



Condensed Consolidated Financial Statements
(unaudited – prepared by management)
(expressed in Canadian dollars)

For the Three Months Ended June 30, 2025 and 2024

NOTICE TO READER

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 consolidated interim financial statements of the Company 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 condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Vancouver, B.C.
August 29, 2025

SURGE COPPER CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(unaudited – expressed in Canadian dollars)

As at June 30, 2025 and March 31, 2025

	Note	As at June 30, 2025	As at March 31, 2025
ASSETS			
Current			
Cash and cash equivalents	14	\$ 1,060,737	\$ 1,881,003
GST receivable		243,437	229,613
Other receivable	10	3,780	3,780
Prepaid expenses		233,904	83,009
Total Current Assets		1,541,858	2,197,405
Non-Current			
Exploration and evaluation costs	5,6	54,921,400	54,759,893
Right-of-use asset	8	33,903	40,684
Equipment and camp buildings	7	17,795	18,892
Total Non-Current Assets		54,973,098	54,819,469
Total Assets		\$ 56,514,956	\$ 57,016,874
LIABILITIES			
Current			
Trade and other payables	9	\$ 120,236	\$ 334,473
Current portion of lease liability	8	24,947	33,262
Deferred compensation liability	10,11	173,355	43,621
Total Current Liabilities		318,538	411,356
Non-Current			
Lease obligation liability	8	19,504	18,372
Deferred income tax liability		4,144,000	4,144,000
Total Non-Current Liabilities		4,163,504	4,162,372
Total Liabilities		4,482,042	4,573,728
SHAREHOLDERS' EQUITY			
Share capital	11	74,060,417	74,060,417
Contributed surplus	11	13,771,060	13,530,838
Deficit		(35,798,563)	(35,148,109)
Total Shareholders' Equity		52,032,914	52,443,146
Total Liabilities and Shareholders' Equity		\$ 56,514,956	\$ 57,016,874
Corporate information and nature of operations			
Subsequent events	16		
Signed on behalf of the Board by:			
"Leif Nilsson"	Director		
"Jim Pettit"	Director		

See accompanying notes to the condensed consolidated interim financial statements.

SURGE COPPER CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**

(unaudited - expressed in Canadian dollars)

For the Three Months Ended June 30, 2025 and 2024

		For the three months ended June 30,	
	Note	2025	2024
EXPENSES			
Amortization	7,8	\$ 7,878	\$ 8,235
Consulting		21,000	20,100
Management and administration fees	10	151,575	141,084
Marketing and conferences		37,610	62,952
Office		23,452	26,545
Professional fees		30,470	6,500
Share-based payments	11	353,704	333,903
Shareholder communications		2,400	4,400
Transfer agent and filing fees		7,523	15,402
Travel and promotion		8,555	35,136
		(644,167)	(654,257)
OTHER INCOME (EXPENSE):			
Miscellaneous revenue		-	882
Interest Income		8,208	14,026
Interest Expense		(1,843)	(1,843)
Rental income		3,600	6,600
Loss on revaluation of deferred compensation liability	11	(16,252)	-
Other income on realization of flow-through premium liability	11	-	108,367
LOSS BEFORE INCOME TAXES		(6,287)	(526,225)
INCOME TAXES		-	-
NET LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		\$ (650,454)	\$ (118,295)
LOSS PER SHARE - BASIC		\$ (0.01)	\$ (0.002)
LOSS PER SHARE - DILUTED		\$ (0.01)	\$ (0.002)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
		290,979,913	246,338,383

See accompanying notes to the condensed consolidated interim financial statements.

SURGE COPPER CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

(unaudited - expressed in Canadian dollars)

For the Three Months Ended June 30, 2025 and 2024

	For the Three Months Ended June 30,	
	2025	2024
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the period	\$ (650,454)	\$ (526,225)
Items not affecting cash:		
Amortization	7,878	8,235
Flow-through share premium	-	(108,367)
Share-based payments	369,956	333,903
	(272,620)	(292,454)
Changes in non-cash working capital items:		
Taxes recoverable	(13,824)	(19,776)
Other receivable	-	(24,910)
Prepaid expenses	(150,895)	(114,892)
Trade and other payables	(214,237)	(74,234)
Current portion of lease liability	(7,183)	(7,183)
Cash used in operating activities	(658,759)	(533,449)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(158,507)	(274,104)
Reclamation bond	(3,000)	-
BCMETC credit	-	255,858
Cash used in investing activities	(161,507)	(18,246)
FINANCING ACTIVITIES		
Net proceeds from share issuance	-	7,089,246
Cash provided by financing activities	-	7,089,246
NET CHANGE IN CASH	(820,266)	6,537,551
CASH AND CASH EQUIVALENTS - BEGINNING OF THE PERIOD	1,881,003	84,658
CASH AND CASH EQUIVALENTS - END OF THE PERIOD	\$ 1,060,737	\$ 6,622,209

See accompanying notes to the condensed consolidated interim financial statements.

