

# NorthWestcopper

**Condensed Interim Consolidated Financial Statements**  
**For the Three and Six Months Ended June 30, 2025, and 2024**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

**Notice of no Auditor Review of  
Interim Financial Statements**

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

The accompanying unaudited condensed interim consolidated financial statements of NorthWest Copper Corp. (the "Company") as at June 30, 2025, and for the three and six months ended June 30, 2025 and June 30, 2024, have been prepared by and are the responsibility of the Company's management.

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

NorthWest Copper Corp.  
Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars)

	Notes	June 30, 2025	December 31, 2024
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		\$ 35,731	\$ 280,174
Cash held in trust		200,000	-
Short term investments		30,000	30,000
Receivables	3	865,644	799,586
Marketable securities	5 (c)(vii)	-	85,130
Prepaid expenses		62,792	69,659
		1,194,167	1,264,549
<b>Non-current assets</b>			
Property, plant and equipment	4	18,823	23,301
Exploration and evaluation assets	5	78,460,098	78,460,098
Deposits	6	510,638	510,638
		78,989,559	78,994,037
<b>TOTAL ASSETS</b>		<b>\$ 80,183,726</b>	<b>\$ 80,258,586</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	8	\$ 1,355,913	\$ 603,036
Subscription proceeds received in advance		225,000	-
		1,580,913	603,036
<b>Non-current liabilities</b>			
Closure and reclamation	6	327,500	327,500
<b>TOTAL LIABILITIES</b>		<b>1,908,413</b>	<b>930,536</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	149,873,691	149,467,024
Share-based payment reserve	7	20,708,793	21,120,500
Other equity reserves		52,837	52,837
Deficit		(92,360,008)	(91,312,311)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>78,275,313</b>	<b>79,328,050</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 80,183,726</b>	<b>\$ 80,258,586</b>

Nature of operations and going concern (Note 1)

Subsequent events (Note 11)

Approved by the Audit Committee of the Board of Directors on August 25, 2025:

"Enrico De Pasquale", Director

"Maryantonett Flumian", Director

NorthWest Copper Corp.  
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)

	Notes	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
<b>Expenses</b>					
Salaries and director fees	8	\$ 242,321	185,413	485,246	\$ 445,569
Exploration and evaluation expenditures	5	125,937	244,342	218,435	449,595
Professional fees		74,288	48,734	84,611	216,642
Office and miscellaneous		59,372	94,235	142,336	207,677
Transfer agent and filing fees		13,905	41,105	39,590	79,688
Investor relations		22,440	47,139	76,115	78,743
Depreciation	4	1,960	2,067	3,920	4,132
Share-based payments	7	(27,778)	54,853	(5,040)	(116,382)
		(512,445)	(717,888)	(1,045,213)	(1,365,664)
<b>Other income (expense)</b>					
Interest income		839	1,672	1,626	3,131
Gain (loss) on marketable securities	5 (c)(vii)	-	(59,591)	(1,130)	(42,565)
Finance expense		(2,913)	-	(2,980)	-
		(2,074)	(57,919)	(2,484)	(39,434)
<b>Net loss and comprehensive loss for the period</b>		<b>\$ (514,519)</b>	<b>\$ (775,807)</b>	<b>\$ (1,047,697)</b>	<b>\$ (1,405,098)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding</b>		<b>236,323,791</b>	<b>227,274,002</b>	<b>236,252,244</b>	<b>230,635,105</b>

See accompanying notes to the condensed interim consolidated financial statements.

NorthWest Copper Corp.  
Condensed Interim Consolidated Statement of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars)

	Notes	Share capital		Share-based payment reserve	Other equity reserves	Deficit	Total Shareholders' Equity
		Number of shares	Amount				
<b>Balance at December 31, 2023</b>		<b>207,152,859</b>	<b>145,244,718</b>	<b>21,835,912</b>	<b>52,837</b>	<b>(87,621,030)</b>	<b>79,512,437</b>
Shares issued for cash - financing	7 (iii)	22,051,905	2,315,450	-	-	-	2,315,450
Share issuance costs	7 (iii)	-	(42,757)	-	-	-	(42,757)
Shares issued on exercise of RSUs	7 (ii)	1,557,814	969,817	(969,817)	-	-	-
Share-based payments	7	-	-	(116,382)	-	-	(116,382)
Net loss for the period		-	-	-	-	(1,405,098)	(1,405,098)
<b>Balance at June 30, 2024</b>		<b>230,762,578</b>	<b>\$ 148,487,228</b>	<b>\$ 20,749,713</b>	<b>\$ 52,837</b>	<b>\$ (89,026,128)</b>	<b>\$ 80,263,650</b>
<b>Balance at December 31, 2024</b>		<b>235,815,458</b>	<b>149,467,024</b>	<b>21,120,500</b>	<b>52,837</b>	<b>(91,312,311)</b>	<b>79,328,050</b>
Shares issued for cash - financing		-	-	-	-	-	-
Share issuance costs		-	-	-	-	-	-
Shares issued on exercise of RSUs	7 (i)	508,333	406,667	(406,667)	-	-	-
Share-based payments	7	-	-	(5,040)	-	-	(5,040)
Net loss for the year		-	-	-	-	(1,047,697)	(1,047,697)
<b>Balance at June 30, 2025</b>		<b>236,323,791</b>	<b>\$ 149,873,691</b>	<b>\$ 20,708,793</b>	<b>\$ 52,837</b>	<b>\$ (92,360,008)</b>	<b>\$ 78,275,313</b>

