

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number. 001-39278

SOLITARIO RESOURCES CORP.

(Exact name of registrant as specified in its charter)

Colorado

(State or other jurisdiction of incorporation or organization)

84-1285791

(I.R.S. Employer Identification No.)

4251 Kipling St. Suite 390, Wheat Ridge, CO

(Address of principal executive offices)

80033

(Zip Code)

(303) 534-1030

(Registrant's telephone number, including area code)

(Former name, former address, and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, \$0.01 par value	XPL	NYSE American

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ☒

NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

YES ☒

NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated
filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting
company ☒

Emerging Growth
Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ☐

NO ☒

There were 90,193,070 shares of \$0.01 par value common stock outstanding as of August 5, 2025.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

**SOLITARIO RESOURCES CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)**

(in thousands of U.S. dollars)	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 195	\$ 81
Short-term investments	8,823	4,523
Investments in marketable equity securities, at fair value	401	1,322
Prepaid expenses and other	229	66
Total current assets	9,648	5,992
Mineral properties	16,701	16,701
Restricted cash – mineral property reclamation bonds	230	230
Other assets	84	117
Total assets	\$26,663	\$23,040
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$461	\$258
Kinross call option liability	-	67
Operating lease liability	29	43
Total current liabilities	490	368
Long-term liabilities:		
Asset retirement obligation and reclamation liabilities	145	145
Operating lease liability – long-term	-	7
Total long-term liabilities	145	152
Commitments and contingencies (Note 9)		
Shareholders' equity:		
Preferred stock, \$0.01 par value, authorized 10,000,000 shares (none issued and outstanding at June 30, 2025 and December 31, 2024)	-	-
Common stock, \$0.01 par value, authorized 200,000,000 shares (89,956,840 and 81,638,418 shares, respectively, issued and outstanding at June 30, 2025 and December 31, 2024)	900	816
Additional paid-in capital	89,592	84,714
Accumulated deficit	(64,464)	(63,010)
Total shareholders' equity	26,028	22,520
Total liabilities and shareholders' equity	\$26,663	\$23,040

See Notes to Unaudited Condensed Consolidated Financial Statements

SOLITARIO RESOURCES CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(in thousands of U.S. dollars, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Operating expense:				
Exploration expense	\$ 671	\$ 487	\$ 910	\$ 841
Depreciation	7	6	14	13
General and administrative	388	656	878	1,128
Total operating expense	1,066	1,149	1,802	1,982
Other income (loss)				
Interest and dividend income	52	106	98	201
Loss on derivative instruments	(130)	(21)	(336)	(21)
Realized and unrealized gain on sale of marketable equity securities	201	302	586	310
Total other income (loss)	123	387	348	490
Net loss	\$(943)	\$(762)	\$(1,454)	\$(1,492)
Loss per common share:				
Basic and diluted	\$(0.01)	\$(0.01)	\$(0.02)	\$(0.02)
Weighted average shares outstanding:				
Basic and diluted	84,116	81,113	82,908	80,368

See Notes to Unaudited Condensed Consolidated Financial Statements

SOLITARIO RESOURCES CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands of U.S. dollars)

	Six months ended June 30,	
	2025	2024
Operating activities:		
Net loss	\$(1,454)	\$(1,492)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	14	13
Amortization of right of use lease asset	20	21
Stock-based compensation expense	251	415
Realized and unrealized gain on sale of marketable equity securities	(586)	(310)
Loss on derivative instruments	336	21
Changes in operating assets and liabilities:		
Prepaid expenses and other	(163)	(364)
Accounts payable and other current liabilities	181	126
Net cash used in operating activities	(1,401)	(1,570)
Investing activities:		
(Purchase) sale of short-term investments, net	(4,300)	388
Purchase of mineral property	-	(55)
Purchase of other assets	-	(12)
Cash from sale of marketable equity securities	1,507	54
Cash paid for settlement of derivative instruments	(403)	-
Sale of derivative instruments	-	39
Net cash (used) provided by investing activities	(3,196)	414
Financing activities:		
Issuance of common stock – net of issuing costs	4,505	1,218
Issuance of common stock upon exercise of stock options	206	14
Net cash provided by financing activities	4,711	1,232
Net increase in cash and cash equivalents and restricted cash	114	76
Cash, cash equivalents and restricted cash, beginning of period	311	200
Cash, cash equivalents and restricted cash, end of period	\$ 425	\$ 276

See Notes to Unaudited Condensed Consolidated Financial Statements

SOLITARIO RESOURCES CORP.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Business and Significant Accounting Policies

Business and company formation

Solitario Resources Corp. (“Solitario,” or the “Company”) is an exploration stage company as defined by rules issued by the United States Securities and Exchange Commission (“SEC”). Solitario was incorporated in the state of Colorado on November 15, 1984 as a wholly-owned subsidiary of Crown Resources Corporation. In July 1994, Solitario became a publicly traded company on the Toronto Stock Exchange through its initial public offering. Solitario has been actively involved in mineral exploration since 1993. Solitario’s primary business is to acquire exploration mineral properties or royalties and/or discover economic deposits on its mineral properties and advance these deposits, either on its own or through joint ventures, up to the development stage. At or prior to development, Solitario would likely attempt to sell its mineral properties, pursue their development either independently or through a joint venture with a partner that has expertise in mining operations, or create a royalty with a third party that would continue to advance the property. Solitario has never developed a property. Solitario is primarily focused on the acquisition and exploration of precious metal, zinc and other base metal exploration mineral properties. In addition to focusing on its mineral exploration properties and the evaluation of mineral properties for acquisition, Solitario from time-to-time also evaluates potential strategic transactions for the acquisition of new precious and base metal properties and assets with exploration potential or business combinations that Solitario determines to be favorable.

Solitario has recorded revenue in the past from the sale of mineral properties, including the sale of certain mineral royalties. Revenues and / or proceeds from the sale or joint venture of properties or assets, although potentially significant when they occur, have not been a consistent annual source of cash and would only occur in the future, if at all, on an infrequent basis.

Solitario currently considers its carried interest in the Florida Canyon zinc project in Peru (the “Florida Canyon Project”), its interest in the Lik zinc project in Alaska (the “Lik Project”), and its Golden Crest project in South Dakota (the “Golden Crest Project”) to be its core mineral property assets. Nexa Resources, Ltd. (“Nexa”), Solitario’s joint venture partner, is continuing the exploration and furtherance of the Florida Canyon Project and Solitario is monitoring progress at the Florida Canyon Project. Solitario is working with its 50% joint venture partner in the Lik Project, Teck American Incorporated, a wholly-owned subsidiary of Teck Resources Limited (both companies are referred to as “Teck”), to further the exploration and evaluate potential development plans for the Lik Project. In addition, Solitario has an early-stage project, the Cat Creek project in Colorado (the “Cat Creek Project”). Solitario is conducting mineral exploration on its Golden Crest Project and the Cat Creek Project on its own.

Solitario anticipates using its cash and short-term investments, in part, to fund costs and activities to further the exploration of its core mineral projects, the Florida Canyon Project, Lik Project and Golden Crest Project, as well as its Cat Creek Project, and to potentially acquire additional mineral property assets. The fluctuations in precious metal and other commodity prices contribute to a challenging environment for mineral exploration and development, which has created opportunities as well as challenges for the potential acquisition of early-stage and advanced mineral exploration projects or other related assets at potentially attractive terms.

The accompanying interim condensed consolidated financial statements of Solitario for the three and six months ended June 30, 2025 are unaudited and are prepared in accordance with accounting principles generally accepted in the United States of America (“generally accepted accounting principles”). They do not include all disclosures required by generally accepted accounting principles for annual financial statements, but in the opinion of management, include all adjustments necessary for a fair presentation of the interim results as presented. Interim results are not necessarily indicative of results which may be achieved in the future or for the full year ending December 31, 2025.

These consolidated condensed financial statements should be read in conjunction with the consolidated financial

statements and notes thereto which are included in Solitario's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 12, 2025 (the "2024 Annual Report"). The accounting policies set forth in those annual financial statements are the same as the accounting policies utilized in the preparation of these condensed consolidated financial statements, except as modified for appropriate interim financial statement presentation.