SURGE COPPER CORP.**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(expressed in Canadian dollars)

For the Three Months Ended June 30, 2025 and 2024

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Total Equity
Balance, April 1, 2024	224,449,345	\$ 66,465,142	\$ 13,059,226	\$ (33,096,708)	\$ 46,427,660
Issued for cash – non-flow through shares	51,373,414	4,930,474	-	-	4,930,474
Issued for cash – charity-flow-through shares	8,966,668	2,196,834	-	-	2,196,834
Flow-through share premiums	-	(851,833)	-	-	(851,833)
Share issue costs	-	(38,062)	-	-	(38,062)
Share-based payments	-	-	333,903	-	333,903
Net loss and comprehensive loss for the period	-	-	-	(526,225)	(526,225)
Balance, June 30, 2024	284,789,427	\$ 72,702,555	\$ 13,393,129	\$ (33,622,933)	\$ 52,472,751
Balance, April 1, 2025	290,979,913	\$ 74,060,417	\$ 13,530,838	\$ (35,148,109)	\$ 52,443,146
Share-based payments	-	-	240,222	-	240,222
Net loss and comprehensive loss for the period	-	-	-	(650,454)	(650,454)
Balance, June 30, 2025	290,979,913	\$ 74,060,417	\$ 13,771,060	\$ (35,798,563)	\$ 52,032,914

See accompanying notes to consolidated financial statements

SURGE COPPER CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(unaudited - expressed in Canadian dollars)
For the Three Months ended June 30, 2025 and June 30, 2024

1. CORPORATE INFORMATION

The Company is engaged principally in the acquisition, exploration and development of mineral properties. The recovery of the Company's investment in mineral properties and attainment of profitable operations is principally dependent upon financing being arranged by the Company to continue operations, explore and develop the mineral properties and the discovery, development and sale of ore reserves.

The Company was incorporated under the Business Corporations Act of British Columbia by Certificate of Incorporation dated November 29, 1965. The Company is listed on the TSX Venture Exchange ("TSX-V"), having the symbol SURG-V, as a Tier 2 mining issuer.

The address of the Company's corporate office and principal place of business is Suite 888 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1G5.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The condensed unaudited consolidated interim financial statements of the Company for the three months ending June 30, 2025 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These unaudited condensed consolidated interim financial statements have been prepared in full compliance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Accordingly, these unaudited condensed consolidated interim financial statements follow the same accounting principles and methods of application as the audited annual consolidated financial statements for the year ended March 31, 2025 but may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS. These financial statements should therefore be read in conjunction with the audited annual consolidated financial statements for the year ended March 31, 2025. Results for the period ended June 30, 2025, are not necessarily indicative of future results. These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 29, 2025.

(b) Basis of Presentation and Measurement

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis and include the accounts of the Company and its wholly-owned subsidiary, Ootsa Ventures Ltd. All material intercompany accounts and transactions have been eliminated.

The unaudited condensed consolidated interim financial statements are presented in Canadian dollars, which is also the Company's and its subsidiary's functional currency.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates remain unchanged from those set out in Note 3 of the audited Consolidated Financial Statements for the year ended March 31, 2025.

There have been no material revisions to the accounting policies reported in the Company's audited Consolidated Financial Statements for the Year Ended March 31, 2025.

(a) Going Concern of Operations

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. However, there are currently material uncertainties in respect to these assumptions which cast significant doubt as to the Company's ability to continue as a going concern. The Company has incurred losses since inception, has no recurring source of revenue and has an accumulated deficit of \$35,798,563 at June 30, 2025. The Company will need to raise sufficient funds in order to finance ongoing exploration, development and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

b) Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

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Notes to the Condensed Consolidated Interim Financial Statements

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For the Three Months ended June 30, 2025 and June 30, 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's unaudited Condensed Consolidated Interim Financial Statements for the three months ended June 30, 2025.

