



UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2025
(in Canadian dollars)

NOTICE OF NO REVIEW BY AUDITOR

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these unaudited condensed interim consolidated financial statements, they must be accompanied by a notice indicating that these condensed interim consolidated financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company 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 standards established by the Chartered Professional Accountants Canada.



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Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	Note	March 31, 2025	December 31, 2024
ASSETS			
Current assets			
Cash		\$4,950,981	\$5,958,214
Accounts receivable		131,976	118,345
Prepaid expenses		40,166	32,538
		5,123,123	6,109,097
Non-current assets			
Investment in associate	4	3,459,503	3,973,643
Right of use asset	5	690,987	708,307
Deferred tax		279,055	97,244
Deposit		67,078	67,094
Total assets		\$9,619,746	\$10,955,385
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	\$308,462	\$851,695
Income tax liability		88,594	88,674
Lease obligations	5	98,793	60,963
		495,849	1,001,332
Non-current liabilities			
Lease obligations	5	644,212	661,363
Total liabilities		1,140,061	1,662,695
SHAREHOLDERS' EQUITY			
Share capital	7	10,889,872	10,889,872
Contributed surplus		1,424,910	1,045,577
Accumulated other comprehensive income		(3,088)	542
Deficit		(3,832,009)	(2,643,301)
Total shareholders' equity		8,479,685	9,292,690
Total liabilities and shareholders' equity		\$9,619,746	\$10,955,385

Subsequent Event – Note 11

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



Interim Consolidated Statement of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

For the three months ended March 31, 2025	Note	
Income		
Rental		\$12,119
Interest		41,405
		<u>53,524</u>
Expenses		
Share of loss in associate	4	514,140
General and administrative	9	862,772
Depreciation	5	34,560
Accretion	5	16,732
Foreign exchange gain		(4,073)
Loss before income taxes		1,370,607
Income tax recovery - deferred		(181,899)
Net loss		1,188,708
Currency translation adjustments		3,630
Comprehensive loss		<u>\$1,192,338</u>
Net loss per share attributable to common shareholders		
Basic and diluted		<u>\$0.01</u>
Weighted average number of common shares outstanding		
Basic and diluted		<u>80,733,519</u>

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



Interim Consolidated Statement of Cash Flows

(Expressed in Canadian dollars)

For the three months ended March 31, 2025

OPERATING CASH FLOWS

Net loss	(\$1,188,708)
Items not affecting cash:	
Deferred tax recovery	(181,899)
Depreciation	34,560
Accretion	16,732
Share incentive plan expense	379,333
Share of loss in associate	514,140
Foreign exchange	(4,993)
	(430,835)
Changes in non-cash working capital:	
Accounts receivable	(13,631)
Prepaid expenses and deposit	(7,609)
Accounts payable and accrued liabilities	(506,848)
Net change in non-cash working capital	(528,088)
Net cash used in operating activities	(958,923)

FINANCING CASH FLOWS

Share issue costs	(35,399)
Payments on leases	(13,343)
Net cash used in financing activities	(48,742)
Effect of exchange rate changes on cash and cash equivalents	432
Net decrease in cash	(1,007,233)
Opening cash	5,958,214
Closing cash	\$4,950,981

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



Interim Consolidated Statement of Changes in Equity

(Expressed in Canadian dollars, except share numbers)

	Share capital		Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Equity
	Number	\$	\$	\$	\$	\$
Balance as at December 31, 2024	80,733,519	10,889,872	1,045,577	542	(2,643,301)	9,292,690
Share incentive plan	-	-	379,333	-	-	379,333
Comprehensive loss	-	-	-	(3,630)	(1,188,708)	(1,192,338)
Balance as at March 31, 2025	80,733,519	10,889,872	1,424,910	(3,088)	(3,832,009)	8,479,685

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



Notes to the Unaudited Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2025
(Expressed in Canadian dollars, unless otherwise indicated)

1. NATURE OF OPERATIONS

Culico Metals Inc. ("**Culico**" or "**Company**") is a company domiciled in Canada incorporated on April 5, 2024, under the Canada Business Corporations Act. The Company's registered office is located at 100 King Street West, Suite 3400, 1 First Canadian Place, Toronto, Ontario, M5X 1A4, Canada.

Culico is a company focused on creating value in the mineral exploration, development and production sector. Culico's current assets include a 1% lithium royalty on certain mining interests held by Kali Metals Limited (ASX:KM1), the right to receive the trailing asset sale proceeds for the Dumont asset being an amount up to US\$30 million and 10 million, or 1.68%, of the common shares of Americas Gold and Silver Corporation ("**AGS**"). AGS is listed on the Toronto Stock exchange under the stock symbol 'USA'. The Company accounts for AGS using the equity method of accounting (note 4). The fair value of the AGS shares was \$7.7 million on March 31, 2025.

The Company is a reporting issuer under applicable securities legislation in each of the provinces of Canada and its outstanding common shares are listed on the TSXV under the symbol "CLCO". The Company has been listed on TSXV as a TSXV Sandbox Listing because the Company did not meet all TSXV's listing requirements at the time of listing. The Company's news release dated August 14, 2024 summarizes the waivers granted in connection with the Company's listing, provides details on the listing conditions imposed on the Company, the exit conditions the Company must meet in order to exit TSXV Sandbox and any consequences if the Company does not meet these exit conditions. There can be no assurance that the Company will meet all the exit conditions.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board ("**IASB**") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors of Culico on May 21, 2025.