Adopted accounting pronouncements

Solitario has adopted Accounting Standards Update ("ASU") 2023-05, *Business Combinations - Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement*, issued by the financial Accounting Standards Board ("FASB") in August 2023, which clarifies the business combination accounting for joint venture formations. The amendments in the ASU seek to reduce diversity in practice that has resulted from a lack of authoritative guidance regarding the accounting for the formation of joint ventures in separate financial statements. The amendments also seek to clarify the initial measurement of joint venture net assets, including businesses contributed to a joint venture. The guidance is applicable to all entities involved in the formation of a joint venture. The amendments are effective for all joint venture formations with a formation date on or after January 1, 2025. The adoption of ASU No. 2023-05 did not have a material impact on Solitario's consolidated financial position or results of operations and statement disclosures.

The FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* in December 2023 which amended income tax disclosure requirements for the effective tax rate reconciliation and income taxes paid. The amendments in ASU 2023-09 are effective for public business entities for fiscal years beginning after December 15, 2025 and may be applied prospectively for interim reporting periods. Solitario has adopted as of the first quarter of 2025 ASU No. 2023-09, which had no impact on its consolidated financial position or results of operations and statement disclosures.

Recently issued accounting pronouncements

The FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03") in November 2024, which requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. Under ASU 2024-03, entities will be required to disaggregate information, in tabular format, about specific natural expense categories underlying certain income statement expense line items that are considered 'relevant', such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. Additionally, ASU 2024-03 requires the disclosure of selling expenses, along with how an entity defines such expenses. For public entities, the provisions within ASU 2024-03 (as further clarified through ASU No. 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*) are effective for the first annual reporting period beginning after December 15, 2026, and for interim reporting periods within annual reporting periods beginning after December 15, 2027. The provisions within ASU 2024-03 are required to be applied prospectively; however, they may be applied retrospectively for all comparative periods following the effective date. Solitario is currently assessing the impact the adoption of ASU 2024-03 will have on its consolidated financial position or results of operations and statement disclosures.

Risks and uncertainties

Solitario is subject to various risks and uncertainties that are specific to the nature of its business and the exploration of its mineral properties. Solitario also faces various macro-economic risks and uncertainties, such as risks related to health epidemics, pandemics, and other outbreaks or resurgences of communicable diseases, the occurrence of natural disasters, rising geopolitical tension and instability, acts of war or terrorism, global economic uncertainty, inflationary pressures, interest rate volatility, and volatility and disruption in national and international financial markets. These risks and uncertainties could significantly disrupt Solitario's operations and may materially and adversely affect its business and financial condition. Certain of these risks and uncertainties are discussed under the heading "Risk Factors" in Item 1A of our 2024 Annual Report and generally identified under the heading "Forward-Looking Statements."

Financial reporting

The condensed consolidated financial statements include the accounts of Solitario and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The condensed consolidated

financial statements are prepared in accordance with generally accepted accounting principles and are expressed in US dollars.

Cash equivalents

Cash equivalents include investments in highly liquid money-market securities with original maturities of three months or less when purchased. As of June 30, 2025, \$149,000 of Solitario's cash is held in brokerage accounts and foreign banks, which are not covered under the Federal Deposit Insurance Corporation rules for the United States.

Money market funds

Solitario invests in money market funds that seek to maintain a stable net asset value. These funds invest in high-quality, short-term, diversified money market instruments, short-term treasury bills, federal agency securities, certificates of deposits, and commercial paper. Solitario includes its money market funds in short-term investments. Solitario believes the redemption value of these funds is likely to be the fair value, which is represented by the net asset value. Redemption is permitted daily without written notice. At June 30, 2025 Solitario's money market funds of \$8,823,000 are included in short-term investments.

Segment reporting

Solitario operates as a single operating segment in accordance with FASB ASU 2023-07 Segment Reporting (Topic 280): *Improvements to Reportable Segment Disclosures*. All financial information is presented on a consolidated basis and reviewed by Solitario's Chief Executive Officer as the Chief Operating Decision Maker ("CODM"). The CODM uses consolidated net loss, as presented in the condensed consolidated statement of operations, to assess segment performance and allocate resources. The measure of segment assets is reported on the balance sheet as total consolidated assets.

Earnings per share

The calculation of basic and diluted earnings (loss) per share is based on the weighted average number of shares of common stock outstanding during the three and six months ended June 30, 2025 and 2024. Potentially dilutive shares related to outstanding common stock options of 4,570,000 and 4,320,000, respectively, for the three and six months ended June 30, 2025, and outstanding common stock options of 5,903,500 and 3,778,500, respectively, for the three and six months ended June 30, 2024 were excluded from the calculation of diluted loss per share because the effects were anti-dilutive.

2. Mineral Properties

The following table details Solitario's capitalized mineral properties:
(in thousands)

	June 30, 2025	December 31, 2024
Exploration		
Lik Project (Alaska – US)	\$15,611	\$15,611
Golden Crest Project (South Dakota – US)	1,078	1,078
Cat Creek Project (Colorado – US)	12	12
Total exploration mineral properties	\$16,701	\$16,701

Solitario's mineral properties at June 30, 2025 and December 31, 2024 consist of use rights related to its exploration properties. The amounts capitalized as mineral properties include initial concession and lease or option acquisition costs. None of Solitario's exploration properties have production (are operating) or have established proven or probable reserves. Solitario's mineral properties represent interests in properties that Solitario believes have exploration and development potential.

Exploration expense

The following items comprised exploration expense:

(in thousands)	Three months ended		Six months ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Geologic and field expenses	\$620	\$394	\$782	\$651
Administrative	51	93	128	190
Total exploration costs	\$671	\$487	\$910	\$841

Asset Retirement Obligation and Reclamation Liabilities

Solitario recorded an asset retirement obligation of \$125,000 upon the acquisition of the Lik Project for Solitario's estimated reclamation cost of the existing disturbance at the Lik Project. This disturbance consists of an exploration camp including certain drill sites and access roads at the camp. The estimate was based upon estimated cash costs for reclamation as determined by Solitario and its joint venture partner, Teck, and is supported by a permitting bond required by the State of Alaska, for which Solitario has retained a reclamation bond insurance policy in the event Solitario or Teck do not complete required reclamation.

Solitario has not applied a discount rate to the recorded asset retirement obligation as the estimated time frame for reclamation is not currently known, as completion of reclamation is not expected to occur until the end of the related project life, which would follow future development and operations, the start of which cannot be estimated or assured at this time. Additionally, no depreciation will be recorded on the related asset for the asset retirement obligation until the Lik project goes into operation, which cannot be assured.

As of June 30, 2025 and December 31, 2024, Solitario has no reclamation liability at its Florida Canyon Project as Nexa is responsible for the costs at the Florida Canyon Project, including reclamation, if any. In addition, the activities to date at Solitario's Cat Creek Project of staking claims and mapping, soil and rock sampling, and assaying have not created any material environmental or other disturbances.

Solitario is also involved in certain matters concerning its 2025 and 2024 drilling programs remediation at its Golden Crest Project. Generally, the bulk of remediation at the Golden Crest Project associated with its 2025 and 2024 drilling programs are carried out concurrently with drilling activities, with only ongoing contouring and reseeded of drill sites remaining as of June 30, 2025 related to the 2024 drilling program. As the 2025 drilling program was initiated in June 2025, there have not been any material on-going (non-concurrent) reclamation liabilities related to the 2025 drilling program as of June 30, 2025. At June 30, 2025 and December 31, 2024, Solitario has a reclamation liability of \$20,000, included in asset retirement and reclamation liabilities related to the Golden Crest Project.

3. Marketable Equity Securities

Solitario's investments in marketable equity securities are carried at fair value, which is based upon quoted prices of the securities owned. The cost of marketable equity securities sold is determined by the specific identification method. Changes in fair value are recorded in the condensed consolidated statement of operations.