NorthWest Copper Corp.  
Condensed Interim Consolidated Statements of Cash Flows  
(Expressed in Canadian Dollars)

		Six months ended June 30, 2025	Six months ended June 30, 2024
	Notes		
<b>Operating activities</b>			
Net loss		\$ (1,047,697)	\$ (1,405,098)
Adjustments for non-cash items:			
Depreciation	4	4,478	4,956
Finance expense		2,980	-
Interest income		(1,626)	(3,131)
Share-based payments	7	(5,040)	(116,382)
Loss (gain) on marketable securities	5	1,130	42,565
Changes in			
Receivables		(66,058)	(142,112)
Prepaid expenses		6,867	(131,756)
Trade payables and accrued liabilities		749,897	(714,461)
Provisions		-	90,000
<b>Net cash flows used in operating activities</b>		<b>(355,069)</b>	<b>(2,375,419)</b>
<b>Investing activities</b>			
Sale of Marketable Securities	5 (c)(vii)	84,000	-
Reclamation deposits		-	(28,000)
Interest received		1,626	3,131
<b>Net cash flows provided by investing activities</b>		<b>85,626</b>	<b>(24,869)</b>
<b>Financing activities</b>			
Subscription proceeds received	7	25,000	-
Proceeds on issuance of shares	7	-	3,485,675
Share issuance costs	7	-	(42,757)
<b>Net cash flows provided by financing activities</b>		<b>25,000</b>	<b>3,442,918</b>
Net change in cash		(244,443)	1,042,630
Cash, beginning		280,174	231,037
<b>Cash, ending</b>		<b>\$ 35,731</b>	<b>\$ 1,273,667</b>

See accompanying notes to the condensed interim consolidated financial statements.

**1. Nature of operations and going concern**

NorthWest Copper Corp. (the “Company” or “NorthWest”) was incorporated on March 5, 1973, under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. On March 5, 2021, the Company changed its name to NorthWest Copper Corp. and commenced trading on the TSX-V under the new symbol “NWST”.

The principal address of the Company is PO Box 95010 Vancouver RPO Kingsgate, BC, Canada V5T 4T8. The Company’s registered and records office address is #2200 – 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8.

***Going concern***

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. The Company had a net loss of \$1,047,697 for the six months ended June 30, 2025 (six months ended June 30, 2024 - \$1,405,098) and at June 30, 2025 had accumulated losses of \$92,360,008 (December 31, 2024 - \$91,312,311) since inception, all of which indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on its ability to raise sufficient funds through equity capital or borrowings to pay for its expenditures and obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans or substantially reduce its operations. These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

**2. Material accounting policies and basis of preparation**

***(a) Statement of compliance***

The Company prepares their annual financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting (“IAS 34”).

These condensed interim consolidated financial statements do not include all of the information required for full IFRS financial statements and therefore should be read in conjunction with the Company’s most recent consolidated financial statements as at and for the year ended December 31, 2024.

These condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company’s most recent consolidated audited financial statements as at December 31, 2024.

***(b) Consolidation***

The consolidated financial statements include the accounts of the Company and its Canadian controlled entities. All intercompany transactions, balances and unrealized gains and losses are eliminated on consolidation. Details of controlled entities are as follows:

**2. Material accounting policies and basis of preparation (cont'd)**

	Province of incorporation	Percentage owned	
		June 30, 2025	December 31, 2024
Tsayta Resources Corporation	British Columbia	100%	100%
0790202 BC Ltd.**	British Columbia	100%	100%

\*\*This company is inactive.

**(c) Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to, and disclosed in, the audited consolidated financial statements for the year ended December 31, 2024.

