

OROCO RESOURCE CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

NOVEMBER 30, 2025

(Expressed in Canadian Dollars)

Unaudited – prepared by management

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

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

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

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

OROCO RESOURCE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

(Unaudited)

As at

	November 30, 2025	May 31, 2025
ASSETS		
Current		
Cash	\$ 1,378,438	\$ 169,629
Receivables (Note 5)	62,986	1,164,824
Prepaid expenses and advances	486,519	333,794
	1,927,943	1,668,247
Marketable securities (Note 4)	-	201,590
Exploration and evaluation assets (Note 6)	86,283,068	84,552,355
Equipment (Note 7)	2,616,197	2,772,453
Right-of-use-asset (Note 8)	186,980	212,477
	\$ 91,014,188	\$ 89,407,122
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Notes 9 and 13)	\$ 1,922,472	\$ 1,753,716
Warrant derivative (Note 10)	445,666	-
Lease liability (Note 8)	46,729	44,092
	2,414,867	1,797,808
Lease liability (Note 8)	154,872	178,815
Deferred tax liability	13,443	13,443
	2,583,182	1,990,066
Shareholders' equity		
Share capital (Note 11)	108,317,780	105,642,901
Reserves (Note 11)	18,277,473	18,273,632
Deficit	(38,851,299)	(37,714,146)
Equity attributable to the Company's shareholders	87,743,954	86,202,387
Non-controlling interest (Note 12)	687,052	1,214,669
	88,431,006	87,417,056
	\$ 91,014,188	\$ 89,407,122

Nature of operations and going concern (Note 1)**Contingency (Note 6(a))****Subsequent event (Note 17)****Approved on behalf of the Board:***“Craig Dalziel”*

Craig Dalziel – Director

“Ian Rice”

Ian Rice – Director

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

OROCO RESOURCE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	For the Three Months Ended November 30, 2025	For the Three Months Ended November 30, 2024	For the Six Months Ended November 30, 2025	For the Six Months Ended November 30, 2024
Expenses				
Consulting fees	\$ 288,296	\$ 62,453	\$ 740,854	\$ 151,212
Foreign currency loss (gain)	(2,142)	(44,292)	2,954	(168,982)
Management and director fees (Note 13)	132,870	181,878	236,371	353,574
Office and general	145,884	219,652	385,623	466,440
Professional fees (Note 13)	159,531	68,379	240,317	287,649
Share-based payment (Notes 11 and 13)	26,329	233,815	76,205	778,578
Shareholder communications and investor relations	82,417	(7,254)	109,697	54,876
Transfer agent and filing fees	21,230	19,566	40,876	40,428
Travel	23,175	45,883	35,175	66,883
Operating loss	<u>(877,590)</u>	<u>(780,080)</u>	<u>(1,868,072)</u>	<u>(2,030,658)</u>
Unrealized gain on warrant derivative (Note 10)	131,581	-	131,581	-
Loss for the period	<u>(746,009)</u>	<u>(780,080)</u>	<u>(1,736,491)</u>	<u>(2,030,658)</u>
Other comprehensive income				
Gain on sale of marketable securities (Note 4)	-	-	71,721	-
Unrealized gain (loss) on fair value of marketable securities (Note 4)	-	5,601	(72,364)	33,608
Loss and comprehensive loss for the period	<u>\$ (746,009)</u>	<u>\$ (774,479)</u>	<u>\$ (1,737,134)</u>	<u>\$ (1,997,050)</u>
Loss and comprehensive loss attributable to:				
Equity holders of the Company	\$ (656,342)	\$ (761,800)	\$ (1,553,043)	\$ (2,332,556)
Non-controlling interest (Note 12)	(89,667)	(12,679)	(184,091)	335,506
Basic and diluted loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted average number of common shares outstanding - basic and diluted	256,693,982	243,265,585	254,856,693	242,881,674

