	116,033,671

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

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**Arizona Metals Corp.****Condensed Interim Consolidated Statements of Changes in Equity****(Expressed in Canadian Dollars)****Unaudited**

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	Share capital		Reserves	Deficit	Total
	Shares	Amount			
<b>Balance, December 31, 2022</b>	<b>116,009,804</b>	<b>\$107,274,620</b>	<b>\$ 4,928,679</b>	<b>\$ (59,528,536)</b>	<b>\$ 52,674,763</b>
Stock options exercised (note 5)	32,000	11,412	(3,412)	-	8,000
Share-based payments	-	-	686,975	-	686,975
Net loss for the period	-	-	-	(9,609,692)	(9,609,692)
<b>Balance, June 30, 2023</b>	<b>116,041,804</b>	<b>\$107,286,032</b>	<b>\$ 5,612,242</b>	<b>\$ (69,138,228)</b>	<b>\$ 43,760,046</b>
<b>Balance, December 31, 2023</b>	<b>116,492,304</b>	<b>\$107,538,079</b>	<b>\$ 6,363,279</b>	<b>\$ (83,876,567)</b>	<b>\$ 30,024,791</b>
Stock options exercised (note 5)	3,349,500	1,700,577	(895,727)	-	804,850
Share-based payments	-	-	2,174,516	-	2,174,516
Net loss for the period	-	-	-	(12,663,417)	(12,663,417)
<b>Balance, June 30, 2024</b>	<b>119,841,804</b>	<b>\$109,238,656</b>	<b>\$ 7,642,068</b>	<b>\$ (96,539,984)</b>	<b>\$ 20,340,740</b>

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

**Arizona Metals Corp.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**Unaudited**

	<b>Six Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2023</b>
<b>Operating activities</b>		
Net loss for the period	\$ (12,663,417)	\$ (9,609,692)
Adjustments for:		
Share-based payments	2,174,516	686,975
Depreciation	29,755	27,162
Accrued interest	(202,405)	-
Changes in non-cash working capital items:		
Sales tax recoverable	(29,371)	(2,086)
Prepaid expenses and deposits	94,762	(215,692)
Accounts payable and accrued liabilities	(250,192)	147,007
<b>Net cash used in operating activities</b>	<b>(10,846,352)</b>	<b>(8,966,326)</b>
<b>Investing activities</b>		
Purchase of property and equipment	-	(160,639)
Purchase of investments	(10,100,407)	(56,511,247)
Redemption of investments	19,956,612	59,704,875
<b>Net cash provided by investing activities</b>	<b>9,856,205</b>	<b>3,032,989</b>
<b>Financing activities</b>		
Proceeds from exercise of stock options	804,850	8,000
<b>Net cash provided by financing activities</b>	<b>804,850</b>	<b>8,000</b>
<b>Net change in cash</b>	<b>(185,297)</b>	<b>(5,925,337)</b>
<b>Cash, beginning of period</b>	<b>550,399</b>	<b>6,958,183</b>
<b>Cash, end of period</b>	<b>\$ 365,102</b>	<b>\$ 1,032,846</b>
<b>Supplemental information</b>		
Interest received	\$ 393,795	\$ 806,372

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

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# Arizona Metals Corp.

## Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

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### 1. Nature of operations and going concern

Arizona Metals Corp. ("AMC" or the "Company") was incorporated under the Canada Business Corporations Act on June 28, 2017. The Company's head office, principal address and registered and records office is located at 66 Wellington Street West, Suite 4100, Toronto, Ontario, Canada, M5K 1B7. The Company completed its Initial Public Offering on March 6, 2018 and was classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange ("TSX-V").