**3. Receivables**

		June 30, 2025	December 31, 2024
Goods and services tax receivable	\$	12,870	\$ 15,104
BC METC receivable		843,886	775,594
Other receivables		8,888	8,888
	\$	<b>865,644</b>	<b>\$ 799,586</b>

During the six months ended June 30, 2025, the Company accrued \$68,292 in BC Mineral Exploration Tax Credits ("BCMETS") receivable (year ended June 30, 2024 - \$161,745), which was recorded as a reduction in exploration and evaluation expenditures (Note 5). During the six months ended June 30, 2025, the Company received no refund of the BCMETS accrued in 2024 (June 30 2024 - nil of the BCMETS accrued in 2023). BCMETS receivable at June 30, 2025, includes \$260,352 that relates to the year ended December 31, 2023, and is undergoing a normal course audit by the Canada Revenue Agency.



**4. Property, plant and equipment**

	<b>Furniture and Equipment</b>	<b>Total</b>
<u>Cost</u>		
Balance December 31, 2024	\$ 112,093	\$ 112,093
Additions	-	-
Balance June 30, 2025	\$ 112,093	\$ 112,093
<u>Accumulated depreciation</u>		
Balance December 31, 2024	\$ 88,792	\$ 88,792
Additions	4,478	4,478
Balance June 30, 2025	\$ 93,270	\$ 93,270
<u>Net book value</u>		
Balance December 31, 2024	\$ 23,301	\$ 23,301
<b>Balance June 30, 2025</b>	<b>\$ 18,823</b>	<b>\$ 18,823</b>

For the three and six months ended June 30, 2025, depreciation of \$279 and \$557, respectively (three and six months ended June 30, 2024 - \$824 and \$412) has been included in exploration and evaluation expenditures in the condensed interim consolidated statements of loss.

**5. Exploration and evaluation assets and expenditures**

a) ***Exploration and Evaluation Assets***

Details of the Company's exploration and evaluation assets, including acquisition costs related to its projects, are as follows:

	<b>East Niv</b>	<b>Kwanika- Stardust</b>	<b>Lorraine- Top Cat</b>	<b>Milligan West</b>	<b>Other</b>	<b>Total</b>
<b>Balance - December 31, 2024 and June 30, 2025</b>	\$ 109,254	\$ 74,841,124	\$ 3,336,900	\$ 43,111	\$ 129,709	\$ 78,460,098

NorthWest Copper Corp.  
Notes to the Condensed Interim Consolidated Financial Statements  
(Expressed in Canadian Dollars)

5. Exploration and evaluation assets and expenditures (cont'd)

b) *Exploration and Evaluation Expenditures*

Details of the Company's exploration and evaluation expenditures, by exploration project, which have been cumulatively expensed in the statements of loss and comprehensive loss from the date of acquisition, are as follows:

	East Niv	Kwanika-Stardust	Lorraine-Top Cat	Milligan West	Other	Total
<b>Balance - December 31, 2024</b>	\$ 8,804,512	\$ 14,227,105	\$ 8,079,026	\$590,152	\$1,225,457	\$ 32,926,252
Costs incurred during year:						
Salaries	-	83,212	64,140	-	-	147,351
ESG	11,546	24,092	23,092	-	11,546	70,275
Software, storage and admin	9,755	20,068	19,510	-	9,755	59,088
Equipment Rental	-	-	2,400	-	-	2,400
Contractors	-	4,864	-	-	-	4,864
Travel and accommodation	-	-	-	-	-	-
Geophysics	-	-	-	-	-	-
Aircraft	-	-	-	-	-	-
Camp and operations	737	2,012	-	-	-	2,749
Government Assistance	(3,685)	(34,254)	(26,889)	-	(3,464)	(68,292)
	18,353	99,993	82,252	-	17,837	218,435
<b>Balance - June 30, 2025</b>	<b>\$ 8,822,865</b>	<b>\$ 14,327,098</b>	<b>\$ 8,161,278</b>	<b>\$590,152</b>	<b>\$1,243,294</b>	<b>\$ 33,144,687</b>