Basis of preparation and going concern

These financial statements have been prepared on a historical cost basis in accordance with IFRS Accounting Standards applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company reported a net loss of \$1,188,708 for the three months ended March 31, 2025 which could cast significant doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS Accounting Standards applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications



Notes to the Unaudited Condensed Interim Consolidated Financial Statements
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that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Company's presentation currency is Canadian dollars.

Basis of measurement

The accounting policies followed in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2024.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IAS 34 requires management to make certain accounting policy judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the consolidated financial statements.

Areas of significant accounting policy judgment and estimates affecting the amounts recognized in the interim consolidated financial statements for the three months ended March 31, 2025 are consistent with those applied and disclosed in note 4 to the Company's audited consolidated financial statements for the year ended December 31, 2024.

4. INVESTMENT IN ASSOCIATE

Due to significant representation on both the Culico and AGS boards as well as some commonality of senior management, the Company is considered to have significant influence of AGS and consequently accounts for its investment using the equity method despite having less than a 20% ownership interest.

The following table reflects the movements in the Company's investment in associate:

For the three months ended March 31, 2025

Opening balance	\$3,973,643
Share of loss in associate	(514,140)
Closing balance	\$3,459,503

5. RIGHT OF USE ASSET

The right of use asset relates primarily to the adoption of an office property lease in Reno, Nevada. The lease term is for 63 months and can be extended at the Company's option for one five year term. The Company measured the right of use asset and lease obligation assuming the initial 63 month term discounted at 9% and did not include the option to extend for an additional five years.



Notes to the Unaudited Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2025
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The following table reflects the movements in the Company's right of use asset:

For the three months ended March 31, 2025

Opening balance	\$708,307
Additions	17,908
Depreciation	(34,560)
Foreign exchange	(668)
Closing balance	\$690,987

As at March 31, 2025

Cost	\$734,239
Accumulated Depreciation	(43,252)
Net book value	\$690,987

The following table reflects the movements of lease obligations as it relates to the right of use asset described above:

For the three months ended March 31, 2025

Opening balance	\$722,326
Additions	17,908
Payments	(13,343)
Accretion expense	16,732
Foreign exchange	(618)
Closing balance	743,005
Less current portion	98,793
Non-current portion	\$644,212

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

As at	March 31, 2025	December 31, 2024
Accounts payable	\$254,213	\$416,186
Accrued liabilities	54,249	435,509
	\$308,462	\$851,695

7. SHARE CAPITAL

The Company is authorized to issue an unlimited amount of common shares.

During the three months ended March 31, 2025, the Company paid \$35,399 in respect of share issue costs which were unpaid and accrued in accounts payable and accrued liabilities as at December 31, 2024.



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8. SHARE INCENTIVE PLAN

Options

As at March 31, 2025 and December 31, 2024, the Company has 8,025,000 options outstanding with an exercise price of \$0.105 per share. The options vest over three years from the grant date, have a remaining contractual life of 4.5 years and no options were exercisable on March 31, 2025.

During the three months ended March 31, 2025, the Company recorded share incentive payment expense in respect of options of \$74,248.

Restricted share units ("RSUs") and director share units ("DSUs")

A portion of executive and director compensation is settleable with the grant of RSUs to executive staff and DSUs to directors (together "the **share units**") which would be exercisable for common shares of the Company.

As at December 31, 2024 and March 31, 2025, the share units could not be issued because the Company did not have sufficient room to grant more convertible securities beyond the options described above. In accordance with regulatory guidelines, the Company needs to exit the TSXV Sandbox described in note 1 as well as meet certain restrictions on the number of convertible securities that are issuable relative to the Company's total outstanding common shares. If the conditions to grant the RSUs and DSUs are not met in the future then this portion of compensation may be forfeited. Management believes that the conditions restricting the grant of the RSUs and DSUs are probable to be removed.

As at March 31, 2025, 1,937,520 RSUs and 503,160 DSUs (December 31, 2024, 7,856,262 RSUs and 1,009,319 DSUs) were expected to be issued based on the Company's share price on the day preceding the grant date, being respectively March 31, 2025 and December 31, 2024.

In aggregate, 9,793,782 RSUs and 1,512,479 DSUs are expected to be issued once the above noted conditions restricting release are removed. The RSUs have an expiration date of three years from the grant date; the DSUs have an indefinite expiration date and are settleable upon the termination of a director.

For the first quarter of 2025, the Company recognised an expense of \$305,085 being the fair value of the share units granted on March 31, 2025.



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9. GENERAL AND ADMINISTRATIVE EXPENSES

For the period ended December 31, 2024

Employee related	\$281,089
Director fees	62,895
Share incentive plan	379,333
Professional fees	53,250
Consulting fees	9,000
Public company fees	11,366
Investor relations	163
Office and general	59,519
Travel	6,157
	\$862,772

10. EARNINGS PER SHARE

Basic net earnings per share was calculated using the weighted average number of shares and common share equivalents issued and outstanding during the period. Equity based awards are reflected in diluted earnings per share by application of the treasury stock method. Due to being in a loss position for the three months ended March 31, 2025, no equity-based awards were dilutive. Therefore, both basic and diluted weighted average common shares are the same being 80,733,519.

11. SUBSEQUENT EVENT

On April 22, 2025, the Company acquired 30 million common shares of Kharrouba Copper Company Inc. ("KCC") for US\$3 million. KCC is a Canadian privately owned copper producer operating the Kharrouba Copper Mine, located within an emerging copper mineral belt in the Kingdom of Morocco.