
ROCHESTER RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
FEBRUARY 28, 2025

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ROCHESTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Notes	February 28, 2025 \$	May 31, 2024 \$
ASSETS			
Current assets			
Cash		152,536	119,951
Amounts receivable	4	2,248,958	1,867,523
GST/IVA tax receivables		1,351,726	1,129,736
Prepaid expenses and deposits		233,183	304,578
Inventories	5	848,460	788,199
Total current assets		4,834,863	4,209,987
Non-current assets			
Property, plant and equipment	7, 15	1,791,009	1,077,806
Right of use assets	8	507,754	352,600
Total non-current assets		2,298,763	1,430,406
TOTAL ASSETS		7,133,626	5,640,393
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		17,169,254	17,273,360
Current portion of amounts payable to directors and officers	11	463,636	310,708
Current portion of lease liabilities	8	94,776	84,554
Current portion of amounts due	9	2,432,843	589,845
Total current liabilities		20,160,509	18,258,467
Non-current liabilities			
Non-current portion of amounts payable to directors and officers	11	1,126,660	1,108,300
Lease liabilities	8	406,160	332,514
Non-current portion of amounts due	9	19,970,912	18,670,187
Provision for site restoration	12	1,370,659	1,389,104
		22,874,391	21,500,105
TOTAL LIABILITIES		43,034,900	39,758,572
SHAREHOLDERS' EQUITY (DEFICIT)			
Share capital	10	47,182,525	47,182,525
Share-based payments reserve		7,388,003	7,293,723
Contributed surplus		243,299	243,299
Deficit		(90,715,101)	(88,837,726)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)		(35,901,274)	(34,118,179)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		7,133,626	5,640,393

Nature of Operations and Going Concern - See Note 1

Contingent Liability and Commitments - See Note 15

Event after the Reporting Period - See Note 17

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on April 17, 2025 and are signed on its behalf by:

/s/ Eduardo Luna
Eduardo Luna
Director

/s/ Nick DeMare
Nick DeMare
Director

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

ROCHESTER RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS***(Unaudited - Expressed in Canadian Dollars)*

	Note	Three Months Ended		Nine Months Ended	
		February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
		\$	\$	\$	\$
Revenue		3,134,337	2,287,944	9,725,621	9,426,626
Cost of operations					
Cost of sales		(3,386,215)	(3,034,141)	(10,481,506)	(10,077,785)
Depletion and amortization	7, 8	(123,226)	(133,570)	(368,048)	(402,616)
Provision for site restoration	12	(29,216)	(32,198)	(89,024)	(95,848)
Operating loss		(404,320)	(911,965)	(1,212,957)	(1,149,623)
Expenses and other					
General and administration		(228,674)	(400,251)	(708,845)	(828,968)
Share-based compensation		(94,280)	-	(94,280)	-
Financing expenses	9	(348,986)	(212,621)	(781,396)	(640,174)
Accretion of interest on lease liabilities	8	(26,380)	(24,886)	(67,866)	(80,887)
Foreign exchange		(885,473)	(290,444)	1,234,224	(597,707)
Impairment of exploration and evaluation assets	6	(103,378)	(104,612)	(246,255)	(246,675)
		(1,687,171)	(1,032,814)	(664,418)	(2,394,411)
Net loss and comprehensive loss for the period		(2,091,491)	(1,944,779)	(1,877,375)	(3,544,034)
Basic and diluted loss per common share		\$(0.04)	\$(0.04)	\$(0.04)	\$(0.08)
Basic and diluted weighted average number of common shares outstanding		47,144,125	47,144,125	47,144,125	47,144,125

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

ROCHESTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN
SHAREHOLDERS' EQUITY (DEFICIT)
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended February 28, 2025					
	Share Capital					
	Number of Shares	Amount \$	Share-Based Payments Reserve \$	Contributed Surplus \$	Deficit \$	Total Shareholders' Equity (Deficit) \$
Balance at May 31, 2024	47,144,125	47,182,525	7,293,723	243,299	(88,837,726)	(34,118,179)
Share-based compensation	-	-	94,280	-	-	94,280
Net loss for the period	-	-	-	-	(1,877,375)	(1,877,375)
Balance at February 28, 2025	<u>47,144,125</u>	<u>47,182,525</u>	<u>7,388,003</u>	<u>243,299</u>	<u>(90,715,101)</u>	<u>(35,901,274)</u>