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

OROCO RESOURCE CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital		Reserves		Non-controlling interest			Total	
	Number	Amount	Other comprehensive income (loss)	Stock options and warrants	Deficit	\$			
						\$			
May 31, 2024	229,214,458	98,212,123	(403,685)	16,773,195	(33,906,005)	940,115	81,615,743		
Shares issued for cash	14,051,127	5,760,962	-	562,045	-	-	6,323,007		
Share issue costs	-	(616,253)	-	100,418			(515,835)		
Unrealized loss on fair value of marketable securities	-	-	33,608	-	-	-	33,608		
Share-based payment	-	-	-	778,578	-	-	778,578		
Loss for the period	-	-	-	-	(2,366,164)	335,506	(2,030,658)		
November 30, 2024	243,265,585	103,356,832	(370,077)	18,214,236	(36,272,169)	1,275,621	86,204,443		
May 31, 2025	252,479,808	105,642,901	(2,636)	18,276,268	(37,714,146)	1,214,669	87,417,056		
Shares issued for cash	10,154,995	2,285,773	-	-	-	-	2,285,773		
Shares issued for services	1,560,000	405,600	-	-	-	-	405,600		
Share issue costs	-	(16,494)	-	-			(16,494)		
Gain on sale of marketable securities	-	-	71,721	-	-	-	71,721		
Reallocation of value on disposal of marketable securities	-	-	(71,721)	-	71,721	-	-		
Unrealized gain on fair value of marketable securities	-	-	(72,364)	-	-	-	(72,364)		
Share-based payment	-	-	-	76,205	-	-	76,205		
Increase in ownership of subsidiary	-	-	-	-	343,526	(343,526)	-		
Loss for the period	-	-	-	-	(1,552,400)	(184,091)	(1,736,491)		
November 30, 2025	264,194,803	108,317,780	(75,000)	18,352,473	(38,851,299)	687,052	88,431,006		

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

OROCO RESOURCE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Expressed in Canadian Dollars)
 (Unaudited)
 For the Six Months Ended November 30,

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (1,736,491)	\$ (2,030,658)
Adjusted for items not involving cash:		
Depreciation	25,497	31,940
Foreign exchange	539	(26,884)
Interest on lease liability	10,712	15,669
Share-based payment	76,205	778,578
Share issued for services	405,600	-
Change in fair value of warrant derivative	(131,581)	-
Changes in working capital items:		
Receivables	48,094	24,235
Prepaid expenses and advances	(152,725)	27,694
Accounts payable and accrued liabilities	190,259	(276,064)
Net cash used in operating activities	(1,263,891)	(1,455,490)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(1,595,960)	(3,357,192)
Proceeds on sale of marketable securities	200,947	-
Royalty income	1,053,205	-
Net cash used in investing activities	(341,808)	(3,357,192)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement shares issued	2,863,020	5,127,269
Share issue cost	(16,494)	(515,835)
Lease payments	(32,018)	(39,899)
Net cash provided by financing activities	2,814,508	4,571,535
Change in cash	1,208,809	(241,147)
Cash, beginning of period	169,629	828,999
Cash, end of period	\$ 1,378,438	\$ 587,852

Supplemental cash flow information (Note 14)

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

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

1. NATURE OF OPERATIONS AND GOING CONCERN

Oroco Resource Corp. (the “Company”) was incorporated on July 7, 2006 under the Business Corporations Act of British Columbia and is an exploration stage business engaged in the acquisition and exploration of mineral properties in Mexico. The Company is listed on the TSX Venture Exchange (the “TSX-V”). The Company’s head office and principal address is located at #1201 - 1166 Alberni Street, Vancouver, British Columbia, Canada, V6E 3Z3.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The continued operations of the Company and the recoverability of amounts shown for exploration and evaluation assets and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the mineral properties and upon future profitable production or proceeds from the disposition thereof. The Company has not yet determined whether its exploration and evaluation assets contain reserves that are economically recoverable. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. Management estimates it will have sufficient funds to operate for the upcoming twelve months. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of the adverse results of such conflicts and its effects on the Company’s business or results of operations or its ability to raise funds.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS accounting standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to interim financial reports, including International Accounting Standard 34, Interim Financial Reporting. They do not include all the information and note disclosures required by IFRS for annual financial statements and, therefore, should be read in conjunction with the Company’s consolidated financial statements for the year ended May 31, 2025, prepared in accordance with IFRS.

These condensed interim consolidated financial statements were authorized by the Audit Committee and Board of Directors of the Company on January 29, 2026.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information and certain financial assets that are measured at fair value.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the parent and of its subsidiaries.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

2. BASIS OF PRESENTATION (cont'd...)**Basis of consolidation**

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities which the Company controls, either directly or indirectly, where control is defined as the power to govern an entity's financial and operating policies and generally accompanies a shareholding of more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. All inter-company transactions and balances have been eliminated upon consolidation. The Company's subsidiaries are as follows:

Name of Subsidiary	Country of Incorporation	Percentage of Ownership	Principal Activity
Minera Xochipala S.A. de C.V. ("MX")	Mexico	100%	Exploration in Mexico
Xochipala Gold S.A. de C.V. ("XG")	Mexico	96.7%	Exploration in Mexico
0973496 B.C. Ltd.	Canada	100%	Holding company
Altamura Copper Corp. ("Altamura")	Canada	100%	Holding company
Aureum Holding Corporation	Canada	100%	Holding company

The Company also holds: a majority interest in Aztec Copper Inc. ("Aztec"), an inactive subsidiary incorporated in the United States and its subsidiary, Prime Aztec Mexicana, S.A. de C.V. an inactive subsidiary incorporated in Mexico.