At June 30, 2025 and December 31, 2024, Solitario owned the following marketable equity securities:

	June 30, 2025		December 31, 2024	
	shares	Fair value (000's)	shares	Fair value (000's)
Kinross Gold Corp.	-	\$ -	100,000	\$927
Vendetta Mining Corp.	7,750,000	85	7,750,000	81
Vox Royalty Corp.	100,000	316	134,055	314
Total		<u>\$401</u>		<u>\$1,322</u>

The following tables summarize Solitario's marketable equity securities and adjustments to fair value:

(in thousands)	June 30, 2025	December 31, 2024
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Marketable equity securities at cost	\$1,284	\$1,440
Cumulative unrealized loss on marketable equity securities	(883)	(118)
Marketable equity securities at fair value	\$ 401	\$1,322

The following table represents changes in marketable equity securities:

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cost of marketable equity securities sold	\$ 156	\$ -	\$ 156	\$ -
Realized gain on marketable equity securities sold	1,351	54	1,351	54
Gross proceeds from the sale of marketable equity securities sold	(1,507)	(54)	(1,507)	(54)
Net gain on marketable equity securities	202	302	586	310
Change in marketable equity securities at fair value	\$1,305	\$248	\$921	\$256

The following table represents the realized and unrealized (loss) gain on marketable equity securities:

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Unrealized gain (loss) on marketable equity securities	\$(1,150)	\$248	\$(765)	\$256
Realized gain on marketable equity securities sold	1,351	54	1,351	54
Net gain on marketable equity securities *	\$ 202	\$302	\$ 586	\$310

* Certain amounts in the three months ended June 30, 2025 may not add due to rounding.

During the three and six months ended June 30, 2025, Solitario sold its holdings of 100,000 shares of Kinross common stock for gross proceeds of \$1,401,000, which was netted by the settlement of \$403,000 to close out its \$10.00 Kinross covered call covering all 100,000 shares of Kinross previously held by Solitario, which had a May 16, 2025 settlement date, resulting in net proceeds of \$998,000, after fees and commissions. Solitario recorded a gain on sale of \$1,319,000 on the date of sale. See also Note 7 “Derivative Instruments” below. Also, during the three and six months ended June 30, 2025, Solitario sold 34,055 of its Vox Royalty shares for proceeds of \$106,000 and recorded a gain on sale of \$32,000 on the date of sale. During the three and six months ended June 30, 2024, Solitario sold 100,000 shares of Highlander Silver Corp. (“Highlander”) common stock for proceeds of \$54,000 and recorded a gain on sale of \$54,000 on the date of sale.

4. Leases

Solitario leases one facility, its Wheat Ridge, Colorado office, that has a term of more than one year (the “WR Lease”). The WR Lease is classified as an operating lease and has a remaining term of 8 months at June 30, 2025, with no renewal option. At June 30, 2025 and December 31, 2024, the right-of-use office lease asset for the WR Lease is classified as other long-term assets and the related liability as current and long-term operating lease liabilities in the condensed consolidated balance sheet. The amortization of right-of-use lease asset expense is recognized over the lease term, with variable lease payments recognized in the period those payments are incurred.

During the three and six months ended June 30, 2025, cash lease payments of \$11,000 and \$22,000, respectively, were made on the WR Lease. During the three and six months ended June 30, 2024, cash lease payments of \$11,000 and \$22,000, respectively, were made on the WR Lease. During the three and six months ended June 30, 2025, Solitario recognized \$10,000 and \$20,000, respectively, of non-cash amortization of right of use lease asset expense for the WR Lease included in general and administrative expense. During the three and six months ended June 30, 2024, Solitario recognized \$12,000 and \$21,000, respectively, of non-cash amortization of right of use lease asset expense for the WR Lease included in general and administrative expense. These cash payments, less imputed interest for each period, reduced the related liability on the WR Lease. The discount rate within the WR Lease is not determinable and Solitario has applied a discount rate of 7% based upon Solitario’s estimate of its cost of capital to determine the asset and liability upon the extension of the WR lease during 2023.

The maturities of Solitario’s lease liability for its WR Lease are as follows at June 30, 2025:

Future lease payments (in thousands)	
Remaining payments 2025	\$23
Remaining payments 2026	7
Total lease payments	30
Less amount of payments representing interest	(1)
Present value of lease payments	\$29

5 Other Assets

Other assets consisted of the following items:

(in thousands)	June 30, 2025	December 31, 2024
Furniture and fixtures, net of accumulated depreciation	\$ 53	\$ 66
Right of use office lease asset	27	47
Exploration bonds and other assets	4	4
Total other assets	\$84	\$117

6 Fair Value of Financial Instruments

During the three and six months ended June 30, 2025 and 2024, there were no reclassifications in financial assets or liabilities between Level 1, 2 or 3 categories.

The following is a listing of Solitario's financial assets and liabilities required to be measured at fair value on a recurring basis and where they are classified within the hierarchy as of June 30, 2025:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Short-term investments	\$8,823	\$ -	\$ -	\$8,823
Marketable equity securities	\$ 401	\$ -	\$ -	\$401

The following is a listing of Solitario's financial assets and liabilities required to be measured at fair value on a recurring basis and where they are classified within the hierarchy as of December 31, 2024:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Short-term investments	\$4,523	\$ -	\$ -	\$4,523
Marketable equity securities	\$1,322	\$ -	\$ -	\$1,322
Liabilities				
Kinross calls	\$ 67	\$ -	\$ -	\$ 67

7. Derivative Instruments

From time-to-time Solitario sold covered call options against its holdings of shares of common stock of Kinross Gold Corp. ("Kinross") included in marketable equity securities. The business purpose of selling covered calls was to provide additional income on a limited portion of shares of Kinross that Solitario may have elected to sell in the near term, which is generally defined as less than one year and any changes in the fair value of its covered calls are recognized in the statement of operations in the period of the change. In August 2024, Solitario sold covered calls against its holdings of Kinross for net proceeds of \$39,000. In May 2025, During the three and six months ended June 30, 2025, Solitario recorded a loss on derivative instruments of \$130,000 and \$336,000, respectively. Solitario settled the covered calls against its holdings of Kinross upon the sale of all of its shares of Kinross for gross proceeds of \$1,401,000 which was netted against the settlement of the Kinross calls of \$403,000 for net cash proceeds of \$998,000 after fees and commissions.

8. Income Taxes

Solitario accounts for income taxes in accordance with ASC 740 *Income Taxes*. Under ASC 740, income taxes are provided for the tax effects of transactions reported in the condensed consolidated financial statements and consist of taxes currently due plus deferred taxes related to certain income and expenses recognized in different periods for financial and income tax reporting purposes. Deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred taxes are also recognized for operating losses and tax credits that are available to offset future taxable income and income taxes, respectively. A valuation allowance is provided if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

At both June 30, 2025 and December 31, 2024, a valuation allowance has been recorded, which fully offsets Solitario's net deferred tax assets, because it is more likely than not that the Company will not realize some portion or all of its deferred tax assets. The Company continually assesses both positive and negative evidence to determine whether it is more likely than not that the deferred tax assets can be realized prior to their expiration.

During the three and six months ended June 30, 2025 and 2024, Solitario recorded no deferred tax expense.

9. Commitments and contingencies

At June 30, 2025 and December 31, 2024, Solitario has recorded an asset retirement and reclamation liability obligation of \$145,000, related to its Lik Project and Golden Crest Project. See Note 2 "Mineral Properties," above.

Solitario leases office space under a non-cancelable operating lease for the Wheat Ridge, Colorado office which provides for future total minimum rent payments as of June 30, 2025 of \$30,000 through February 2026.

10. Employee Stock Compensation Plans

2013 Plan:

On June 18, 2013, Solitario's shareholders approved the 2013 Solitario Exploration & Royalty Corp. Omnibus Stock and Incentive Plan, as amended (the "2013 Plan"), which expired in April 2023. Under the terms of the 2013 Plan, a total of 5,750,000 shares of Solitario common stock were reserved for awards to directors, officers, employees and consultants. The 2013 Plan permitted the Board of Directors of the Company (the "Board of Directors") or a committee appointed by the Board of Directors to grant awards in the form of stock options, stock appreciation rights, restricted stock, and restricted stock units. The 2013 Plan has expired and no additional awards may be granted under the 2013 Plan, although awards made prior to the 2013 Plan's expiration will remain outstanding in accordance with their terms.

As of June 30, 2025 and December 31, 2024, there were options outstanding under the 2013 Plan to acquire 2,145,000 and 3,173,500 shares, respectively, of Solitario common stock. Of these, as of June 30, 2025 and December 31, 2024, there were a total of vested options exercisable to acquire 1,643,750 and 2,672,250 shares, respectively, of Solitario common stock, with exercise prices between \$0.20 and \$0.67 per share. As of June 30, 2025, the outstanding stock options under the 2013 Plan have an intrinsic value of \$100,000 and a weighted average life of 2.10 years.

During the three months ended June 30, 2025, options granted under the 2013 Plan for 250,000 shares were exercised with an exercise price of \$0.20 per share for proceeds of \$50,000 and had an intrinsic value of \$104,000 on the date of exercise.