5. RECLAMATION BONDS

Included in Mineral Exploration and Evaluation Costs as at June 30, 2025, is the Company's aggregate reclamation bonds posted with the Mining and Minerals Division of the British Columbia Government in the amount of \$415,400 (March 31, 2025 - \$412,400).

The bonds cover the future site restoration costs with respect to the Berg Property and the Ootsa Property. All or part of the \$415,400 can be recovered subject to the inspection of the sites and assessment of the restoration costs by the Mining and Minerals Division of the British Columbia Government.

The bonds have not been discounted from their future value because the Company estimates the bonds may be settled within 2 years and the discounting cost being considered immaterial. The Company believes that the amount of the bonds includes sufficient risk premium.

Recovery of the posted bonds remains subject to the inspection of the sites and assessment of the restoration costs by the Mining and Minerals Division of the British Columbia Government.

6. MINERAL PROPERTIES INTERESTS

Berg Property, British Columbia

As at June 30, 2025, the Company owned a 100% interest in the Berg Property, located in central British Columbia, comprised of 93 mineral claims and one mining lease, totaling 36,056.32 hectares, including one claim totaling 1,258.13 hectares staked for a cost of \$2,202 during the year ended March 31, 2025.

Beyond claims acquired by staking, material transactions and royalty obligations in respect of this property are:

- On December 15, 2020, the Company entered into a definitive option agreement (the "Option Agreement") to acquire a 70% interest in the Berg Property, 34,798 hectares in size and contiguous to the Ootsa Property, from Thompson Creek Metals Company Inc. ("TCM"), a wholly-owned subsidiary of Centerra Gold Inc. To complete the option, Surge was required to issue \$5 million of its common shares (\$4.6 million issued) and spend \$8 million on exploration over a period of up to five years (completed).

On December 22, 2023, the Company entered into a definitive purchase agreement (the "Purchase Agreement"), replacing the Option Agreement, with TCM to acquire a 100% interest in the Berg Property for consideration of an additional 21,221,165 common shares (fair value \$1,591,587) of Surge, resulting in TCM owning approximately 15% of Surge's outstanding common shares. On January 19, 2024 the transaction was completed.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

6. MINERAL PROPERTY INTERESTS (continued)

- A 1% NSR royalty is held by a subsidiary of Royal Gold, Inc. on eight of the mineral claims and the one mining lease, including those which host the main Berg deposit.
- On December 13, 2024 (the “Effective Date”), the Company entered into an option agreement (the “Option Agreement”) to acquire a 100% interest in certain mineral claims comprising the MacLean East Property, contiguous with the Berg Property. To exercise the option and acquire the 100% property interest, the Company shall complete the following:
 - Allocate \$300,000 in assessment work credits as expenditures to the property and, at the option of the optionors, to other contiguous mineral claims owned by the optionors within 30 days of entering into the option agreement (completed); and
 - Make aggregate payments totaling \$1,685,000, payable at the Company’s sole discretion in cash or Company common shares (the shares portion consisting of up to a maximum of 18,722,222 shares) to the optionors, as follows:
 - \$285,000 on or before the first anniversary of the Effective Date (“First Anniversary Date”) (if paid in shares, on or before the date that is four months less a day prior to the First Anniversary Date (to be completed);
 - A further \$550,000 on or before the second anniversary of the Effective Date (“Second Anniversary Date”) (if paid in shares, on or before the date that is four months less a day prior to the Second Anniversary Date (to be completed);
 - A further \$575,000 on or before the third anniversary of the Effective Date (“Third Anniversary Date”) (if paid in shares, on or before the date that is four months less a day prior to the Third Anniversary Date (to be completed);
 - A further \$75,000 on or before the fourth anniversary of the Effective Date (“Fourth Anniversary Date”) (if paid in shares, on or before the date that is four months less a day prior to the Fourth Anniversary Date; and
 - A further \$200,000 on or before the fifth anniversary of the Effective Date (“Fifth Anniversary Date”) (if paid in shares, on or before the date that is four months less a day prior to the Fifth Anniversary Date (to be completed).

Upon exercising the option and acquiring the 100% property interest, the Company shall grant the following NSRs:

- A 2.5% NSR to one of the optionors, one-half (1.25%) of which may be purchased by the Company at any time for \$5,000,000; and
- A 1.0% NSR to another of the optionors, one-half (0.5%) of which may be purchased by the Company at any time for \$1,000,000.