	Nine Months Ended February 29, 2024					
	Share Capital					
	Number of Shares	Amount \$	Share-Based Payments Reserve \$	Contributed Surplus \$	Deficit \$	Total Shareholders' Equity (Deficit) \$
Balance at May 31, 2023	47,144,125	47,182,525	7,293,723	243,299	(83,690,227)	(28,970,680)
Net loss for the period	-	-	-	-	(3,544,034)	(3,544,034)
Balance at February 29, 2024	<u>47,144,125</u>	<u>47,182,525</u>	<u>7,293,723</u>	<u>243,299</u>	<u>(87,234,261)</u>	<u>(32,514,714)</u>

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

ROCHESTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended	
	February 28, 2025 \$	February 29, 2024 \$
Operating activities		
Net loss for the period	(1,877,375)	(3,544,034)
Adjustments for:		
Depletion and amortization	368,048	402,616
Provision for site restoration	89,024	95,848
Financing expenses	781,396	640,174
Foreign exchange	459,036	(290,522)
Accretion of interest on lease liabilities	67,866	80,887
Impairment of exploration and evaluation assets	246,255	246,675
Share-based compensation	94,280	-
Changes in non-cash working capital items:		
Amounts receivable	(381,435)	447,452
GST / IVA tax receivables	(221,990)	(177,671)
Prepaid expenses and deposits	71,395	(195,370)
Inventories	(60,261)	386,543
Accounts payable and accrued liabilities	(104,106)	2,400,787
Accounts payable to directors and officers	171,288	17,548
Net cash (used in) provided by operating activities	(296,579)	510,933
Investing activities		
Additions to property, plant and equipment	(964,291)	(2,307)
Expenditures on exploration and evaluation assets	(246,255)	(246,675)
Net cash used in investing activities	(1,210,546)	(248,982)
Financing activities		
Payments on lease liabilities	(256,112)	(214,047)
Advances received	1,795,822	2,710,778
Repayment of advances	-	(2,378,772)
Net cash provided by financing activities	1,539,710	117,959
Net change in cash	32,585	379,910
Cash at beginning of period	119,951	181,520
Cash at end of period	152,536	561,430

Supplemental cash flow information - Note 16

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

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

1. Nature of Operations and Going Concern

Rochester Resources Ltd. (the "Company") was incorporated on September 7, 1989 under the provisions of the Company Act (British Columbia). The Company is listed and trades on the TSX Venture Exchange ("TSXV") under the symbol "RCT". The Company's head office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

The Company is engaged in the exploration and development of its mineral property interests in Mexico. The mineral exploration and development business involves, by its nature, a high degree of risk and there can be no assurance that the current operations or exploration projects will result in sustainable profitable mining operations. All of the Company's exploration and evaluation assets and property, plant and equipment are located in Mexico, and hence are subject to the risks normally associated with foreign investment including unanticipated changes in taxes and royalties, renegotiation of contracts, foreign currency fluctuations and political uncertainties.

