



Unaudited Condensed Interim Financial Statements

For the three months ended March 31, 2025 and 2024

Condensed Interim Statements of Financial Position

(expressed in United States dollars)

Unaudited

| | Note | March 31, 2025 \$ | December 31, 2024 \$ |
|---|--------|----------------------|-------------------------|
| Asset | | | |
| Current | | | |
| Cash and cash equivalents | | 869,177 | 1,430,897 |
| Trade and other receivables | | 351,387 | 369,066 |
| Prepaid and other assets | | 20,664 | 26,795 |
| Greenstone gold interest | 4 | 8,491,738 | 7,627,747 |
| | | 9,732,966 | 9,454,505 |
| Non-current | | | |
| Investments | 5 | 781,954 | 729,981 |
| Greenstone gold interest | 4 | 55,609,502 | 54,658,056 |
| Royalty and other interests | 6 | 165,219,630 | 165,406,003 |
| Other assets | 7 | 348,706 | - |
| Total assets | | 231,692,758 | 230,248,545 |
| Liabilities | | | |
| Current | | | |
| Accounts payable and accrued liabilities | 11, 14 | 275,820 | 1,232,088 |
| Convertible debt | 8 | 12,538,740 | 12,333,503 |
| Convertible debt derivative liability | 8 | 3,172,800 | 3,284,715 |
| | | 15,987,360 | 16,850,306 |
| Non-current | | | |
| Revolving credit facility | 7 | - | 608,442 |
| Deferred income tax liabilities | 10 | 2,122,686 | 1,461,965 |
| Total liabilities | | 18,110,046 | 18,920,713 |
| Shareholders' equity | | | |
| Share capital | 9 | 215,965,296 | 215,758,347 |
| Share-based compensation reserve | 9 | 4,976,093 | 4,764,630 |
| Deficit | | (6,182,433) | (7,966,644) |
| Accumulated other comprehensive loss | 5 | (1,176,244) | (1,228,501) |
| Total shareholders' equity | | 213,582,712 | 211,327,832 |
| Total liabilities and shareholders' equity | | 231,692,758 | 230,248,545 |

Nature of operations (note 1)

Subsequent events (note 16)

Approved by the Board of Directors on May 28, 2025

"Marcel de Groot"

"Elizabeth McGregor"

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Statements of Income (Loss) and Comprehensive Income

(expressed in United States dollars)

Unaudited

| | Note | Three months ended March 31, 2025 \$ | Three months ended March 31, 2024 \$ |
|---|----------|--|--|
| Revenue | 4, 12 | 3,453,523 | 2,697,015 |
| Cost of sales | 4, 12 | (2,994,723) | (2,170,543) |
| Depletion | 6, 12 | (238,156) | (258,722) |
| Gross profit | | 220,644 | 267,750 |
| Operating (expenses) income | | | |
| Business development expenses | | (19,187) | (16,469) |
| Change in fair value of Greenstone gold interest | 4, 12 | 4,211,215 | 2,385,335 |
| General and administrative expenses | | (82,182) | (73,806) |
| Professional fees | | (120,074) | (103,128) |
| Salaries and benefits | | (1,098,688) | (312,074) |
| Share-based compensation | 9 | (38,710) | (1,248,354) |
| Operating income | | 3,073,018 | 899,254 |
| Other income and expense | | | |
| Foreign exchange (loss) gain | | (8,901) | 109,277 |
| Finance and interest expense | 7, 8, 12 | (627,944) | (1,112,352) |
| Change in fair value of convertible debt derivative liability | 8, 12 | 111,915 | 385,194 |
| Interest income | | 11,443 | 80,328 |
| Net income before income tax expense | | 2,559,531 | 361,701 |
| Current income tax expense | 10, 12 | (114,599) | (132,804) |
| Deferred income tax expense | 10 | (660,721) | (402,391) |
| Net income (loss) for the period | | 1,784,211 | (173,494) |
| Net income (loss) per share | | | |
| Basic and diluted | | 0.00 | 0.00 |
| Weighted average number of common shares outstanding (basic) | 9 | 462,071,715 | 284,482,572 |
| Weighted average number of common shares outstanding (diluted) | 9 | 470,022,017 | 284,482,572 |
| Other comprehensive income for the period | | | |
| Items that will not subsequently be reclassified to net income (loss) | | | |
| Income on investments | 5 | 52,257 | 710,534 |
| Other comprehensive income for the period | | 52,257 | 710,534 |
| Total comprehensive income for the period | | 1,836,468 | 537,040 |

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Statements of Changes in Equity

(expressed in United States dollars)

Unaudited

| | Note | Share capital (Number of shares) | Share capital \$ | Share-based compensation reserve \$ | Deficit \$ | Accumulated other comprehensive income (loss) \$ | Total \$ |
|---|------|--|---------------------|--|--------------------|--|--------------------|
| Balance — December 31, 2023 | | 286,454,950 | 118,286,517 | 2,425,581 | (5,519,494) | (1,422,032) | 113,770,572 |
| Shares issued as interest payment | 8 | 316,544 | 163,649 | - | - | - | 163,649 |
| Share-based compensation | 9 | - | - | 1,248,354 | - | - | 1,248,354 |
| Net loss and comprehensive income for the period | | - | - | - | (173,494) | 710,534 | 537,040 |
| Balance — March 31, 2024 | | 286,771,494 | 118,450,166 | 3,673,935 | (5,692,988) | (711,498) | 115,719,615 |
| Shares issued upon conversion of Sandstorm Convertible Note | 8 | 24,179,193 | 7,629,314 | - | - | - | 7,629,314 |
| Shares issued pursuant to asset acquisitions | 6, 9 | 139,519,815 | 81,859,811 | - | - | - | 81,859,811 |
| Shares issued as interest payment | 8, 9 | 565,303 | 324,373 | - | - | - | 324,373 |
| Shares issued for private placement | 9 | 12,782,812 | 7,494,683 | - | - | - | 7,494,683 |
| Share-based compensation | 9 | - | - | 1,090,695 | - | - | 1,090,695 |
| Net loss and comprehensive loss for the year | | - | - | - | (2,273,656) | (517,003) | (2,790,659) |
| Balance — December 31, 2024 | | 463,818,617 | 215,758,347 | 4,764,630 | (7,966,644) | (1,228,501) | 211,327,832 |
| Shares issued as interest payment | 8 | 278,076 | 154,626 | - | - | - | 154,626 |
| Share-based compensation | 9 | - | - | 263,786 | - | - | 263,786 |
| Exercise of RSUs | 9 | 93,750 | 52,323 | (52,323) | - | - | - |
| Net income and comprehensive income for the period | | - | - | - | 1,784,211 | 52,257 | 1,836,468 |
| Balance — March 31, 2025 | | 464,190,443 | 215,965,296 | 4,976,093 | (6,182,433) | (1,176,244) | 213,582,712 |

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Statements of Cash Flows

(expressed in United States dollars)

