

# SOLARIS RESOURCES

## **Solaris Resources Inc.**

Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited)

# Solaris Resources Inc.

## Condensed Consolidated Interim Statements of Financial Position

(Unaudited – In thousands of United States dollars)

	Note	June 30, 2023	December 31, 2022
<b>Assets</b>			
Current assets			
Cash and cash equivalents		\$ 14,682	\$ 14,770
Prepays and other	3, 14	817	490
		15,499	15,260
Restricted cash	5	571	313
Exploration and evaluation assets	4	20,180	20,180
Property, plant and equipment		2,374	2,782
<b>Total assets</b>		<b>\$ 38,624</b>	<b>\$ 38,535</b>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable and accrued liabilities		\$ 4,320	\$ 8,336
Lease liability		148	145
Derivative liability	6	–	365
		4,468	8,846
Long-term liabilities			
Lease liability		18	90
Reclamation provision	5	1,395	1,271
Other long-term liability		119	98
<b>Total liabilities</b>		<b>6,000</b>	<b>10,305</b>
Shareholders' equity			
Common shares	7	196,619	169,952
Reserves	7	14,550	14,924
Deficit		(186,490)	(164,558)
Equity attributable to shareholders of the Company		24,679	20,318
Non-controlling interests	11	7,945	7,912
<b>Total shareholders' equity</b>		<b>32,624</b>	<b>28,230</b>
<b>Total liabilities and equity</b>		<b>\$ 38,624</b>	<b>\$ 38,535</b>

Commitments (Note 8, 12, 15)

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

## Solaris Resources Inc.

### Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, except share and per share amounts)

	Note	Three months ended June 30,		Six months ended June 30,	
		2023	2022	2023	2022
Exploration expenses	8	\$ 7,682	\$ 13,838	\$ 17,083	\$ 28,143
General and administrative expenses	9, 14	2,485	1,919	5,117	4,188
Loss from operations		10,167	15,757	22,200	32,331
Change in fair value of derivative	6	–	(634)	105	(1,188)
Finance income, net		(225)	(75)	(337)	(114)
Other expense		54	143	6	164
Net loss		\$ 9,996	\$ 15,191	\$ 21,974	\$ 31,193
Other comprehensive (income) loss					
Items that may be reclassified to profit or loss:					
Foreign currency translation		(380)	251	(607)	45
Total comprehensive loss		\$ 9,616	\$ 15,442	\$ 21,367	\$ 31,238
Net loss attributable to:					
Shareholders of the Company		\$ 9,973	\$ 15,178	\$ 21,932	\$ 31,164
Non-controlling interest	11	23	13	42	29
		\$ 9,996	\$ 15,191	\$ 21,974	\$ 31,193
Total comprehensive loss attributable to:					
Shareholders of the Company		\$ 9,593	\$ 15,429	\$ 21,325	\$ 31,209
Non-controlling interest	11	23	13	42	29
		\$ 9,616	\$ 15,442	\$ 21,367	\$ 31,238
Net loss per share attributable to shareholders of the Company					
Basic and diluted		\$ 0.06	\$ 0.14	\$ 0.16	\$ 0.28
Weighted average number of shares outstanding					
Basic and diluted		147,784,025	111,629,877	135,971,487	110,244,087

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

## Solaris Resources Inc.

### Condensed Consolidated Interim Statements of Cash Flows

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars)