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Notes to the Condensed Consolidated Interim Financial Statements
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For the Three Months ended June 30, 2025 and June 30, 2024

6. MINERAL PROPERTY INTERESTS (continued)

Ootsa Property, British Columbia

As at June 30, 2025, the Company owned a 100% interest in the Ootsa Property, located in central British Columbia, comprised of 159 mineral claims totalling 99,319.03 hectares, including 19 new claims totaling 8,617.7 hectares staked for a cost of \$15,081 during the year ended March 31, 2025.

Beyond claims acquired by staking, material transactions and royalty obligations in respect of this property are:

- Fourteen claims totalling 574.6 hectares, known as the Ox claims, are subject to a 2% Net Smelter Returns (“NSR”) royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of the 2% NSR royalty at any time for \$500,000, and to purchase the remaining 1% NSR at any time for an additional \$1,000,000.
- Five claims totalling 3,450.4 hectares, known as the Seel claims, are subject to a 1% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of this 1% NSR royalty any time for \$1,000,000.
- Two claims totalling 383.4 hectares known as the Swing claims (the “Captain Mine”) are subject to a 2% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of the 2% NSR royalty at any time by the payment to the vendor of \$500,000 or the Company may purchase the entire 2% NSR at any time for \$1,000,000.
- One claim totalling 211.3 hectares, known as the Troitsa Peak claim, is subject to a 1% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of the 1% royalty for \$500,000.
- One claim totalling 76.4 hectares adjacent to the Company’s Berg Property, is subject to a 2.5% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 60% of the 2.5% NSR royalty (i.e. 1.5%) at any time for \$1,500,000.
- Two claims totalling 1,568.22 hectares adjacent to the Company’s Berg/Ootsa property, are subject to a 2% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of the 2% NSR royalty at any time for \$1,500,000 and the remaining 1% NSR royalty at any time for an additional \$2,000,000.
- Two claims totalling 572.26 hectares, known as the Sylvia claims, are subject to a 2% NSR royalty. The purchase agreement with the vendor entitles the Company to purchase 50% of the 1% NSR royalty at any time for \$1,000,000.

Auro Property, British Columbia

In March 2012, the Company sold all of its mineral interests known as the Auro and Auro South properties to New Gold Inc. Under the terms of the purchase agreement, the Company retained a 2% NSR on these properties.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

6. MINERAL PROPERTY INTERESTS (continued)British Columbia Mineral Tax Credits ("BCMETS")

The completion of certain qualified exploration costs by the Company entitles it to refundable tax credits as part of an exploration incentive plan offered by the Province of British Columbia. No amount has been accrued for fiscal 2025. Exploration spending of amounts renounced to investors from the issuance of flow-through shares is not eligible to be claimed for BCMETS purposes.

Expenditures on mineral property acquisition and deferred exploration and development costs for the three months ended June 30, 2025 and for the year ended March 31, 2025 are as follows:

Three months ended June 30, 2025

	Ootsa Property	Berg Property	Total
Property acquisition costs:			
Balance, beginning of the period	\$ 1,707,642	\$ 6,203,277	\$ 7,910,919
Cash costs	-	-	-
Shares issued	-	-	-
Balance, end of the period	1,707,642	6,203,277	7,910,919
Deferred exploration and evaluation costs:			
Balance, beginning of the period	35,472,239	11,376,735	46,848,974
Incurred during the period:			
Geology	14,036	16,786	30,822
Field costs	1,248	69,115	70,363
Assaying	3,117	51,197	54,314
Camp costs	-	138	138
Insurance	1,435	1,435	2,870
Reclamation bond	-	3,000	3,000
Total expenditures during the period	19,836	141,671	161,507
Balance, end of the period	35,492,075	11,518,406	47,010,481
Total deferred costs, end of the period	\$ 37,199,717	\$ 17,721,683	\$ 54,921,400

