



Interim Consolidated Financial Statements (Unaudited)

**For the quarter ended
31 March 2024**

*All figures are in United States dollars (\$) unless otherwise noted.
References to "C\$" are to Canadian dollars.*

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements have been prepared by and are the responsibility of the management. The Group's independent auditor has not performed a review of these financial statements.

In addition, the Company's independent auditor has not yet provided an opinion on the Company's consolidated financial statements for the year ended December 31, 2023, and the information used for comparative purposes in the accompanying unaudited interim financial statements might contain adjustments that could impact the current interim period.

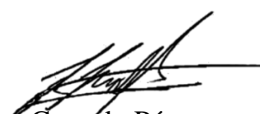
CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
For the quarters ended 31 March 2024 and 2023

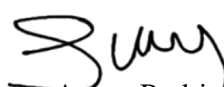
Notes	31 March 2024 US\$000	31 March 2023 US\$000
Revenue from contracts with customers	11,327	7,484
Cost of sales	(8,969)	(7,550)
Gross Profit	2,358	(66)
Administration expenses	(1,022)	(1,362)
Exploration costs	(44)	(70)
Write-off of assets	8	-
Operating Profit	1,300	(1,498)
Finance expense	3	(2,700)
Loss before tax	(2,181)	(4,198)
Income tax expense	-	-
Loss for the period attributable to the equity shareholders of the parent	(2,181)	(4,198)
Total comprehensive loss for the period attributable to the equity shareholders of the parent	(2,181)	(4,198)
Earnings per ordinary share (US cents)		
Basic and diluted	5	(1.8)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2024 and 31 December 2023

	Notes	31 March 2024 US\$000	31 December 2023 US\$000
Assets			
Property, plant and equipment	6	4,073	4,269
Right-of-use assets	7	11,611	11,936
Intangible assets	8	149,019	148,825
Other receivables and prepayments	9	7,583	7,594
Total non-current assets		172,286	172,624
Inventory	10	3,193	4,129
Other receivables and prepayments	9	4,385	4,034
Current tax recoverable		1,063	400
Cash and cash equivalents	11	887	997
Total current assets		9,528	9,560
Total assets		181,814	182,184
Equity			
Share capital	12	159,012	159,012
Share option reserve	12	543	543
Accumulated losses		(119,683)	(117,502)
Total equity attributable to the equity shareholders of the parent		39,872	42,053
Liabilities			
Lease liabilities	14	2,514	4,281
Provisions	15	5,295	5,144
Total non-current liabilities		7,809	9,425
Interest bearing loans	13	97,153	94,450
Lease liabilities	14	17,417	15,575
Trade and other payables	16	19,563	20,681
Total current liabilities		134,133	130,706
Total liabilities		141,942	140,131
Total equity and liabilities		181,814	182,184

The consolidated financial statements were approved and authorised for issue by the Board and were signed on its behalf on 15 May 2024.


Gerardo Pérez
Chairman


Jorge Armas Rodríguez
Interim Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the periods between 1 January 2023 and 31 March 2024

	Share capital		Reserves		Total equity
	Number of Shares	Amount	Share option	Accumulated losses	
Balance at 1 January 2023	231,135,028	\$ 159,012	\$ 532	\$ (96,997)	\$ 62,547
Options granted			11	-	11
Loss for the period	-	-	-	(4,198)	(4,198)
Total comprehensive Loss	-	-	-	(4,198)	(4,198)
Balance at 31 March 2023	231,135,028	159,012	543	(101,195)	58,360
Options granted	-	-	-	-	-
Loss for the period	-	-	-	(16,307)	(16,307)
Total comprehensive gain	-	-	-	-	-
Balance at 31 December 2023	231,135,028	159,012	543	(117,502)	42,053
Options granted	-	-	-	-	-
Loss for the period	-	-	-	(2,181)	(2,181)
Total comprehensive Loss	-	-	-	(2,181)	(2,181)
Balance at 31 March 2024	231,135,028	159,012	\$ 543	\$ (119,683)	\$ 39,872