	Note	Three months ended June 30,		Six months ended June 30,	
		2023	2022	2023	2022
Cash provided by (used in):					
Operations					
Net loss for the period		\$ (9,996)	\$ (15,191)	\$ (21,974)	\$ (31,193)
Adjustments for:					
Change in fair value of derivative	6	–	(634)	105	(1,188)
Finance income, net		(225)	(75)	(337)	(114)
Foreign exchange and other		32	(94)	2	(65)
Share-based compensation	7	1,343	908	2,883	1,944
Amortization		213	203	434	365
Reclamation provision		–	149	172	416
Loss from disposal of property, plant and equipment and termination of leases		9	119	11	119
Net changes in non-cash working capital items:					
Prepays and other		(153)	32	(329)	(239)
Accounts payable and accrued liabilities		(2,863)	(1,951)	(4,013)	(2,616)
Reclamation provision settlement		(17)	–	(62)	–
Other long-term liability		10	(153)	21	(57)
		(11,647)	(16,687)	(23,087)	(32,628)
Financing					
Proceeds from exercise of Equinox					
Warrants, warrants and stock options	7	1,531	23,644	22,334	23,685
Payment of lease liability		(41)	(38)	(81)	(78)
Contribution from non-controlling interest		75	–	75	–
Finance income received, net		241	89	362	137
		1,806	23,695	22,690	23,744
Investing					
Restricted cash contribution		–	(4)	(258)	(4)
Capital expenditures		(18)	(358)	(37)	(987)
		(18)	(362)	(295)	(991)
Effect of exchange rate changes on cash and cash equivalents					
		347	(181)	604	11
Increase (decrease) in cash and cash equivalents					
		(9,512)	6,465	(88)	(9,864)
Cash and cash equivalents, beginning of period					
		24,194	17,568	14,770	33,897
Cash and cash equivalents, end of period					
		\$ 14,682	\$ 24,033	\$ 14,682	\$ 24,033

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

## Solaris Resources Inc.

### Condensed Consolidated Interim Statements of Changes in Equity

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, except number of shares)

	Note	Share Capital		Reserves			Deficit	Non-controlling interest	Total equity
		Number of Shares	Amount	Options, RSUs and warrants	Foreign currency translation	Total			
Balance, December 31, 2022		122,660,841	\$ 169,952	\$ 13,880	\$ 1,044	\$ 14,924	\$ (164,558)	\$ 7,912	\$ 28,230
Shares issued on exercise of stock options	7	336,500	249	(103)	–	(103)	–	–	146
Shares issued on exercise of Solaris warrants and Equinox Warrants	7	25,150,589	26,418	(3,761)	–	(3,761)	–	–	22,657
Share-based compensation	7	–	–	2,883	–	2,883	–	–	2,883
Contribution from non-controlling interest		–	–	–	–	–	–	75	75
Net loss and comprehensive loss		–	–	–	607	607	(21,932)	(42)	(21,367)
Balance, June 30, 2023		148,147,930	\$ 196,619	\$ 12,899	\$ 1,651	\$ 14,550	\$ (186,490)	\$ 7,945	\$ 32,624
Balance, December 31, 2021		108,827,567	\$ 119,555	\$ 19,834	\$ 1,720	\$ 21,554	\$ (105,901)	\$ 7,911	\$ 43,119
Shares issued on exercise of stock options	7	15,167	19	(6)	–	(6)	–	–	13
Shares issued on exercise of Solaris warrants	7	4,639,250	28,880	(5,208)	–	(5,208)	–	–	23,672
Share-based compensation	7	–	–	1,944	–	1,944	–	–	1,944
Net loss and comprehensive loss		–	–	–	(45)	(45)	(31,164)	(29)	(31,238)
Balance, June 30, 2022		113,481,984	\$ 148,454	\$ 16,564	\$ 1,675	\$ 18,239	\$ (137,065)	\$ 7,882	\$ 37,510

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

# Solaris Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

---

### 1. NATURE OF OPERATIONS

Solaris Resources Inc. (the “Company” or “Solaris”) was incorporated under the Business Corporations Act of British Columbia on June 18, 2018 as a wholly owned subsidiary of Equinox Gold Corp. (“Equinox”). Equinox subsequently completed a spin-out of Solaris pursuant to a plan of arrangement (the “Arrangement”). Solaris’ common shares trade on the Toronto Stock Exchange under the symbol “SLS”.