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

6. MINERAL PROPERTY INTERESTS (continued)**Fiscal 2025**

	Ootsa Property	Berg Property	Total
Property acquisition costs:			
Balance, beginning of the period	\$ 1,692,561	\$ 6,201,075	\$ 7,893,636
Cash costs	15,081	2,202	17,283
Balance, end of the period	1,707,642	6,203,277	7,910,919
Deferred exploration and evaluation costs:			
Balance, beginning of the period	34,960,918	8,202,927	43,163,845
Incurred during the period:			
Drilling	149,643	1,059,567	1,209,210
Barge	56,876	-	56,876
Consulting fees – First Nations	30,000	-	30,000
Geology	101,346	551,144	652,490
Field costs	53,781	1,021,960	1,075,741
Assaying	33,753	415,872	449,625
Travel	3,009	17,654	20,663
Camp costs	16,227	191,897	208,124
Fuel	10,466	105,872	116,338
Insurance	-	3,150	3,150
Wages and related expenses	56,220	62,550	118,770
BCMETC	-	(255,858)	(255,858)
Total expenditures during the period	511,321	3,173,808	3,685,129
Balance, end of the period	35,472,239	11,376,735	46,848,974
Total deferred costs, end of the period	\$ 37,179,881	\$ 17,580,012	\$ 54,759,893

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Notes to the Condensed Consolidated Interim Financial Statements
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For the Three Months ended June 30, 2025 and June 30, 2024

7. EQUIPMENT AND CAMP BUILDINGS

	Camp Vehicles and Equipment		Total
Cost			
Balance at March 31, 2024	\$ 152,659	\$	152,659
Additions	-		-
Disposals	-		-
Balance at March 31, 2025	\$ 152,659	\$	152,659
Additions	-		-
Disposals	-		-
Balance at June 30, 2025	\$ 152,659	\$	152,659
Depreciation and impairment			
Balance at March 31, 2024	\$ 127,948	\$	127,948
Additions	5,819		5,819
Disposals	-		-
Balance at March 31, 2025	\$ 133,767	\$	133,767
Additions	1,097		1,097
Disposals	-		-
Balance at June 30, 2025	\$ 134,864	\$	134,864
Carrying amounts – NBV			
At June 30, 2025	\$ 17,795	\$	17,795
At March 31, 2025	\$ 18,892	\$	18,892

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Notes to the Condensed Consolidated Interim Financial Statements

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For the Three Months ended June 30, 2025 and June 30, 2024

8. RIGHT OF USE ASSET AND LEASE LIABILITY

In October 2021, the Company has extended the lease with terms running through September 2026. Upon commencement, the Company recognized a right-of-use asset of \$135,611 and a lease liability of \$135,611. The lease liability was discounted using an estimated incremental borrowing rate of 12.0% per annum.

The continuity of the right-of-use asset for the three months ended June 30, 2025 is as follows:

	Right-of-use asset
As at March 31, 2024	67,806
Amortization	(27,122)
As at March 31, 2025	\$ 40,684
Amortization	(6,781)
As at June 30, 2025	33,903

Minimum lease payments in respect of lease liabilities and the effect of discounting as at June 30, 2025 are as follows:

	Lease liability
Less than one year	\$ 24,947
More than one year	19,504
As at June 30, 2025	\$ 44,451

The continuity of the lease liability for the three months ended June 30, 2025 is as follows:

	Lease liability
As at March 31, 2024	\$ 80,367
Principal payments	(28,733)
As at March 31, 2025	51,634
Principal payments	(7,183)
As at June 30, 2025	\$ 44,451

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Notes to the Condensed Consolidated Interim Financial Statements

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For the Three Months ended June 30, 2025 and June 30, 2024

9. TRADE AND OTHER PAYABLES

The Company's trade and other payables on June 30, 2025 and March 31, 2025 are as follows:

	As at June 30, 2025	As at March 31, 2025
Trade payables	\$ 76,291	\$ 289,659
Amount due to related parties	11,445	18,814
Accrued expenses	32,500	26,000
	<u>\$ 120,236</u>	<u>\$ 334,473</u>

Trade payables are comprised principally of amounts outstanding for trade purchases relating to exploration and general operating activities. The usual credit period taken for trade purchases is between 30 to 90 days.

10. RELATED PARTY TRANSACTIONS

During the three months ended June 30, 2025 the following amounts were paid. All comparative amounts are for the three months ended June 30, 2024.

- (a) Management wages and director fees of \$145,970 (2024 - \$132,700) were paid to directors or officers of the Company or to companies controlled by directors or officers of the Company.
- (b) Consulting and geological fees of \$28,072 (2024 - \$41,250) were paid to Companies controlled by directors or officers of the Company.
- (c) Included in accounts payable and accrued liabilities at June 30, 2025 is \$11,445 (2024 - \$199,629) owing to the senior management and directors of the Company for unpaid management fees.