Significant estimates

The preparation of these condensed interim consolidated financial statements requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share-based payment - The fair value of stock options and compensatory warrants issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Changes in the input assumptions can materially affect the fair value estimate of stock options and compensatory warrants.

The carrying value and the recoverability of exploration and evaluation assets - Management has determined that exploration, evaluation and related costs incurred, which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

Rehabilitation provisions - The Company's potential for rehabilitation provisions includes estimates of future costs directly attributable to remediating the liability, inflation, movements in foreign exchange rates, and assumptions of risks associated with the future cash outflows, and the applicable risk-free interest rates for discounting future cash outflows. Changes in the factors above can result in a change to the provision recognized by the Company. To the extent the carrying value of the related mining property is not increased above its recoverable amount, changes to reclamation and closure cost obligations are recorded with a corresponding change to the carrying amounts of related mining properties.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

2. BASIS OF PRESENTATION (cont'd...)**Significant estimates (cont'd...)**

Equipment - The carrying amounts of equipment are depreciated to their estimated residual value over the estimated economic life of the specific assets to which they relate, using the deprecations methods and rates as indicated below. Estimates of residual values and useful lives are reassessed annually and any change in estimate is taken into account in the determination of the remaining depreciation rate. Depreciation commences on the date the asset is available for its use as intended by management.

Significant judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are, but are not limited to, the following:

Determination of functional currency - The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which each entity operates. The Company has determined the functional currency of each entity to be the Canadian dollar. Determination of the functional currency may involve certain judgments to determine the primary economic environment. The functional currency may change if there is a change in events and conditions which determines the primary economic environment.

Going concern - The Company has exercised judgment in determining whether its available funds are sufficient to continue operations for 12 months from the end of the reporting period.

Warrant derivative - The Company estimates fair value of the warrant derivative at initial measurement, at each exercise date and at each reporting period. This estimate requires determining the most appropriate inputs to the valuation model including the expected life, share price volatility, and dividend yield, and making assumptions about them.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These condensed interim consolidated financial statements were prepared using the same accounting policies and methods of computation as in the Company's consolidated financial statements for the year ended May 31, 2025, except as noted below.

Warrants issued in equity financing transactions

Warrants issued in foreign currencies are classified as derivative liabilities. Upon exercise, in exchange for a fixed amount of common shares, the expected cash receivable is variable due to changes in foreign exchange rates. The Company measures derivative financial liabilities at fair value through profit or loss at initial recognition and in subsequent reporting periods. Fair value gains or losses are recognized in other (losses) gains on the consolidated statement of comprehensive loss. The fair value of foreign currency share purchase warrants is determined using the quoted market price of the Company's common shares on the valuation date. Transaction costs, which are directly attributable to the offering, are allocated between equity that is classified as equity financing transaction costs and liabilities that are expensed in the period incurred.

Financial liabilities

The classification and measurement of warrant derivative is at fair value through profit or loss.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**New standards, interpretations and amendments to existing standards not yet effective**

A number of new standards and amendments to standards and interpretations have been issued by the IASB and are effective for annual periods beginning on or after June 1, 2025 which have not been applied in preparing these consolidated financial statements as they are not yet effective. The standards and amendments to standards that would be applicable to the consolidated financial statements of the Company are the following:

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1; many of the existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss. The Company is currently assessing the impact of this new accounting standard on its financial statements.

4. MARKETABLE SECURITIES

As at November 30, 2025, the Company owned nil (May 31, 2025 - 207,825) Goldgroup Mining Inc. ("Goldgroup") shares with a fair value of \$nil (May 31, 2025 - \$201,590). The change in market value of the shares resulted in the recording of other comprehensive gain (loss) of \$(72,364) for the six months ended November 30, 2025 (November 30, 2024 - \$33,608). During the six months ended November 30, 2025, the Company sold 207,825 (November 30, 2024 - nil) Goldgroup shares for proceeds of \$200,947 (November 30, 2024 - \$nil) resulting in a gain on sale of \$71,721 (November 30, 2024 - \$nil).

As at November 30, 2025, the Company owned 375,000 (May 31, 2025 - 375,000) common shares in a private British Columbia company ("BC Co.") with a fair value of \$nil (May 31, 2025 - \$nil).