As at February 28, 2025, the Company had a working capital deficit of \$15,325,646 and non-current liabilities of \$22,874,391. The Company has been unable to make all concessions payments when due in the current and prior years for the Mina Real, San Francisco and Santa Fe properties. The Company is also in the process of resolving a dispute resulting from government audits and, as a result, has relied on ongoing advances from officers of the Company. See also Notes 9(e) and 15(a). The Company's ongoing operations are dependent on extracting mineralized material from the Mina Real and San Francisco properties and, therefore, on the Company's ability to preserve its interest in the underlying mineral property interests. In the immediate term, the Company's ability to continue as a going concern is dependent upon the market prices of silver and gold, its ability to improve its operations to maintain positive operating cash flow from the Mina Real and San Francisco properties on a consistent basis and to raise additional capital to fund its ongoing business operations and exploration projects and repay indebtedness as they come due. Additional capital may be sought from existing shareholders and creditors and from the sale of additional common shares or other equity or debt instruments. There is no assurance such additional capital will be available to the Company on acceptable terms or at all. In the longer term, the Company's ability to continue as a going concern will be dependent upon the discovery of economically recoverable reserves and the achievement of profitable operations. Whether the Company can generate positive cash flow on a consistent basis and, ultimately, achieve profitability is uncertain. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes the Company will continue to realize the value of its assets and discharge its liabilities and other obligations in the ordinary course of business. Should the Company be required to realize the value of its assets in other than the ordinary course of business, the net realizable value of its assets may be materially less than the amounts shown in the consolidated financial statements. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should the Company be unable to repay its liabilities and meet its other obligations in the ordinary course of business or continue operations.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been presented in accordance with 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*. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Basis of Measurement

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. These condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

2. Basis of Preparation (continued)

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

The subsidiaries of the Company are as follows:

<u>Company</u>	<u>Location of Incorporation</u>	<u>Ownership Interest</u>
ALB Holdings Ltd. ("ALB")	Canada	100%
Mina Real Mexico S.A. de C.V. ("Mina Real")	Mexico	100%
Compania Minera Santa Fe S.A. de C.V. ("Compania Minera")	Mexico	70%

3. Material Accounting Policies

These condensed consolidated interim financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the consolidated financial statements for the year ended May 31, 2024. Accordingly, they should be read in conjunction with the consolidated financial statements for the year ended May 31, 2024.

Accounting Standards and Interpretations Issued but Not Yet Effective

IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any other standards that have been issued would have no or very minimal impact on the Company's condensed consolidated interim financial statements.

4. Amounts Receivable

	February 28, 2025 \$	May 31, 2024 \$
Production receivable	2,049,255	1,771,681
Other	199,703	95,842
	<u>2,248,958</u>	<u>1,867,523</u>

5. Inventories

	February 28, 2025 \$	May 31, 2024 \$
Mineralized material in process	450,117	394,542
Mine stores, supplies and other	398,343	393,657
	<u>848,460</u>	<u>788,199</u>

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets

	Santa Fe Property \$
Balance at May 31, 2023	<u>-</u>
Acquisition costs	
Mineral claims	485,850
Option payments	<u>162,180</u>
	<u>648,030</u>
Impairment	<u>(648,030)</u>
Balance at May 31, 2024	<u>-</u>
Acquisition costs	
Mineral claims	120,975
Option payments	<u>125,280</u>
	<u>246,255</u>
Impairment	<u>(246,255)</u>
Balance at February 28, 2025	<u>-</u>

Through Mina Real the Company has an agreement to acquire a 70% interest in one concession (the “Santa Fe Property”) located near the Mina Real Property. Under the terms of the agreement the Company agreed to implement a program of exploration to determine if the Santa Fe Property can be economically exploited. In addition, if the exploration work is successful, the Company agreed to provide the necessary capital to construct a processing plant capable of processing a minimum of 200 tonnes per day. To date, the Company has conducted limited exploration on the Santa Fe Property. The agreement was disputed by the 30% concession owners and the Mexican court has ordered the Company to return the Santa Fe property concession to the 30% concession owners, pay the ongoing monthly fee of US \$10,000 to the 30% concession until the concession is returned, pay US \$261,000 for a historical extraction (the “Extraction Payment”) and dissolve the Company’s subsidiary Compania Minera. The Company is currently in the negotiation process with the 30% concession owners. During fiscal 2024 the Company made total payments of US \$190,000. As at February 28, 2025 US \$461,000 (May 31, 2024 - US \$371,000) remained unpaid and is included in accounts payable and current liabilities. See also Note 17.