The Company is engaged in the acquisition, exploration and development of mineral property interests. The Company’s assets consist primarily of the Warintza property (“Warintza”) in Ecuador, the 60% owned La Verde property (“La Verde”) in Mexico, the Ricardo property (“Ricardo”) in Chile and the Tamarugo property (“Tamarugo”) in Chile. The Company has not yet determined whether the properties contain mineral reserves where extraction is both technically feasible and commercially viable. The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that such activities will result in profitable mining operations.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due for the foreseeable future. The Company does not generate operating cash flow from a producing mine and has incurred operating losses to date. The Company has relied on cash received from share issuances to fund its business activities, including planned corporate expenditures, exploration expenses, as well as the development activities for the Warintza project. Based on its current forecast, the Company requires additional financing to fund ongoing operations within the next twelve months. The Company’s ability to continue as a going concern is dependent upon the successful execution of its business plan, raising additional capital and/or evaluating strategic alternatives for its mineral property interests. The Company expects to continue to raise the necessary funds primarily through the issuance of common shares in support of its business objectives. While the Company has been successful in securing financing to date, there can be no assurances that future equity financing or strategic alternatives will be available on acceptable terms to the Company or at all, and therefore, a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the consolidated statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

### 2. BASIS OF PREPARATION

#### Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Accounting Standard 34 (“IAS 34”), Interim Financial Reporting, and do not include all of the information required for annual financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performances since the last annual financial statements. These condensed consolidated interim financial statements should be read in conjunction with the Company’s most recent annual audited financial statements for the year ended December 31, 2022. The accounting policies, significant judgments made by management in applying these policies and key sources of estimation uncertainty are the same as those applied in the Company’s annual audited consolidated financial statements for the year ended December 31, 2022.

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC (International Financial Reporting Interpretations Committee). However, these updates either are not applicable to the Company or are not material to the consolidated financial statements.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors on August 9, 2023.

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### 3. PREPAIDS AND OTHER

	Note	June 30, 2023	December 31, 2022
Prepaid expenses and deposits		\$ 458	\$ 137
Supplies inventory		71	102
Taxes recoverable		196	191
Amounts receivable and other		28	15
Due from a related party	14	64	45
		\$ 817	\$ 490

#### 4. EXPLORATION AND EVALUATION ASSETS

	Note	June 30, 2023	December 31, 2022
La Verde (Mexico)	a) \$	19,741	\$ 19,741
Warintza (Ecuador)	b)	188	188
Ricardo (Chile)	c)	251	251
		\$ 20,180	\$ 20,180

a) La Verde

La Verde is situated in the Sierra Madre del Sur west of Mexico City in Michoacán State, Mexico and consists of the Unificación Santa Maria claim. The project is held 60% by the Company and 40% by a subsidiary of Teck Resources Ltd. The joint venture agreement governing the operation and funding of La Verde was formalized effective February 28, 2015 (the "Agreement"). The Agreement provides that Solaris is the operator of the project. The Agreement further provides for dilution of either party's ownership should funding not be provided in accordance with their respective participating interests. La Verde is subject to a 0.5% net smelter royalty held by Minera CIMA, S.A. de C.V.

b) Warintza

The Company owns a 100% interest in Warintza. Warintza is located in southeastern Ecuador in the province of Morona Santiago, Canton Limon Indanza. It consists of nine mining concessions (the "Concessions") covering a total of 26,777 hectares. The Concessions have a term of 25 years and can be renewed for additional periods of 25 years. South32 Royalty Investments Pty Ltd holds a 2% net smelter royalty on the original four concessions covering a total of 10,000 hectares.

c) Ricardo

The Company owns a 100% interest in Ricardo, an early-stage exploration porphyry copper prospect located near Calama, Chile in the Calama Mining District. The Ricardo claim block covers approximately 16,000 hectares.

d) Tamarugo

Tamarugo is a grass-roots copper porphyry target strategically located in northern Chile approximately 85 kilometres northeast of Copiapo and approximately 65 kilometres southwest of Codelco's El Salvador Copper Mine. The Company owns a 100% interest in Tamarugo, which consists of claim blocks covering a total of approximately 12,300 hectares.

e) Other projects

Solaris has earn-in agreements on certain other projects including the Capricho and Paco Orco projects in Peru. The Capricho project is a 4,200-hectare copper-molybdenum-gold property. The Paco Orco project is a 4,400-hectare lead, zinc and silver property.