During the months ended June 30, 2025, the Company earned \$3,600 (2024 - \$6,600) in office sublease revenue from a company with common officers.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

10. RELATED PARTY TRANSACTIONS (continued)

The Company incurred the following transactions with key management personnel and companies controlled by directors of the Company.

	For the three months ended June 30,	
	2025	2024
Key management personnel compensation comprised of:		
Short term employee benefits:		
Management and administration	\$ 145,970	\$ 132,700
	\$ 145,970	\$ 132,700
Share-based payments	353,704	333,903
	\$ 499,674	\$ 466,603

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS

(a) Authorized: Unlimited number of common shares without par value.

(b) Issued and fully paid:

	Number of Shares	Amount
Balance – March 31, 2024	224,449,345	\$ 66,465,142
Issued for cash – non-flow through shares	52,955,767	5,167,827
Issued for cash – charity-flow-through shares	8,966,668	2,196,834
Flow-through share premiums	-	(851,833)
Shares issued in lieu of discretionary bonuses	2,146,809	182,479
RSU and DSU settlements	2,461,324	950,202
Share issue costs	-	(50,234)
Balance – March 31, 2025 and June 30, 2025	290,979,913	\$ 74,060,417

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(b) Issued and Fully Paid (continued)

There were no transactions for the quarter ended June 30, 2025

Transactions during the Year Ended March 31, 2025

- i) On April 24, 2024, the Company completed a non-brokered private placement consisting of 10,000,000 common shares at a price of \$0.10 per share for total gross proceeds of \$1,000,000. The common shares are subject to a hold period of four months and one day from the date of issuance. The Company paid finder's fees totaling \$6,000 and \$27,653 of other cash share issue costs.
- ii) On May 31, 2024, the Company completed a non-brokered private placement with a strategic investor, African Rainbow Minerals Limited ("ARM"), consisting of 41,373,414 common shares, representing a 15.0% interest in the Company on a non-diluted basis, at a price of \$0.095 per share for total gross proceeds of \$3,930,474. The common shares are subject to a hold period of four months and one day from the date of issuance.

The Company and ARM have entered into an investor rights agreement (the "IRA") which grants ARM certain rights in the event it maintains minimum ownership thresholds in the Company, including the right to maintain its ownership position through future equity financings, and the right to appoint a member to a technical advisory committee to be formed following closing of the Strategic Placement. Additionally, the IRA includes a covenant from ARM, for a period of two years, to vote in favour of management's recommendations on routine matters to be approved by the shareholders of the Company. Furthermore, ARM has agreed in the IRA to a two-year standstill with respect to the acquisition of additional securities of the Company which would result in ARM owning greater than 19.9% of the then issued and outstanding common shares of the Company on a non-diluted basis, subject to exceptions customary for a standstill of this nature. In the event that ARM's ownership interest increases, to at least 19.9% of the Company's issued and outstanding common shares on a non-diluted basis, ARM will have the right to nominate one director to the Company's board of directors.

- iii) On June 21, 2024, the Company completed a non-brokered private placement consisting of 8,966,668 charity flow-through shares ("CFT shares") at a price of \$0.245 for total gross proceeds of \$2,196,834. The CFT Shares qualify as "flow-through shares" within the meaning of the Income Tax Act (Canada) (the "Tax Act"). The aggregate gross proceeds raised from the Offering must be used before December 31, 2025 for exploration expenditures that constitute "Canadian exploration expenses" qualifying as "flow-through critical mineral mining expenditures". The common shares are subject to a hold period of four months and one day from the date of issuance. The Company paid finders fees totaling \$4,410 and \$12,171 of other cash share issue costs.
- iv) On July 18, 2024, the Company completed a non-brokered private placement with ARM, consisting of 1,582,353 common shares, at a price of \$0.15 per share for total gross proceeds of \$237,353. The common shares are subject to a hold period of four months and one day from the date of issuance.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(b) Issued and Fully Paid (continued)

- v) On October 24, 2024, the Company issued 2,146,809 common shares to four members of the executive management of the Company to settle the amount of \$182,479 in bonuses payable. The common shares are subject to a hold period of four months and one day from the date of issuance.

(c) Share Purchase Warrants:

As at June 30, 2025, there were no outstanding share purchase warrants.