	Goldgroup		BC Co.		Total	
	Number	Amount	Number	Amount		Amount
May 31, 2024	560,125	\$ 19,604	375,000	\$ -	\$ 19,604	
Disposals	(352,300)	(322,026)	-	-		(322,026)
Gain on sale	-	102,963	-	-		102,963
Fair value adjustment	-	401,049	-	-		401,049
May 31, 2025	207,825	\$ 201,590	375,000	\$ -	\$ 201,590	
Disposals	(207,825)	(200,947)	-	-		(200,947)
Gain on sale	-	71,721	-	-		71,721
Fair value adjustment	-	(72,364)	-	-		(72,364)
November 30, 2025	-	\$ -	375,000	\$ -	\$ -	-

5. CERRO PRIETO ROYALTY

Pursuant to the sale of the Company's interest in the Cerro Prieto Property to Goldgroup in fiscal 2013, Goldgroup agreed to pay to the Company a production royalty (the "Production Royalty") on each of the first 90,000 ounces of gold produced from the Property, subject to the respective monthly average of the daily PM London gold fix being in excess of US\$1,250 per ounce, to a maximum royalty of US\$90 per ounce. The production of the first 90,000 ounces was achieved in August 2022. As at November 30, 2025, the Company is owed \$nil (May 31, 2025 - \$1,053,744) by Goldgroup in connection with the Production Royalty. During the six months ended November 30, 2025, the Company received the full balance owed in connection with the Production Royalty.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

November 30, 2025

6. EXPLORATION AND EVALUATION ASSETS

	Santo Tomas Properties	Xochipala Property	Total
May 31, 2025	\$ 83,982,820	\$ 569,535	\$ 84,552,355
Deferred exploration expenditures			
Camp	34,633	-	34,633
Community relations	10,571	-	10,571
Engineering and modelling	10,493	-	10,493
Fieldwork, physical and technical	673,277	-	673,277
Health, safety, and risk management	2,227	-	2,227
Logistics and support	330,491	-	330,491
Property maintenance	444,213	22,392	466,605
Technical and project management	68,759	-	68,759
VAT	131,029	2,628	133,657
	1,705,693	25,020	1,730,713
November 30, 2025	\$ 85,688,513	\$ 594,555	\$ 86,283,068
	Santo Tomas Properties	Xochipala Property	Total
May 31, 2024	\$ 78,697,061	\$ 487,163	\$ 79,184,224
Deferred exploration expenditures			
Camp	161,272	-	161,272
Community relations	49,223	-	49,223
Fieldwork, physical and technical	2,300,705	-	2,300,705
Health, safety, and risk management	10,369	-	10,369
Logistics and support	903,372	-	903,372
Property maintenance	1,223,131	66,359	1,289,490
Technical and project management	320,183	-	320,183
VAT	317,504	16,013	333,517
	5,285,759	82,372	5,368,131
May 31, 2025	\$ 83,982,820	\$ 569,535	\$ 84,552,355

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

6. EXPLORATION AND EVALUATION ASSETS (cont'd...)

(a) Santo Tomas Properties, Sinaloa State, Mexico

Core Concessions

The Company, through XG, holds a registered 100% interest in certain mineral concessions (the “Core Concessions”).

In fiscal 2020, the Company acquired Altamura and its related subsidiaries, whose main asset is its interest in the Core Concessions. The acquisition value attributed to the properties (exploration and evaluation assets) was \$24,412,316.

Altamura had fee obligations, as amended, (the “Fee Agreement”), related to the Core Concessions, of US\$600,000, payable within twelve months of title to the Core Concessions being registered to XG in the PRM (paid).

Altamura also has certain contingent fee obligations (the “Contingent Fee Agreement”) related to the Core Concessions, payable upon the direct or indirect sale, assignment or transfer of the Core Concessions in a transaction intended to be final disposition, as follows:

- (i) pay 10% of the sale price, to a maximum of US\$3,600,000, (inclusive of the first US\$600,000 referred to above (paid)); and
- (ii) pay 1.5% of the sale price, to a maximum of US\$4,100,000, of which up to \$1,000,000 is payable to David Rose, an officer of the Company.