During the six months ended June 30, 2025, options granted under the 2013 Plan for 1,028,500 shares were exercised with an exercise price of \$0.20 per share for proceeds of \$206,000 and had an intrinsic value of \$437,000 on the date of exercise. During the six months ended June 30, 2024, options previously granted under the 2013 Plan for 50,000 shares were exercised with an exercise price of \$0.28 per share for proceeds of \$14,000 and had an intrinsic value of \$12,000 on the date of exercise. No options were exercised from the 2013 Plan during the three months ended June 30, 2024.

2023 Plan:

On June 20, 2023, Solitario's shareholders approved the 2023 Solitario Stock and Incentive Plan (the "2023 Plan"). Under the terms of the 2023 Plan, a total of 5,000,000 shares of Solitario common stock are reserved for awards to directors, officers, employees and consultants. Awards may take the form of stock options, stock appreciation rights, restricted stock and restricted stock units. The terms and conditions of the awards are pursuant to the 2023 Plan and are granted by the Board of Directors or a committee appointed by the Board of Directors. The 2023 Plan has a term of 10 years.

As of June 30, 2025 and December 31, 2024, there were options outstanding under the 2023 Plan to acquire 2,175,000 and 2,175,000 shares, respectively, of Solitario common stock. Of these, as of June 30, 2025 and December 31, 2024, there were options that are vested and exercisable to acquire 1,087,500 and 556,250, shares, respectively, of Solitario common stock, with exercise prices between \$0.51 and \$0.85 per share. As of June 30, 2025, the outstanding stock options under the 2023 Plan have an intrinsic value of \$7,000 and a weighted average life of 3.92 years. During the three and six months ended June 30, 2025 Solitario did not grant any awards under the 2023 Plan. During the three and six months ended June 30, 2024, Solitario granted options for 2,125,000 shares of Solitario common stock, with an exercise price of \$0.85 per share, a five-year term, which vest 25% on the date of grant and 25% on each anniversary date for the next three years and a grant date fair value of \$1,120,000 based upon a five-year life, volatility of 71.5% and risk-free interest rate of 4.3%. During the three and six months ended June 30, 2025 and 2024, no options were exercised under the 2023 Plan.

Stock-based compensation expense

During the three and six months ended June 30, 2025, Solitario recorded stock-based compensation expense of \$125,000 and \$251,000, respectively, included in general and administrative expense. During the three and six months ended June 30, 2024, Solitario recorded stock-based compensation expense of \$356,000 and \$415,000, respectively, included in general and administrative expense. At June 30, 2025, the total unrecognized stock-based compensation expense related to non-vested options was \$589,000 and is expected to be recognized over a period of 21 months.

11. Shareholders' Equity

Shareholders' Equity for the three and six months ended June 30, 2025:

(in thousands, except
Share amounts)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
Balance at December 31, 2024	81,638,418	\$816	\$84,714	\$(63,010)	\$22,520
Stock-based compensation expense	-	-	126	-	126
Issuance of shares- option exercises	778,500	8	148	-	156
Net loss	-	-	-	(511)	(511)
Balance at March 31, 2025	82,416,918	\$824	\$84,988	\$(63,521)	\$22,291
Stock-based compensation expense	-	-	125	-	125
Issuance of shares- option exercises	250,000	3	47	-	50
Issuance of shares – ATM	147,067	1	93	-	94
Issuance of shares – Private Placement	7,142,855	72	4,339	-	4,411
Net loss	-	-	-	(943)	(943)
Balance at June 30, 2025	89,956,840	\$900	\$89,592	\$(64,464)	\$26,028

Shareholders' Equity for the three and six months ended June 30, 2024:

(in thousands, except
Share amounts)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
Balance at December 31, 2023	79,586,358	\$796	\$82,796	\$(57,642)	\$25,950
Stock-based compensation expense	-	-	59	-	59
Issuance of shares- option exercises	50,000	-	14	-	14

Net loss	-	-	-	(730)	(730)
Balance at March 31, 2024	79,636,358	\$796	\$82,869	\$(58,372)	\$25,293
Stock-based compensation expense	-	-	356	-	356
Issuance of shares for cash - ATM	1,802,060	18	1,200	-	1,218
Net loss	-	-	-	(762)	(762)
Balance at June 30, 2024	81,438,418	\$814	\$84,425	\$(59,134)	\$26,105

Private Placements

On June 18, 2025, Solitario closed on a private placement of 1,587,300 shares of Solitario common stock (the “Newmont Shares”), pursuant to a Stock Purchase Agreement (the “SPA”) with Newmont Overseas Exploration Ltd. (“Newmont”), for a price of \$0.63 per share for net proceeds of \$980,000 after certain legal and regulatory offering costs of \$20,000. In connection with the sale of the Newmont Shares, Solitario and Newmont amended and restated the Investor Rights Agreement between the parties that was entered into in 2023, to reflect Newmont’s purchase of these additional Solitario shares. The amended and restated Investor Rights Agreement served to amend certain terms of the Investor Rights Agreement, including to provide Newmont a right of first refusal with respect to certain transactions, such as a sale or joint venture, involving the Golden Crest Properties (whereas the agreement previously granted Newmont a right of first offer with respect to those prospective transactions).

On June 18, 2025, Solitario closed on a private placement of 5,555,555 shares of its common stock (the “Shares”) at a price of \$0.63 per share for net proceeds of \$3,431,000 after certain legal and regulatory offering costs of \$69,000. The sale of the Shares was made through a subscription agreement between Solitario and a single third-party investor. No officers, directors or other affiliates of Solitario participated in the private placement. The investor in the private placement was provided certain registration rights with respect to the Shares they purchased. Solitario did not engage an underwriter or placement agent for the private placement, and therefore there were no underwriter discounts or commissions or placement agent fees.

At the Market Offering Agreement

On December 19, 2023, Solitario entered into an amendment to its at-the-market offering agreement that was originally entered into in 2021 (the “ATM Agreement”) with H. C. Wainwright & Co., LLC (“Wainwright”), under which Solitario may, from time to time, issue and sell shares of Solitario’s common stock through Wainwright as sales manager in an at-the-market offering under a prospectus supplement for aggregate sales proceeds of up to \$10.0 million (the “ATM Program”). The common stock is distributed at the market prices prevailing at the time of sale. As a result, prices of the common stock sold under the ATM Program may vary between purchasers and during the period of distribution. The ATM Agreement provides that Wainwright is entitled to compensation for its services at a commission rate of 3.0% of the gross sales price per share of common stock sold.

During the three and six months ended June 30, 2025, Solitario sold an aggregate of 147,067 shares of common stock under the ATM Agreement at an average price of \$0.67 per share for net proceeds of \$94,000, after commissions and sale expenses. During the three and six months ended June 30, 2024, Solitario sold an aggregate of 1,802,060 shares of common stock under the ATM Agreement at an average price of \$0.70 per share for net proceeds of \$1,218,000, after commissions and sale expenses.

12. Subsequent Events

Subsequent to June 30, 2025, Solitario sold an aggregate of 236,230 shares of common stock under the ATM Agreement at an average price of \$0.72 per share for net proceeds of \$164,000, after commissions and sale expenses.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the information contained in the consolidated financial statements of Solitario for the years ended December 31, 2024 and 2023, and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Solitario's 2024 Annual Report. Solitario's financial condition and results of operations as of and through June 30, 2025 are not necessarily indicative of what may be expected in future periods. Unless otherwise indicated, all references to dollars are to U.S. dollars.

(a) Business Overview and Summary

We are an exploration stage company as defined by rules issued by the SEC, with a focus on the acquisition of precious and base metal properties with exploration potential and the development or purchase of royalty interests. Currently our primary focus is the acquisition and exploration of precious metals, zinc and other base metal exploration mineral properties. However, we continue to evaluate other mineral properties for acquisition, and we hold a portfolio of mineral exploration properties and assets for future sale, joint venture or on which to create a royalty prior to the establishment of proven and probable reserves. Although our mineral properties may be developed in the future by us, through a joint venture or by a third party, we have never developed a mineral property. In addition to focusing on our current mineral exploration properties, from time-to-time we also evaluate potential strategic transactions for the acquisition of new precious and base metal properties and assets with exploration potential.

