

# **Corcel Exploration Inc.**

**Condensed Interim Consolidated Financial Statements**

**For the three months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended September 30, 2025 and 2024**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Corcel Exploration Inc. for the interim periods ended September 30, 2025 and 2024, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Clearhouse LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

November 27, 2025

**Corcel Exploration Inc.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2025	June 30, 2025
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		173,021	578,681
GST receivable		7,635	2,870
Prepaid expenses	6	49,591	10,852
<b>Total assets</b>		<b>230,247</b>	<b>592,403</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8,11	149,546	104,128
<b>Total liabilities</b>		<b>149,546</b>	<b>104,128</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9(b)	3,248,620	3,248,620
Contributed surplus	9(c)	375,315	356,502
Reserves	9(d)	705,800	705,800
Deficit		(4,249,034)	(3,822,647)
<b>Total shareholders' equity</b>		<b>80,701</b>	<b>488,275</b>
<b>Total liabilities and shareholders' equity</b>		<b>230,247</b>	<b>592,403</b>

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors:

\_\_\_\_\_  
/s/Jon Ward  
Director

\_\_\_\_\_  
/s/Jesus Velador  
Director

**Corcel Exploration Inc.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**  
(Unaudited - Expressed in Canadian dollars, except for number of shares)

	Note	Three months ended September 30,	
		2025	2024
		\$	\$
<b>Operating expenses</b>			
Consulting fees		10,500	-
Exploration and evaluation expenditures	7(c),11	212,969	-
General and administrative expenses		12,267	111
Investor relations		48,529	-
Management fees	11	25,000	-
Professional fees	9,11	83,948	29,512
Share-based compensation	9(d),11	18,813	-
Transfer agent and filing fees		12,720	942
		<b>(424,746)</b>	<b>(30,565)</b>
<b>Other expenses</b>			
Foreign exchange loss		(1,641)	-
<b>Net loss and comprehensive loss for the period</b>		<b>(426,387)</b>	<b>(30,565)</b>
<b>Net loss per share:</b>			
Basic and diluted		(0.01)	(0.00)
<b>Weighted average number of common shares:</b>			
Basic and diluted		32,321,616	22,750,000

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

**Corcel Exploration Inc.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in Canadian dollars)

	Three months ended	
	September 30,	
	2025	2024
	\$	\$
<b>Operating activities</b>		
Net loss and comprehensive loss for the period	<b>(426,387)</b>	(30,565)
Adjustment for:		
Share-based compensation	<b>18,813</b>	-
Changes in non-cash working capital:		
Accounts receivable	<b>(4,765)</b>	(1,741)
Prepaid expenses	<b>(38,739)</b>	(851)
Accounts payable and accrued liabilities	<b>45,418</b>	(11,034)
<b>Cash used in operating activities</b>	<b>(405,660)</b>	(44,191)
Change in cash	<b>(405,660)</b>	(44,191)
Cash, beginning of the period	<b>578,681</b>	241,442
<b>Cash, end of the period</b>	<b>173,021</b>	197,251
<b>Supplemental cash flow information:</b>		
Cash taxes paid	-	-
Cash interest paid	-	-

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**Corcel Exploration Inc.**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**  
(Unaudited - Expressed in Canadian dollars, except number of shares)

	<b>Common shares</b>	<b>Share capital</b>	<b>Contributed surplus</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total shareholders' equity</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, June 30, 2024	22,750,000	897,839	-	-	(679,035)	218,804
Net loss and comprehensive loss for the period	-	-	-	-	(30,565)	(30,565)
Balance, September 30, 2024	22,750,000	897,839	-	-	(709,600)	188,239
Shares issued in acquisition of CuQuest Resources Corp.	15,000,000	1,650,000	-	-	-	1,650,000
Units issued in private placements	9,560,000	757,323	-	676,677	-	1,434,000
Unit issuance costs	-	(56,542)	-	29,123	-	(27,419)
Share-based compensation	-	-	356,502	-	-	356,502
Net loss and comprehensive loss for the period	-	-	-	-	(3,113,047)	(3,113,047)
Balance, June 30, 2025	47,310,000	3,248,620	356,502	705,800	(3,822,647)	488,275
Share-based compensation	-	-	18,813	-	-	18,813
Net loss and comprehensive loss for the period	-	-	-	-	(426,387)	(426,387)
<b>Balance, September 30, 2025</b>	<b>47,310,000</b>	<b>3,248,620</b>	<b>375,315</b>	<b>705,800</b>	<b>(4,249,034)</b>	<b>80,701</b>