Unaudited

| | Note | Three months ended March 31, 2025 \$ | Three months ended March 31, 2024 \$ |
|---|----------|--|--|
| Cash flows provided by (used in) | | | |
| Operating activities | | | |
| Net income (loss) for the period | | 1,784,211 | (173,494) |
| Items not affecting cash: | | | |
| Non-cash cost of sales related to prepaid gold interest | 4 | 2,395,778 | 1,736,434 |
| Depletion | 6, 12 | 238,156 | 258,722 |
| Share-based compensation | 9 | 38,710 | 1,248,354 |
| Change in fair value of prepaid gold interest | 4, 12 | (4,211,215) | (2,385,335) |
| Change in fair value of convertible debt derivative liability | 8, 12 | (111,915) | (385,194) |
| Unrealized foreign exchange gain | | (164) | (113,563) |
| Finance and interest expense (net of interest income) | 7, 8, 12 | 616,501 | 1,032,024 |
| Income tax expense | 10 | 775,320 | 535,195 |
| Changes in non-cash working capital: | | | |
| Trade and other receivables and prepaid assets | | 23,810 | 3,889 |
| Accounts payable and accrued liabilities | | (782,975) | (58,048) |
| Income taxes paid | 10, 12 | (114,599) | (132,804) |
| | | 651,618 | 1,566,180 |
| Investing activities | | | |
| Sale of investment | 5 | - | 1,032,070 |
| | | - | 1,032,070 |
| Financing activities | | | |
| Repayment of BMO revolving credit facility | 7 | (1,000,000) | (7,500,000) |
| Interest paid | 7, 8 | (209,881) | (641,972) |
| | | (1,209,881) | (8,141,972) |
| Impact of foreign exchange on cash | | (3,457) | (121,656) |
| Decrease in cash for the period | | (561,720) | (5,665,378) |
| Cash — beginning of period | | 1,430,897 | 6,720,217 |
| Cash — end of period | | 869,177 | 1,054,839 |

Supplemental cash flow information (note 13)

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

For the three months ended
March 31, 2025 and 2024

Expressed in United States
dollars unless otherwise stated

1. Nature of Operations

Versamet Royalties Corporation (“Versamet” or “the Company”) was incorporated under the British Columbia Business Corporations Act on January 24, 2011. Versamet is the parent entity with no subsidiaries.

Versamet is a diversified metals royalty and streaming company with exposure to a range of resource royalties and streams including gold, silver, copper, zinc, graphite and uranium, across a variety of jurisdictions. Typically, in return for making an upfront payment to acquire a royalty or stream on a mining operation or project, Versamet receives a portion of the revenue generated from the mine on an ongoing basis, usually over the life of the mine or receives metal deliveries over a pre-determined period or up to a pre-determined quantity.

The head office, principal address and registered office of Versamet is located at Suite 3200, 733 Seymour St, Vancouver, British Columbia, V6B 5J3.

These financial statements were approved and authorized for issue by the Board of Directors of the Company on May 28, 2025.

2. Basis of Presentation and Material Accounting Policy Information

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”, using accounting policies consistent with IFRS Accounting Standards (“IFRS Accounting Standards” or “IFRS”) as issued by the International Accounting Standards Board

("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee, and should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2024.

The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company's most recent audited annual financial statements for the year ended December 31, 2024.

Basis of Presentation

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. These condensed interim financial statements are presented in United States dollars, unless otherwise noted.

Changes in Accounting Standards

New standards issued and not yet effective

The International Accounting Standards Board has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flows changes are linked to environment, social or governance targets). The Company intends to adopt these amendments for the year beginning January 1, 2026.

IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18) is a new standard that will provide new presentation and disclosure requirements and replace International Accounting Standard 1, Presentation of Financial Statements (IAS 1). IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted. The Company intends to adopt these amendments for the year beginning January 1, 2027.

The Company has not yet commenced the evaluation of the impact of these new standards/amendments.

3. Significant Accounting Estimates and Judgments

The preparation of these condensed interim financial statements in conformity with IFRS required management to make estimates and assumptions that affect amounts reported in the condensed interim financial statements and accompanying notes. Management believes the estimates and assumptions used in these condensed interim financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the annual financial statements as at and for the year ended December 31, 2024 (which are available as part of the Company's final long form prospectus dated May 12, 2025, available on SEDAR+ at www.sedarplus.ca).

4. Prepaid Gold Interest

Greenstone Gold Purchase Agreement

On October 31, 2023, Versamet paid \$52.5 million to enter into a gold purchase agreement ("GPA") with Equinox in exchange for monthly deliveries of gold equal to the greater of (a) 350 gold ounces, and (b) gold ounces equal to 1.26% of the monthly gold production from the Greenstone project in Ontario, Canada, ("Greenstone") at a purchase price per ounce of gold equal to 20% of the then prevailing market price. Monthly gold delivery obligations commenced upon closing of the GPA and will continue until a total of 63,000 ounces of gold have been delivered to Versamet. While gold deliveries will be calculated based on Greenstone production, gold deliveries can be sourced from production from any of Equinox's operating mines. Under the GPA, Equinox retains the option to buy-down deliveries related to 75% of the original delivery obligation at the then current spot gold price, subject to a minimum gold price per ounce of \$2,000.

Accounting for the Greenstone Gold Purchase Agreement

In accordance with the Company's accounting policy, the Greenstone gold interest was initially measured at fair value, being the purchase price paid by Versamet for the future stream of gold. Each subsequent period end, the Greenstone gold interest is fair valued using a discounted cash flow of the future expected gold deliveries under the GPA. Significant estimates included in this valuation include commodity prices, discount rates and the timing of deliveries expected to be received by Versamet under the GPA with Equinox. Changes in any of the estimates and/or assumptions used in determining the fair value could impact the fair value of the Greenstone gold interest at period end and the associated change in fair value of the Greenstone gold interest recorded in the Statement of Income (Loss) and Comprehensive Income during the period.

Changes in each of the following key assumptions and estimates would have the following impact on the value of the GPA as at March 31, 2025 (with an associated movement in the Statement of Income (Loss) and Comprehensive Income):

| Key assumption | Sensitivity applied to key assumption | Impact on GPA asset value at March 31, 2025 |
|----------------|---------------------------------------|---|
| Gold price | -/+ 10% | +/- \$6.4 million |
| Discount rate | -/+ 1% | + \$3.2 million / - \$3.0 million |

During the three months ended March 31, 2025, the Company received 1,050 oz of gold under the GPA, which was initially recognized in inventory. The Company sold the gold for gross proceeds of \$3.0 million; upon the sale, the inventory was recognized in cost of sales. The difference between the \$3.0 million fair value of the gold delivered and the \$0.6 million payment to Equinox for the gold delivered (at a cost per oz of gold equal to 20% of the prevailing market price) was recorded as a partial settlement of the Greenstone gold interest and included in cost of sales for

the three months ended March 31, 2025 (note 12). During the three months ended March 31, 2025 the Company recognized an increase in the fair value of the Greenstone gold interest of \$4.2 million (2024 - \$2.4 million); the increase in fair value was driven primarily by an increase in gold consensus pricing between December 31, 2024 and March 31, 2025.

Details of the changes in the carrying value of the Greenstone gold interest are as follows:

| | \$ |
|---|-------------------|
| Balance — December 31, 2023 | 56,217,637 |
| Gold deliveries (recognized in cost of sales) | (7,991,550) |
| Change in fair value | 14,059,716 |
| Balance — December 31, 2024 | 62,285,803 |
| Gold deliveries (recognized in cost of sales) | (2,395,778) |
| Change in fair value | 4,211,215 |
| Balance — March 31, 2025 | 64,101,240 |
| Less: Current portion, March 31, 2025 | (8,491,738) |
| Non-current portion, March 31, 2025 | 55,609,502 |

5. Investments

Details of the investments of the Company and the changes in their carrying values are as follows:

| | Sun Peak Metals Corp. \$ | Montage Gold Corp. \$ | Total \$ |
|---|--------------------------------|-----------------------------|------------------|
| Balance — December 31, 2023 | 594,657 | 1,067,842 | 1,662,499 |
| Change in fair value recorded in OCI | 204,257 | (10,726) | 193,531 |
| Change in unrealized foreign exchange (recorded in profit & loss) | (68,933) | (25,046) | (93,979) |
| Sale of shares | - | (1,032,070) | (1,032,070) |
| Balance — December 31, 2024 | 729,981 | - | 729,981 |
| Change in fair value recorded in OCI | 52,257 | - | 52,257 |
| Change in unrealized foreign exchange (recorded in profit & loss) | (284) | - | (284) |
| Balance — March 31, 2025 | 781,954 | - | 781,954 |

Sun Peak Metals Corp.