CONSOLIDATED CASH FLOW STATEMENT
For the quarters ended 31 March 2024 and 2023

	Notes	Three Months Ended	
		31 March 2024 US\$000	31 March 2023 US\$000
Cash flows from operating activities			
Loss before tax		(2,181)	\$ (4,198)
Net finance expense	3	3,481	2,700
Depreciation	6,7	2,820	2,958
Shared-based payments		-	11
Write-off of assets		-	-
Decrease in inventory	10	936	380
(Increase) in accounts receivables		(338)	(29)
(Decrease) in accounts payables		(1,121)	(1,197)
Payment of mine closure costs	15	(4)	(41)
Cash generated from operations		3,593	584
Income tax paid		(665)	(53)
Net cash from operating activities		2,928	531
Cash flows from investing activities			
Acquisition of property, plant and equipment	6	(416)	(315)
Deferred exploration and development expenditures	8	(194)	(303)
Disposal of property, plant and equipment		-	-
Net cash outflow from investing activities		(610)	(618)
Cash flows from financing activities			
Net proceeds from loan	13	(140)	250
Payment of lease liabilities	14	(2,214)	(1,270)
Payment of finance expenses		(74)	(260)
Net cash (outflow) inflow from financing activities		(2,428)	(1,280)
Net (decrease) increase in cash and cash equivalents		(110)	(1,367)
Cash and cash equivalents at beginning of period		997	2,861
Cash and cash equivalents at end of period		887	\$ 1,494

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Basis of preparation and going concern

The financial statements are presented in United States dollars, rounded to the nearest thousand.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies.

At 31 March 2024, the Group had a working capital deficit of \$124,604,000 (defined as current assets less current liabilities).

On 12 November 2020 the Group announced it had settled its dispute with COFIDE. The summary of the settlement agreement is that the Group owes COFIDE US\$70 million in principal and US\$31.9 million of accrued interest (calculated to 10 November 2020), however, COFIDE has yet to provide the invoices to support the tax deductibility of these interests. Also, it was agreed that COFIDE owed the Group US\$34.2 million pursuant to the September 2019 Arbitration Award, plus interest from 17 July 2017 to 10 November 2020. The amounts due and receivable have been offset and the Group will pay the net balance to COFIDE within 36 months. To guarantee the full repayment of the balance owed to COFIDE, Corporate Trust contracts have been assigned over the Ollachea Project's mineral concessions, the shares of the Peruvian subsidiary Compañía Minera Kuri Kullu S.A. and over future cash flows from the same Project. COFIDE withdrew its legal claim for annulment of the Arbitration Award once the Trust contracts were registered at the public registry. Also, as per the terms of this agreement, certain penalties are applicable while the balance of the debt owed to COFIDE is not fully repaid. These penalties are based on percentages applicable over the amount of the Arbitration Award according the following timetable:

- \$2,053,000 (6% on the Arbitration Award amount) if the balance of the debt is not repaid before 15 November 2021. This amount was accrued in the third quarter of 2021.
- An additional penalty of \$1,368,000 (4% on the Arbitration Award amount) if the balance of the debt is not repaid before 15 November 2022. These penalties shall be added to the amount owed to COFIDE and will be paid within the 36 months term established for the full payment of any outstanding debt with COFIDE.

On 24 June 2021 the Group announced that through formalizing the terms agreed on 12 November 2020, four inter-related agreements between COFIDE and the Group had been signed:

- A Cash Flow Trust Agreement, which creates a trust over the cash flows generated from the Ollachea Project, to guarantee the payment obligations of the Group to COFIDE by channeling those cash flows through a revenue account to be managed by La Fiduciaria;
- An Asset Trust Agreement, which creates a trust over the shares held by the Group in its Peruvian subsidiary Compañía Minera Kuri Kullu S.A., as well as the Ollachea Project's concessions owned by the subsidiary to guarantee the payment obligations of the Group to COFIDE by transferring ownership of the securities and mortgages to La Fiduciaria in trust;
- A Refinancing of the Credit Agreement, which establishes the terms and conditions for the payment of the principal and accrued and accruing interest on the Group's debt with COFIDE; and
- A Compensation Agreement, which establishes the terms and conditions for the payment of consequential damages to the Group by COFIDE pursuant to the September 2019 Arbitration Award, plus accrued and accruing interest.

Neither the assets of nor the cash flows generated by the Corihuarmi mine are included in these Trust Agreements.