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

## **1. NATURE OF OPERATIONS AND GOING CONCERN**

Corcel Exploration Inc. ("Corcel" or the "Company") was incorporated under the laws of the Province of British Columbia, Canada, on July 21, 2020. The Company was formed to engage in the business of acquiring, exploring, and evaluating mineral properties. On December 2, 2021, the Company completed its initial public offering (the "Offering"), and effective December 3, 2021, the Company's common shares commenced trading under the ticker symbol "CRCL" on the Canadian Securities Exchange. The Company's common shares are also listed in the United States (the "U.S.") on the OTCQB® Venture Market under the ticker symbol "CRLEF". The address of the Company's corporate office and principal place of business is 1723-595 Burrard Street, Vancouver, British Columbia, V7X 1J1, Canada. On January 9, 2025, the Company announced that it has completed the acquisition of CuQuest Resources Corp. ("CuQuest"). CuQuest holds the right to acquire a 100% interest in the Yuma King Property located in La Paz County, Arizona (Note 7).

The Company's mineral properties are in the exploration stage and, as a result, the Company currently has no source of operating cash flow. The exploration and development of the Company's mineral properties depend on the ability of the Company to obtain financing.

The Company incurred a net loss and comprehensive loss of \$426,387 for the three months ended September 30, 2025 (2024 - \$30,565), and as at September 30, 2025, had a working capital of \$80,701 (June 30, 2025 - \$488,275) and an accumulated deficit of \$4,249,034 (June 30, 2025 - \$3,822,647). The Company's future viability depends upon the acquisition and financing of mineral exploration or other projects. If the mineral projects are to be successful, additional funds will be required for development and, if warranted, to place them in commercial production. The expected primary source of future funds presently available to the Company is through the issuance of common shares. The ability of the Company to arrange such financing will depend, in part, on prevailing market conditions as well as the business performance of the Company. These events and conditions indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern. There can be no assurance that the Company will be successful in its efforts to arrange the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution.

Although the Company has taken steps to verify title to the mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements were approved by the Board of Directors and authorized for issue on November 27, 2025.

These financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. These financial statements do not include all the information and disclosures required in annual financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended June 30, 2025 and 2024 (the "Annual Financial Statements").

### **b) Basis of presentation**

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS® Accounting Standards, as well as information presented in the consolidated statements of cash flows. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

## **2. BASIS OF PREPARATION (continued)**

### **c) Functional and presentation currency**

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the Company and its subsidiary is the Canadian dollar. The financial statements are presented in Canadian dollars, except as otherwise noted. References to "\$" or "CAD" are to Canadian dollars.

### **d) Basis of consolidation**

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases.

A summary of the Company's subsidiary consolidated in these financial statements as at September 30, 2025 is as follows:

<b>Name of subsidiary</b>	<b>Country of incorporation</b>	<b>Percentage ownership</b>	<b>Functional currency</b>
CuQuest.	Canada	100%	CAD

## **3. MATERIAL ACCOUNTING POLICIES**

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

## **4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed in its Annual Financial Statements.

## **5. ACQUISITION OF CUQUEST RESOURCES CORP.**

On January 8, 2025, the Company completed an acquisition of 100% of the issued and outstanding shares of CuQuest (the "Acquisition"). The former shareholders of CuQuest received 15,000,000 common shares in the capital of the Company. The total fair value of the consideration is \$1,650,000. CuQuest holds the right to acquire a 100% interest in the Yuma King Property located in La Paz County, Arizona (Note 7).