The Company holds 3,750,000 common shares of Sun Peak Metals Corp. ("Sun Peak") and a 1% NSR royalty on the Sun Peak properties. In accordance with the Company's accounting policy this investment is held at fair value through Other Comprehensive Income ("FVTOCI").

Montage Gold Corp.

During the year ended December 31, 2024, the Company sold all of its 1,991,740 shares in Montage for gross proceeds of \$1.0 million (C\$1.4 million). In accordance with the Company's accounting policy this investment is held at FVTOCI and the cumulative gains and losses are not subsequently reclassified to profit and loss.

6. Royalty and Other Interests

The carrying amount of the Company's royalty and other interests are as follows:

| Asset, Location | Details % | Product | Cost \$ | Impairment \$ | Opening Depletion \$ | Depletion \$ | Closing Depletion \$ | Carrying Amount \$ |
|---------------------------------|--------------|--------------------|--------------------|-------------------|----------------------------|-----------------|----------------------------|--------------------------|
| Accumulated Depreciation | | | | | | | | |
| March 31, 2025 | | | | | | | | |
| Kiaka, Burkina Faso | 2.7** | Au | 58,730,390 | - | - | - | - | 58,730,390 |
| El Pilar, Mexico | 1* | Cu | 17,489,892 | - | - | - | - | 17,489,892 |
| Mercedes, Mexico | 2.0 | Au, Ag | 16,822,000 | 8,350,000 | 2,240,506 | 238,156 | 2,478,662 | 5,993,338 |
| Vittangi, Sweden | 1.0 | Graphite | 15,000,000 | - | - | - | - | 15,000,000 |
| Hackett River, Nunavut | 2.0 | Ag, Cu, Zn, Pb, Au | 14,716,000 | - | - | - | - | 14,716,000 |
| Toega, Burkina Faso | 2.7*** | Au | 11,204,338 | - | - | - | - | 11,204,338 |
| Mocoa, Colombia | 2.0 | Cu, Mo | 10,000,000 | - | - | - | - | 10,000,000 |
| Blackwater, Canada | 0.21 | Au | 7,537,623 | - | - | - | - | 7,537,623 |
| Prairie Creek, Canada | 1.2 | Ag, Zn, Pb | 7,514,000 | - | - | - | - | 7,514,000 |
| Mason, Nevada | 0.4 | Cu, Au, Mo, Ag | 4,876,000 | - | - | - | - | 4,876,000 |
| Converse, Nevada | 1.0 | Au, Ag | 4,391,000 | - | - | - | - | 4,391,000 |
| Pilar, Brazil | 1.0 | Au | 5,609,000 | 2,046,222 | 212,778 | - | 212,778 | 3,350,000 |
| Cuiú Cuiú, Brazil | 1.5 | Au | 2,070,000 | - | - | - | - | 2,070,000 |
| Primavera, Nicaragua | 1.5 | Au, Cu | 1,391,058 | - | - | - | - | 1,391,058 |
| Other | Various | Various | 955,991 | - | - | - | - | 955,991 |
| Total | | | 178,307,292 | 10,396,222 | 2,453,284 | 238,156 | 2,691,440 | 165,219,630 |
| December 31, 2024 | | | | | | | | |
| Kiaka, Burkina Faso | 2.7** | Au | 58,730,390 | - | - | - | - | 58,730,390 |
| El Pilar, Mexico | 1* | Cu | 17,489,892 | - | - | - | - | 17,489,892 |
| Mercedes, Mexico | 2.0 | Au, Ag | 16,822,000 | 8,350,000 | 1,397,777 | 842,729 | 2,240,506 | 6,231,494 |
| Vittangi, Sweden | 1.0 | Graphite | 15,000,000 | - | - | - | - | 15,000,000 |
| Hackett River, Nunavut | 2.0 | Ag, Cu, Zn, Pb, Au | 14,716,000 | - | - | - | - | 14,716,000 |
| Toega, Burkina Faso | 2.7*** | Au | 11,204,338 | - | - | - | - | 11,204,338 |
| Mocoa, Colombia | 2.0 | Cu, Mo | 10,000,000 | - | - | - | - | 10,000,000 |
| Blackwater, Canada | 0.21 | Au | 7,537,623 | - | - | - | - | 7,537,623 |
| Prairie Creek, Canada | 1.2 | Ag, Zn, Pb | 7,514,000 | - | - | - | - | 7,514,000 |
| Mason, Nevada | 0.4 | Cu, Au, Mo, Ag | 4,876,000 | - | - | - | - | 4,876,000 |
| Converse, Nevada | 1.0 | Au, Ag | 4,391,000 | - | - | - | - | 4,391,000 |
| Pilar, Brazil | 1.0 | Au | 5,609,000 | 2,046,222 | 212,778 | - | 212,778 | 3,350,000 |
| Cuiú Cuiú, Brazil | 1.5 | Au | 2,070,000 | - | - | - | - | 2,070,000 |
| Primavera, Nicaragua | 1.5 | Au, Cu | 1,391,058 | - | - | - | - | 1,391,058 |
| Other | Various | Various | 904,208 | - | - | - | - | 904,208 |
| Total | | | 178,255,509 | 10,396,222 | 1,610,555 | 842,729 | 2,453,284 | 165,406,003 |

* Increasing to 2% / 3% if Measured & Indicated Resources inclusive of reserves > 3Blbs / 5Blbs copper equivalent.

** 2.7% (100% basis) NSR royalty until 2.5 million oz of gold produced, 0.45% NSR royalty on next 1.5 million oz.

*** 2.7% NSR royalty (100% basis) until royalty payments total US\$22.5 million, and 0.45% NSR royalty on next 1.5Moz Au.

7. Revolving Credit Facility

On October 31, 2023, the Company entered into a \$30 million revolving credit facility ("RCF") with a \$15 million accordion feature arranged by Bank of Montreal ("BMO"), as lead arranger, and National Bank of Canada ("NBC"). The maturity date of the RCF is December 31, 2026 (note 16). The amounts drawn on the RCF are subject to interest at the Secured Overnight Financing Rate ("SOFR") plus 2.50% to 3.50% per annum, and the undrawn portion of the RCF is subject to a commitment fee of 0.5625%–0.7875% per annum, both of which are dependent on the Company's leverage ratio. Under the terms of the RCF, BMO has first ranking security over all present and future assets of the Company.

The RCF was initially recognized by Versamet at fair value less transaction costs (legal fees associated with entering into the RCF as well as arrangement fees to BMO and NBC). The RCF is subsequently recorded at amortized cost and is accreted to the principal amount over the period to the maturity date using the effective interest rate. Interest expense including accretion of discount of \$109,551 was recognized in the three months ended March 31, 2025 (2024 — \$451,845) in relation to the RCF.

A continuity of the amount outstanding under the Revolving Credit Facility is as follows:

| | \$ |
|--|-------------------|
| Balance — December 31, 2023 | 19,711,609 |
| Accrued Interest | 1,039,668 |
| Interest paid | (1,322,688) |
| Accretion of discount | 179,853 |
| Repayment | (19,000,000) |
| Balance — December 31, 2024 | 608,442 |
| Accrued Interest | 61,491 |
| Interest paid | (66,699) |
| Accretion of discount | 48,060 |
| Repayment | (1,000,000) |
| Deferred financing fees reclassified to Other assets | 348,706 |
| Balance — March 31, 2025 | - |

The principal amount outstanding under the RCF at March 31, 2025 was nil (see note 16). The remaining balance of the RCF at March 31, 2025 on the Statement of Financial Position of \$348,706 represents deferred financing fees associated with the RCF which are to be amortized over the remaining term of the facility and which have been reclassified as Other assets as at March 31, 2025.