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### 5. RECLAMATION PROVISION

		June 30, 2023		December 31, 2022
Balance, start of period	\$	1,271	\$	1,509
Additions		199		495
Accretion		14		25
Settlement		(62)		(109)
Change in estimate		(27)		(649)
Balance, end of period	\$	1,395	\$	1,271

The reclamation provision represents the estimated costs for restoration and rehabilitation for environmental disturbances at Warintza, estimated to be incurred in the year 2027. The total undiscounted estimated cash flows required to settle these obligations as at June 30, 2023 are \$1,670 (December 31, 2022 – \$1,548), which have been inflated at an average rate of 2.10% per annum (December 31, 2022 – 2.22%) and discounted at an average rate of 4.31% (December, 31, 2022 – 3.99%).

Restricted cash of \$571 (December 31, 2022 – \$313) represents funds being used to collateralize guarantees issued to support environmental bonding requirements with respect to the environmental disturbances at Warintza.

#### 6. DERIVATIVE

Pursuant to the Arrangement under which Equinox distributed 60% of the shares of the Company to its shareholders in August of 2018, the Company became obligated to issue Solaris common shares on any exercise of then existing Equinox Warrants. The obligation to issue shares on exercise of Equinox Warrants met the definition of a derivative.

As at June 30, 2023, the Company no longer has an obligation with respect to the Equinox Warrants as the last tranche of the Equinox Warrants expired on May 7, 2023 (note 7(d)). During the six months ended June 30, 2023, the Company issued 150,589 common shares (December 31, 2022 – 2,940) on exercise of 3,011,765 Equinox Warrants (December 31, 2022 – 58,824). A continuity of the derivative liability is as follows:

		June 30, 2023		December 31, 2022
Balance, start of period	\$	365	\$	1,783
Exercise of warrants		(469)		(7)
Change in fair value		105		(1,377)
Foreign exchange on translation		(1)		(34)
Balance, end of period	\$	–	\$	365

#### 7. SHARE CAPITAL

##### a) Common shares

Authorized: Unlimited common shares, with no par value

Issued and fully paid: 148,147,930 (December 31, 2022 – 122,660,841)

##### b) Share purchase options

For the three and six months ended June 30, 2023, the Company recognized a share-based compensation expense included in general and administrative expenditures of \$1,343 and \$2,883, respectively (three and six months ended June 30, 2022 – \$908 and \$1,944, respectively). The following table shows the change in the shares issuable for Arrangement options and Solaris options during the six months ended June 30, 2023 and 2022:



## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

For the six months ended June 30,	2023	2022
Balance, start of period	8,131,226	7,982,504
Granted	2,950,000	–
Exercised	(336,500)	(15,167)
Forfeited	(43,122)	(52,778)
Balance, end of period	10,701,604	7,914,559

The weighted average exercise price per share of options granted, exercised and forfeited during the six months ended June 30, 2023 was C\$5.94, C\$0.59 and C\$1.20, respectively. The weighted average exercise price per share of options exercised and forfeited during the six months ended June 30, 2022 was C\$1.09 and C\$1.14, respectively.

There were no options granted in the six months ended June 30, 2022. The assumptions used in the Black-Scholes option pricing model for the options granted in the six months ended June 30, 2023 were as follows.