The Acquisition did not meet the definition of a business under IFRS 3 *Business Combinations* and has been accounted for as an asset acquisition as the significant inputs, processes, and outputs that together constitute a business did not exist in CuQuest at the time of acquisition. As a result, the Acquisition has been accounted for as an equity-settled share-based payment transaction within the scope of IFRS 2 *Share-based Payment*. As such, the total purchase price was allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values. Transaction costs associated with the acquisition were included as part of the cost of the assets.

**Corcel Exploration Inc.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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(Unaudited - Expressed in Canadian dollars, except where noted)

**5. ACQUISITION OF CUQUEST RESOURCES CORP. (continued)**

The following table includes all net assets acquired and all consideration paid at their respective fair value.

	<b>CuQuest</b>
	<b>\$</b>
Cash	86,578
Prepaid expenses	2,780
Accounts payable and accrued liabilities	(173,041)
Promissory notes	(263,198)
Exploration and evaluation expenditure	1,996,881
<b>Net assets acquired</b>	<b>1,650,000</b>
<b>Consideration paid in shares</b>	<b>1,650,000</b>

**6. PREPAID EXPENSES**

A summary of the Company's prepaid expenses is as follows:

	<b>September 30,</b>	June 30,
	<b>2025</b>	2025
	<b>\$</b>	<b>\$</b>
General and administrative expenses	<b>30,000</b>	-
Investor relations	<b>16,739</b>	-
Professional fees	<b>2,852</b>	10,852
	<b>49,591</b>	10,852

**7. EXPLORATION AND EVALUATION EXPENSES**

**a) Peak Property**

On August 4, 2020, the Company entered into an option agreement to acquire a 100% interest in the Peak Mineral Property located in the Province of British Columbia, in exchange for 1,000,000 common shares of the Company with a fair value of \$20,000 based on the price of the most recent private placement financing at the time.

During the year ended June 30, 2025, the Company forfeited the rights after spending \$100,000 on exploration of the property.

**b) Willow Property**

On June 21, 2024, the Company acquired the Willow Copper Property located in the Province of British Columbia through direct staking by the Company. The property consists of a single, fully contiguous claim block totaling approximately 1,160 hectares.

During the year ended June 30, 2025, the Company made the decision that it will not be exploring the Willow Copper Property going forward.

**c) Yuma King Property**

On January 8, 2025, the Company completed an acquisition of 100% of the issued and outstanding shares of CuQuest pursuant to the terms of a share exchange agreement (Note 5). CuQuest holds the right to acquire a 100% interest in the Yuma King Property located in La Paz County, Arizona.

On March 12, 2024, CuQuest entered into a purchase option agreement to acquire a 100% interest in 495 mining claims ("Mining Lease Agreement"). Under this agreement, the Company is required to make an annual lease payment of US\$155,000 to the lessor, due on March 26 each year for six years until 2030.

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**7. EXPLORATION AND EVALUATION EXPENSES (continued)**

The Mining Lease Agreement grants the Company the option to purchase a 100% undivided interest in the property by paying a total of US\$6,000,000 to the lessor before the sixth anniversary, minus any annual lease payments made up to that point.

On April 12, 2024, the Company accepted the lessor's proposal to include an additional 20 claims in the Mining Lease Agreement for a total cost of US\$15,200 (paid). Certain of the unpatented lode mining claims comprising the Yuma King Property are subject to a 1% net smelter returns royalty.

A summary of the Company's exploration and evaluation expenditures for the three months ended September 30, 2025 and 2024 is as follows:

	2025	2024
	\$	\$
Claims	139,848	-
Geological consulting	2,448	-
Project management	53,358	-
Others	17,315	-
	<b>212,969</b>	<b>-</b>

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

A summary of the Company's accounts payable and accrued liabilities is as follows:

	September 30, 2025	June 30, 2025
	\$	\$
General and administrative expenses	1,695	1,695
Management fees	82,157	46,265
Professional fees	63,852	54,103
Transfer agent and filing fees	1,842	2,065
	<b>149,546</b>	<b>104,128</b>

**9. SHARE CAPITAL**

**a) Authorized share capital**

The Company is authorized to issue an unlimited number of common shares without par value.