Under the terms of the RCF, Versamet is subject to maintaining certain covenants as follows:

- a) Versamet shall maintain a leverage ratio at less than or equal to:
 - i) 6.00:1.00 from and including October 31, 2023;
 - ii) 5.00:1.00 from and including March 31, 2025;
 - iii) 3.50:1.00 from and including March 31, 2026,

The Company was in compliance with this covenant as at March 31, 2025.

- b) Versamet shall maintain an interest coverage ratio at greater than or equal to:

- i) 1.50:1.00 from and including October 31, 2023;
- ii) 2.00:1.00 from and including March 31, 2025;
- iii) 3.00:1.00 from and including March 31, 2026,

The Company was in compliance with this covenant as at March 31, 2025.

- c) Versamet shall at all times maintain liquidity (comprised of cash, cash equivalents and additional advances available under the RCF) in an amount greater than or equal to \$5,000,000. The Company was in compliance with this covenant as at March 31, 2025.

The RCF is secured by a first priority security interest in all of the Company's (and any affiliated entities as defined by the Securities Act (British Columbia)) present and after acquired property.

8. Convertible Debt

Beedie Convertible Loan

On October 31, 2023 Versamet entered into a \$16.0 million (the C\$22.2 million) convertible loan with Beedie Investments Ltd ("Beedie Capital") (the "Beedie Convertible Loan"). The Beedie Convertible Loan is denominated in Canadian dollars, has a term of 5 years and matures on October 31, 2028. Interest on the Beedie Convertible Loan consists of an 8% base interest rate and a 1.5% paid-in-kind ("PIK") rate, with the PIK rate reducing to 1.0% upon the public listing of the Company. The Company has the option to pay 25–50% of the base interest rate in Common Shares, subject to certain conditions. Amounts outstanding under the Beedie Convertible Loan can be converted into Common Shares, at the option of Beedie Capital, at a price of C\$0.84 per Common Share. The Company may prepay the Beedie Convertible Loan, subject to certain fees. Additionally, the Company has the right to force the conversion of up to 50% of the Beedie Convertible Loan should the 30-day volume-weighted average price of Versamet (once public) equal or exceed C\$1.47 per Common Share.

It has been determined that the Beedie Convertible Loan has two components:

- i) A debt host contract (the "Liability" or the "Beedie Convertible Loan Liability"), recorded at fair value upon initial recognition and subsequently at amortized cost; and
- ii) Multiple embedded derivatives, treated as a single compound embedded derivative, recorded at FVTPL (the "Derivative Liability" or the "Beedie Derivative Liability").

At initial recognition, the \$16 million of proceeds from the Beedie Convertible Loan were allocated by management between the Liability (\$12,319,083) and the Derivative Liability (\$3,680,917). The fair values of the Liability and Derivative Liability were determined at initial recognition by management, utilizing a combination of the discounted cash flow and partial differential equation modeling approaches. Transaction costs directly attributable to the Beedie Convertible Loan were allocated between the Liability and the Derivative Liability contract on the same basis. Transaction costs of \$573,472 were allocated to the Liability (\$441,541) and the Derivative Liability (\$131,931) in proportion to the allocation of the proceeds from the Beedie Convertible Loan between those components at initial recognition. The transaction costs of \$131,931 allocated to the Derivative Liability were immediately expensed while the transaction costs allocated to the Liability were included in the determination of the effective interest rate used to amortize the Liability over its term.

The Derivative Liability was revalued to fair value as at March 31, 2025 utilizing a model with certain estimates and assumptions, including the Company's share price, volatility, a credit rating, risk-free rate and a credit spread. The fair value of the derivative liability decreased by \$111,915 during the three months ended March 31, 2025 (2024 — increase of \$385,194). To the extent that any of these estimates and assumptions changes, this would impact the value of the Derivative Liability on the face of the Statement of Financial Position and the associated change in fair value of the Derivative Liability in the Statement of Income (Loss) and Comprehensive Income. The value of the Derivative Liability at March 31, 2025 was \$3,172,800 (December 31, 2024 — \$3,284,715).

Changes in the key assumptions and estimates of the valuation of the derivative liability would have the following impact on the valuation of the derivative liability as at March 31, 2025 (with an associated movement in the Statement of Income (Loss) and Comprehensive Income:

| Key assumption | Sensitivity applied to key assumption | Impact on derivative liability value at March 31, 2025 |
|----------------|---------------------------------------|--|
| Risk free rate | + 1% | \$408,990 |
| Credit spread | + 1% | \$357,269 |
| Volatility | 10% increase | \$10,934 |
| Stock price | 10% increase | \$1,195,177 |

As the Beedie Convertible Loan Liability is denominated in Canadian dollars, it is revalued to the Company's functional currency of U.S. dollars each period end, resulting in a gain or loss recorded in the Statement of Income (Loss) and Comprehensive Income.

In January 2020, the IASB published narrow scope amendments to IAS 1 Presentation of financial statements. The narrow scope amendment clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. As a result of the amendments to IAS 1 effective January 1, 2024 which are applied retrospectively, the Company has classified the Beedie Convertible Loan Liability and the Beedie Derivative Liability as current liabilities, due to the ability of Beedie Capital to convert all of the outstanding principal of the Beedie Convertible Loan (or a portion thereof) into Common Shares at any time. For the period of 12 months post March 31, 2025, and as long as an event of default (as defined under the terms of the Beedie Convertible Loan) has not occurred, the Company has no obligation to deliver cash to Beedie Capital other than interest payments as explained above.

A continuity of the Beedie Convertible Loan Liability and the Beedie Derivative Liability is as follows:

| | \$ |
|--|-------------------|
| Balance — December 31, 2023 | 12,567,537 |
| Accrued Interest | 1,301,227 |
| Interest paid | (1,301,227) |
| Accrued PIK interest | 246,164 |
| Accretion of discount | 563,784 |
| Foreign exchange loss | (1,043,982) |
| Balance — December 31, 2024 | 12,333,503 |
| Accrued Interest | 309,252 |
| Interest paid | (309,252) |
| Accrued PIK interest | 58,933 |
| Accretion of discount | 150,209 |
| Foreign exchange loss | (3,905) |
| Balance — March 31, 2025 | 12,538,740 |
| Amount allocated to Derivative Liability | |
| Balance — December 31, 2023 | 3,684,608 |
| Change in FVTPL | (399,893) |
| Balance — December 31, 2024 | 3,284,715 |
| Change in FVTPL | (111,915) |
| Balance — March 31, 2025 | 3,172,800 |

Interest expense of \$518,394 was recognized for the three months ended March 31, 2025 in relation to the Beedie Convertible Loan, of which \$150,209 was accretion added to the principal balance, \$154,626 was paid in shares (278,076 Common Shares at a price of C\$0.80 per Common Share (considered to be the fair value of the shares upon issuance)), \$154,626 was paid in cash, \$58,933 of PIK was added to the principal balance.

Interest expense of \$517,667 was recognized for the three months ended March 31, 2024 in relation to the Beedie Convertible Loan, of which \$131,255 was accretion added to the principal balance, \$163,649 was paid in shares (316,544 common shares of the Company at a deemed value of C\$0.70 per share), \$163,649 was paid in cash, and \$59,114 of PIK was added to the principal balance.