During fiscal 2016 the Company assessed whether an impairment was required with respect to the Santa Fe Property as required by IFRS 6. In making the assessment management considered the Company’s financial situation and its inability to implement an exploration work program. As a result the Company recorded an impairment charge to reduce the carrying value to \$nil. The Company continues to record impairment charges for all subsequent costs incurred and capitalized on the Santa Fe Property to maintain the carrying value at \$nil.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

7. Property, Plant and Equipment

Cost:	Mineral Properties \$	Land \$	Buildings \$	Mill and Mine Equipment \$	Total \$
Balance, May 31, 2023	33,934,944	2,692,313	3,566,241	7,774,403	47,967,901
Additions	-	-	-	4,031	4,031
Balance, May 31, 2024	33,934,944	2,692,313	3,566,241	7,778,434	47,971,932
Additions	-	-	-	964,291	964,291
Balance, February 28, 2025	<u>33,934,944</u>	<u>2,692,313</u>	<u>3,566,241</u>	<u>8,742,725</u>	<u>48,936,223</u>
Accumulated depletion, amortization and impairment:					
Balance, May 31, 2023	(33,934,944)	(2,692,313)	(3,226,968)	(6,717,301)	(46,571,526)
Depletion and amortization	-	-	(48,377)	(274,223)	(322,600)
Balance, May 31, 2024	(33,934,944)	(2,692,313)	(3,275,345)	(6,991,524)	(46,894,126)
Depletion and amortization	-	-	(36,282)	(214,806)	(251,088)
Balance, February 28, 2025	<u>(33,934,944)</u>	<u>(2,692,313)</u>	<u>(3,311,627)</u>	<u>(7,206,330)</u>	<u>(47,145,214)</u>
Carrying value:					
Balance, May 31, 2024	-	-	290,896	786,910	1,077,806
Balance, February 28, 2025	-	-	254,614	1,536,395	1,791,099

The Company holds 100% undivided interests in the Mina Real and San Francisco properties. The Mina Real Property comprises 11 concessions and one mineral claim located near Tepic, Mexico. The San Francisco Property comprises twelve concessions located approximately 60 kilometres west of the Company's mill on the Mina Real Property.

See also Note 15(a).

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

8. Right of Use Assets

Cost:	Land \$	Buildings \$	Mill & Mine Equipment \$	Total \$
Balance, May 31, 2023	214,631	118,848	532,354	865,833
Additions	<u>55,602</u>	<u>-</u>	<u>-</u>	<u>55,602</u>
Balance, May 31, 2024	270,233	118,848	532,354	921,435
Additions	<u>-</u>	<u>-</u>	<u>272,114</u>	<u>272,114</u>
Balance, February 28, 2025	<u>270,233</u>	<u>118,848</u>	<u>804,468</u>	<u>1,193,549</u>
Accumulated amortization:				
Balance, May 31, 2023	(30,807)	(24,758)	(315,439)	(371,004)
Amortization	<u>(19,100)</u>	<u>(11,886)</u>	<u>(166,845)</u>	<u>(197,831)</u>
Balance, May 31, 2024	(49,907)	(36,644)	(482,284)	(568,835)
Amortization	<u>(18,678)</u>	<u>(8,913)</u>	<u>(89,369)</u>	<u>(116,960)</u>
Balance, February 28, 2025	<u>(68,585)</u>	<u>(45,557)</u>	<u>(571,653)</u>	<u>(685,795)</u>
Carrying value:				
Balance, May 31, 2024	<u>220,326</u>	<u>82,204</u>	<u>50,070</u>	<u>352,600</u>
Balance, February 28, 2025	<u>201,648</u>	<u>73,291</u>	<u>232,815</u>	<u>507,754</u>

The Company has lease contracts for various land, housing and vehicles. It does not have any subleases. As at February 28, 2025 lease liabilities have a remaining lease term of approximately ten years or less and were determined using an effective interest rate of 20%. The undiscounted cash flows over the remaining lease term are approximately \$851,777 (May 31, 2024 - \$775,093).

	Nine Months Ended	
	February 28, 2025 \$	February 29, 2024 \$
Balance, beginning of period	417,068	577,518
Additions	272,114	18,980
Accretion of interest	67,866	80,887
Payments	<u>(256,112)</u>	<u>(214,047)</u>
Balance, end of period	<u>500,936</u>	<u>463,338</u>
Current portion of lease liabilities	94,776	129,753
Non-current portion of lease liabilities	<u>406,160</u>	<u>333,585</u>
Total lease liabilities	<u>500,936</u>	<u>463,338</u>

During the nine months ended February 28, 2025 the Company recorded accretion of interest on lease liabilities of \$67,866 (February 29, 2024 - \$80,887).