(d) Agents' warrants

As at June 30, 2025, there are no outstanding agent warrants.

(e) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's balance sheet include 'Contributed Surplus' and 'Accumulated Deficit'.

'Contributed Surplus' is used to recognize the value of stock option grants and share warrants prior to exercise. 'Accumulated Deficit' is used to record the Company's change in deficit from earnings from year to year.

(f) Share Compensation Plan:

The Company's Share Compensation Plan ("Plan") includes stock options ("Options"), restricted share units ("RSUs") and deferred share units ("DSUs"). The Plan received shareholder approval at the Company's AGM held on September 21, 2022. The maximum number of Common Shares reserved for issuance under the Share Compensation Plan shall be no more than 10% of the Company's issued and outstanding share capital at the time of any RSU, Option, or DSU award or grant.

The maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant (as such term is defined in the Plan) in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Participant. The exercise price of each Option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV).

Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company. Unless otherwise stated, Options vest when granted.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)**(f) Share Compensation Plan:***Stock options*

A summary of the Company's option transactions for the three months ended June 30, 2025 and the year ended March 31, 2025 is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Contractual Life (years)
Balance, March 31, 2024	5,500,000	\$0.51	3.14
Granted	175,000	\$0.15	
Balance, March 31, 2025 and June 30, 2025	5,675,000	\$0.49	1.98

The weighted average share price of options exercised, as at the date of exercise, during the three months ended June 30, 2025 was \$Nil (2024 - \$Nil).

As at June 30, 2025 outstanding stock options are:

Number of Options	Exercise Price	Expiry Date
1,800,000	\$0.69	January 4, 2026
200,000	\$0.44	April 23, 2026
2,500,000	\$0.42	June 23, 2026
800,000	\$0.42	October 15, 2026
200,000	\$0.31	December 20, 2026
175,000	\$0.15	July 18, 2029
5,675,000		

Restricted Share Units

Under the Plan, RSUs are granted to employees, directors, officers and consultants as approved by the Company's Board of Directors. Each RSU represents a unit with the underlying value equal to the value of one common share of the Company, vests over a specified period of service in accordance with the Plan and can be equity or cash settled at the discretion of the Company.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

A summary of the Company's RSU transactions for the three months ended June 30, 2025 and March 31, 2025 is as follows:

	Number of RSUs	Weighted Average Value at Date of Grant
Balance, March 31, 2024	5,641,357	\$ 0.202
Granted ⁽¹⁾	6,700,000	0.155
Granted ⁽²⁾	4,583,334	0.11
Settled	(3,879,053)	0.245
Balance, March 31, 2025 and June 30, 2025	13,045,638	0.136

1) RSUs granted on June 21, 2024. Vesting 1/3, after 12, 24 and 36 months

2) RSUs granted on February 27, 2025. Vesting 1/3, after 12, 24 and 36 months.

For the three months ended June 30, 2025, Nil RSUs were forfeited, Nil RSUs were settled in cash and Nil RSUs were settled in issuance of shares.

For the year ended March 31, 2025, Nil RSUs were forfeited, Nil RSUs were settled in cash and 3,879,053 RSUs were settled via the issuance of 2,461,324 common shares, including 1,476,801 performance-based RSUs settled for 59,072 common shares.

For the three months ended June 30, 2025 \$173,199 share-based compensation expense relating to the vesting of RSUs was recorded.

For the year ended March 31, 2025, \$886,156 of share-based compensation expense relating to the vesting of RSUs was recorded.

Deferred Share Units

Under the Plan, DSUs are granted to non-executive directors as approved by the Company's Board of Directors. Each DSU represents a unit with the underlying value equal to the value of one common share of the Company, vests over a specified period of service in accordance with the Plan and can be equity or cash settled at the discretion of the Company.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

A summary of the Company's DSU transactions for the three months ended June 30, 2025 and for the year ended March 31, 2025 is as follows:

	Number of DSUs	Weighted Average Value at Date of Grant
Balance, March 31, 2023 and 2024	5,411,131	\$ 0.205
Granted ⁽¹⁾	4,233,333	0.155
Granted ⁽²⁾	350,000	0.115
Granted ⁽³⁾	3,431,372	0.110
Balance, March 31, 2025 and June 30, 2025	13,425,836	\$ 0.163

1) DSUs granted on June 21, 2024. 12-month minimum vesting period.