Under the terms of the convertible loan with Beedie Capital, Versamet is subject to maintaining certain covenants as follows:

- a) Versamet shall maintain a leverage ratio at less than or equal to:
 - i) 6.00:1.00 from and including October 31, 2023;
 - ii) 5.00:1.00 from and including March 31, 2025;
 - iii) 3.50:1.00 from and including March 31, 2026,

The Company was in compliance with this covenant as at March 31, 2025.

- b) Versamet shall at all times maintain liquidity (comprised of cash, cash equivalents and additional advances available under the revolving credit facility described above) in an amount greater than or equal to \$5,000,000. The Company was in compliance with this covenant as at March 31, 2025.

- c) The Beedie Convertible Loan is secured by a second priority security interest in all of the Company's (and any affiliated entities as defined by the Securities Act (British Columbia)) present and after acquired property.

The Beedie Convertible Loan was paid off in its entirety after the Statement of Financial Position date (see note 16).

Sandstorm Convertible Note

A continuity of the Sandstorm Convertible Note is as follows:

| | \$ |
|---|-------------------|
| Balance — December 31, 2022 | 15,142,868 |
| Accretion of discount | 1,118,715 |
| Partial conversion to shares | (8,880,711) |
| Balance — December 31, 2023 | 7,380,872 |
| Accretion of discount | 248,442 |
| Full conversion to shares | (7,629,314) |
| Balance — December 31, 2024 and March 31, 2025 | - |

In conjunction with a purchase of assets from Sandstorm on June 28, 2022, the Company issued the Sandstorm Convertible Note with a face value of \$31.4 million. The Sandstorm Convertible Note was interest-free and had a maturity date of June 28, 2032.

At initial recognition on June 28, 2022, the fair value of debt component of the Sandstorm Convertible Note was determined to be \$14.6 million. The debt component of the Sandstorm Convertible Note is recorded at amortized cost and is accreted to the principal amount over the ten-year term using an effective interest rate. The effective interest rate was 8% upon initial recognition.

During 2023, Versamet exercised its right under the Sandstorm Convertible Note to satisfy a total of \$17.2 million of the principal amount outstanding under the Sandstorm Convertible Note by issuing 33.8 million Common Shares to Sandstorm at a price of C\$0.70 per common share. On June 5, 2024, Versamet exercised its right under the Sandstorm Convertible Note to satisfy the remaining principal balance of \$14.2 million by issuing 24,179,193 Common Shares to Sandstorm at a price of C\$0.80 per Common Share (considered to be the fair value of the Common Shares upon issuance), to leave a remaining balance of nil.

9. Share Capital and Reserves

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Issued and Outstanding

2025

On March 31, 2025, Versamet settled \$154,626 of interest owing to Beedie for the quarter ended March 31, 2025 in shares by issuing 278,076 common shares of the Company at a price of C\$0.80 per share.

2024

On March 28, 2024, Versamet settled \$163,649 of interest owing to Beedie for the quarter ended March 31, 2024 in shares by issuing 316,544 common shares of the Company at a price of C\$0.70 per share.

Earnings per share

Diluted earnings per share is calculated based on the following:

| In \$ (except for shares and per share amounts) | Three months ended Mar. 31, 2025 \$ | Three months ended Mar. 31, 2024 \$ |
|---|---|---|
| Net income (loss) for the period | 1,784,211 | (173,495) |
| Basic weighted average number of shares | 462,071,715 | 284,482,572 |
| Basic income (loss) per share | 0.00 | 0.00 |
| Effect of dilutive securities | | |
| Stock options | 1,440,344 | - |
| Restricted share units | 6,509,958 | - |
| Diluted weighted average number of Common Shares | 470,022,017 | 284,482,572 |
| Diluted earnings (loss) per share | 0.00 | 0.00 |

The weighted average number of shares which could be issued pursuant to the Beedie Convertible Loan, which are excluded from the computation of diluted earnings (loss) per share because their effect is not dilutive in the three months ended March 31, 2025, is 26,851,268.

The weighted average number of shares which could be issued pursuant to the Beedie Convertible Loan and the Sandstorm Convertible Note, which are excluded from the computation of diluted earnings (loss) per share in the three months ended March 31, 2024 because their effect is anti-dilutive 53,203,459.

Share-based compensation

The total share-based compensation expense recorded by the Company in the three months ended March 31, 2025 was \$38,710 (2024 — \$1,248,354).

| Share-based Compensation | 2025 \$ | 2024 \$ |
|---|---------------|------------------|
| Stock options | 146,055 | 207,245 |
| Restricted Share Units | 250,055 | 999,678 |
| Performance Restricted Share Units | (357,400) | 41,431 |
| Total Share-based compensation expense | 38,710 | 1,248,354 |

Stock options

The Company has an omnibus equity incentive plan (the “Equity Plan”) which allows the Company to grant stock options to eligible employees, officers, directors and consultants at an exercise price, expiry date, and vesting conditions to be determined by the Board of Directors. The maximum expiry term is ten years from the grant date. All options are equity settled. The Equity Plan provides for the issuance of up to 10% of the Company's issued Common Shares as at the date of the grant.

On January 15, 2025, the Company granted 3,974,081 stock options to employees. The stock options have an exercise price of C\$0.80, vest equally on the first, second and third anniversary of the grant date and have a term of five years from the date of grant.

On January 15, 2024, the Company granted 2,093,930 stock options to employees. The stock options have an exercise price of C\$0.70, vest equally on the first, second and third anniversary of the grant date and have a term of five years from the date of grant.

On February 28, 2025, 1,222,857 options were forfeited upon the resignation of the CEO resulting in the reversal of \$23,235 of previously expensed share-based compensation.

A continuity schedule for stock options is as follows:

| Stock Options | Number |
|--|-------------------|
| Outstanding — December 31, 2023 | 9,530,000 |
| Granted | 2,093,930 |
| Outstanding — December 31, 2024 | 11,623,930 |
| Granted | 3,974,081 |
| Forfeited | (1,222,857) |
| Outstanding — March 31, 2025 | 14,375,154 |

Management used the Black-Scholes Model to value the stock options granted.

The following assumptions were used to estimate the grant date fair value of the stock options:

| | Jan. 15 2025 | Jan. 15, 2024 |
|--|------------------|------------------|
| Expected dividend yield | 0.00% | 0.00% |
| Expected stock price volatility | 40.00% | 40.00% |
| Risk-free interest rate | 3.20% | 3.28% |
| Expected life of the options | 5 years | 5 years |
| Grant date fair value per option | \$0.22 | \$0.21 |
| Forfeiture rate | 5% | 5% |
| Total fair value of options granted | \$838,479 | \$413,859 |

The total share-based payment related to stock options recognized by the Company during the three months ended March 31, 2025 was \$146,055 (2024 — \$207,245). See note 16.

As at March 31, 2025, the Company had the following options outstanding:

| Number outstanding | Exercisable | Exercise Price per Share | Expiry Date | Weighted average life remaining |
|--------------------|-------------|--------------------------|-------------------|---------------------------------|
| 6,280,000 | 4,186,667 | C\$0.70 | September 1, 2027 | 2.42 years |
| 1,000,000 | 1,000,000 | C\$0.70 | November 7, 2027 | 2.60 years |
| 750,000 | 500,000 | C\$0.70 | February 27, 2028 | 2.91 years |
| 750,000 | 500,000 | C\$0.70 | March 20, 2028 | 2.97 years |
| 750,000 | 250,000 | C\$0.70 | April 3, 2028 | 3.01 years |
| 1,800,180 | 600,060 | C\$0.70 | January 15, 2029 | 3.80 years |
| 3,044,974 | Nil | C\$0.80 | January 15, 2030 | 4.79 years |

Restricted Share Units

The Company has a Restricted Share Unit (“RSU”) incentive plan whereby the Company may grant RSUs to eligible employees, officers, directors and consultants with an expiry date and vesting conditions to be determined by the Board of Directors.