If the Group is not able to secure an alternative source of funds to repay the debt with COFIDE, the Group will have to relinquish its ownership of the subsidiary, Compañía Minera Kuri Kullu S.A. and therefore the Ollachea Project. All net assets associated with the Ollachea Project would be fully impaired as a result..

The credit repayment deadline expired in late November 2023. As at 31 March 2024, the Group is engaged in advanced due diligence and negotiations with potential investors, aiming to complete a transaction that provides the financing required to develop the Ollachea Gold Project and repay the debt with COFIDE, either in full or in part, or which may include a renegotiation of the terms and conditions agreed upon with the Group as established in the Settlement Agreement dated 10 November 2020. The Group maintains an open and robust relationship with COFIDE, underpinned by maintaining regular and positive dialogue. COFIDE is informed of the Group's progress in these discussions, in addition to the receipt of proposals from the aforementioned potential investors, having expressed their commitment to support a transaction that would advance the Ollachea Gold Project and enable the Group to fulfill its obligations with COFIDE.

Notwithstanding that there can be no guarantee that an alternative source of funding will be secured within the required timescale or on acceptable terms, the Directors consider that an alternative funding will be obtained to fully repay the debt with COFIDE plus interest and to develop the Ollachea Project. The cash generated from gold production at the Corihuarmi Mine is required to fund the working capital requirements of the Group in the meantime.

Note 2 – Segment reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports on the performance of the managerial units of the Group for decision making. The Group identifies these units primarily according to the country of operation. Within the countries of operation the managerial functions are divided into mining operations, the exploration activities related to the individual properties which the Group has the rights to explore, the activities related to the acquisition of properties and the administration of the Group. The assessment of exploration activities is dependent principally on non-financial data.

The following table sets out the income and expenditure, as well as the assets and liabilities of the Group according to these reporting segments:

	Peru US\$000	Jersey US\$000	Total US\$000
For the Three Months Ended 31 March 2024			
Revenue	11,327	-	11,327
Administration expenses	(782)	(240)	(1,022)
Operating profit (loss)	1,540	(240)	1,300
After tax Loss	(1,810)	(371)	2,181
For the Three Months Ended 31 March 2023			
Revenue	7,484	-	7,484
Administration expenses	(708)	(654)	(1,362)
Operating profit (loss)	(844)	(654)	(1,498)
After tax Loss	(3,544)	(654)	(4,198)

Group's Assets	Peru US\$000	Jersey US\$000	Total US\$000
As at 31 March 2024			
Non-current assets	162,935	9,351	172,286
Current	9,503	25	9,528
Total assets	172,438	9,376	181,814
As at 31 December 2023			
Non-current assets	163,273	9,351	172,624
Current	9,530	30	9,560
Total assets	172,803	9,381	182,184

Group's Liabilities	Peru US\$000	Jersey US\$000	Total US\$000
As at 31 March 2024			
Non-current liabilities	7,810	-	7,810
Current	133,246	886	134,132
Total liabilities	141,056	886	141,942
As at 31 December 2023			
Non-current liabilities	9,425	-	9,425
Current	129,816	890	130,706
Total liabilities	139,241	890	140,131

Note 3 – Finance expense

The following table details the finance expenses incurred during the three months ended 31 March 2024 and 2023.

	31 March 2024 US\$000	31 March 2023 US\$000
COFIDE Bridge Loan interest	2,718	1,919
Other loans interest	125	234
Other	638	547
	3,481	2,700

Note 4 – Remuneration of key management personnel

	Salary & Fees US\$000	Other Benefits US\$000	Total Remuneration US\$000
Cumulative to 31 March 2024			
Directors ⁽¹⁾	207	17	224
Non-Directors ⁽²⁾	49	-	49
TOTAL	256	17	273

⁽¹⁾ Directors include Messrs. Gerardo Perez, Diego Benavides, Jesus Lema, Santiago Valverde and Martin Mount.

⁽²⁾ Non-Directors include the CFO and the Corihuarmi Mine Manager.

	Salary & Fees US\$000	Other Benefits US\$000	Total Remuneration US\$000
Cumulative to 31 March 2023			
Directors ⁽¹⁾	207	16	223
Non-Directors ⁽²⁾	68	-	68
TOTAL	275	16	291

⁽¹⁾ Directors include Messrs. Gerardo Perez, Diego Benavides, Jesus Lema, Santiago Valverde and Martin Mount.