As at February 28, 2025 the total of future minimum lease payments under leases are as follows:

	\$
Less than one year	189,268
Greater than one year	<u>662,509</u>
	<u>851,777</u>

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

9. Amounts Due

The Company has received ongoing loans and advances, incurred indebtedness and issued debentures (the “Amounts Due”) with its shareholders and current and former directors of the Company. Certain holders of the Amounts Due have agreed to not demand repayment and accordingly, the Company has reclassified these amounts as non-current liabilities.

	9% Advances \$	12% Advances \$	24% Advances \$	Debentures \$	Indebtedness \$	Non-Interest Bearing Advances \$	Total \$
Principal							
Balance, May 31, 2023	949,763	3,337,521	-	225,000	3,631,000	-	8,143,284
Additions	-	-	-	-	-	2,710,778	2,710,778
Repayments	-	-	-	-	-	(2,378,772)	(2,378,772)
Foreign exchange adjustment	<u>1,300</u>	<u>8,312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,419)</u>	<u>(24,807)</u>
Balance, May 31, 2024	951,063	3,345,833	-	225,000	3,631,000	297,587	8,450,483
Additions	-	20,000	1,775,822	-	-	-	1,795,822
Reclassification	-	113,366	184,221	-	-	(297,587)	-
Foreign exchange adjustment	<u>30,622</u>	<u>197,972</u>	<u>55,841</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>284,435</u>
Balance, February 28, 2025	<u>981,685</u>	<u>3,677,171</u>	<u>2,015,884</u>	<u>225,000</u>	<u>3,631,000</u>	<u>-</u>	<u>10,530,740</u>
Interest							
Balance, May 31, 2023	1,121,829	3,738,155	-	1,615,496	3,462,578	-	9,938,058
Interest expense	85,342	398,436	-	45,123	327,685	-	856,586
Foreign exchange adjustment	<u>1,665</u>	<u>13,240</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,905</u>
Balance, May 31, 2024	1,208,836	4,149,831	-	1,660,619	3,790,263	-	10,809,549
Interest expense	64,743	317,394	120,162	33,781	245,316	-	781,396
Foreign exchange adjustment	<u>31,830</u>	<u>249,165</u>	<u>1,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>282,070</u>
Balance, February 28, 2025	<u>1,305,409</u>	<u>4,716,390</u>	<u>121,237</u>	<u>1,694,400</u>	<u>4,035,579</u>	<u>-</u>	<u>11,873,015</u>
Total amounts due							
As at May 31, 2024							
Current portion	-	58,970	-	233,288	-	297,587	589,845
Non-current portion	<u>2,159,899</u>	<u>7,436,694</u>	<u>-</u>	<u>1,652,331</u>	<u>7,421,263</u>	<u>-</u>	<u>18,670,187</u>
	<u>2,159,899</u>	<u>7,495,664</u>	<u>-</u>	<u>1,885,619</u>	<u>7,421,263</u>	<u>297,587</u>	<u>19,260,032</u>
As at February 28, 2025							
Current portion	-	62,434	2,137,121	233,288	-	-	2,432,843
Non-current portion	<u>2,287,094</u>	<u>8,331,127</u>	<u>-</u>	<u>1,686,112</u>	<u>7,666,579</u>	<u>-</u>	<u>19,970,912</u>
	<u>2,287,094</u>	<u>8,393,561</u>	<u>2,137,121</u>	<u>1,919,400</u>	<u>7,666,579</u>	<u>-</u>	<u>22,403,755</u>

- (a) The 9% Advances bear interest at a rate of 9% per annum.
- (b) The 12% Advances bear interest at a rate of 12% per annum.
- (c) During the nine months ended February 28, 2025 the Company received ongoing advances to provide funding for upgrades to its mill and plant facility. The terms of the advances (the 24% Advances”) have been determined to bear interest at 24% per annum. However, the terms of repayment have not yet been finalized.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