Weighted average		2023
Exercise price per share issuable	C\$	5.94
Expected term (years)		5
Volatility <sup>1</sup>		61%
Expected dividend yield		–
Risk-free interest rate		3.59%
Weighted average fair value per share		3.06

<sup>1</sup> The expected volatility of Solaris is based on the historical volatility of the shares of a comparative peer group of companies.

#### Arrangement options

Pursuant to the Arrangement under which Equinox distributed the shares of the Company to its shareholders, option holders of Equinox received options of Solaris which were proportionate to, and reflective of the terms of, their existing options of Equinox (“Arrangement options”). As at June 30, 2023, a total of 332,694 (December 31, 2022 – 838,914) Arrangement options are outstanding with each option entitling the holder to one-tenth of a Solaris share. As at June 30, 2023, a total of 33,272 shares (December 31, 2022 – 83,894) are issuable by Solaris upon exercise of the Arrangement options.

Outstanding and Exercisable				
Exercise price per Arrangement option (C\$) <sup>2</sup>	Number of Arrangement options outstanding	Number of shares issuable	Weighted average exercise price per option (C\$)	Weighted average remaining contractual life (years)
\$0.10	7,500	750	\$ 0.10	0.09
\$0.12	325,194	32,522	0.12	0.96
	332,694	33,272	\$ 0.12	0.94

<sup>2</sup> Exercise price per Arrangement option for 1/10<sup>th</sup> of a Solaris share.

The weighted average exercise price of the Arrangement options exercisable at June 30, 2023, attributable to the issuance of a whole Solaris share was C\$1.20 (December 31, 2022 – C\$1.20).

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### Solaris options

The following is a summary of the Company's outstanding and exercisable options as at June 30, 2023:

Grant date	Outstanding			Exercisable	
	Exercise price (C\$)	Number of options	Weighted average remaining contractual life (years)	Number of options	Weighted average remaining contractual life (years)
August 9, 2019	\$ 0.50	400,000	1.11	400,000	1.11
November 18, 2019	0.80	700,000	1.39	700,000	1.39
November 21, 2019	0.80	204,166	1.40	204,166	1.40
January 2, 2020	0.80	350,000	1.51	350,000	1.51
March 20, 2020	0.80	100,000	1.72	100,000	1.72
May 27, 2020	0.80	2,514,166	1.91	2,514,166	1.91
November 2, 2020	4.90	2,300,000	2.35	1,533,332	2.35
March 16, 2021	7.24	300,000	2.71	300,000	2.71
September 15, 2021	13.11	400,000	3.21	100,000	3.21
November 10, 2021	12.45	150,000	3.37	37,500	3.37
August 9, 2022	7.36	300,000	4.11	–	–
February 24, 2023	5.94	2,950,000	4.66	300,000	4.66
	4.08	10,668,332	2.83	6,539,164	2.06

#### c) Restricted share units

Pursuant to the Arrangement, holders of Equinox RSUs or pRSUs received RSUs or pRSUs of Solaris ("Arrangement RSUs"), which were proportionate to, and reflective of the terms of, their existing RSUs or pRSUs of Equinox. The holder of the Arrangement RSUs acquires one-tenth of a Solaris share upon vesting. During the six months ended June 30, 2023 and 2022, there were no RSUs redeemed under the provision of the Company's RSU plan and as of June 30, 2023, 260,836 RSUs and pRSUs are outstanding with 26,085 of Solaris shares issuable.

#### d) Shares issuable for Equinox Warrants

Pursuant to the Arrangement, upon exercise of each pre-existing Equinox Warrant, warrant holders will receive one-fifth of a common share of Equinox and one-twentieth of a Solaris share. Equinox will pay to Solaris an amount equal to one-tenth of the proceeds received by Equinox on exercise of the warrants. During the six months ended June 30, 2023, 150,589 Solaris common shares were issued for the exercise of Equinox Warrants, which represent all the outstanding Equinox Warrants under the Arrangement. A continuity of the Company's shares issuable for Equinox Warrants is as follows:

	Shares issuable on exercise of warrants	Weighted average price per Solaris share issuable (C\$)	Equinox weighted average exercise price <sup>3</sup> (C\$)
Outstanding, December 31, 2021	153,529	\$ 2.12	\$ 5.30
Exercised	(2,940)	2.02	5.05
Outstanding, December 31, 2022	150,589	\$ 2.12	\$ 5.30
Exercised	(150,589)	2.12	5.30
Outstanding, June 30, 2023	–	–	–

<sup>3</sup> Equinox Warrants exercise price per one whole Equinox common share and one-quarter Solaris common share issuable.