On January 15, 2025, the Company granted 1,290,625 RSUs to employees of the Company which vest in three equal parts on January 15, 2026, 2027 and 2028.

On January 15, 2025, the Company granted 779,688 RSUs to employees and directors of the Company which vest immediately upon grant. These RSUs were issued as compensation relating to services performed in 2024.

On January 15, 2024, the Company granted 1,638,560 RSUs to employees of the Company which vested on February 15, 2024. In addition, on January 15, 2024, the Company granted 1,655,575 RSUs to employees of the Company which vest in three equal parts on January 15, 2025, 2026 and 2027.

On February 28, 2025 a total of 724,375 RSUs were forfeited upon the resignation of the CEO resulting in the reversal of \$69,823 of previously expensed share-based compensation.

A continuity schedule for restricted share units is as follows:

| Restricted Share Units | Number |
|---|------------------|
| Outstanding — December 31, 2022 & 2023 | 2,000,000 |
| Granted | 3,294,135 |
| Outstanding — December 31, 2024 | 5,294,135 |
| Granted | 2,070,313 |
| Exercised | (93,750) |
| Forfeited | (724,375) |
| Outstanding — March 31, 2025 | 6,546,323 |

The following assumptions were used to estimate the grant date fair value of the RSUs:

| | January 15, 2025 Immediate vesting | January 15, 2025 Gradual vesting | January 15, 2024 Immediate vesting | January 15, 2024 Gradual vesting |
|--|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| Grant date fair value per RSU | \$0.56 | \$0.56 | \$0.52 | \$0.52 |
| Total fair value of RSUs granted* | \$435,155 | \$684,300 | \$853,671 | \$819,409 |

* Assumes a 5% forfeiture rate for RSUs which did not vest immediately.

The grant date fair value of the RSUs is determined using the market value of the underlying Common Shares at the date of the grant and is adjusted based on the number of RSUs expected to ultimately vest. The total share-based payment expense recognized by the Company related to RSUs during the three months ended March 31, 2025 was \$250,055 (2024 — \$999,678).

The holders of the RSUs have the right to defer receipt of the Common Shares underlying the RSUs upon vesting. All RSUs are currently deferred. See note 16.

Performance Restricted Share Units

The Company has a Performance Restricted Share Unit (“PRSU”) incentive plan whereby the Company may grant PRSUs to eligible employees, officers, directors and consultants with an expiry date and vesting conditions to be determined by the Board of Directors. As at December 31, 2024 the Company had 2,000,000 PRSUs outstanding. On February 28, 2025 all 2,000,000 PRSUs were forfeited upon the resignation of the CEO resulting in the reversal of \$357,400 of previously expensed share-based compensation.

The Company has nil PRSUs outstanding at March 31, 2025. See note 16.

The total share-based payment recognized by the Company related to PRSUs during the three months ended March 31, 2025 was a recovery of \$357,400 (2024 — expense of \$41,431).

10. Taxation

The tax expense at statutory rates for the Company can be reconciled to the reported income for the periods per the Condensed Interim Statements of Income (Loss) as follows:

| | Three months ended Mar. 31, 2025 \$ | Three months ended Mar. 31, 2024 \$ |
|--|---|---|
| Net income before income tax expense | 2,559,531 | 361,701 |
| Statutory income tax rate | 27% | 27% |
| Expected income tax expense at the statutory rate | 691,073 | 97,659 |
| Withholding taxes on royalty revenue | 114,599 | 132,804 |
| Non deductible expenses | (29,826) | 336,167 |
| Change in unrecognized tax assets | (526) | (31,434) |
| Total income tax expense | 775,320 | 535,195 |

The breakdown of the income tax expense (recovery) during the following periods is as follows:

| | Three months ended Mar. 31, 2025 \$ | Three months ended Mar. 31, 2024 \$ |
|---------------------------------|---|---|
| Current income tax expense | 114,599 | 132,804 |
| Deferred income tax expense | 660,721 | 402,391 |
| Total income tax expense | 775,320 | 535,195 |

The current tax expense was incurred as a withholding tax payable on the royalty earned from the Mercedes Mine.

11. Related Party Transactions

Related parties are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Related parties of the Company include the members of the Board of Directors, officers of the Company, close family members of these individuals, and any companies controlled by these individuals.

Sandstorm

Effective June 28, 2022, Sandstorm is considered to be a related party of the Company as a result of Versamet being an associate of this entity (as a result Sandstorm's share ownership in the Company) and the ability of Sandstorm to nominate a representative to the board of directors of the Company.

The Company had the Sandstorm Convertible Note outstanding with Sandstorm which was fully converted during the year ended December 31, 2024 leaving a remaining balance of nil.

Equinox

Effective June 28, 2022, Equinox was considered to be a related party of the Company as a result of its share ownership in Versamet. Effective June 5, 2024, Equinox's share ownership percentage was reduced, and it was determined that it no longer had significant influence over the Company and accordingly effective June 5, 2024 is no longer considered to be a related party of Versamet.

The Company entered into the Greenstone gold interest with Equinox during the year ended December 31, 2023 (note 4).

B2Gold

Effective June 5, 2024, B2Gold is considered to be related party of the Company as a result of Versamet being an associate of this entity (as a result of their share ownership in the Company) and the ability of B2Gold to nominate a representative to the board of directors of the Company.

Compensation of Key Management Personnel

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Versamet considers its Board of Directors, as well as the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") to be key management personnel.

During the three months ended March 31, 2025 and 2024, the Company's compensation cost for key management personnel was as follows:

| | Three months ended March 31, 2025 \$ | Three months ended March 31, 2024 \$ |
|--------------------------|--|--|
| Salaries and benefits | 914,456 | 112,691 |
| Share-based compensation | 258,952 | 565,725 |
| Total | 1,173,408 | 678,416 |

12. Segmented Information

The Company's reportable operating segments, which are components of the Company's business where separate financial information is available and which are evaluated on a regular basis by the Company's CEO, who is the Company's chief operating decision maker, for the purpose of assessing performance, are summarized in the tables below.

For the three months ended March 31, 2025:

| Asset, Location | Details % | Product | Revenue \$ | Cost of sales ² \$ | Depletion \$ | Change in fair value of Greenstone gold interest \$ | Impairment \$ | Income (loss) before taxes \$ | Cash flow from operating activities \$ |
|---|-----------|--------------------|------------------|-------------------------------|------------------|---|---------------|-------------------------------|--|
| Greenstone, Canada | 1.26 | Au | 2,995,125 | (2,994,723) | - | 4,211,215 | - | 4,211,617 | 2,396,181 |
| Kiaka, Burkina Faso | 2.7% | Au | - | - | - | - | - | - | - |
| Toega, Burkina Faso | 2.7% | Au | - | - | - | - | - | - | - |
| Mocoa, Colombia | 2.0% | Cu, Mo | - | - | - | - | - | - | - |
| El Pilar, Mexico | 1.0 | Cu | - | - | - | - | - | - | - |
| Mercedes, Mexico | 2.0 | Au, Ag | 458,398 | - | (238,156) | - | - | 220,242 | 458,398 |
| Vittangi, Sweden | 1.0 | Graphite | - | - | - | - | - | - | - |
| Hackett River, Nunavut | 2.0 | Zn, Ag, Cu, Pb, Au | - | - | - | - | - | - | - |
| Blackwater, Canada | 0.21 | Au, Ag | - | - | - | - | - | - | - |
| Prairie Creek, Canada | 1.2 | Zn, Pb, Ag | - | - | - | - | - | - | - |
| Pilar, Brazil | 1.0 | Au | - | - | - | - | - | - | - |
| Mason, Nevada | 0.4 | Cu, Au, Mo, Ag | - | - | - | - | - | - | - |
| Converse, Nevada | 1.0 | Au, Ag | - | - | - | - | - | - | - |
| Cuiú Cuiú, Brazil | 1.5 | Au | - | - | - | - | - | - | - |
| Other | Various | Various | - | - | - | - | - | - | - |
| Total segments | | | 3,453,523 | (2,994,723) | (238,156) | 4,211,215 | - | 4,431,859 | 2,854,579 |
| Operating expenses ¹ | | | - | - | - | - | - | (1,358,841) | (1,320,131) |
| Foreign exchange loss | | | - | - | - | - | - | (8,901) | (9,066) |
| Finance and interest expense net of interest income | | | - | - | - | - | - | (616,501) | - |
| Change in fair value of derivative liability | | | - | - | - | - | - | 111,915 | - |
| Income tax paid | | | - | - | - | - | - | - | (114,599) |
| Movement in working capital | | | - | - | - | - | - | - | (759,165) |
| Total Corporate | | | - | - | - | - | - | (1,872,328) | (2,202,961) |
| Segments & Corporate total | | | 3,453,523 | (2,994,723) | (238,156) | 4,211,215 | - | 2,559,531 | 651,618 |

1. Includes all operating expenses from the Statement of Income (Loss) and Comprehensive Income with the exception of impairment charges and the change in value of the Greenstone gold interest (and excludes share-based compensation and impairment charges from cash flow from operating activities).
2. Cost of sales include cost of sales for the Greenstone gold interest consisting of a \$0.6 million cash payment to Equinox for gold delivered (at a cost per oz of gold equal to 20% of the prevailing market price) and a \$2.4 million non-cash partial settlement of the Greenstone gold interest due to the gold delivered in the period.

For the three months ended March 31, 2024:

| Asset, Location | Details % | Product | Revenue \$ | Cost of sales \$ | Depletion \$ | Change in fair value of prepaid gold interest \$ | Income (loss) before taxes \$ | Cash flow from operating activities \$ |
|---|-----------|--------------------|------------------|--------------------|------------------|--|-------------------------------|--|
| Greenstone, Canada | 1.26 | Au | 2,165,800 | (2,170,543) | - | 2,385,335 | 2,380,592 | 1,731,692 |
| El Pilar, Mexico | 1.0 | Cu | - | - | - | - | - | - |
| Mercedes, Mexico | 2.0 | Au, Ag | 531,215 | - | (258,722) | - | 272,493 | 531,215 |
| Vittangi, Sweden | 1.0 | Graphite | - | - | - | - | - | - |
| Hackett River, Nunavut | 2.0 | Zn, Ag, Cu, Pb, Au | - | - | - | - | - | - |
| Blackwater, Canada | 0.21 | Au, Ag | - | - | - | - | - | - |
| Prairie Creek, Canada | 1.2 | Zn, Pb, Ag | - | - | - | - | - | - |
| Pilar, Brazil | 1.0 | Au | - | - | - | - | - | - |
| Mason, Nevada | 0.4 | Cu, Au, Mo, Ag | - | - | - | - | - | - |
| Converse, Nevada | 1.0 | Au, Ag | - | - | - | - | - | - |
| Cuiu Cuiu, Brazil | 1.5 | Au | - | - | - | - | - | - |
| Other | Various | Various | - | - | - | - | - | - |
| Total segments | | | 2,697,015 | (2,170,543) | (258,722) | 2,385,335 | 2,653,085 | 2,262,907 |
| Operating expenses(i) | | | - | - | - | - | (1,753,831) | (505,477) |
| Foreign exchange (loss) income | | | - | - | - | - | 109,277 | (4,287) |
| Finance and interest expense net of interest income | | | - | - | - | - | (1,032,024) | - |
| Change in fair value of derivative liability | | | - | - | - | - | 385,194 | - |
| Income tax paid | | | - | - | - | - | - | (132,804) |
| Movement in working capital | | | - | - | - | - | - | (54,159) |
| Total Corporate | | | - | - | - | - | (2,291,384) | (696,727) |
| Segments & Corporate total | | | 2,697,015 | (2,170,543) | (258,722) | 2,385,335 | 361,701 | 1,566,180 |

1. Includes all operating expenses from the Statement of Income (Loss) and Comprehensive Income with the exception the change in value of the prepaid gold interest (and excludes share-based compensation from cash flow from operating activities).
2. Cost of sales include cost of sales for the Greenstone prepaid gold interest consists of a \$0.4 million cash payment to Equinox for gold delivered (at a cost per oz of gold equal to 20% of the prevailing market price) and a \$1.7 million non-cash partial settlement of the prepaid gold interest due to the gold delivered in the period.

Total Non-Current Assets by Segment

| | Mar. 31, 2025 \$ | Dec. 31, 2024 \$ |
|---|---------------------|---------------------|
| Investments | | |
| Sun Peaks Metals Corp | 781,954 | 729,981 |
| Total Investments | 781,954 | 729,981 |
| Royalty & Other Assets | | |
| Greenstone gold interest | 55,609,502 | 54,658,056 |
| Kiaka, Burkina Faso | 58,730,390 | 58,730,390 |
| El Pilar, Mexico | 17,489,892 | 17,489,892 |
| Mercedes, Mexico | 5,993,338 | 6,231,494 |
| Vittangi, Sweden | 15,000,000 | 15,000,000 |
| Hackett River, Nunavut | 14,716,000 | 14,716,000 |
| Toega, Burkina Faso | 11,204,338 | 11,204,338 |
| Mocoa, Colombia | 10,000,000 | 10,000,000 |
| Blackwater, Canada | 7,537,623 | 7,537,623 |
| Prairie Creek, Canada | 7,514,000 | 7,514,000 |
| Mason, Nevada | 4,876,000 | 4,876,000 |
| Converse, Nevada | 4,391,000 | 4,391,000 |
| Pilar, Brazil | 3,350,000 | 3,350,000 |
| Cuiú Cuiú, Brazil | 2,070,000 | 2,070,000 |
| Primavera, Nicaragua | 1,391,058 | 1,391,058 |
| Other | 1,304,697 | 904,208 |
| Total Royalty & other assets | 221,177,838 | 220,064,059 |
| Total | 221,959,792 | 220,794,040 |

Total Non-Current Assets by Geographic Region

| | Mar. 31, 2025 \$ | Dec. 31, 2024 \$ |
|---------------------------|---------------------|---------------------|
| North America | 118,127,355 | 117,414,065 |
| Africa | 70,716,682 | 70,664,709 |
| Central and South America | 16,811,058 | 16,811,058 |
| Europe | 15,000,000 | 15,000,000 |
| Other | 1,304,697 | 904,208 |
| Total | 221,959,792 | 220,794,040 |

For the three months ended March 31, 2025 and 2024, the Company's sources of revenue were the GPA and the Mercedes royalty asset; both of which represent > 10% of the Company's total revenue.

13. Supplemental Cash Flow Information

During the three months ended March 31, 2025, the Company issued 278,076 common shares to Beedie Capital at a price of C\$0.80 per share as settlement for \$154,626 in interest payments on the Beedie Convertible Loan (note 8).