Our current geographic focus for the evaluation of potential mineral property assets is in North and South America; however, we have conducted property evaluations for potential acquisition in other parts of the world. At June 30, 2025, we consider our Golden Crest Project in South Dakota, our carried interest in the Florida Canyon Project in Peru, and our interest in the Lik Project in Alaska to be our core mineral property assets. In addition, we own the Cat Creek Project in Colorado, which has not been explored to the degree of any of our three core assets, described above. We are conducting exploration activities in the United States on our own at the Golden Crest and Cat Creek Projects and through joint ventures operated by our partners in Peru at the Florida Canyon Project and in Alaska at the Lik Project. From time to time we also conduct potential acquisition evaluations in other countries located in South and North America.

We have recorded revenue in the past from the sale of mineral properties, however revenues and / or proceeds from the sale or joint venture of properties or assets, although generally significant when they have occurred in the past, have not been a consistent source of revenue and would only occur in the future, if at all, on an infrequent basis. We have reduced our exposure to the costs of our exploration activities in the past through the use of joint ventures. Although we anticipate that the use of joint ventures to fund some of our exploration activities will continue for the foreseeable future, we can provide no assurance that these or other sources of capital will be available in sufficient amounts to meet our needs, if at all.

As of June 30, 2025, we have balances of cash and short-term investments that we anticipate using, in part, to (i) fund costs and activities intended to further the exploration of our Lik Project, Florida Canyon Project, Golden Crest Project and Cat Creek Project; (ii) conduct reconnaissance exploration and (iii) potentially acquire additional mineral property assets. The fluctuations in precious metal and other commodity prices contribute to a challenging environment for mineral exploration and development, which has created opportunities as well as challenges for the potential acquisition of advanced mineral exploration projects or other related assets at potentially attractive terms.

The extent to which our business, including our exploration and other activities and the market for our securities, may be impacted by public health threats, rising geopolitical tension, general economic uncertainty and market volatility will depend on future developments, which are highly uncertain and cannot be predicted at this time. Please see Part I, Item 1A, "Risk Factors," in our 2024 Annual Report.

(b) Results of Operations

Comparison of the three months ended June 30, 2025 to the three months ended June 30, 2024

We had a net loss of \$943,000 or \$0.01 per basic and diluted share for the three months ended June 30, 2025

compared to a net loss of \$762,000 or \$0.01 per basic and diluted share for the three months ended June 30, 2024. As explained in more detail below, the primary reasons for the increase in our net loss in the three months ended June 30, 2025 compared to the net loss during the three months ended June 30, 2024 were (i) an increase in exploration expense to \$671,000 during the three months ended June 30, 2025 compared to exploration expense of \$487,000 during the three months ended June 30, 2024; (ii) a decrease in interest and dividend income to \$52,000 during the three months ended June 30, 2025 compared to interest and dividend income of \$106,000 during the three months ended June 30, 2024; (iii) an increase in the loss on derivative instruments to \$130,000 during the three months ended June 30, 2025 compared to a loss on derivative instruments of \$21,000 during the three months ended June 30, 2024; and (iv) an unrealized loss on marketable equity securities of \$1,150,000 during the three months ended June 30, 2025 compared to an unrealized gain on marketable equity securities of \$248,000 during the three months ended June 30, 2024. Partially offsetting these increases in net loss were (i) a decrease in general and administrative expense to \$388,000 during the three months ended June 30, 2025 compared to general and administrative expense of \$656,000 during the three months ended June 30, 2024; and (ii) a gain on sale of marketable equity securities of \$1,351,000 during the three months ended June 30, 2025 compared to a gain on sale of marketable equity securities of \$54,000 during the three months ended June 30, 2024. Each of the major components of these items is discussed in more detail below.

Our net exploration expense increased to \$671,000 during the three months ended June 30, 2025 compared to exploration expense of \$487,000 during the three months ended June 30, 2024 primarily as a result of (i) an increase in exploration expense at our Golden Crest Project to \$635,000 during the three months ended June 30, 2025 compared to \$450,000 during the three months ended June 30, 2024 as a result of the commencement of drilling at Golden Crest during the second quarter of 2025, with no drilling in the second quarter of 2024; and (ii) an increase in exploration expense at our Lik Project in Alaska during the three months ended June 30, 2025 of \$19,000 compared to exploration expenditures of \$16,000 during the three months ended June 30, 2024. Drilling commenced in June 2025 at our Golden Crest Project which resulted in approximately \$347,000 in drilling expenditures in the three months ended June 30, 2025 with no similar amount during the three months ended June 30, 2024. Partially offsetting these increases in exploration expense were reductions of the limited work at our Cat Creek Project and reconnaissance work during both the three months ended June 30, 2025 and 2024. We have budgeted approximately \$3,910,000 for the full-year exploration expenditure for 2025, which includes approximately \$1,911,000 for drilling at the Golden Crest Project. We expect our full-year exploration expenditures for 2025 to be comparable to our full-year exploration expenditures for 2024.

Exploration expense (in thousands) by project consisted of the following:

Project Name	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Golden Crest	\$635	\$450	\$851	\$785
Lik	19	16	30	24
Cat Creek	10	13	15	13
Reconnaissance	7	8	14	19
Total exploration expense	\$671	\$487	\$910	\$841

General and administrative costs, excluding stock option compensation costs, discussed below, were \$263,000 during the three months ended June 30, 2025 compared to \$301,000 during the three months ended June 30, 2024. The major components of our general and administrative costs were (i) salaries and benefit expense of \$79,000 during the three months ended June 30, 2025 compared to salary and benefit costs of \$83,000 during the three months ended June 30, 2024 as a result of a reduction in administrative staff costs; (ii) legal and accounting expenditures of \$61,000 in the three months ended June 30, 2025 compared to \$60,000 in the three months ended June 30, 2024; (iii) office rent and expenses of \$17,000 during the three months ended June 30, 2025 compared to \$33,000 during the three months ended June 30, 2024; and (iv) travel and shareholder relation costs of \$106,000 during the three months ended June 30, 2025 compared to \$125,000 during the three months ended June 30, 2024. We anticipate the full-year general and administrative costs will be comparable for 2025 and 2024.

We recorded \$125,000 of stock option compensation expense for the amortization of unvested grant date fair value with a credit to additional paid-in-capital during the three months ended June 30, 2025 compared to \$356,000 of stock option

compensation expense during the three months ended June 30, 2024. These non-cash charges related to the expense for vesting on stock options outstanding during the three months ended June 30, 2025 and 2024. The primary reason for the decrease in stock option compensation expense during the three months ended June 30, 2025 compared to the three months ended June 30, 2024 was as a result of the grant of a total of 2,125,000 options in the second quarter of 2024, which included amortization of 25%, or \$280,000 on the grant date of the total grant date fair value of \$1,120,000, with no similar grant date amortization during the three months ended June 30, 2025. The remaining expense related to the amortization of grant date fair values of outstanding unvested options for the three months ended June 30, 2025 and 2024 was comparable. See Note 10, "Employee Stock Compensation Plans," above, for additional information on our stock option expense.

We recorded a non-cash unrealized loss on marketable equity securities of \$1,150,000 during the three months ended June 30, 2025 compared to an unrealized gain on marketable equity securities of \$248,000 during the three months ended June 30, 2024. The non-cash unrealized loss during the three months ended June 30, 2025 was primarily related to (i) the transfer \$915,000 of unrealized gain on our holdings of Kinross common stock to realized gain upon the sale of shares of Kinross during the three months ended June 30, 2025; (ii) the transfer of \$33,000 of unrealized gain on our holdings of Vox Royalty common stock upon the sale of the shares of Vox Royalty during the three months ended June 30, 2025; and (iii) a decrease of \$263,000 in the value of the holdings of our Kinross shares during the three months ended June 30, 2025 to the date of sale of the shares. Partially offsetting this non-cash unrealized loss on marketable equity securities during the three months ended June 30, 2025 was (i) an increase of \$6,000 on our Vox Royalty common shares sold during the three months ended June 30, 2025 to the date of sale; (ii) an increase of \$31,000 in the value of our holdings of Vendetta common stock during the three months ended June 30, 2025; and (iii) an increase of \$24,000 in the value of our remaining holdings of Vox Royalty common stock during the three months ended June 30, 2025. The non-cash unrealized gain on marketable equity securities of \$248,000 during the three months ended June 30, 2024 was as a result of an increase in the fair value of our then held 100,000 shares of Kinross common stock of \$219,000, based on quoted market prices; and (ii) an increase in the fair value of our 134,055 shares of Vox Royalty common stock of \$91,000 based on quoted market prices. These increases were partially offset by a decrease in the fair value of our 7,750,000 shares of Vendetta Mining Corp. ("Vendetta") common stock of \$30,000 based on quoted market prices. In addition, during the three months ended June 30, 2024, we transferred \$32,000 of prior unrecognized gain on the sale of our 100,000 shares of Highlander common stock to realized gain on the sale of marketable equity securities.