On August 1, 2019, the Company completed a reverse take-over transaction ("RTO") with Croesus Gold Corp. ("Croesus"), which changed to Arizona Metals Holdings Corp. subsequent to RTO, wherein the Company acquired 100% of the issued and outstanding common shares of Croesus. As a result of the share exchange, Croesus is considered to have control. While the Company is the legal acquirer, the accounting acquirer is Croesus and these financial statements are consolidated and presented with Croesus as the continuing entity. Concurrent with the RTO, the Company changed its name to Arizona Metals Corp. and began trading on the TSX-V under the symbol "AMC". On August 6, 2020, the Company began trading on the OTCQB under the ticker "AZMCF" and moved to the OTCQX in January 2021. On October 13, 2022, the Company's common shares were delisted from the TSX-V upon graduation to the TSX.

AMC is a Canadian exploration company focused on precious metal exploration in the United States. At the date of these unaudited condensed interim consolidated financial statements, the Company does not have any operating mines, nor has it earned any income from production.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, social licensing requirements, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

AMC is at an early stage of exploration and as is common with many exploration companies, it raises financing for its exploration and acquisition activities in discrete tranches. The Company has current assets in excess of current liabilities of \$19,332,159 at June 30, 2024 (December 31, 2023 - \$28,986,455). For the six months ended June 30, 2024, the Company had a net loss of \$12,663,417 (six months ended June 30, 2023 - \$9,609,692), and had cash outflows from operations of \$10,846,352 (six months ended June 30, 2023 - \$8,966,326).

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. The Company believes that it will have sufficient capital to operate over the next twelve months.

Longer term, the Company may pursue opportunities to raise additional capital through equity markets; however, there can be no assurance it will be able to raise funds in the future. The ultimate ability of the Company to remain a going concern and complete exploration and development of properties, if properties are proven successful, is dependent upon successfully raising additional capital.

**Arizona Metals Corp.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and Six Months Ended June 30, 2024**  
**(Expressed in Canadian Dollars)**  
**Unaudited**

**2. Significant accounting policies**

***Statement of compliance***

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2023 annual financial statements which have been prepared in accordance with IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of August 8, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2023.

**3. Property and equipment**

<b>Cost</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Total</b>
Balance, December 31, 2022	\$ 12,766	\$ 58,145	\$ 70,911
Additions	110,009	100,329	210,338
<b>Balance, December 31, 2023 and June 30, 2024</b>	<b>\$ 122,775</b>	<b>\$ 158,474</b>	<b>\$ 281,249</b>

<b>Accumulated Depreciation</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Total</b>
Balance, December 31, 2022	\$ 2,871	\$ 17,444	\$ 20,315
Depreciation for the year	20,265	42,309	62,574
Balance, December 31, 2023	23,136	59,753	82,889
Depreciation for the period	14,946	14,809	29,755
<b>Balance, June 30, 2024</b>	<b>\$ 38,082</b>	<b>\$ 74,562</b>	<b>\$ 112,644</b>

<b>Carrying Value</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Total</b>
Balance, December 31, 2023	\$ 99,639	\$ 98,721	\$ 198,360
<b>Balance, June 30, 2024</b>	<b>\$ 84,693</b>	<b>\$ 83,912</b>	<b>\$ 168,605</b>

## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

#### 4. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
<b>Balance, December 31, 2022</b>	<b>116,009,804</b>	<b>\$ 107,274,620</b>
Stock options exercised	32,000	11,412
<b>Balance, June 30, 2023</b>	<b>116,041,804</b>	<b>\$ 107,286,032</b>
<b>Balance, December 31, 2023</b>	<b>116,492,304</b>	<b>\$ 107,538,079</b>
Stock options exercised	3,349,500	1,700,577
<b>Balance, June 30, 2024</b>	<b>119,841,804</b>	<b>\$ 109,238,656</b>

#### 5. Stock options

The Company has adopted an incentive stock option plan which provides that the board of directors of the Company may from time to time, in its discretion, grant to the directors, officers, employees and consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. The board of directors has discretion to the number, vesting period and expiry date of each option award.