⁽²⁾ Non-Directors include the CFO and the Corihuarmi Mine Manager.

Note 5 – Earnings per share

The calculation of the earnings (loss) per share is based on the loss attributable to ordinary shareholders for the three months ended 31 March 2024 of \$ 2,181,000 (31 March 2023: loss of \$4,198,000) and the weighted average number of ordinary shares in issue during the three month period ended 31 March 2024 of 231,135,028 (31 March 2023: 231,135,028).

Diluted loss per share assumes that dilutive options have been converted into ordinary shares. The calculation is as follows:

	2024	Number	31 March	2023	Number	31 March
	Loss	of shares	Earnings	Loss	of shares	Earnings
	US\$000	US\$000	per share	US\$000	US\$000	per share
			(cents)			(cents)
Basic earnings (losses)	(2,181)	231,135	(0.9)	(4,198)	231,135	(1.8)
Dilutive effects-options	-	-	-	-	-	-
Diluted earnings (losses)	(2,181)	231,135	(0.9)	(4,198)	231,135	(1.8)

As at 31 March 2024 and 2023, all options were excluded from the calculation of diluted loss per share because they were non-dilutive.

Note 6 – Property, plant and equipment

	Mining assets & deferred development costs US\$000	Land & buildings US\$000	Motor Vehicles US\$000	Computers & other equipment US\$000	Total US\$000
Cost					
Balance at 1 January 2023	47,312	524	688	4,013	52,537
Additions	1,351	-	-	19	1,370
Adjustment to mine closure provision ⁽¹⁾	(47)	-	-	-	(47)
Reclassifications from intangibles ⁽²⁾	576	-	-	-	576
Balance - 31 December 2023	49,192	524	688	4,032	54,436
Balance at 1 January 2024	49,192	524	688	4,032	54,436
Additions	351	-	-	65	416
Disposals	-	-	(81)	-	(81)
Reclassifications from intangibles	-	-	63	(63)	0
Balance - 31 March 2024	49,543	524	670	4,034	54,771
Depreciation					
Balance - 1 January 2023	43,629	477	416	3,622	48,144
Depreciation for the year	1,813	25	56	171	2,065
Adjustment to mine closure	(42)	-	-	-	(42)
Write off	-	-	-	-	-
Balance - 31 December 2023	45,000	502	472	3,793	50,167
Balance - 1 January 2024	45,000	502	472	3,793	50,167
Depreciation for the period	557	6	16	33	612
Disposals	-	-	(81)	-	(81)
Balance - 31 March 2024	45,957	508	407	3,826	50,698
Carrying amounts					
Balance - 1 January 2023	3,683	47	272	391	4,393
Balance - 31 December 2023	3,792	22	216	239	4,269
Balance - 31 March 2024	3,586	16	263	208	4,073

⁽¹⁾ At the end of 2023 the Group reassessed the mine closure provisions of the Corihuarmi Mine and the Ollachea Project. The result of the reassessment was a net reduction of \$47,000 in the carrying value of the corresponding asset account.

⁽²⁾ During 2023 the Group reclassified \$576,000 from intangibles, see note 8.

Note 7 – Right-of-use assets

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

	Mining Assets	Land & Buildings	Motor Vehicles	Total
	US\$000	US\$000	US\$000	US\$000
Cost				
Balance - 1 January 2023	6,143	1,203	9,576	16,922
Additions	11,093	-	5,046	16,139
Adjustments ⁽¹⁾	(7,437)	57	(9,648)	(17,028)
Balance – 31 December 2023	9,799	1,260	4,974	16,033
Balance - 1 January 2024	9,799	1,260	4,974	16,033
Additions	576	72	1,472	2,120
Adjustments⁽¹⁾	-	(38)	(311)	(349)
Balance – 31 March 2024	10,374	1,294	6,135	17,804
Accumulated Depreciation				
Balance - 1 January 2023	2,756	485	2,817	6,058
Depreciation for the year	4,021	492	2,497	7,010
Adjustments ⁽¹⁾	(5,026)	(169)	(3,776)	(8,971)
Balance - 31 December 2023	1,751	808	1,538	4,097
Balance - 1 January 2024	1,751	808	1,538	4,097
Depreciation for the period	1,250	120	838	2,208
Adjustments⁽¹⁾	-	(25)	(87)	(112)
Balance - 31 March 2024	3,002	903	2,288	6,193
Carrying amounts				
Balance - 1 January 2023	3,387	718	6,759	10,864
Balance - 31 December 2023	8,048	452	3,436	11,936
Balance - 31 March 2024	7,373	391	3,847	11,611

⁽¹⁾The adjustments during 2023 and 2024 correspond to terminations and changes in the terms of lease contracts.