9. Amounts Due (continued)

- (d) Principal amounts under a secured debenture financing (the “Debentures”) are subject to a monthly interest charge equivalent to \$12.67 multiplied by the greater of: (a) the monthly production of mineralized material from the Company’s San Francisco Property, and (b) the average monthly production of mineralized material from the San Francisco Property, provided, however, that the monthly interest has a minimum monthly payment based on 6.4% per annum and a maximum payment based on 20% per annum.
- (e) The indebtedness (the “Indebtedness”) is secured by the assets of the Company and interest is calculated at 9% per annum.
- (f) See also Note 17.

10. Share Capital

(a) ***Authorized Share Capital***

The Company’s authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) ***Equity Financings***

The Company did not conduct any equity financings during the nine months ended February 28, 2025 or fiscal 2024.

(c) ***Warrants***

A summary of the number of common shares reserved pursuant to the Company’s outstanding warrants at February 28, 2025 and February 29, 2024 and the changes for the nine months ended on those dates, is as follows:

	2025		2024	
	Number-	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	-	-	1,843,243	0.075
Expired	-	-	(1,843,243)	0.075
Balance, end of period	-	-	-	-

No warrants were outstanding as of February 28, 2025.

(d) ***Share Option Plan***

The Company has established a rolling share option plan (the “Plan”) in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company’s closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years. The Plan permits the holder of share options to exercise cashless (net exercise) by surrendering a portion of the underlying share option shares to pay for the exercise cost.

No share options were granted during the nine months ended February 29, 2024.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

10. Share Capital (continued)

During the nine months ended February 28, 2025 the Company granted share options to purchase 4,714,000 common shares of the Company and recorded compensation expense of \$94,280. The fair value of the Company share options granted was estimated using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 2.74%; estimated volatility of 143%; expected life of 4 years; expected dividend yield of 0%; and an estimated forfeiture rate of 0%.

The weighted average fair value of all Company share options granted during the nine months ended February 28, 2025 was \$0.02 per share option.

A summary of the Company's share options at February 28, 2025 and February 29, 2024 and the changes for the nine months ended on those dates, is as follows:

	2025		2024	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	-	-	2,105,000	0.05
Granted	4,714,000	0.05	-	-
Expired	-	-	(2,105,000)	0.05
Balance, end of period	4,714,000	0.05	-	-

As at February 28, 2025 there were share options outstanding and exercisable to purchase 4,714,000 common shares of the Company at a price of \$0.05 per share expiring February 21, 2029.

11. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

The Company considers its key management to consist of the Company's Chairman, the Chief Executive Officer ("CEO"), and the Chief Financial Officer ("CFO"). During the nine months ended February 28, 2025 the Company incurred \$148,175 (February 29, 2024 - \$36,609) for compensation to its key management personnel. No fees were incurred with respect of the Chairman, during the nine months ended February 29, 2024. As at February 28, 2025 \$1,329,558 (May 31, 2024 - \$1,191,008) remained unpaid.

During the nine months ended February 28, 2025 the Company also recorded \$21,000 (February 29, 2024 - \$nil) share-based compensation for share options granted to its key management personnel.

(b) *Transactions with Other Related Parties*

(i) During the nine months ended February 28, 2025 the Company incurred \$36,000 (February 29, 2024 - \$9,000) for compensation to non-executive directors and an officer of the Company. As at February 28, 2025 \$257,000 (May 31, 2024 - \$228,000) remained unpaid.

During the nine months ended February 28, 2025 the Company also recorded \$20,500 (February 29, 2024 - \$nil) share-based compensation for share options granted to non-executive directors.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

11. Related Party Disclosures (continued)

- (ii) During the nine months ended February 28, 2025 the Company incurred a total of \$44,420 (February 29, 2024 - \$46,750) to Chase Management Ltd. ("Chase"), a private corporation owned by the CEO of the Company, for accounting and administration services provided by Chase personnel, excluding the CEO. As at February 28, 2025 \$3,500 (May 31, 2024 - \$nil) remained unpaid.