During the three months ended March 31, 2024, the Company issued 316,544 common shares to Beedie Capital at a price of C\$0.70 per share as settlement for \$163,649 in interest payments on the Beedie Convertible Loan (note 8).

14. Financial Instruments

As at March 31, 2025, the Company's financial instruments consist of cash and cash equivalents, trade and other receivables, investments, the Greenstone gold interest, accounts payable, the Beedie Convertible Loan Liability, the Beedie Derivative Liability and the RCF. The Company classifies cash and cash equivalents and trade and other receivables as financial assets held at amortized cost; the Company holds its investments at FVTOCI. The Company classifies accounts payable, the RCF and the Beedie Convertible Loan Liability as other financial liabilities and they are held at amortized cost. The Greenstone gold interest and the Beedie Derivative Liability are both carried at FVTPL.

The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. The three levels of the fair value hierarchy are below:

Level 1 — fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 — fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

Level 3 — fair values based on inputs for the asset or liability that are not based on observable market data.

The Company presents its investments at fair value (note 5) and has classified these as Level 1 in the fair value hierarchy. The Greenstone gold interest, the Beedie Convertible Loan Liability, the RCF and the Beedie Derivative Liability are considered to be Level 3. The fair value of all of the Company's other financial instruments approximate their carrying values as at March 31, 2025 and December 31, 2024 due to their short-term nature.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the three months ended March 31, 2025 or 2024.

The risk exposure arising from these financial instruments is summarized as follows:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying value of its cash and cash equivalents and trade and other receivables. The Company's trade and other receivables are subject to the credit risk of the counterparties who own and operate the mines underlying Versamet's royalty and other assets portfolio. In order to mitigate its exposure to credit risk, the Company monitors its financial assets and holds its cash with a highly rated Canadian financial institution.

Management continues to believe that due to operational challenges at the Pilar Mine that there remains a significant credit risk with respect to amounts owing to the Company under its Pilar royalty interest. The Company has not recognized any revenue or an associated receivable related to the Pilar royalty payable during the three months ended March 31, 2025 or 2024.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to have in place a planning and budgeting process to ensure that it will have sufficient liquidity to meet liabilities when due in the normal course of operations. In assessing liquidity risk, the Company takes into account its cash and expected income from royalties and the Greenstone gold interest. In addition, Versamet also holds common shares in Sun Peak (note 5) with a fair market value of \$0.8 million at March 31, 2025 (the daily exchange traded volume of these common shares may be insufficient for the Company to liquidate its position in a short period of time without affecting the market value of the common shares).

The following table shows Company's contractual obligations as they fall due as at March 31, 2025 and December 31, 2024:

| | Within 1 year \$ | 1–5 years \$ | Over 5 years \$ | Total Mar. 31, 2025 \$ | Total Dec. 31, 2024 \$ |
|--|---------------------|------------------|--------------------|------------------------------|------------------------------|
| Accounts payable and accrued liabilities | 275,820 | - | - | 275,820 | 1,232,088 |
| Beedie Convertible Loan ¹ | 1,265,929 | 3,588,814 | 16,645,642 | 21,500,385 | 21,784,186 |
| BMO RCF ¹ | - | - | - | - | 1,152,948 |
| Total | 1,541,749 | 3,588,814 | 16,645,642 | 21,776,205 | 24,169,222 |

1. The Beedie Convertible Loan and the BMO RCF estimated interest amounts are included in the table above. In accordance with the Beedie Convertible Loan, a proportion of the interest expense included in the table above can be paid in Common Shares. The Company presents the Beedie Convertible Loan as a current liability due to the ability of Beedie Capital to convert all of the outstanding principal into Common Shares at any time, however, the table above shows contractual cash flow obligations.

Market risk

Market risk is the risk that changes in market prices, such as commodity price risk, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments.

Commodity price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices. Commodity prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond the Company's control.

Financial instruments that impact net income (loss) and comprehensive income of the Company due to currency fluctuations include cash and cash equivalents, investments, the Beedie Convertible Loan, and trade and other payables denominated in Canadian dollars. Based on the Company's Canadian dollar monetary assets and monetary liabilities as at March 31, 2025, a 10% increase or decrease in the Canadian dollar relative to the United States dollar would have an approximate impact of \$1.4 million on net income (loss) and total comprehensive income as at March 31, 2025.

The Company is exposed to other price risk as a result of its investment in Sun Peak. The Company does not actively trade this investment. The equity prices of long-term investments are impacted by a variety of factors including commodity prices and volatility in global markets. Based on the Company's investment in Sun Peak held at March 31, 2025, a 10% increase or decrease in the value of this investments would increase or decrease other comprehensive income by approximately \$78,000 and would have no impact on profit or loss for the three months ended March 31, 2025.

The Company is exposed to commodity price movements as a result of the GPA (note 4). The Company holds the GPA at FVTPL. The fair value is calculated using a series of inputs into a discounted cash flow including the gold price. A 10% increase or decrease in the gold price used in the valuation as at March 31, 2025 would increase or decrease net income (loss) and total comprehensive income by \$6.4 million.

15. Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support its' activities, continue as a going concern and maximize its return to stakeholders. The Company considers capital to be all accounts in equity and all borrowings of the Company (the Beedie Convertible Loan and the RCF). The Company is subject to certain covenants under the RCF and Beedie Convertible Loan (notes 7 & 8); at March 31, 2025 the Company was in compliance with all covenants. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to maintain an appropriate liquidity profile to allow management to execute on its strategic plan. Additional funds may be required to finance the Company's operations in the future.

16. Subsequent Events

On April 1, 2025, the Company granted 2,000,000 RSUs and 2,000,000 PRSUs to a member of management. The RSUs vest in three equal parts on April 1, 2025, April 1, 2026 and April 1, 2027. The PRSUs have both time based and performance based vesting conditions, both of which must be met for them to vest. The Company's 40-day VWAP must be greater than or equal to \$1.40 at any time prior to April 1, 2028 for vesting to occur, and no PRSUs will vest prior to April 1, 2026.

On May 1, 2025, the Company completed the acquisition of a \$35 million copper stream on the Huachocolpa Uno mine ("Kolpa") from Endeavour Silver Corp. and certain of its wholly-owned subsidiaries (collectively "Endeavour Silver"), in conjunction with Endeavour Silver's acquisition of all the outstanding shares of Compañía Minera Kolpa S.A.

In connection with completing the Kolpa Acquisition, Versamet has entered into an amending agreement with the BMO and NBC to amend and increase the size of the Company's secured RCF to \$60 million with a \$15 million accordion feature. The new RCF will have a maturity date of April 30, 2028 and includes an approximate 25 basis point reduction to the drawn interest spread, among other changes that will benefit Versamet. Additionally, and contemporaneously with the closing of the RCF, Versamet has fully repaid the convertible loan facility with Beedie Capital by paying a total of C\$26,084,680 (being the principal outstanding and the make-whole fee owing for early repayment) to Beedie Investments Ltd.

On May 9, 2025, 2,646,250 RSUs were redeemed for common shares.

On May 9, 2025, the Company granted 1,295,000 stock options to members of management. The options have an exercise price of \$0.80 and vest in three equal parts on the first, second and third anniversary of the grant.

On May 12, 2025, the Company granted 1,000,000 stock options to directors of the Company. The options have an exercise price of \$0.80 and vest in three equal parts on the first, second and third anniversary of the grant.

On May 12, 2025, the Company granted 187,500 RSUs to directors of the Company. The RSUs have \$nil exercise price and vest in three equal parts on the first, second and third anniversary of the grant.

On May 14, 2025, the Company filed a final long form prospectus with the British Columbia Securities Commission and the Company's shares started trading on the TSX Venture Exchange on May 20, 2025.