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### e) Share purchase warrants

The following is a summary of the Company's warrants as at June 30, 2023:

Date of Issue	Exercise Price (C\$)	Expiry Date	December 31, 2022	Exercised	Expired	June 30, 2023
May 28, 2020	\$1.20	May 28, 2023	25,000,000	(25,000,000)	–	–

During the six months ended June 30, 2023, the Company received proceeds from exercises of 25,000,000 common share purchase warrants totaling \$21,951 (C\$30,000), representing all outstanding warrants of the Company.

## 8. EXPLORATION EXPENDITURES

The Company's exploration expenditures by activity are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Salaries, geological consultants and support, and travel	\$ 2,193	\$ 4,576	\$ 4,525	\$ 8,778
Site preparation, supplies, field and general	2,354	2,694	4,432	5,380
Drilling and drilling related costs	1,276	3,806	2,509	8,428
Assay and analysis	215	939	390	1,731
Community relations, environmental and permitting	1,430	1,439	4,107	2,293
Concession fees	1	(47)	473	412
Studies	–	79	41	340
Reclamation provision	–	149	172	416
Amortization	213	203	434	365
	\$ 7,682	\$ 13,838	\$ 17,083	\$ 28,143

Pursuant to agreements with local communities, the Company is required to make certain monthly community support payments.

The Company's exploration expenditures by jurisdiction are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Ecuador	\$ 7,315	\$ 13,541	\$ 16,271	\$ 27,305
Chile	43	(39)	239	185
Mexico	52	29	99	69
Peru and other	272	307	474	584
	\$ 7,682	\$ 13,838	\$ 17,083	\$ 28,143

## 9. GENERAL AND ADMINISTRATIVE EXPENDITURES

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Share-based compensation	\$ 1,343	\$ 908	\$ 2,883	\$ 1,944
Salaries and benefits	407	479	814	932
Office and other	187	178	375	367
Filing and regulatory fees	94	44	171	154
Professional fees	337	158	655	494
Marketing and travel	117	152	219	297
	\$ 2,485	\$ 1,919	\$ 5,117	\$ 4,188

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### 10. SEGMENTED INFORMATION

The Company has determined that it has one operating segment, being the exploration of mineral properties.

Information about the Company's non-current assets by jurisdiction is detailed below:

	June 30, 2023	December 31, 2022
Mexico	\$ 19,755	\$ 19,756
Ecuador	3,058	3,201
Chile	267	271
Peru and other	45	47
	\$ 23,125	\$ 23,275

Information about the Company's exploration expenditures by jurisdiction is detailed in Note 8.

#### 11. NON-CONTROLLING INTEREST

The Company, through its 60% ownership of Minera Torre de Oro, S.A.P.I. de C.V., controls the La Verde project, with a non-controlling interest accounting for the 40% owned by a subsidiary of Teck Resources Ltd.

Summarized financial information for the La Verde project is as follows:

	June 30, 2023	December 31, 2022
Current assets	\$ 56	\$ 56
Non-current assets	19,741	19,741
Current liabilities	57	45

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Net loss	\$ 57	\$ 34	\$ 104	\$ 74
Attributable to Shareholders of the Company	34	21	62	45
Attributable to Non-controlling interest	23	13	42	29

#### 12. FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management process.

##### a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's financial assets.

The Company is primarily exposed to credit risk on its cash and cash equivalents and amounts receivable. Credit risk exposure is limited through maintaining its cash with high-credit quality financial institutions. The carrying value of these financial assets of \$15,541 represents the maximum exposure to credit risk.