During the three and six months ended June 30, 2025, we sold our holdings of 100,000 shares of Kinross common stock for gross proceeds of \$1,401,000, which was netted by the settlement of \$403,000 to close out the \$10.00 Kinross covered call covering all 100,000 shares of Kinross, which had a May 16, 2025 settlement date, resulting in net cash proceeds of \$998,000, after fees and commissions. We recorded a gain on sale of the Kinross shares of \$1,319,000 on the date of sale. Also, during the three and six months ended June 30, 2025, we sold 34,055 of our Vox Royalty shares for proceeds of \$106,000 and recorded a gain on sale of the Vox Royalty shares of \$32,000 on the date of sale. During the three months ended June 30, 2024, we sold our 100,000 Highlander common shares for proceeds of \$54,000 and recorded a gain on sale of marketable equity securities of \$54,000. See Note 3 "Marketable Equity Securities" to the condensed consolidated financial statements.

We recorded interest and dividend income of \$52,000 during the three months ended June 30, 2025 compared to interest income of \$106,000 during the three months ended June 30, 2024. This decrease was primarily due to a decrease in our funds held in our money market account during the three months ended June 30, 2025 compared to the funds held in our money market account during the three months ended June 30, 2024. Our dividend income portion of interest and dividend income during in the three and six months ended June 30, 2025 of \$2,000 and \$5,000, respectively, was comparable to the same periods of 2024.

During the three months ended June 30, 2025, we recorded a non-cash loss on derivative instruments of \$130,000 compared to a non-cash loss on derivative instruments of \$21,000 during the three months ended June 30, 2024 related to the Kinross calls we held during the three months ended June 30, 2025 and 2024. The Kinross calls were settled upon the sale of our holdings of Kinross common stock, discussed above. See Note 7, "Derivative Instruments," above for a discussion of our Kinross calls.

We regularly perform evaluations of our mineral property assets to assess the recoverability of our investments in these assets. All long-lived assets are reviewed for impairment whenever events or circumstances change which indicate the

carrying amount of an asset may not be recoverable utilizing guidelines based upon future net cash flows from the asset as well as our estimates of the geological potential of an early-stage mineral property and its related value for future sale, joint venture or development by us or others. During the three and six months ended June 30, 2025 and 2024, we recorded no property impairments.

We recorded no income tax expense or benefit during the three and six months ended June 30, 2025 or 2024 as we provide a valuation allowance for the tax benefit arising out of our net operating losses for all periods presented. As a result of our administrative expenses and exploration activities, we anticipate we will not have currently payable income taxes during 2025. In addition to the valuation allowance discussed above, we provide a valuation allowance for our foreign net operating losses, which are primarily related to our exploration activities in Peru. We anticipate we will continue to provide a valuation allowance for these net operating losses until we are in a net tax liability position with regards to those countries where we operate or until it is more likely than not that we will be able to realize those net operating losses in the future.

Comparison of the six months ended June 30, 2025 to the six months ended June 30, 2024

We had a net loss of \$1,454,000 or \$0.02 per basic and diluted share for the six months ended June 30, 2025 compared to a net loss of \$1,492,000 or \$0.02 per basic and diluted share for the six months ended June 30, 2024. As explained in more detail below, the primary reasons for the decrease in our net loss were (i) a decrease in general and administrative expense to \$878,000 during the six months ended June 30, 2025 compared to general and administrative expense of \$1,128,000 during the six months ended June 30, 2024; and (ii) a realized gain on sale of marketable equity securities of \$1,351,000 on the sale of marketable equity securities during the six months ended June 30, 2025, compared with a gain on sale of marketable equity securities of \$54,000 during the six months ended June 30, 2024. Partially offsetting these decreases in the net loss during the six months ended June 30, 2025 compared to the net loss during the six months ended June 30, 2024 were (i)) an increase in exploration expense to \$910,000 during the six months ended June 30, 2025 compared to exploration expense of \$841,000 during the six months ended June 30, 2024; (ii) an increase in the a loss on derivative instruments to \$336,000 during the six months ended June 30, 2025 compared to a loss on derivative instruments of \$21,000 during the six months ended June 30, 2024; (iii) a decrease in interest and dividend income to \$98,000 during the six months ended June 30, 2025 compared to interest and dividend income of \$201,000 during the six months ended June 30, 2024 and (iv) an unrealized loss of \$765,000 on marketable equity securities during the six months ended June 30, 2025 compared to an unrealized gain on marketable equity securities of \$256,000 during the six months ended June 30, 2024. The significant changes for these items are discussed in more detail below.

Our net exploration expense increased to \$910,000 during the six months ended June 30, 2025 compared to \$841,000 during the six months ended June 30, 2024. The primary reasons for the increase were (i) exploration expenditures at our Golden Crest Project increased to \$851,000 during the six months ended June 30, 2025 compared to \$785,000 during the six months ended June 30, 2024 as we started a drilling program in June of 2025, with drilling and related expenditures of approximately \$347,000 through June 30, 2025, with no similar drilling costs during 2024. These increases in costs at our Golden Crest Project were partially offset by a reduction in permitting activities at the Golden Crest Project during the six months ended June 30, 2025 compared to the six months ended June 30, 2024; (ii) an increase in our exploration expenditures at our Lik Project in Alaska to \$30,000 during the six months ended June 30, 2025 compared to \$24,000 during the six months ended June 30, 2024 and (iii) an increase in expenditures at our Cat Creek Project during the six months ended June 30, 2025 compared to the six months ended June 30, 2024. Partially offsetting these increases in exploration expenditures at the Golden Crest and Lik Projects were reductions in the expenditures related to our reconnaissance activities during the six months ended June 30, 2025 compared to the six months ended June 30, 2024, as detailed above. We anticipate a significant increase in exploration expenditures at our Golden Crest Project in the second half of 2025 primarily due to planned drilling on the project as discussed above.

General and administrative costs, excluding stock option compensation costs discussed below, were \$627,000 during the six months ended June 30, 2025 compared to \$713,000 during the six months ended June 30, 2024. The major components of the costs were (i) salary and benefit expense during the six months ended June 30, 2025 of \$197,000 compared to salary and benefit expense of \$214,000 during the six months ended June 30, 2024 as a result of a reduction in staff during the six months ended June 30, 2025 compared to 2024; (ii) legal and accounting expenditures of \$114,000 during the six months ended June 30, 2025, compared to \$129,000 during the six months ended June 30, 2024; (iii) office and other costs of \$46,000 during the six months ended June 30, 2025 compared to \$57,000 during the six months ended June 30,

2024; and (iv) travel and shareholder relation costs of \$270,000 during the six months ended June 30, 2025 compared to \$313,000 during the six months ended June 30, 2024.

During the six months ended June 30, 2025 and 2024, Solitario recorded \$251,000 and \$415,000, respectively, of stock option expense for the amortization of unvested grant date fair value with a credit to additional paid-in capital. The increase during the six months ended June 30, 2024 was primarily related to the grant of options for a total of 2,125,000 shares of our common stock during June of 2024, which resulted in the amortization of \$280,000 of grant date fair value on the date of grant of those options, as discussed above.