Altamura has entered into agreements pursuant to which it granted an initial aggregate 15% interest in the Core Concessions (the “Contractual Interest”) in consideration for: i) assistance with resolving the legal challenges to XG’s acquisition of registered title to the Core Concessions; ii) assistance with regard to the Company’s assembly of a controlling interest in the surrounding Papago 17, La China II, Rossy, Rossy 1, Papago Fraccion 1 and AMP Santo Tomas Red 1 concessions (collectively, the “Peripheral Concessions” and together with the Core Concessions, the “Santo Tomas Properties”), including; (a) the assignment to the Company of majority interests in the Peripheral Concessions; and (b) the right to cause the assignment to the Company of majority interests in other additional related properties; and (iii) technical and geological services. The Contractual Interest has been diluted down to an aggregate 10% on a pro-rata basis upon the funding of \$30,000,000 (completed) of expenditures on the combined Santo Tomas Properties.

The Peripheral Concessions

The Company, through MX, holds an 80% interest in each of the six Peripheral Concessions, which were acquired for total cash payments of \$52,247 and US\$42,500, and the issuance of 2,300,000 common shares, valued at \$471,000. Of the \$52,247, the Company will pay \$5,000 to the vendor of the interest in the Papago Fraccion 1 concession within 10 days of registration of the Company’s interest with the Mexican Public Registry of Mining. All six concessions comprising the Santo Tomas Properties are subject to an aggregate 1.5% net smelter royalty (“NSR”) payable to third parties.

In fiscal 2019, the Company entered into a purchase agreement (“Data Agreement”), as amended, pursuant to which the Company acquired geological data, analysis and models related to the Santo Tomas Properties in consideration for 500,000 common shares, valued at \$137,500, and US\$500,000, to be paid by way of one payment of US\$50,000 at the time of signing the agreement (paid), a second payment of US\$50,000 (paid) and a final payment of US\$400,000. The final payment of US\$400,000 payment is due upon the direct or indirect sale, assignment or transfer of the Core Concessions to a third party.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

6. EXPLORATION AND EVALUATION ASSETS (cont'd...)**(b) Vainilla Property, Sinaloa State, Mexico**

During the six months ended November 30, 2025, the Company acquired an option to purchase the 100% interest in the Vainilla Property, a mineral concession located in the southern extension of the Santo Tomas copper porphyry trend. The option is for initial consideration of US\$75,000 in cash and 100,000 common shares. Maintenance and exercise of the option is subject to additional consideration. The acquisition of the option is subject to TSX-V final approval.

(c) Xochipala Property Guerrero State, Mexico

The Xochipala Property, located in Guerrero State, Mexico, is comprised of the contiguous 100% owned Celia Gene and Celia Generosa concessions. MX acquired the Xochipala Property in 2007.

(d) Salvador Property, Guerrero State, Mexico

The Salvador Property is a mining concession in Guerero State, Mexico 100% owned by MX.

7. EQUIPMENT

	Camps	Transportation equipment	Machinery and equipment	Computer equipment	Leaseholds	Furniture and equipment	Total
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Cost

May 31, 2024,

May 31, 2025, and

November 30, 2025	\$ 1,970,563	\$ 523,629	\$ 1,480,369	\$ 66,552	\$ 10,017	\$ 300,382	\$ 4,351,512
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Accumulated depreciation

May 31, 2024	\$ 260,530	\$ 402,221	\$ 379,836	\$ 56,865	\$ 10,017	\$ 87,781	\$ 1,197,250
Depreciation	86,106	102,984	151,105	9,687	-	31,927	381,809

May 31, 2025	\$ 346,636	\$ 505,205	\$ 530,941	\$ 66,552	\$ 10,017	\$ 119,708	\$ 1,579,059
Depreciation	50,025	13,422	76,845	-	-	15,964	156,256

November 30, 2025	\$ 396,661	\$ 518,627	\$ 607,786	\$ 66,552	\$ 10,017	\$ 132,672	\$ 1,735,315
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Net book value

May 31, 2025	\$ 1,623,927	\$ 18,424	\$ 949,428	\$ -	\$ -	\$ 180,674	\$ 2,772,453
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November 30, 2025	\$ 1,573,902	\$ 5,002	\$ 872,583	\$ -	\$ -	\$ 164,710	\$ 2,616,197
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During the six months ended November 30, 2025, depreciation of \$156,256 (November 30, 2024 - \$195,823) was attributed to logistics and support within exploration and evaluation assets. The Company previously rented office space under an operating lease, included in office and general, with monthly payments of \$6,100. In fiscal 2025, the Company entered into a new operating lease for its office (Note 8).

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

8. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Set out below are the carrying amounts of the Company's right-of-use asset and lease liability and the movements.