	East Niv	Kwanika-Stardust	Lorraine-Top Cat	Milligan West	Other	Total
<b>Balance - December 31, 2023</b>	\$ 8,740,013	\$ 13,968,588	\$ 7,054,384	\$590,152	\$1,150,716	\$ 31,503,853
Costs incurred during period:						
Salaries	2,662	176,125	109,251	-	1,153	289,191
ESG	17,596	35,083	35,192	-	22,641	110,512
Software, storage and admin	10,247	24,769	27,135	-	10,247	72,398
Equipment Rental	-	-	-	-	-	-
Contractors	-	-	-	-	-	-
Travel and accommodation	-	-	22,708	-	-	22,708
Geophysics	-	8,098	81,902	-	-	90,000
Aircraft	-	-	12,082	-	5,619	17,701
Camp and operations	-	-	3,697	-	5,133	8,830
Government Assistance	(6,077)	(65,854)	(79,450)	-	(10,364)	(161,745)
	24,428	178,221	212,517	-	34,429	449,595
<b>Balance - June 30, 2024</b>	<b>\$ 8,764,441</b>	<b>\$ 14,146,809</b>	<b>\$ 7,266,901</b>	<b>\$590,152</b>	<b>\$1,185,145</b>	<b>\$ 31,953,448</b>

During the six months ended June 30, 2025, the Company accrued \$68,292 in BCMETC receivable, which was recorded as a reduction in exploration and evaluation expenditures (six months ended June 30, 2024 - \$161,745).

c) *Exploration projects*

(i) Kwanika-Stardust Project

The Company owns 100% of the copper-gold Kwanika-Stardust project, located in north-central British Columbia. The Kwanika-Stardust project is comprised of the adjacent Stardust and Kwanika properties.

**5. Exploration and evaluation assets and expenditures (cont'd)**

(ii) East Niv

The Company acquired East Niv, located in British Columbia, by staking in 2018. In 2021, the Company staked an additional 16 claims.

(iii) Lorraine Project

The Lorraine project comprises two contiguous properties in British Columbia, the Lorraine-Jajay and the Tam-Misty properties. The Company owns 100% of the Lorraine-Jajay property, and the Company owns 90% of the adjacent Tam-Misty property, with Commander Resources holding a 10% carried interest. The Tam-Misty property is subject to a 3% NSR royalty, which can be reduced to 1% NSR royalty by paying \$1,000,000 per each 1% for a total of \$2,000,000, and is subject to a capped advanced royalty payment of \$500,000, of which \$500,000 had been paid by December 31, 2021. In addition, a 2% NSR royalty exists relating to claims comprising certain claims known as the Lorraine and Dorothy claims and 2% NSR royalties exist in relation to certain claims known as the Steelhead and Steele claims.

Pursuant to the terms of an agreement between the Company's subsidiary Tsayta and Teck Resources Limited ("Teck" and the "Teck Agreement" respectively), dated November 26, 2020, Tsayta acquired Teck's 51% joint venture interest in the Lorraine Project in exchange for \$1,500,000 that was paid in common shares over a two-year period.

The Company may also make the following contingent milestone payments to Teck in either cash or common shares of the Company:

- \$500,000 upon a Preliminary Economic Assessment;
- \$2,000,000 upon a Feasibility Study; and
- \$5,000,000 upon a construction decision.

Such contingent amounts are not accrued at June 30, 2025, and will be recorded only at such date that meeting the associated milestone is reasonably certain.

Pursuant to the terms of the acquisition, Teck has also retained a 1.0% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to existing royalties. Additionally, if the Company sells or options all or a portion of the property to a third party at any time during a 60-month period commencing from the date of the Teck Agreement, the Company will pay to Teck 20% of the sale proceeds, net of exploration expenses incurred on the property by the Company following closing.

(iv) Milligan West

The Company owns a 56.3% interest in the Milligan West property, an unincorporated joint venture with Fjordland Exploration Inc., an arm's-length company also listed on the TSX-V. The Company is entitled to act as Operator for so long as its interest is 50% or more.

**5. Exploration and evaluation assets and expenditures (cont'd)**

(v) Top Cat

On July 12, 2019, the Company optioned the Top Cat claims, and may earn a 100% interest by:

- Making staged cash payments totaling \$340,000 over 5 years; \$18,000 of which was paid on signing. On November 7, 2019, the Company issued 41,666 shares at a fair value of \$18,333 in lieu of a cash payment of \$15,000 pursuant to the option agreement. On July 13, 2020, the Company paid \$22,000, on July 20, 2021, paid \$25,000, and on July 13, 2022, paid \$60,000;
- Issuing a total of 750,000 common shares in stages over a 5-year period. On August 2, 2019, 50,000 shares with a fair value of \$27,000 were issued upon TSX-V approval of the option agreement. On July 13, 2020, the Company issued 50,000 shares with fair value of \$28,000, on July 20, 2021, the Company issued 50,000 shares with a fair value of \$35,000, on July 13, 2022, the Company issued 100,000 shares with a fair value of \$25,500, on July 31, 2023 issued 150,000 common shares with a fair value of \$27,000 and on July 31, 2024, the Company issued 350,000 common shares with a fair value of \$87,500;
- Incurring a total of \$1,250,000 in exploration expenditures over a 5-year period with a minimum of \$100,000 to be spent before the first anniversary of the agreement, which minimum was made prior to the first anniversary;
- Granting the optionors a 3% NSR on the property, subject to the Company's right to purchase a 2% NSR for \$2,000,000 at any time prior to the first anniversary of commercial production.