We recorded an unrealized loss on marketable equity securities of \$765,000 during the six months ended June 30, 2025 compared to an unrealized gain on marketable equity securities of \$256,000 during the six months ended June 30, 2024. The non-cash unrealized gain during the six months ended June 30, 2025 was primarily related to (i) the transfer of \$915,000 of unrealized gain on our holdings of Kinross common stock to realized gain upon the sale of shares of Kinross during the three months ended June 30, 2025; and (ii) the transfer of \$33,000 of unrealized gain on our holdings of Vox Royalty common stock upon the sale of the shares of Vox Royalty during the three months ended June 30, 2025. These unrealized increases in the value of our marketable equity securities were partially offset by (i) an increase in the value of our holdings of Kinross through the date of sale of \$71,000; (ii) an increase in the value of our holdings of Vendetta common stock of \$4,000 based on quoted market prices; and (iii) an increase in the value of our Vox Royalty common stock sold of \$6,000 through the date of sale for the Vox Royalty shares sold and an increase in the value of remaining holdings of Vox Royalty common stock for the six months ended June 30, 2025 of \$102,000. The non-cash unrealized gain during the six months ended June 30, 2024 was primarily related to (i) an increase in the fair value of our holdings of 100,000 shares of Kinross common stock at June 30, 2024 of \$227,000 based on quoted market prices; (ii) an increase in the fair value of our holdings of 134,055 shares of Vox Royalty common stock of \$95,000 based on quoted market prices; and (iii) an increase of \$21,000 in the fair value of our holdings of 100,000 shares of Highlander common stock to the date of the sale of our holdings of the Highlander shares. These unrealized increases in the value of our marketable equity securities during the six months ended June 30, 2024 were partially offset by (i) a decrease in the value of our holdings of Vendetta common stock of \$33,000 based on quoted market prices; and (ii) the transfer of \$54,000 of unrealized gain to realized gain on the sale of our 100,000 Highlander common shares upon the sale of those shares during the six months ended June 30, 2024.

We recorded interest and dividend income of \$98,000 during the six months ended June 30, 2025 compared to interest and dividend income of \$201,000 during the six months ended June 30, 2024. The decrease in interest income was primarily related to a decrease in our average outstanding balance of money market holdings during the six months ended June 30, 2025 compared to the six months ended June 30, 2024. We anticipate interest income will increase during the remainder of 2025, as a result of the completion of private placements of our common stock during the three months ended June 30, 2025 for net proceeds of \$4,411,000. However, we anticipate we will utilize the funds in the money market account to fund our exploration and general and administrative expenditures, which will mitigate the future interest income during the remainder of 2025 and the sale of our holdings of Kinross will eliminate our dividend income for the remainder of 2025. See "Liquidity and Capital Resources" below for further discussion of our cash and short-term investment balances.

During the six months ended June 30, 2025, we recorded a non-cash loss on derivative instruments of \$336,000 related to the Kinross calls held during the six months ended June 30, 2025 as a result of the increase in the underlying value of our holdings of Kinross common stock, discussed above. These calls were settled during the six months ended June 30, 2025 upon the sale of our holdings of Kinross. During the six months ended June 30, 2024, we recorded a non-cash loss on derivative instruments of \$21,000 related to the Kinross calls as a result of an increase in the value of the underlying Kinross common stock, discussed above.

(c) Liquidity and Capital Resources

Cash and Short-term Investments

As of June 30, 2025, we have \$9,018,000 in cash and short-term investments. Our short-term investment is comprised of \$8,823,000 invested in a money market account with a brokerage firm. We anticipate we will roll over that portion of our short-term investments not used for exploration expenditures, operating costs or mineral property acquisitions as they become due during the remainder of 2025. We intend to utilize a portion of our cash and short-term investments in

our exploration activities and the potential acquisition of mineral assets over the next several years.

Investment in Marketable Equity Securities

Our marketable equity securities are carried at fair value, which is based upon market quotes of the underlying securities. At June 30, 2025, we owned 7,750,000 shares of Vendetta common stock, and 100,000 shares of Vox Royalty common stock. At June 30, 2025, the Vendetta shares are recorded at their fair value of \$85,000, and the Vox Royalty shares are recorded at their fair value of \$316,000. We sold our holdings of 100,000 shares of Kinross common stock for net proceeds of \$998,000 during the six months ended June 30, 2025, and sold 34,055 shares of Vox Royalty common stock for net proceeds of \$106,000, each discussed above. During the six months ended June 30, 2024 we sold all of our holdings of Highlander for proceeds of \$54,000. We anticipate we may sell some portion of our remaining holdings of marketable equity securities during the remainder of 2025 depending on cash needs and market conditions.

Working Capital

We had working capital of \$9,158,000 at June 30, 2025 compared to working capital of \$5,624,000 at December 31, 2024. The increase was largely attributable to the completion of the private placements of our common stock during June 2025 described above. Our working capital at June 30, 2025 consists primarily of our cash and cash equivalents, our short-term investments, discussed above, our investment in marketable equity securities of \$401,000, and other current assets of \$229,000, less our accounts payable of \$461,000 and other current liabilities of \$29,000. As of June 30, 2025, our cash balances along with our short-term investments and marketable equity securities are adequate to fund our expected expenditures over the next year.

The nature of the mineral exploration business requires significant sources of capital to fund exploration, development and operation of mining projects. We will need additional capital if we decide to develop or operate any of our current exploration projects or any projects or assets we may acquire. We anticipate we would finance any such development through the use of our cash reserves, short-term investments, joint ventures, issuance of debt or equity, or the sale of our interests in other exploration projects or assets.

Stock-Based Compensation Plans

As of June 30, 2025 and December 31, 2024, there were options outstanding from the 2013 Plan to acquire an aggregate of 2,145,000 and 3,173,500 shares, respectively, of Solitario common stock, with exercise prices between \$0.69 per share and \$0.60 per share at June 30, 2025. As of June 30, 2025 and December 31, 2024 there were options outstanding from the 2023 Plan to acquire 2,175,000 and 2,175,000 shares, respectively, of Solitario common stock with exercise prices between \$0.51 per share and \$0.85 per share. During the three and six months ended June 30, 2025, options for 250,000 and 1,028,500 shares, respectively, of Solitario common stock were exercised from the 2013 Plan with an exercise price of \$0.20 per share for proceeds of \$50,000 and \$206,000. During the six months ended June 30, 2024, options for 50,000 shares of Solitario common stock were exercised from the 2013 Plan with an exercise price of \$0.28 per share for proceeds of \$14,000. There were no options exercised during the three months ended June 30, 2024. We do not anticipate the exercise of any additional options during the remainder of 2025.

(d) Cash Flows

Net cash used in operations during the six months ended June 30, 2025 decreased to \$1,401,000 compared to \$1,570,000 of net cash used in operations for the six months ended June 30, 2024 primarily as a result of (i) decrease in general and administrative expense during the six months ended June 30, 2025 to \$878,000 compared to \$1,128,000 during the six months ended June 30, 2024; and (ii) a reduction in the use of cash for prepaid expenses and other current assets to \$163,000 for the six months ended June 30, 2025 compared to the use of cash of \$364,000 for prepaid expenses and other current assets during the six months ended June 30, 2024. Partially offsetting these decreases were (i) an increase in exploration expenses to \$910,000 during the six months ended June 30, 2025 compared to exploration expenses of \$841,000 during the six months ended June 30, 2024; (ii) a reduction in interest and dividend income to \$98,000 during the six months ended June 30, 2025 compared to interest income of \$201,000 during the six months ended June 30, 2024; and (iii) a provision of cash from an increase in accounts payable and other current liabilities during the six months ended June 30,

2025 of \$181,000 compared to a provision of cash for an increase in accounts payable and other current liabilities of \$126,000 during the six months ended June 30, 2024. Based upon projected expenditures in our 2025 budget, we anticipate continued use of funds from operations through the remainder of 2025, primarily for exploration related to our Golden Crest Project and Lik Project and reconnaissance exploration. See “Results of Operations” above for further explanation of some of these variances.

During the six months ended June 30, 2025, we used \$4,300,000 for net purchases of short-term investments, compared to the provision cash of \$388,000 for net sales of short-term investments during the six months ended June 30, 2024. The increase in our short-term investments was as a result of the funds received from (i) the sales of marketable equity securities discussed above; (ii) stock option exercises; and (iii) cash received through stock sales, discussed below. During the six months ended June 30, 2024, we acquired mineral property of \$55,000 and equipment and other assets used in our exploration activities of \$12,000, with no similar purchases during the six months ended June 30, 2025. We received cash proceeds of \$39,000 from the sale of Kinross calls during the six months ended June 30, 2024, with no similar derivative instrument sale during the six months ended June 30, 2025.

We will continue to liquidate a portion of our short-term investments as needed to fund our operations and any potential mineral property acquisitions during the remainder of 2025. We are not currently planning any potential mineral property acquisition or strategic corporate investment during the remainder of 2025. However, any such activity could involve a significant change in our cash provided or used for investing activities, depending on the structure of any potential transaction.