During the nine months ended February 28, 2025 the Company also recorded \$8,900 (February 29, 2024 - \$nil) share-based compensation for share options granted to Chase.

As at February 28, 2025 a total of \$1,590,058 (May 31, 2024 - \$1,419,008) remained unpaid to related parties. The Chairman and CEO of the Company agreed to not demand repayment of \$1,126,660 (May 31, 2024 - \$1,108,300) and accordingly, the Company has reclassified these amounts as non-current liabilities.

	February 28, 2025 \$	May 31, 2024 \$
Current portion of amounts payable to directors and officers	463,398	310,708
Non-current portion of amounts payable to directors and officers	<u>1,126,660</u>	<u>1,108,300</u>
	<u>1,590,058</u>	<u>1,419,008</u>

See also Notes 9 and 17.

12. Provision for Site Restoration

	Nine Months Ended	
	February 28, 2025 \$	February 29, 2024 \$
Balance, beginning of period	1,389,104	1,431,772
Accretion	89,024	95,848
Foreign exchange	<u>(107,469)</u>	<u>(227,134)</u>
Balance, end of period	<u>1,370,659</u>	<u>1,300,486</u>

The total undiscounted amount of estimated cash flows required to settle the Company's estimated obligation at February 28, 2025 was US \$1,285,000 (May 31, 2024 - US \$1,285,000) which, as at February 28, 2025, has been discounted using a credit adjusted pre-tax risk free rate of 9.85% (February 29, 2024 - 9.20%) and an inflation rate of 3.77% (February 29, 2024 - 4.20%). The present value of the reclamation liability may be subject to change based on management's current estimates, changes in remediation technology or changes to the applicable laws and regulations. Such changes will be recorded in the accounts of the Company as they occur. The settlement of the obligation is anticipated to occur primarily in fiscal 2030.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

13. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: fair value through profit or loss (“FVTPL”); amortized cost; and fair value through other comprehensive income (“FVOCI”). The carrying values of the Company’s financial instruments are classified into the following categories:

Financial Instruments	Category	February 28, 2025 \$	May 31, 2024 \$
Cash	FVTPL	152,536	119,951
Amounts receivable	Amortized cost	2,248,958	1,867,523
Accounts payable and accrued liabilities	Amortized cost	(17,169,254)	(17,273,360)
Amounts payable to directors and officers	Amortized cost	(1,590,296)	(1,419,008)
Lease liabilities	Amortized cost	(500,936)	(417,068)
Amounts due	Amortized cost	(22,403,755)	(19,260,032)

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, accounts payable and accrued liabilities, amounts payable to directors and officers, and amounts due approximate their fair value due to their short-term nature. The recorded amounts for lease liabilities and amounts due approximate fair value and they have interest at market rates for similar debt. The Company’s fair value of cash under the fair value hierarchy is measured using Level 1 inputs.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote. Amounts receivable are due from one customer.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company’s ability to manage this risk is affected by low grades of mineralized material and operational challenges. See Note 1. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

13. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at February 28, 2025				
	Carrying Amount \$	Contractual Cash Flows \$	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$
Cash	152,536	152,536	152,536	-	-
Amounts receivable	2,248,958	2,248,958	2,248,958	-	-
Accounts payable and accrued liabilities	(17,169,254)	(17,169,254)	(17,169,254)	-	-
Amounts payable to directors and officers	(1,590,296)	(1,590,296)	-	(463,636)	(1,126,660)
Lease liabilities	(500,936)	(500,936)	(23,694)	(71,082)	(406,160)
Amounts due	(22,403,755)	(22,403,755)	-	(2,432,843)	(19,970,912)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears a floating rate of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Commodity Price Risk

The Company is subject to risk from fluctuations in the market prices of silver and gold. Silver and gold prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control. The profitability of the Company's operations is highly correlated to the market prices of these metals, as is the ability of the Company to develop its other properties. If metal prices decline for a prolonged period below the cost of production of the Company's Mina Real mine, it may not be economically feasible to continue production.