Note 8 – Intangible assets

Deferred Exploration Costs	Ollachea US\$000	Other Peru US\$000	Total US\$000
Balance – 1 January 2023	147,517	910	148,427
Additions	790	184	974
Reclassifications to PPE (see note 6)	-	(576)	(576)
Balance – 31 December 2023	148,307	518	148,825
Additions	143	51	194
Reclassifications	-	-	-
Balance - 31 March 2024	148,450	569	149,019

The Ollachea property will require significant project financing in order to bring it into production and convert it into mining assets. The carrying values of the deferred exploration and development costs for the Ollachea property and the Group's other exploration properties in Peru at 31 March 2024 have been assessed for indications of impairment and the results of these assessments have been sufficiently encouraging to justify the retention of the deferred exploration and development assets on the consolidated statements of financial position.

As disclosed in Note 1 'Basis of Preparation and Going Concern', the Group has signed an Asset Trust Agreement transferring the ownership in trust over the shares held by the Group in its Peruvian subsidiary Compañía Minera Kuri Kullu S.A., as well as the Ollachea Project's mining concessions owned by the subsidiary. For additional information please refer to Note 1.

Note 9 – Other receivables and prepayments

	31 March 2024 US\$000	31 December 2023 US\$000
Non-current assets		
Other receivables	7,583	7,594
	7,583	7,594
Current assets		
Other receivables	4,147	3,893
Prepayments	238	141
	4,385	4,034

Included in other receivables and prepayments is an amount of \$8,676,000 (2023: \$8,693,000) relating to sales tax paid on the purchase of goods and services in Peru. Of the \$8,676,000 sales tax recoverable, \$7,583,000 relates to purchases for the Ollachea project which is only recoverable upon commencement of metal sales from that project. Commercial production is not expected within the next 12 months, therefore this element has been included in non-current assets.

Note 10 - Inventory

	31 March 2024	31 December 2023
	US\$000	US\$000
Gold in process	2,151	2,462
Mining materials	1,042	1,667
Balance as at 31 March 2024	3,193	4,129

Note 11 – Cash and cash equivalents

	31 March 2024	31 December 2023
	US\$000	US\$000
Bank balances as at 31 March 2024	887	997

Note 12 – Capital and reserves

As at 31 March 2024 and 31 December 2023, Minera IRL Limited's share capital is made up of shares with no par value. There is no upper limit on the value of shares to be issued.

	Ordinary shares	US\$000
Issued and fully paid share capital		
Shares in issue 31 December 2023	231,135,028	159,012
Shares in issue 31 March 2024	231,135,028	159,012

All fully paid shares entitle the holder to one vote and equal rights to dividends declared.

Share Options

The stock option reserve includes a credit of \$544,000 (December 31, 2023: \$544,000) which includes a credit of \$111,000 corresponding to the fair value of the options granted to Maxwell Mercantile Inc. and a credit of \$433,000 corresponding to the fair value of the options to which Sherpa is entitled.

Stock options granted to directors and employees

Minera IRL Limited does not have a share option plan for the benefit of the directors and employees of the Group. All stock options granted to directors and employees during prior years have expired.

Stock options granted to consultants

In the first quarter of 2022 Minera IRL Limited granted 4,600,000 stock options to Maxwell Mercantile Inc. at an exercise price of C\$0.085 (\$0.064). Options may be exercised according to a schedule over a period of thirteen months from the date of grant.

Other Stock Options

As part of the fees paid in connection with the Bridge Loan to the structuring agent Inversiones y Asesoría SHERPA S.C.R.L. ("Sherpa"), Minera IRL Limited was to grant 11,556,751 options. Each option would be exercisable to purchase one common share of the Group at a price of C\$0.20 (\$0.15) per share at any time on or before the date that is 360 days after the start of commercial production from the Ollachea Project. These options have not been granted, however the right to these options continues.