During the six months ended June 30, 2025, we received \$94,000 in net proceeds from the issuance of common stock under the ATM Program, and we received \$4,411,000 from the issuance of common stock from private placements. See Note 11, Shareholders’ Equity, above. We also received \$206,000 from the exercise of stock options during the six months ended June 30, 2025. During the six months ended June 30, 2024, we received net cash of \$1,218,000 from the issuance of common stock under the ATM Program, discussed above. In addition, during the six months ended June 30, 2024 we received \$14,000 from the issuance of common stock from the exercise of stock options, discussed above in Note 10, “Employee Stock Compensation Plans.”

(e) Mineral Resources

CAUTIONARY NOTE REGARDING DISCLOSURE OF MINERAL PROPERTIES

Mineral Reserves and Resources

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and applicable Canadian securities laws, and as a result we subject to reporting our mineral resources according to two different standards. U.S. reporting requirements are governed by Item 1300 of Regulation S-K (“S-K 1300”) issued by the SEC. Canadian reporting requirements for disclosure of mineral properties are governed by National Instrument 43-101 Standards of Disclosure for Mineral Projects adopted from the definitions provided by the Canadian Institute of Mining, Metallurgy and Petroleum. Both sets of reporting standards have similar goals in terms of conveying an appropriate level of confidence in the disclosures being reported, but the standards generally embody slightly different approaches and definitions.

In our public filings in the U.S. and Canada and in certain other announcements not filed with the SEC, we disclose measured, indicated and inferred resources, each as defined in S-K 1300. The estimation of measured resources and indicated resources involve greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves, and therefore investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into S-K 1300-compliant reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources, and therefore it cannot be assumed that all or any part of inferred resources will ever be upgraded to a higher category. Therefore, investors are cautioned not to assume that all or any part of inferred resources exist, or that they can be mined legally or economically.

(f) Off-balance sheet arrangements

As of June 30, 2025 and December 31, 2024, we had no off-balance sheet obligations.

(g) Development Activities, Exploration Activities, Environmental Compliance and Contractual Obligations

We are not involved in any development activities, nor do we have any contractual obligations related to any potential development activities as of June 30, 2025. As of June 30, 2025, there have been no material changes to our contractual obligations for exploration activities, environmental compliance or other obligations from those disclosed in our Management's Discussion and Analysis included in our 2024 Annual Report.

(h) Discontinued Projects

We did not record any mineral property write-downs during the three and six months ended June 30, 2025 and 2024.

(i) Significant Accounting Policies and Critical Accounting Estimates

See Note 1 to the consolidated Financial Statements included in our 2024 Annual Report for a discussion of our significant accounting policies.

Solitario's valuation of mineral properties is a critical accounting estimate. We review and evaluate our mineral properties for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Significant negative industry or economic trends, adverse social or political developments, geologic results, geo-technical difficulties, or other disruptions to our business are a few examples of events that we monitor, as they could indicate that the carrying value of the mineral properties may not be recoverable. In such cases, a recoverability test may be necessary to determine if an impairment charge is required. There has been no change to our assumptions, estimates or calculations during the three months ended June 30, 2025.

(j) Related Party Transactions

As of June 30, 2025, and for the three and six months ended June 30, 2025, we have no related party transactions or balances.

(k) Recent Accounting Pronouncements

No recent accounting pronouncements are applicable to Solitario at this time.

(l) Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the 1934 Act, with respect to our financial condition, results of operations, business prospects, plans, objectives, goals, strategies, future events, capital expenditures, and exploration and development efforts. Words such as "anticipates," "expects," "intends," "forecasts," "plans," "believes," "seeks," "estimates," "may," "will," and similar expressions identify forward-looking statements. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described herein and the risk factors included under the heading "Risk Factors" in Part I, Item 1A of our 2024 Annual Report to which there have been no material changes. These forward-looking statements appear in a number of places in this report and include statements with respect to, among other things:

- Our estimates of the value and recovery of our short-term investments;
- Our estimates of future exploration, development, general and administrative and other costs;
- Our ability to realize a return on our investment in the Lik Project and Golden Crest Project;

- Our ability to successfully identify and execute on transactions to acquire new mineral exploration properties and other related assets;
- Our ability to secure financing in the credit or capital markets in amounts and on terms that will allow us to execute our business strategy, invest in new projects, and maintain adequate liquidity;
- Our estimates of fair value of our investment in shares of Vendetta and Vox Royalty;
- Our expectations regarding development and exploration of our properties including those subject to joint venture and shareholder agreements;
- The impact of political and regulatory developments;
- The impact of technological changes, system failures, or breaches of our network security as well as other cyber security risks that could subject us to increased operating costs, litigation and other liabilities;
- The effects of macro-economic and geo-political conditions, including financial market volatility, inflation, rising interest rates, fluctuations and impacts of announced tariff and trade policies, and labor and supply shortages;
- Our future financial condition or results of operations and our future revenues and expenses;
- Our business strategy and other plans and objectives for future operations; and
- Risks related to natural disasters or adverse external events such as epidemics or pandemics.

Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that these statements will prove to be accurate as actual results and future events could differ materially from those anticipated in the statements. Except as required by law, we assume no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Smaller Reporting Companies are not required to provide the information required by this item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15 under the 1934 Act, as of June 30, 2025, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial officer). Based upon and as of the date of that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2025.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the 1934 Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the 1934 Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) promulgated under the 1934 Act) during the quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

As of June 30, 2025, there were no material changes to the Risk Factors associated with our business disclosed in Part I, Item 1A of our 2024 Annual Report.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and issuer Purchases of Equity Securities

Recent Sales of Unregistered Securities

Any unregistered sales of equity securities effected during the quarter ended June 30, 2025 were previously reported on a Current Report on Form 8-K.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

There were no purchases of equity securities by the Company or its affiliates during the quarter ended June 30, 2025.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the quarter ended June 30, 2025, none of the Company's directors or officers adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

During the quarter ended June 30, 2025, there were no material changes to the procedures by which shareholders may recommend nominees to our board of directors.

Item 6. Exhibits

The Exhibits to this report are listed in the Exhibit Index.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SOLITARIO RESOURCES CORP.

<u>August 5, 2025</u>	By:	<u>/s/ James R. Maronick</u>
Date		James R. Maronick
		Chief Financial Officer

EXHIBIT INDEX

- 3.1 Amended and Restated Articles of Incorporation of Solitario Exploration & Royalty Corp., as Amended (incorporated by reference to Exhibit 3.1 to Solitario's Form 10-Q filed on August 10, 2010)
- 3.1.1 Articles of Amendment to Restated Articles of Incorporation of Solitario Zinc Corp. (incorporated by reference to Exhibit 3.1 to Solitario's Current Report on Form 8-K filed on July 14, 2017)
- 3.1.2 Articles of Amendment to Restated Articles of Incorporation of Solitario Resources Corp. (incorporated by reference to Exhibit 3.1 to Solitario's Current Report on Form 8-K filed on July 19, 2023)
- 3.1.3 Articles of Amendment to Restated Articles of Incorporation of Solitario Resources Corp. (incorporated by reference to Exhibit 3.1 to Solitario's Current Report on Form 8-K filed on June 20, 2025)
- 3.2 Amended and Restated By-laws of Solitario Resources Corp. (incorporated by reference to Exhibit 3.1 to Solitario's Form 8-K filed on April 23, 2021)
- 10.1 Stock Purchase Agreement by and between Solitario Resources Corp. and Newmont Overseas Exploration Ltd. (incorporated by reference to Exhibit 10.1 to Solitario's Form 8-K filed on June 23, 2025)
- 10.2 Amended and Restated Investor Rights Agreement by and between Solitario Resources Corp. and Newmont Overseas Exploration Ltd. (incorporated by reference to Exhibit 10.2 to Solitario's Form 8-K filed on June 23, 2025)
- 31.1* Certification of Chief Executive Officer pursuant to SEC Rule 13a-14(a)/15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2* Certification of Chief Financial Officer pursuant to SEC Rule 13a-14(a)/15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1* Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C, Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 101* The following condensed consolidated financial statements, formatted in XBRL: (i) Condensed Consolidated Balance Sheets as of June 30, 2025 and December 31, 2024, (ii) Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2025 and 2024, (iii) Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2025 and

2024; and (iv) Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text

104* Cover Page Interactive Data File (included in Exhibit 101)

* Filed herewith