2) DSUs granted on January 6, 2025. 12-month minimum vesting period.

3) DSUs granted on February 27, 2025. 12-month minimum vesting period, to be cash settled.

For the three months ended June 30, 2025, Nil DSUs were forfeited, Nil DSUs were settled in cash and Nil DSUs were settled in issuance of shares.

For the year ended March 31, 2025, Nil DSUs were forfeited, Nil DSUs were settled in cash and Nil DSUs were settled in issuance of shares.

For the three months ended June 30, 2025 \$178,786 share-based compensation expense relating to the vesting of DSUs was recorded, including \$113,482 recorded as a liability for DSUs that will be settled in cash.

For the year ended March 31, 2025, \$551,108 of share-based compensation expense relating to the vesting of DSUs was recorded, including \$33,092 recorded as a liability for DSUs that will be settled in cash.

The continuity of the Company's liability relating to DSUs to be settled in cash is as follows:

	Amount
Balance, March 31, 2024	\$ -
Share-based compensation – DSUs to be settled in cash	33,092
Change in fair value of liability	10,529
Balance, March 31, 2025	\$ 43,621
Share-based compensation – DSUs to be settled in cash	113,482
Change in fair value of liability	16,252
Balance, June 30, 2025	\$ 173,355

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

11. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(g) Contributed Surplus:

A continuity of contributed surplus is as follows:

	For the Three Months Ended June 30, 2025	For the Year Ended March 31, 2025
Balance, beginning of year	\$ 13,530,838	\$ 13,059,226
Stock-based compensation - expensed	240,222	1,421,814
Settlements, RSUs and DSUs	-	(950,202)
Balance, end of period	\$ 13,771,060	\$ 13,530,838

12. FINANCIAL INSTRUMENTS, MANAGEMENT OF CAPITAL AND FINANCIAL RISK

All financial instruments are included on the Company's balance sheet and measured at either fair value or amortized cost.

The Company's financial assets consist of cash and cash equivalents and amounts receivable, which are designated as loans and receivables and measured at amortized cost.

The Company's financial liabilities consist of accounts payable and accrued liabilities and due to related parties, which are designated as other financial liabilities and measured at amortized cost.

The carrying values of the Company's financial instruments measured at amortized costs approximate their fair values due to their short-term nature.

The capital of the Company consists of shareholders' equity - \$52,032,914 (March 31, 2025 - \$52,443,146).

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements. The Company relies on capital markets to support continued growth.

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Notes to the Condensed Consolidated Interim Financial Statements

(unaudited - expressed in Canadian dollars)

For the Three Months ended June 30, 2025 and June 30, 2024

13. SEGMENTED INFORMATION

During the three months ended June 30, 2025 and for the year ended March 31, 2025 the Company operated in one reportable operating segment, being the acquisition, exploration and development of mineral properties in British Columbia. Administrative expenses and working capital balances are located in Canada.

14. NON-CASH TRANSACTIONS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. The following transactions have been excluded from the statements of cash flows.

During the three months ended June 30, 2025

For the three months ended June 30, 2025, the Company recorded \$353,704 as share-based payments in relation to the vesting of options, RSUs and DSUs.

During the year ended March 31, 2025:

On January 27, 2025 and February 27, 2025, the Company settled 2,116,748 RSUs and 1,762,305 RSUs with a realized value of \$950,202.

15. COMMITMENTS AND CONTINGENCIES

Effective with a commencement date of October 1, 2021, the Company is committed to an operating lease on its office premises expiring on September 30, 2026. The Company's lease commitments for the total annual basic lease payments are as follows:

2026	\$ 27,840
2027	\$ 18,815

16. SUBSEQUENT EVENTS

On July 29, 2025, the Company completed a non-brokered private placement for total gross proceeds of \$5,863,306, consisting of (i) 19,218,893 non-flow-through common shares (the "NFT Shares") sold at a price of \$0.175 per NFT Share and (ii) 9,433,963 charity flow-through common shares (the "CFT Shares") sold at a price of \$0.265 per CFT Share. The CFT Shares qualify as "flow-through shares" within the meaning of the Tax Act. The aggregate gross proceeds raised from the CFT Shares must be used before December 31, 2026 for general exploration expenditures that constitute "Canadian exploration expenses" qualifying as "flow-through critical mineral mining expenditures". The Company paid cash finder's fees totaling \$62,295.