Note 13 –Interest bearing loans

	31 March 2024 US\$000	31 December 2023 US\$000
Non-Current liabilities		
COFIDE Loan payable	-	-
Current liabilities		
COFIDE Loan payable	92,277	89,559
Promissory note	3,360	1,516
Other loans	1,516	3,375
	97,153	94,450

COFIDE Loan

For more information, see Note 1 - Preparation and Going Business Basis on page 6.

Other loans

In January 2023, an unsecured credit agreement for \$250,000 was entered into to meet its working capital needs. The loan is payable three months from disbursement and includes a structuring fee of \$20,000 and monthly interest of 3% on the unpaid balance. In September 2023, a restructuring is signed where the interest is capitalized and the interest is improved to 1.5% monthly starting in May 2023 and the credit is payable until March 2024.

In September 2023, an unsecured credit agreement of \$500,000 was entered into to meet working capital needs. The loan is payable until March 2024 and includes a structuring fee of \$20,000 and monthly interest of 1.5% on the unpaid balance.

In September 2023, by agreement, the line of credit has been increased to \$500,000 to meet working capital needs. The loan is payable until February 2024 and includes a structuring fee of \$20,000 and monthly interest of 1.5% on the unpaid balance.

	Cash	Borrowings due within 1 year	Total
Group – Net debt reconciliation	US\$000	US\$000	US\$000
Net debt as at 1 January 2023	2,861	(84,416)	(81,555)
Net cash flows	(1,864)	(1,147)	(3,011)
Accrued interest	-	(8,887)	(8,887)
Net debt as at 31 December 2023	997	(94,450)	(93,453)
Net cash flows	(110)	166	56
Accrued interest		(2,869)	(2,869)
Net debt as at 31 March 2024	887	(97,153)	(96,266)

Note 14 – Lease liabilities

From 1 January 2019, leases are recognised as a right of use asset (see Note 8) and a corresponding liability at the date at which the leased asset is available for use by the Group. The following is a schedule of future lease payments due under the capital lease contracts.

Lease Obligations	31 March 2024 US\$000	31 December 2023 US\$000
Balance - 1 January	19,856	17,230
Additions	2,120	16,138
Unwinding of the discount	409	1,021
Paid during the period	(2,214)	(6,365)
Adjustments	(240)	(8,168)
Balance as at 31 March 2024	19,931	19,856

The current and non-current portions are as follows:

	31 March 2024 US\$000	31 December 2023 US\$000
Current portion	17,417	15,575
Non-current portion	2,514	4,281
Balance as at 31 March 2024	19,931	19,856

Note 15 – Provisions

The Group has a provision of \$5,295,000 (2023: 5,144,000) against the present value of the cost of restoring the Corihuarmi Mine site and Ollachea exploration tunnel site. This provision is an estimate of the cost of reversing the alterations to the environment that have been made to date. The timing and cost of this rehabilitation is uncertain and depends upon the duration of the mine life and the quantity of ore that will be extracted from the mine. At 31 March 2024 management estimates that the remaining mine life at Corihuarmi was approximately 20 months. The directors have currently estimated the rehabilitation of the Ollachea exploration tunnel to begin in 8 years' time on the assumption that commercial production does not proceed.

	31 March 2024 US\$000	31 December 2023 US\$000
Balance brought forward	5,144	4,691
Unwinding of the discount	155	658
Additional provision	-	(47)
Amounts used	(4)	(158)
Balance as at 31 March 2024	5,295	5,144

At the end of 2023, the Group hired an independent consultant to reassess the mine closure provision of the Corihuarmi Mine and the Ollachea Project. The result of the reassessment was a net decrease of \$47,000 in the carrying value of the provision and in the carrying value of the corresponding asset account.

Note 16 – Trade and other payables

	31 March 2024 US\$000	31 December 2023 US\$000
Non-current		
Trade payables	-	-
Current		
Trade payables	11,904	12,808
Other payables	7,659	7,873
Balance as at 31 March 2024	19,563	20,681

Note 17 – Financial instruments and financial risk management

Financial instruments

The Group's principal financial assets comprise of available cash and cash equivalents, and other receivables. The Group's financial assets are classified as loans and receivables and initially recognised at fair value. After initial measurement, such financial assets are measured at amortised cost using the effective interest method, less provision for impairment.