The Company does not hedge silver and gold prices.

(c) Foreign Currency Risk

The Company's functional currency is the Canadian dollar and the Company's operating expenses are incurred in Canadian Dollars and Mexican Pesos. The Company also has advances denominated in US Dollars. Management believes the foreign exchange risk related to currency conversions are minimal and therefore does not hedge its foreign exchange risk. At February 28, 2025, 1 Canadian Dollar was equal to 14.21 Mexican Pesos and 0.69 US Dollar.

Balances are as follows:

	Mexican Pesos	United States Dollars	CDN \$ Equivalent
Cash	1,995,271	2,901	144,617
Amounts receivable	3,669,254	1,422,067	2,248,958
IVA tax receivable	19,146,590	-	1,347,403
Inventories	12,053,707	-	848,460
Accounts payable and accrued liabilities	(233,513,206)	(508,022)	(16,607,602)
Amounts payable to directors and officers	-	(63,650)	(92,246)
Amounts due	-	(7,983,799)	(11,570,723)
	<u>(196,648,384)</u>	<u>(7,130,503)</u>	<u>(23,681,133)</u>

Based on the net exposures as of February 28, 2025 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the Mexican Peso and the US Dollar would result in the Company's comprehensive income (loss) being approximately \$2,900,000 higher (or lower).

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

13. Financial Instruments and Risk Management (continued)

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash and cash equivalents and short-term investments. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

14. Segmented Information

The Company operates in one reportable segment, the acquisition, exploration and development of exploration and evaluation assets. The Company's mineral operations are located in Mexico and its corporate assets, comprising mainly of cash, are located in Canada.

	February 28, 2025		
	Non-current Assets \$	Revenues \$	Net Loss \$
Mineral operations (Mexico)	2,298,763	9,725,621	(767,743)
Corporate (Canada)	-	-	(1,109,632)
	<u>2,298,763</u>	<u>9,725,621</u>	<u>(1,877,375)</u>
	May 31, 2024		
	Non-current Assets \$	Revenues \$	Net Loss \$
Mineral operations (Mexico)	1,430,406	12,699,164	(4,097,757)
Corporate (Canada)	-	-	(1,049,742)
	<u>1,430,406</u>	<u>12,699,164</u>	<u>(5,147,499)</u>

15. Contingent Liability and Commitments

- (a) From time to time the Company becomes involved in various claims and litigation, including various governmental audits, as part of the normal course of operations. The Company continues to work with legal counsel to review and respond to the reassessment and, as at February 28, 2025, has accrued a provision of \$750,000 (May 31, 2024 - \$750,000). The Company has pledged the Mexican office building with an assessed value of \$690,000 and has paid a cash deposit of \$210,000 related to the ongoing litigation with the Mexican state of Nayarit's Secretary of Administration and Finance.
- (b) The Company has only made partial government concession payments and accrued carrying charges on its concessions. As at February 28, 2025 \$5,507,042 (May 31, 2024 - \$5,958,636) of government concession payments remained unpaid and are included in accounts payable and accrued liabilities.
- (c) The Company has only made partial concession payments on the Santa Fe Property, as described in Note 6. See also Note 17.

ROCHESTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2025
(Unaudited - Expressed in Canadian Dollars)

16. Supplemental Cash Flow Information

During the nine months ended February 28, 2025 and February 29, 2024 non-cash activities were conducted by the Company as follows:

	2025 \$	2024 \$
Operating activities		
Impairment of exploration and evaluation assets	246,255	246,675
Lease liabilities	<u>272,114</u>	<u>18,980</u>
	<u>518,369</u>	<u>265,655</u>
Investing activities		
Expenditures on exploration and evaluation assets	(246,255)	(246,675)
Additions to right of use assets	<u>(272,114)</u>	<u>(18,980)</u>
	<u>(518,369)</u>	<u>(265,655)</u>

17. Event after the Reporting Period

On April 8, 2025 the Mexican courts rendered their decision and confirmed that the Extraction Payment was due. A further advance was provided by the Company's Chairman and the Extraction Payment obligation was paid.