The Company entered into an amendment to the Top Cat option agreement dated July 19, 2023, to amend certain terms related to the fourth tranche cash payment. As a result of the amendment, the Company paid \$25,000 in July 2023, \$60,000 in January 2024.

The Company entered into a second amendment to the Top Cat option agreement dated July 24, 2024, to amend certain terms related to the fifth and final tranche cash payment. As a result of the amendment, the Company paid \$130,000.

As at October 1, 2024, the Company had completed all required cash payments, issued all required common share payments, incurred the required exploration expenditures and has acquired 100% ownership of the Top Cat claims, subject to the 3% NSR.

(vi) Net Smelter Return Royalties ("NSRs") – Thor Marmot and Deer Lake Properties

During the year ended February 28, 2019, the Company acquired NSRs of 0.75% on each of the Thor Marmot and Deer Lake Properties located in the Kemess and Kamloops Mining Districts from Electrum and received a payment of \$10,000 in exchange for Portable Assessment Credits that the Company transferred to Electrum for the maximum allowable five-year period.

(vii) Okeover Property

On March 11, 2022, the Company received 267,159 common shares with a fair value of \$253,801 (and a deemed value of \$250,000) from Star Copper Corp. (formerly Alpha Copper Corp.) ("Star"), a CSE-listed company (the "Star Shares"), representing the first payment under a property option agreement dated January 13, 2022, among Eastfield Resources Ltd., Star and the Company (the "Option Agreement"). Pursuant to the Option Agreement, Star had the right to acquire a 100% interest in the Okeover property, subject to a 2% NSR, by issuing common shares and incurring staged expenditures over a six-year period.

**5. Exploration and evaluation assets and expenditures (cont'd)**

Pursuant to the terms of the Option Agreement, the issuance of additional shares with a value of \$500,000 on or before March 11, 2023, and \$500,000 in expenditures were an obligation of Star upon entering into the Option Agreement and as such at December 31, 2022, the Company had recorded a receivable from Star of \$500,000. In March 2023, the Company received notice of termination from Star of the Option Agreement. The common shares with a value of \$500,000 were not received in March 2023 and the Company notified Star of their obligation under the Option Agreement to issue the common shares.

In September 2023, the Company entered into a property sale agreement with Star, whereby Star acquired a 100% interest in the Okeover property, subject to a 2% NSR to be retained by the Company (the "NSR Royalty") and by issuing common shares with a value of \$500,000, which settled the outstanding receivable.

On October 6, 2023, the Company completed the sale of the Okeover property to Star and received 5,675,369 common shares with a fair value of \$482,406 (and a deemed value of \$500,000) and the 2% NSR. Subsequently, Star completed two common share consolidations, as a result of which NorthWest holds 567,536 common shares of Star (the "Second Star Shares").

The Star Shares and Second Star Shares were classified as fair value through profit and loss financial instruments and were recorded as marketable securities in the statement of financial position, with gains and losses resulting from the change in fair value recorded in the consolidated statement of loss for the period. In June 2023, the Company disposed of the 267,159 Star Shares for proceeds of \$31,697 and recorded a loss of \$21,735 in the statement of loss for the year ended December 31, 2023.

The Company recorded a loss of \$56,754 from the change in fair value of the Second Star Shares for the year ended December 31, 2024 (year ended December 31, 2023 – loss of \$379,852 from the change in fair value of the Star and Second Star Shares). The fair value of the Second Star Shares at December 31, 2024 was \$85,130, determined by reference to their quoted closing market price at the reporting date. The Company disposed of the 567,536 shares in January 2025 for proceeds of \$84,000.

**(viii) Other Properties**

The Company also holds a 100% interest in several other properties located in British Columbia, including the Arjay, Tchentlo and Croy-Bloom properties.

On September 13, 2022, the Company entered into an agreement to option the Asitka claims, located in British Columbia, and may earn a 100% interest, subject to a 1.5% NSR, by:

- Making staged cash payments totaling \$230,000 over 4 years; and
- Issuing common shares with a total fair value of \$200,000 in stages over a 4-year period.