The Group's financial liabilities include trade and other payables, interest bearing loans and other long term liabilities. All financial liabilities are recognised initially at fair value and, in the case of interest bearing loans, net of directly attributable transaction costs. Trade and other payables and interest bearing loans are subsequently measured at amortised cost using the effective interest method.

Risk management

The Group is exposed to certain financial risks due to its business activities. The potential adverse effects of these risks are constantly assessed by the management of the Group with a view to minimising them, and the directors consider whether it is appropriate to make use of financial instruments for this purpose. The following are major financial risks which the Group is exposed to:

Exchange rate risk

The functional currency of the significant entities within the Group is deemed to be the US dollar because the revenues from the sale of minerals are denominated in US dollars and the costs of the Group are likewise predominantly in US dollars. However, some transactions are denominated in currencies other than US dollars. These transactions comprise operating costs and capital expenditure in the local currencies of the countries in which the Group operates.

The balances of cash and cash equivalents held in various currencies were:

	31 March 2024	31 December 2023
	US\$000	US\$000
Peruvian nuevos soles	(54)	150
United States dollars	941	847
Balance as at 31 March 2024	887	997

The table below shows an analysis of net financial assets and liabilities by currency:

	31 March 2024	31 December 2023
	US\$000	US\$000
Pounds sterling	(146)	(184)
Canadian dollars	(41)	(21)
Peruvian nuevos soles	(6,941)	(8,470)
United States dollars	(96,964)	(93,962)
Balance as at 31 March 2024	(104,093)	(102,637)

Note 17 – Financial instruments and financial risk management (continued)

The table below shows the profit/(loss) effect on the Group's results of a 10% and 20% weakening or strengthening of the US dollar against the net monetary assets shown in the table above:

	31 March 2024	31 December 2023
	US\$000	US\$000
10% weakening of the US dollar	(713)	(868)
20% weakening of the US dollar	(1,426)	(1,735)
10% strengthening of the US dollar	713	868
20% strengthening of the US dollar	1,426	1,735

Liquidity risk

Prudent management of liquidity risk implies maintaining sufficient cash and cash equivalents as well as an adequate amount of committed credit facilities. Management of the Group safeguards its cash resources and makes regular forecasts of the requirements to use those resources. If necessary, management adapts its plans to suit the resources available.

An analysis of the financial assets and liabilities presented by maturity is detailed below. The contractual amounts disclosed in the maturity analysis are the contractual undiscounted cash flows. Such undiscounted cash flows may differ from the amount included in the statement of financial position because the amount in that statement is based on discounted cash flows. Moreover, interest bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition they are stated at amortised cost on an effective interest basis. When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period.

31 March 2024	Due in less than 3 months	Due between 3 months to 1 year	Due between 1 to 5 years	Total
Financial assets measured at amortised cost	US\$000	US\$000	US\$000	US\$000
Receivables	4,153	-	7,583	11,736
Cash and cash equivalents	887	-	-	887
Total	5,041	-	7,583	12,623

31 December 2023	Due in less than 3 months	Due between 3 months to 1 year	Due between 1 to 5 years	Total
Financial assets measured at amortised cost	US\$000	US\$000	US\$000	US\$000
Receivables	3,901	-	7,594	11,495
Cash and cash equivalents	997	-	-	997
Total	4,898	-	7,594	12,492

Note 17 – Financial instruments and financial risk management (continued)

31 March 2024	Due in less than 3 months US\$000	Due between 3 months to 1 year US\$000	Due between 1 to 5 years US\$000	Total US\$000
Financial Liabilities measured at amortised cost				
Trade payables	11,905	-	-	11,905
Other payables	7,658	-	-	7,658
Interest bearing loan	97,153	-	-	97,153
Total	116,716	-	-	116,716

31 December 2023	Due in less than 3 months US\$000	Due between 3 months to 1 year US\$000	Due between 1 to 5 years US\$000	Total US\$000
Financial Liabilities measured at amortised cost				
Trade payables	12,808	-	-	12,808
Other payables	7,873	-	-	7,873
Interest bearing loan	94,450	-	-	94,450
Total	115,131	-	-	115,131

All financial assets and liabilities are measured at amortized costs. No financial assets or liabilities are measured at fair value therefore no gain or losses have been recorded through other comprehensive income.