	Right-of-use asset	Lease liability
May 31, 2024	\$ -	\$ -
Additions	254,972	254,972
Depreciation expense	(42,495)	-
Interest expense	-	20,064
Payments	-	(52,129)
May 31, 2025	212,477	222,907
Additions	-	-
Depreciation expense	(25,497)	-
Interest expense	-	10,712
Payments	-	(32,018)
November 30, 2025	\$ 186,980	\$ 201,601

As at November 30, 2025, the current portion of the lease liability was \$46,729 (May 31, 2025 - \$44,092) and the long-term portion was \$154,872 (May 31, 2025 - \$178,815). Depreciation of right-of-use asset and interest expense related to lease liability is included in office and general. Also included in office and general are rent costs of \$27,669 (November 30, 2024 - \$19,047) related to the variable portion of the lease.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following:

	November 30, 2025	May 31, 2025
Accounts payable	\$ 1,558,036	\$ 1,486,586
Accrued liabilities	364,436	267,130
	\$ 1,922,472	\$ 1,753,716

10. WARRANT DERIVATIVE

During the six months ended November 30, 2025, pursuant to a non-brokered private placement, 10,154,995 units were sold at a purchase price of US\$0.20 per unit for gross proceeds of US\$2,030,999 (\$2,863,020). Each unit included one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at a price of US\$0.30 per common share for a period of 24 months.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

10. WARRANT DERIVATIVE (cont'd...)

Under IFRS 9 Financial Instruments and IAS 32 Financial Instruments: Presentation, warrants with an exercise price denominated in a currency that differs from an entity's functional currency are treated as a derivative measured at fair value with subsequent changes in fair value accounted for through the consolidated statement of loss and comprehensive loss. The warrants with an exercise price of US\$0.30 meet this requirement and have been presented as a warrant derivative on the consolidated statement of financial position. Upon exercise, the recorded liability will be included in share capital along with the proceeds from the exercise. If these warrants expire, the related liability is reversed through profit or loss.

A reconciliation of the change in fair value of the warrant derivative is as follows:

	Weighted average exercise price
Balance, as at May 31, 2024 and 2025	\$ -
Additions	577,247
Change in fair value of warrant derivative	(131,581)
Balance, as at November 30, 2025	\$ 445,666

The estimated fair value of the warrant derivative issued during the period was determined using the Black-Scholes valuation model using the following assumptions

	November 30, 2025	Initial valuation
Stock price	\$0.28	\$0.32
Risk-free interest rate	2.41%	2.43%
Expected option life in years	1.9	2.0
Expected stock price volatility	79%	78%
Expected forfeiture rate	0%	0%

11. SHARE CAPITAL AND RESERVES**Authorized**

An unlimited number of common shares without par value.

Issued share capital

During the six months ended November 30, 2025, the Company issued:

- i. 1,560,000 common shares to Whittle Consulting Ltd. as partial compensation for its strategic option study of the Santo Tomas Project; and
- ii. 10,154,995 units at a price of US\$0.20 per unit by way of a brokered private placement gross proceeds of US\$2,030,999 (\$2,863,020). Each unit consists of one common share and one-half of one common share purchase warrant. Each whole share purchase warrant will entitle the holder to acquire an additional common share at a price of US\$0.30 per common share for a period of 24 months from the date of issue. The warrants are considered a derivative liability as described in Note 10. The Company paid other fees of \$16,494.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

11. SHARE CAPITAL AND RESERVES (cont'd...)**Issued share capital**

During the six months ended November 30, 2024, the Company issued:

i. 14,051,127 units at a price of \$0.45 per unit by way of a brokered private placement for total proceeds of \$6,323,007, of which \$1,195,738 was received in fiscal 2024. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole share purchase warrant will entitle the holder to acquire an additional common share at a price of \$0.65 per common share for a period of 24 months from the date of issue. The 7,025,561 warrants were valued at \$562,045, calculated using the residual value method. The Company paid cash finders' and other fees of \$507,568 and issued 703,399 finders' warrants. Each finder's warrant will entitle the holder to acquire an additional common share at a price of \$0.45 per common share for a period of 24 months from the date of issue. The finders' warrants were valued at \$100,418, calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk-free interest rate of 3.93%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 65%.