The Company's stock options outstanding are as follows:

	Number of stock options	Weighted average exercise price
Balance, December 31, 2022	6,657,000	\$ 1.01
Issued (i)(ii)	374,500	4.19
Exercised	(32,000)	0.25
<b>Balance, June 30, 2023</b>	<b>6,999,500</b>	<b>\$ 1.18</b>
Balance, December 31, 2023	6,589,000	\$ 1.26
Issued (iii)(iv)	1,641,000	2.10
Exercised	(3,349,500)	0.24
<b>Balance, June 30, 2024</b>	<b>4,880,500</b>	<b>\$ 2.75</b>

During the three and six months ended June 30, 2024, the Company recognized share-based payments expense of \$600,706 and \$1,549,053, respectively (2023 - \$448,914 and \$572,218, respectively) related to the stock options granted and vested.



## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

#### 5. Stock options (continued)

(i) On April 21, 2023, the Company granted 349,500 stock options to directors and consultants of the Company with exercise price of \$4.25 per share, expiring in 5 years. The options vest 1/3 on grant date, 1/3 on the one year anniversary of the grant date, and 1/3 on the two year anniversary of the grant date. The stock options were assigned a grant date value of \$991,558 as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$4.22, expected dividend yield of 0%, expected volatility of 83%, risk-free rate of return of 3.10%, and an expected maturity of 5 years.

(ii) On June 5, 2023, the Company granted 25,000 stock options to a consultant of the Company with exercise price of \$3.39 per share, expiring in 5 years. The options vest 1/2 on 3 month anniversary of the grant date and 1/2 on the one year anniversary of the grant date. The stock options were assigned a grant date value of \$57,616 as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$3.38, expected dividend yield of 0%, expected volatility of 84%, risk-free rate of return of 3.52%, and an expected maturity of 5 years.

(iii) On January 25, 2024, the Company granted 1,000,000 stock options to directors, consultants and employees of the Company with exercise price of \$2.10 per share, expiring in 5 years. The options vest 1/2 immediately, 1/4 on January 25, 2025, and 1/4 on January 25, 2026. The stock options were assigned a grant date value of \$1,379,596 as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$2.05, expected dividend yield of 0%, expected volatility of 83%, risk-free rate of return of 3.52%, and an expected maturity of 5 years.

(iv) On May 16, 2024, the Company granted 641,000 stock options to directors of the Company with exercise price of \$2.08 per share, expiring in 5 years. The options vest 1/3 on grant date, 1/3 on the one year anniversary of the grant date, and 1/3 on the two year anniversary of the grant date. The stock options were assigned a grant date value of \$1,004,224 as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$2.25, expected dividend yield of 0%, expected volatility of 84%, risk-free rate of return of 3.64%, and an expected maturity of 5 years.

The following table reflects the stock options issued and outstanding as of June 30, 2024:

Fair value on grant date (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Exercisable options	Weighted average exercise price (\$)	Expiry date
117,852	0.38	350,000	350,000	0.40	November 15, 2024
708,702	0.93	1,300,000	1,300,000	0.66	June 4, 2025
84,538	1.61	100,000	100,000	1.00	February 8, 2026
81,833	1.88	300,000	300,000	0.20	May 19, 2026
1,775,575	2.59	450,000	450,000	5.38	January 31, 2027
1,484,966	2.74	325,000	325,000	6.75	March 28, 2027
991,558	3.81	349,500	116,500	4.25	April 21, 2028
57,616	3.93	25,000	25,000	3.39	June 5, 2028
80,936	4.02	40,000	13,333	3.10	July 6, 2028
1,379,596	4.58	1,000,000	500,000	2.10	January 25, 2029
1,004,224	4.88	641,000	213,667	2.08	May 16, 2029
7,767,396	2.75	4,880,500	3,693,500	2.23	

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## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

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#### 6. Restricted share units and deferred share units

The restricted share units ("RSUs") and deferred share units ("DSUs") plans are compensation programs designed to reward eligible participants for their services rendered to the Company. RSUs and DSUs are awarded at the discretion of the board of directors, with each unit representing the right to receive payment equivalent to the value of one common share of the Company, subject to specified conditions and restrictions. These conditions often include continued employment or engagement with the Company.