Market price of minerals risk

The Group's business exposes it to the effects of changes in the market price of minerals, primarily gold. Severe changes in the market price of gold may affect the recoverability of the Group's investments in its mine, exploration assets and mining rights, and of the Group's intercompany receivables. The supply and demand for gold, the level of interest rates, the rate of inflation, investment decisions by large holders of gold including governmental reserves, and stability of exchange rates can all cause significant fluctuations in the market price of gold. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

Credit risk

The Group is exposed to credit risk in so far as it deposits cash with its banks. However, the banks used are institutions of the highest standing. In addition the Group is exposed to sovereign risk in so far as it is owed recoverable sales tax.

Interest rate risk

The Group has debt denominated in US dollars and is therefore exposed to movements in US dollar interest rates. A change in LIBOR of +/- 1% would not have a material effect on the financial results of the Group. It is the policy of the Group to settle trade payables within agreed terms so that no interest is incurred on those liabilities.

Additionally, there are risks specifically related to the COFIDE Bridge Loan. For further information, please refer to Note 13 Interest bearing loans on page 15.

Note 18 – Capital commitments and contingent liabilities

The Group is subject to various laws and regulations governing its mining, development and exploration activities. These laws and regulations are continually changing and generally becoming more restrictive. The Group has made, and expects to make in the future, expenditures to comply with such laws and regulations.

During 2021, the Group received a tax reassessment from the Peruvian Tax Authority for the year ended 31 December 2015 concerning the deductibility of expenses and interest related to the COFIDE Bridge Loan and the write-off of intangible assets. This reassessment amounts to approximately \$5,223,000, including taxes, penalties, and interest. The Group has challenged the arguments presented by the Tax Authority and has filed an appeal providing the relevant legal proof to support its position.

During 2023, the Group received a tax reassessment from the Peruvian Tax Authority for the year ended 31 December 2016 concerning the deductibility of expenses and interest related to the COFIDE Bridge Loan. This reassessment amounts to approximately \$4,505,000, including taxes, penalties, and interest. The Group has challenged the arguments presented by the Tax Authority and has filed an appeal providing the relevant legal proof to support its position.

The Group entered into a contract with Empresa de Generacion Electrica San Gaban S.A. for the supply of power during the construction and operation stages of the Ollachea Project. This contract included certain minimum power usages for each of the construction and operation stages. In March 2017 the Group entered into an amended power contract extending the term to start the construction stage for sixty months from 1 March 2017. If the contract is terminated due to the construction stage not commencing within the sixty months term, the Group would have to pay a penalty for an amount equivalent to approximately \$2,400,000. Otherwise, the Group agreed to pay a fixed monthly compensation for an amount equivalent to approximately \$11,000 for a period of nine and a half years starting on the seventh month after Ollachea commencing the operation stage. The company is renegotiating this contract.

In June 2015, the Group secured a \$70,000,000 Bridge Loan from COFIDE. The financial structuring costs related to the Bridge Loan included a 0.9% net smelter return royalty on gold production from the Ollachea Project granted to Sherpa. The Group has the right to buyback and cancel this royalty from Sherpa by paying a buy-back fee of \$5,566,000.

In August 2013, the Macquarie Finance Facility was amended to increase the amount available by \$10,000,000. As a condition of drawing down these funds the Group awarded a 1% royalty on gross revenue minus refining costs on gold sales from the Group's Ollachea Project. The Group has the right to buyback and cancel this royalty from Macquarie Bank by paying a buyback fee of \$5,000,000.

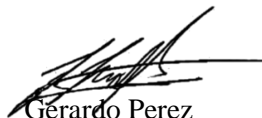
Note 19 – Related parties

During the quarter ended 31 March 2024, the Group entered into transactions with directors and key management as disclosed on Note 4 of these consolidated financial statements (unaudited) for the quarter ended 31 March 2024. As at 31 March 2024, the Group owed \$511,000 to directors and key management. Also, during the quarter ended 31 March 2024, certain related parties of directors and key management received \$45,000 as salary and professional fees on normal commercial terms.

Note 20 – Subsequent events

There have been no subsequent events between the end of the period date and the date of filing of the financial statements.

By order of the Board



Gerardo Perez
Chairman
Minera IRL Limited
15 May 2024