Warrants

Warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, outstanding as at May 31, 2024	18,860,378	\$ 0.75
Issued	16,946,783	0.51
Expired	(9,962,313)	0.78
Balance, outstanding as at May 31, 2025	25,844,848	0.58
Issued	5,077,497	0.42
Expired	(8,898,065)	0.73
Balance, outstanding as at November 30, 2025	22,024,280	\$ 0.49

Warrants outstanding as at November 30, 2025 are as follows:

Number of warrants	Exercise price	Weighted average remaining life (years)	Expiry date
7,025,561	\$ 0.65	0.52	June 6, 2026
703,399	\$ 0.45	0.52	June 6, 2026
9,214,223	\$ 0.40	1.25	February 28, 2027
3,600	\$ 0.25	1.25	February 28, 2027
3,827,497	US\$ 0.30	1.93	November 5, 2027
1,250,000	US\$ 0.30	1.96	February 14, 2027
22,024,280			

Stock options

The Company has a rolling stock option plan, whereby from time to time, at the direction of the Board of Directors, stock options may be granted to employees, consultants, directors and officers. The number of shares reserved for issuance under the plan shall not exceed 10% of the issued and outstanding common shares of the Company. The exercise price of each option is based on the market price of the Company's common stock at the date of the grant. Options may be granted for a maximum of 10 years and vesting is determined by the Board of Directors.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

11. SHARE CAPITAL AND RESERVES (cont'd...)**Stock options (cont'd...)**

During the six months ended November 30, 2025, a total of 1,030,000 (2024 - nil) stock options were granted to certain employees, consultants, directors and officers of the Company with a fair value of \$96,161 (2024 - \$nil) using the Black-Scholes option pricing model. During the six months ended November 30, 2025, the Company recognized \$76,205 (2024 - \$778,578) as share-based payment for the fair value of the stock options.

The fair value of options granted was estimated on the grant date using the Black-Scholes option pricing model with weighted average assumptions as follows:

	For the six months ended November 30, 2025	For the six months ended November 30, 2024
Risk-free interest rate	2.80%	n/a
Expected option life in years	3.0	n/a
Expected stock price volatility	68%	n/a
Expected forfeiture rate	0%	n/a

Option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance, outstanding as at May 31, 2024	13,835,000	\$ 1.41
Expired/forfeited	(7,730,000)	1.90
Balance, outstanding as at May 31, 2025	6,105,000	0.78
Granted	1,030,000	0.43
Balance, outstanding as at November 30, 2025	7,135,000	\$ 0.73
Balance, exercisable as at November 30, 2025	6,595,000	\$ 0.76

Options outstanding as at November 30, 2025 are as follows:

Number of options	Number of exercisable options	Exercise price	Weighted average remaining life (years)	Expiry date
150,000	150,000	\$ 1.10	0.20	February 12, 2026
450,000	450,000	\$ 1.10	0.34	April 3, 2026
5,505,000	5,505,000	\$ 0.75	1.35	April 8, 2027
250,000	100,000	\$ 0.35	2.65	July 23, 2028
780,000	390,000	\$ 0.45	2.67	July 30, 2028
7,135,000	6,595,000		1.45	

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

12. NON-CONTROLLING INTEREST

On March 2, 2020, the Company acquired 100 shares (67%) of XG, through the acquisition of Altamura. In fiscal 2020, 2021 2024, and 2026, the Company acquired an additional 625 shares (25 in fiscal 2020, 30 in fiscal 2021, 320 in fiscal 2024, and 250 in fiscal 2026) for total ownership as at November 30, 2025 of 725 of 750 shares, representing 96.7% of XG's equity (May 31, 2025 - 95%). During the six months ended November 30, 2025, the additional 250 shares acquired were for the conversion of intercompany debt of \$25,000,000 into equity resulting in a charge to deficit of \$343,526.

As at November 30, 2025, the equity attributable to the 3.3% (May 31, 2025 - 5%) non-controlling interest in XG is as follows:

	Total
May 31, 2024	\$ 940,115
Share of income for the year	274,554
May 31, 2025	1,214,669
1.7% interest acquired	(343,526)
Share of loss for the period	(184,091)
November 30, 2025	\$ 687,052

As at November 30, 2025 and May 31, 2025 and for the periods ended November 30, 2025 and May 31, 2025, summarized financial information about XG is as follows:

	November 30, 2025	May 31, 2025
Current assets	\$ 551,325	\$ 272,527
Non-current assets	72,877,267	71,686,840
Current liabilities	(954,774)	(906,457)
Non-current liabilities	(51,862,277)	(46,759,544)
Income (loss) and comprehensive income (loss) for the period	\$ (3,681,825)	\$ 6,710,114

The gain (loss) and comprehensive gain (loss) of XG for the six months ended November 30, 2025 was \$(3,681,825) (2024 - \$6,710,114). The gain (loss) allocated to non-controlling interest based on an interest of 3.3% (2025 - 5%) for six months ended November 30, 2025 was \$(184,091) (2024 - \$335,506).