The Company is under no obligation to issue any of the common shares or make any cash payments. The Company can decide not to proceed with the option at any time.

Subsequent to the agreement receiving all required approvals, on October 18, 2022, the Company made the first option payments, comprised of \$10,000 and 46,568 common shares with a fair value of \$12,500. In July 2023, the Company made the second option payments, comprised of \$15,000 and 68,027 common shares with a fair value of \$12,500. In July 2024, the Company made the third option payments, comprised of \$30,000 and 102,880 common shares with a fair value of \$25,000.

**6. Reclamation deposits and closure and reclamation provision**

The Company has posted bonds and investment certificates to provide for certain potential current and future reclamation liabilities as agreed with the Province of British Columbia – Ministry of Energy, Mines and Petroleum Resources. The deposits are considered long-term, regardless of their term, as the funds will remain on deposit until any potential obligation is extinguished.

		June 30, 2025	December 31, 2024
<b>Balance</b>	<b>\$</b>	<b>510,638</b>	<b>\$ 510,638</b>

The Company has recorded a provision for closure and reclamation in the amount of \$327,500 (December 31, 2024 - \$327,500), being the best estimate of the costs required in relation to disturbances to date. As the Company does not have a set timeline as to when any such reclamation activities will occur it has recognized the full amount of the provision and has not discounted the provision. The Company does not expect to incur any reclamation costs in the next year.

**7. Share capital and reserves**

***Authorized share capital***

An unlimited number of common shares without par value and 20,000,000 preferred shares.

***Issued share capital***

*Six Months ended June 30, 2025*

At June 30, 2025, there were 236,323,791 issued and fully paid common shares, and nil preferred shares.

- i) During the six months ended June 30, 2025, 508,333 RSUs were exercised by employees and former employees and settled in common shares of the Company.

*Six Months ended June 30, 2024*

At June 30, 2024, there were 230,762,578 issued and fully paid common shares, and nil preferred shares.

- ii) During the six months ended June 30, 2024, 1,557,814 RSUs were exercised by employees and former employees and settled in common shares of the Company.
- iii) On January 24, 2024, the Company closed the fourth and final tranche of the private placement announced on November 27, 2023, for aggregate gross proceeds of \$2,315,450, consisting of 22,051,905 common shares of the Company. In connection with the final tranche of the private placement the Company paid legal fees totaling \$42,757.

**7. Share capital and reserves (cont'd)**

***Warrants***

The changes in warrants during the six months ended June 30, 2025, are as follows:

	<b>June 30, 2025</b>	
	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
Warrants outstanding, beginning	<b>15,598,548</b>	<b>\$ 0.30</b>
Warrants issued	-	-
Warrants exercised	-	-
Warrants expired	10,998,548	0.30
<b>Warrants outstanding, ending</b>	<b>4,600,000</b>	<b>\$ 0.30</b>

Warrants outstanding at June 30, 2025 are as follows:

<b>Number of warrants</b>	<b>Exercise price</b>	<b>Expiry date</b>
4,600,000	\$0.30	September 20, 2026

The proceeds from the private placement of units in September 2024 were allocated on a relative fair value basis between the common shares and warrants that comprise each unit. The fair value of warrants granted during the year ended December 31 2024, and used in the relative fair value calculation, was determined using the Black-Scholes option pricing model. The assumed dividend yield and forfeiture rate were nil and nil, respectively. Other weighted average assumptions were as follows:

	<b>September 2024</b>
Expected life of warrants in years	2
Annualized volatility <sup>1</sup>	75.60%
Risk-free interest rate	3.0%

<sup>1</sup> Volatility was determined using the average historic volatility of the Company's share price over the same period of time as the expected life of the warrant.

As a result of the relative fair value allocation, \$250,620 of the proceeds in relation to the September 2024 private placement were allocated to the value of the warrants and recorded in share-based payment reserve in the statement of equity.

***Stock options***

The Company has adopted an equity incentive plan (the "EIP"), which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V policies, grant to directors, officers, employees and consultants of the Company, non-transferable stock options to purchase common shares. On July 25, 2024, the Company's shareholders approved the EIP, which is a 10% rolling plan.