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that there is sufficient capital in order to meet short term business requirements after taking into account the Company's holdings of cash (note 1).

At June 30, 2023, the Company had contractual cash flow commitments as follows:

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	\$ 4,320	\$ –	\$ –	\$ –	\$ 4,320
Lease liabilities	148	18	–	–	166
Other long-term liabilities	–	–	–	119	119
Office rent obligations	345	411	70	–	826
Exploration expenses and other	60	–	–	–	60
	\$ 4,873	\$ 429	\$ 70	\$ 119	\$ 5,491

#### c) Foreign currency risk

The Company is exposed to currency risk on transactions and balances in currencies other than the functional currency. At June 30, 2023, the Company had not entered into any contracts to manage foreign exchange risk.

The functional currency of the parent company is Canadian dollars. Therefore, the Company is exposed to currency risk from the assets and liabilities denominated in US dollars. However, the impact on such exposure is not currently material.

The Company is also exposed to currency risk on financial assets and liabilities denominated in Peruvian soles, Chilean pesos, Mexican pesos and Guatemalan quetzals. However, the impact on such exposure is not currently material.

### 13. FAIR VALUE MEASUREMENTS

The carrying values of cash and cash equivalents, restricted cash, deposits, amounts receivable and accounts payable and accrued liabilities approximate fair value due to their short terms to maturity. There were no transfers between fair value levels in the periods presented.

### 14. RELATED PARTY TRANSACTIONS

#### *Compensation of key management personnel*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company, and comprises the Company's Executive Chairman, President and Chief Executive Officer, Chief Financial Officer, Senior Vice President Corporate Affairs and Corporate Secretary and Directors.

Key management compensation for the three and six months ended June 30, 2023 and 2022 is comprised of the following:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Share-based compensation	\$ 978	\$ 719	\$ 2,305	\$ 1,563
Salaries and benefits	168	163	336	340
Professional fees	94	78	186	148
	\$ 1,240	\$ 960	\$ 2,827	\$ 2,051

During 2021, the Company entered an agreement with Augusta Capital Corporation ("Augusta") for consulting services. The owner of Augusta Capital Corporation is the Chairman and a major shareholder of the Company. Total amount charged by Augusta for the three and six months ended June 30, 2023 was \$94 and \$186, respectively (three and six months ended June 30, 2022 - \$78 and \$148, respectively).

## Solaris Resources Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited – In thousands of United States dollars, unless otherwise noted)

#### *Related party arrangement*

On January 2, 2020, the Company entered into an arrangement to share office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. All of the parties have jointly entered into a rental agreement for office space. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the office space rental agreement. The Company's obligation for future rental payments if the Company's participation in the arrangement was terminated on June 30, 2023 was approximately \$844 (December 31, 2022 – \$1,028), determined based on the Company's average share of rent paid in the immediately preceding 12 months.

The Company was charged for the following with respect to these arrangements in the three and six months ended June 30, 2023 and 2022:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Salaries and benefits	\$ 942	\$ 401	\$ 1,355	\$ 1,331
Office and other	103	105	208	223
Filing and regulatory fees	45	–	54	79
Marketing and travel	4	5	10	10
	\$ 1,094	\$ 511	\$ 1,627	\$ 1,643

At June 30, 2023, amounts in prepaids and other include \$64 due from a related party (December 31, 2022 – \$45) with respect to this arrangement.

#### 15. COMMITMENTS

The Company is committed to payments for office leases premises through 2026 in the total amount of approximately \$826 based on the Company's current share of rent paid. Payments by fiscal year are:

2023	172
2024	330
2025	169
2026	155

The Company is committed to payments related to exploration expenses and other of \$60 in 2023.