Unless otherwise set forth in the RSU Agreement and DSU Agreement, RSUs and DSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date. The Company has discretion to settle the vested RSUs and DSUs in the form of common shares, their cash equivalent, or a combination thereof. The RSU and DSU plans aim to align the interests of participants with the long-term performance and success of the Company while providing a mechanism for incentivizing and retaining key talent.

##### (a) Restricted share units

The Company's RSUs outstanding are as follows:

	Number of RSUs
Balance, December 31, 2022	-
Granted (i)	232,500
Balance, June 30, 2023	-
Balance, December 31, 2023	262,500
Granted (ii)	522,000
Balance, June 30, 2024	784,500

During the three and six months ended June 30, 2024, the Company recognized share-based payments expense of \$262,935 and \$543,721, respectively (2023 - \$114,757 and \$114,757, respectively) related to the RSUs granted.

(i) On April 21, 2023, the Company granted 232,500 RSUs to directors and consultants of the Company under the terms of the Company's RSU Plan. The RSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date. The RSUs were assigned a grant date value of \$981,150 based on the prevailing market price on the grant date. No RSUs vested during the six months ended June 30, 2024.

(ii) On January 25, 2024, the Company granted 522,000 RSUs to directors and consultants of the Company under the terms of the Company's RSU Plan. The RSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date. The RSUs were assigned a grant date value of \$1,070,100 based on the prevailing market price on the grant date. No RSUs vested during the six months ended June 30, 2024.

## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

#### 6. Restricted share units and deferred share units (continued)

##### (b) Deferred share units

The Company's DSUs outstanding are as follows:

	Number of DSUs
Balance, December 31, 2022, June 30, 2023 and December 31, 2023	-
Granted (i)	152,000
Balance, June 30, 2024	152,000

During the three and six months ended June 30, 2024, the Company recognized share-based payments expense of \$47,379 and \$81,742, respectively (2023 - \$nil and \$nil, respectively) related to the DSUs granted.

(i) On January 25, 2024, the Company granted 152,000 DSUs to directors of the Company under the terms of the Company's DSU Plan. The DSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date. The DSUs were assigned a grant date value of \$311,600 based on the prevailing market price on the grant date. No DSUs vested during the six months ended June 30, 2024.

#### 7. Exploration and evaluation expenditures

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
<b>Sugarloaf Peak Gold Project</b>				
Concession fees and taxes	\$ 12,305	\$ 11,707	\$ 24,610	\$ 23,413
Consulting	-	2,420	-	26,115
	<b>12,305</b>	<b>14,127</b>	<b>24,610</b>	<b>49,528</b>
<b>Kay Mine</b>				
Acquisition cost	515,097	-	535,656	-
Concession fees and taxes	3,808	3,359	7,615	6,719
Legal fees	137,588	20,265	137,588	41,227
Consulting	66,006	620,454	167,764	1,095,069
Camp costs	10,061	181,339	26,540	376,202
Drilling	4,007,815	2,832,332	7,820,761	5,652,266
Assays	276,054	163,470	532,682	339,063
Storage	-	28,791	-	44,139
	<b>5,016,429</b>	<b>3,850,010</b>	<b>9,228,606</b>	<b>7,554,685</b>
<b>Total exploration and evaluation expenditures</b>	<b>\$ 5,028,734</b>	<b>\$ 3,864,137</b>	<b>\$ 9,253,216</b>	<b>\$ 7,604,213</b>

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## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

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#### 7. Exploration and evaluation expenditures (continued)

##### Sugarloaf Peak Gold Project

On December 16, 2014, Croesus entered into an option agreement with Riverside Resources Inc. ("Riverside") effective December 16, 2014, as amended December 18, 2015 and March 21, 2016 (the "Sugarloaf Option Agreement") whereby Riverside granted to Croesus the irrevocable and exclusive right and option (the "Option") to purchase and acquire 100% of Riverside's right, title and interest (of any nature or kind whatsoever) in and to the Sugarloaf Peak Gold Project, which was fully exercised.