**7. Share capital and reserves (cont'd)**

The changes in stock options during the six months ended June 30, 2025, are as follows:

Options outstanding, beginning	<b>6,764,909</b>	<b>\$0.59</b>
Options granted	325,000	0.21
Options expired	(489,284)	0.66
Options forfeited	(2,890,625)	0.65
<b>Options outstanding, ending</b>	<b>3,710,000</b>	<b>\$0.50</b>
<b>Options exercisable, ending</b>	<b>2,635,000</b>	<b>\$ 0.63</b>

Details of options outstanding as at June 30, 2025 are as follows:

<b>Weighted average exercise price</b>	<b>Weighted average contractual life</b>	<b>Number of options outstanding</b>	<b>Number of options exercisable</b>
\$0.15 - \$0.60	3.53 years	1,925,000	850,000
\$0.65 - \$0.80	1.42 years	1,010,000	1,010,000
\$0.84 - \$0.90	0.69 years	775,000	775,000
	<b>2.36 years</b>	<b>3,710,000</b>	<b>2,635,000</b>

The fair value of options granted during the six months ended June 30, 2025 was determined using the Black-Scholes option pricing model. The assumed dividend yield and forfeiture rate were nil and nil, respectively. Other weighted average assumptions were as follows:

	<b>March 2025</b>
Expected life of options	5 years
Annualized volatility	75.60%
Risk-free interest rate	2.66%
Weighted average Black-Scholes fair value	\$0.18

<sup>1</sup> Volatility was determined using the average historic volatility of the Company's share price over the same period of time as the expected life of the option.

Stock options granted are typically subject to vesting provisions whereby one third vest one year from the grant date, one third vest two years from the grant date, and one third vest three years from the grant date. The following option grants are subject to alternate vesting provisions.

The Company recorded a share-based payment recovery related to stock options for the three and six months ended June 30, 2025, of \$35,718 and \$21,155, respectively (three months ended June 30, 2024 - expense of \$35,952, six months ended June 30, 2023 – recovery of \$70,871). The net recovery for the six months ended June 30, 2025, reflects a reversal of expense recorded in prior periods of \$54,435, relating to the forfeiture of unvested options, by departing employees.



**7. Share capital and reserves (cont'd)**

***Deferred Share Units ("DSU")***

Under the Company's EIP, the board of directors may, from time to time, grant DSUs to non-employee directors of the Company. The DSUs vest immediately and can be redeemed by the holder for no consideration during the period commencing immediately following a termination of the holders' position as a director and ending on the 90th day following such termination date. There were nil DSUs outstanding at June 30, 2025, and June 30, 2024. DSU expense for the six months ended June 30, 2025, was \$nil (six months ended June 30, 2024 - \$nil).

***Restricted Share Units ("RSU")***

Under the Company's EIP, the board of directors may, from time to time, grant RSUs to employees, consultants or directors of the Company. The board of directors may determine the time during which the RSUs shall vest and the method of vesting, subject to TSX-V policies.

A summary of RSU activity during the six months ended June 30, 2025 is as follows:

	<b>Number of RSUs</b>
Outstanding balance – December 31, 2024	758,333
Granted	125,000
Exercised	(508,333)
Forfeited	-
Expired	-
<b>Outstanding balance – June 30, 2025</b>	<b>375,000</b>

RSUs granted are typically subject to vesting provisions whereby one third vest one year from the grant date, one third vest two years from the grant date, and one third vest three years from the grant date. The RSUs granted during the period ended June 30, 2025 and the year ended December 31, 2024, vest on this basis over three years.

RSU expense (recovery) for the three and six months ended June 30, 2025, was \$9,740 and \$16,115, respectively (three months ended June 30, 2024 – expense of \$18,901, six months ended June 30, 2024 - recovery of \$45,511). The net recovery for the six months ended June 30, 2024, reflects a reversal of expense recorded in prior periods of \$107,100, relating to the forfeiture of 149,999 unvested RSUs by former employees.

***Reserves***

The share-based payment reserve comprises share-based payments and warrant payments. When stock options or warrants are exercised, the corresponding amount is transferred to share capital. When stock options and warrants expire, the corresponding amount remains in share-based payment reserve.

**8. Related party transactions**

In addition to balances and transactions disclosed in Notes 8 and 9 to these condensed interim consolidated financial statements, the Company has the following related party balances and transactions as at June 30, 2025, and for the three and six months ended June 30, 2025 and June 30, 2024.

***Related party balances***

During the six months ended June 30, 2024, the Company reimbursed costs of \$35,713 incurred in regard to the proxy contest by a shareholder of the Company. The Company also made an offer to a shareholder to reimburse costs of approximately \$90,000 incurred in regard to the proxy contest, and had recorded a related provision in the six months ended June 30, 2024.