13. RELATED PARTY TRANSACTIONS

The Company considers key management personnel to consist of directors and officers. The following expenses were incurred with key management personnel:

	For the six months ended November 30, 2025	For the six months ended November 30, 2024
Management and director fees	\$ 236,371	\$ 353,574
Professional fees	69,000	69,000
Share-based payment	-	375,005
Total	\$ 305,371	\$ 797,579

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

November 30, 2025

As at November 30, 2025 included in accounts payable and accrued liabilities was \$664,682 (May 31, 2025 - \$442,997) owing to officers and directors. The amounts owing are unsecured, non-interest bearing and have no fixed repayment terms.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 (Unaudited)
 November 30, 2025

14. SUPPLEMENTAL CASH FLOW INFORMATION

	For the six months ended November 30, 2025	For the six months ended November 30, 2024
Non-cash transactions not included in investing or financing activities		
Exploration and evaluation assets included in accounts payable	\$ 997,804	\$ 801,867
Royalty receivable settled with accounts payable	\$ -	\$ 23,394
Recognition of right-of-use asset and lease liability	\$ -	\$ 479,105
Allocation of share subscriptions received in advance to share capital	\$ -	\$ 1,195,738
Finders' warrants issued included in share issue costs	\$ -	\$ 100,418
Residual value of warrants in private placements	\$ -	\$ 562,045
Depreciation on equipment included in exploration and evaluation assets	\$ 80,929	\$ 195,823
Gain on sale of marketable securities	\$ 71,721	\$ -
Unrealized change on fair value of marketable securities	\$ 72,364	\$ 33,608

15. SEGMENTED INFORMATION

The Company operates in one segment, being the acquisition and exploration of exploration and evaluation assets located in Mexico. Geographic information is as follows:

As at November 30, 2025

	Canada	Mexico	Total
Equipment	\$ -	\$ 2,616,197	\$ 2,616,197
Exploration and evaluation assets	\$ -	\$ 86,283,068	\$ 86,283,068
Other assets	\$ 1,376,090	\$ 738,833	\$ 2,114,923
Total assets	\$ 1,376,090	\$ 89,638,098	\$ 91,014,188

As at May 31, 2025

	Canada	Mexico	Total
Equipment	\$ -	\$ 2,772,453	\$ 2,772,453
Exploration and evaluation assets	\$ -	\$ 84,552,355	\$ 84,552,355
Other assets	\$ 1,754,047	\$ 328,267	\$ 2,082,314
Total assets	\$ 1,754,047	\$ 87,653,075	\$ 89,407,122

16. FINANCIAL INSTRUMENT RISK AND CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity. There has been no significant change in the Company's objectives, policies and processes for managing its capital during the six months ended November 30, 2025.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

16. FINANCIAL INSTRUMENT RISK AND CAPITAL MANAGEMENT (cont'd...)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

Fair value hierarchy

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 marketplace.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data. The carrying value of cash, receivables, and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. The carrying value of lease liability approximated their fair value as the interest rates are comparable to current market rates. The warrant derivative is a recurring Level 2 fair value measurement as these warrants have not been listed on an exchange and therefore do not trade on an active market. The BC Co., shares recorded in marketable securities, are measured using level 3 of the fair value hierarchy. Investments classified within level 3 have significant unobservable inputs. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value.

The Company's financial instruments are exposed to certain financial risks, which include credit risk, liquidity risk, and market risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts and receivables. The bank accounts are mainly held with a major Canadian bank and this minimizes the risk to the Company. Receivables are due primarily from the government.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above. The Company monitors its ability to meet its short-term expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The warrant derivative is non-cash and does not therefore represent any liquidity risk.

Foreign Exchange Risk

The Company's property interests in Mexico make it subject to foreign currency fluctuations, which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and foreign currencies. The effect of a 10% change in the foreign exchange rate on the monetary balances held in foreign currencies as at November 30, 2025 is approximately \$8,000.

OROCO RESOURCE CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
November 30, 2025

16. FINANCIAL INSTRUMENT RISK AND CAPITAL MANAGEMENT (cont'd...)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Management of Industry Risk

The Company is engaged in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing as well as changes in foreign government policy. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations; however, it is not possible to be certain that all aspects of environmental issues affecting the Company, if any, have been fully determined or resolved.

17. SUBSEQUENT EVENT

Subsequent to November 30, 2025, the Company:

- i. issued 60,526,340 units at a price of S\$0.38 per unit for gross proceeds of \$23,000,000, pursuant to a bought deal public offering. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share at a price of \$0.53 per common share for a period of 36 months from the date of issue; and
- ii. granted 7,050,000 options, exercisable at a price of \$0.85 per common share for a period of three years, vesting 1/4 on each of the date of grant and every four months thereafter.