The Sugarloaf Gold Peak Project is subject to a 2% net smelter return royalty due to Riverside and a 1.5% royalty to Arizona Gold Holdings, LLC. AMC has the right to repurchase 0.5% of the royalty granted to Riverside for \$2,000,000 until the commencement of production on the Sugarloaf Peak Gold Project. In addition, AMC retains the right to require Riverside to repurchase 1% of the 1.5% royalty held by Arizona Gold Holdings, LLC for US\$1,000,000, which repurchase amount would be funded by AMC.

At June 30, 2024, the Company has provided aggregate of \$54,652 (December 31, 2023 - \$54,652) in deposits as security against potential future reclamation work related to the Sugarloaf Peak Gold Project.

##### Kay Mine

On November 15, 2018, Croesus entered into an acquisition agreement ("Acquisition Agreement") with Silver Spruce Resources Inc. ("Silver Spruce") to acquire 100% interest in certain patented and unpatented mining claims in Yavapai County, Arizona, USA, known collectively as the "Kay Mine Claims". The purchase price includes:

- (a) Cash consideration of \$50,000 (paid); and
- (b) the assumption by the Company of a loan on the closing date with a principal amount of US\$450,000, accruing interest at a rate of 12% per annum. The Company repaid the full amount of the loan and the accrued interest on March 12, 2019 in the amount of \$652,165.

In May 2019, the Company entered into an agreement with Silver Spruce to amend the ongoing terms of the Acquisition Agreement ("Extension Agreement"). Under the Extension Agreement, Croesus made additional payments to Silver Spruce of \$200,000 on May 9, 2019 and \$150,000 on June 27, 2019, satisfying all of the Company's obligations under the Acquisition Agreement and Extension Agreement.

In January 2021, the Company entered into a purchase option and sale agreement to acquire 100% of six parcels of patented land totaling 107 acres, located 900 metres northeast of its Kay Mine VMS Project. The purchase price was \$2,853,057 (US\$2,250,000) and the purchase was completed in May 2021.

In August 2023, the Company entered into a purchase and sale agreement with an arm's length party to acquire 100% of a private land parcel, located northeast of its Kay Mine Project. The property includes the surface, mineral, and water rights, among other rights and benefits. The purchase price was \$3,422,174 (US\$2,500,000) and the purchase was completed in December 2023.

In May 2024, the Company acquired 100% of an Arizona State Land parcel totaling 40 acres. The purchase price of \$515,097 (US\$366,100).

At June 30, 2024, the Company has provided aggregate of \$240,376 (December 31, 2023 - \$240,376) in deposits as security against potential future reclamation work related to the Kay Mine.

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## Arizona Metals Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars)

Unaudited

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#### 8. Related party transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

(a) Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Salaries and benefits	\$ 248,170	\$ 1,069,896	\$ 543,839	\$ 1,310,198
Share-based payments	911,020	461,384	1,920,499	461,384
Professional fees	20,375	17,344	31,655	28,399
Legal fees	246,877	61,238	335,783	94,261
	<b>\$ 1,426,442</b>	<b>\$ 1,609,862</b>	<b>\$ 2,831,776</b>	<b>\$ 1,894,242</b>

As at June 30, 2024, \$20,000 (December 31, 2023 - \$350,000) was owed to officers and directors of the Company and this amount was included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing with no fixed terms of repayment.

(b) Included in professional fees is \$20,375 and \$31,655, respectively (2023 - \$17,344 and \$28,399, respectively) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer ("CFO") of the Company and provide bookkeeping services.

(c) Conor Dooley, a director of the Company, is a partner in a law firm that provides services on a recurrent basis to the Company. During the three and six months ended June 30, 2024, the Company incurred legal fees of \$246,877 and \$335,783, respectively (2023 - \$61,238 and \$94,261, respectively) included in professional fees to this law firm.

#### 9. Commitments and contingencies

##### *Environmental contingencies*

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

#### 10. Subsequent events

On July 29, 2024, the Company issued 40,829 common shares from vesting of 72,499 RSUs which were settled on a net exercise basis.

On August 1, 2024, 500,000 stock options were exercised at \$0.66 per share for gross proceeds of \$330,000.