**8. Related party transactions (cont'd)**

***Key management personnel compensation – paid or accrued***

Key management includes the members of the current Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the Vice President, Exploration and the Vice President, Sustainability. The aggregate total compensation paid or payable to key management for services is as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Salaries	\$ 165,252	\$161,200	\$ 391,379	\$ 318,025
Termination payments	95,075	-	95,075	-
Director fees	68,750	57,500	137,500	136,250
Non-cash share-based payments	(18,674)	27,964	996	68,934
	<b>\$ 310,403</b>	<b>\$246,664</b>	<b>\$ 624,950</b>	<b>\$ 523,209</b>

Trade payables and accrued liabilities at June 30, 2025 includes \$206,250 of accrued fees to the Board of directors, and deferred salaries of \$267,446.

**9. Segmented information**

The Company conducts its business in a single operating segment which is the mineral exploration business in Canada. The Company's exploration and evaluation assets are located in Canada.

**10. Financial instruments**

The Company's financial instruments consist of cash, short term investments, receivables, marketable securities, deposits, and trade payables, with the carrying amounts presented in the statement of financial position approximating their respective fair values because of their relatively short-term nature of such instruments.

There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Company does not have any financial instrument assets or liabilities measured and recognized in the statement of financial position at fair value.

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 processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

**10. Financial instruments (cont'd)**

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk is on its cash, short-term investments, receivables, and deposits, the carrying value of such accounts in the statement of financial position represents the Company's maximum exposure to credit risk.

Cash and short-term investments are deposited in bank accounts at major banks in Canada for which there is low credit risk. As most of the Company's cash and cash equivalents are held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

The Company is also exposed to credit risk with respect to receivables and deposits. To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. The Company historically has not had difficulty collecting its amounts receivable and has no provision for credit loss recorded at June 30, 2025 or December 31, 2024. The Company's deposits are with the government or financial institutions for reclamation and with a related party for which credit risk is assessed as low.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise equity capital or borrowings sufficient funds and its holdings of cash and cash equivalents. See Note 1 Going Concern.

The Company's cash and short-term investments are liquid and available to meet the Company's ongoing obligations. The contractual maturities of the Company's trade payables and accrued liabilities are less than one year.

***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily exposed to interest rate risk with respect to interest earned on cash. A 1% change in the interest rate during the six months ended June 30, 2025, or June 30, 2024, would not have had a material impact on the Company's financial results.

***Capital Management***

The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to explore its mineral property interests and continue its operations for the benefit of its shareholders. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

**11. Subsequent events**

- a) On July 4, 2025, the Company announced the closing of a non-brokered private placement financing of 2,775,000 units at a price of \$0.20 per unit (a "Unit") for gross proceeds of up to \$555,000 (the "Private Placement"). Each Unit consists of one common share of the Company (each, a "Common Share") and

one half of one non-transferable Common Share purchase warrant (each whole warrant being, a "Warrant"), with each Warrant exercisable to purchase one additional Common Share for a period of 2 years from the date of closing at an exercise price of \$0.30.

- b) On July 16 2025, the Company announced a non-brokered private placement for gross proceeds up to \$2.5 million consisting of up to 11.1 million flow-through units at a price of \$0.225 per unit (a "FT Unit"). Each FT Unit consists of one flow through common share (a "FT Share") and one half of a common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.34 per Warrant for a period of 24 months following closing of the Offering.

On July 29 2025, the Company announced the closing of the first tranche of its non-brokered critical mineral flow through private placement financing originally announced on July 16, 2025. As a result of excess demand, the Company upsized the non-brokered flow through placement up to a maximum of \$3.5 million in gross proceeds, including the first tranche ("FT Offering"). In addition, with interest in the Company's strategic plans to advance Kwanika, the Company re-opened its hard dollar non-brokered private placement that closed on July 4, 2025 and announces an additional tranche of hard dollar funding for gross proceeds of up to \$0.4 million.

On August 11 2025, the Company announced the closing of the second tranche of its upsized non-brokered critical mineral flow through private placement financing ("FT Offering"). When combined with the first tranche of the FT Offering, the Company closed on \$3.2 million out of the \$3.5 million upsized FT Offering. The Company also had excess demand on the hard dollar component ("HD Offering") of the private placement announced on July 29, 2025, and completed the HD Offering for gross proceeds of \$0.475 million.

On August 25 2025, the Company announced that it has upsized for a second time its non-brokered critical mineral flow through private placement financing as announced on July 16, 2025 and July 29, 2025. When combined with the previous tranches of the FT Offering, the Company closed on total aggregate gross proceeds of \$4.1 million.

- c) On July 31, 2025, the Company amended the option agreement for the Asitka claims located in British Columbia. The amendment changes the fourth option payment from \$50,000 cash and \$75,000 in Common Shares to \$37,500 cash and \$87,500 in Common Shares.