**b) Issued and outstanding**

During the three months ended September 30, 2025, the Company did not have any share capital transactions:

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**9. SHARE CAPITAL (continued)**

During the year ended June 30, 2025, the Company had the following share capital transactions:

- On January 8, 2025, the Company issued 15,000,000 common shares on closing of the CuQuest acquisition. The common shares were valued at \$1,650,000 based on the share price of \$0.11 on the date of issuance (Note 7).
- On March 28, 2025, the Company completed a private placement of 9,560,000 units of the Company at a price of \$0.15 per unit, for aggregate gross proceeds of \$1,434,000. Each unit consists of one common share and one warrant, with each warrant entitling the holder to purchase one common share at an exercise price of \$0.30 for a period of 24 months until March 28, 2027. Gross proceeds were allocated using the relative fair value method. As a result, \$757,323 was allocated to share capital and \$676,677 was allocated to reserves.
- In connection with the private placement on March 28, 2025, the Company paid cash unit issuance costs of \$27,419 and issued 182,790 finders' warrants. Each finders' warrant entitles the finder to acquire one common share at a price of \$0.30 for a period of 24 months until March 28, 2027. The brokers' warrants were valued using the Black-Scholes option pricing model ("BSM") and had a fair value of \$29,123.

**c) Stock options**

The Company maintains the Option Plan whereby certain key employees, officers, directors and consultants may be granted stock options for the common shares of the Company. The Option Plan provides that the aggregate number of securities reserved for issuance will be up to 10% of the number of common shares issued and outstanding. Under the Option Plan, the exercise price of each option may not be lower than the closing price of the Company's shares on the trading day prior to the grant date or the grant date itself, whichever is higher. Vesting of options is determined at the discretion of the Board. As at June 30, 2025, the Company had 1,281,000 common shares available for issuance under the Option Plan.

A summary of the Company's stock option activity is as follows:

	Number of stock options	Weighted average exercise price
	#	\$
Balance, June 30, 2024	-	-
Issued	3,450,000	0.14
<b>Balance, September 30, 2025 and June 30, 2025</b>	<b>3,450,000</b>	<b>0.14</b>

A summary of the Company's stock options outstanding and exercisable as at September 30, 2025 is as follows:

Expiry date	Weighted average exercise price	Options outstanding	Options exercisable	Weighted average remaining life
	\$	#	#	Years
June 23, 2027	0.23	300,000	-	1.73
April 7, 2030	0.12	2,700,000	2,700,000	4.52
April 22, 2030	0.12	200,000	200,000	4.56
June 23, 2030	0.23	250,000	-	4.73
	<b>0.14</b>	<b>3,450,000</b>	<b>2,900,000</b>	<b>4.30</b>

During the three months ended September 30, 2025, the Company recorded share-based compensation of \$18,813 (2024 - \$nil) in connection with the vesting of stock options.

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**9. SHARE CAPITAL (continued)**

The Company did not grant stock options for the three months ended September 30, 2025. A summary of the Company's weighted average inputs used in the BSM to calculate the fair value of the stock options issued during the year ended June 30, 2025 is as follows:

Share price	\$0.13
Exercise price	\$0.14
Expected life	4.74 years
Risk-free interest rate	2.66%
Expected volatility	270.12%
Expected annual dividend yield	0.00%

The Company estimates expected volatility on the grant date based on a review of historical volatilities over a period equivalent to the expected life of the stock options being valued. The risk-free interest rate is determined on the grant date using the implied yields on Government of Canada zero-coupon bonds with a remaining term consistent with the expected life of the stock options.

**d) Warrants**

A summary of the Company's share purchase warrant activity is as follows:

	Number of share purchase warrants	Weighted average exercise price
	#	\$
Balance, June 30, 2024	-	-
Issued	9,742,790	0.30
<b>Balance, September 30, 2025 and June 30, 2025</b>	<b>9,742,790</b>	<b>0.30</b>

A summary of the Company's outstanding share purchase warrants as at September 30, 2025 is as follows:

Date of expiry	Weighted average exercise price	Number of share purchase warrants	Weighted average remaining life
	\$	#	Years
March 28, 2027	0.30	9,742,790	1.49
	<b>0.30</b>	<b>9,742,790</b>	<b>1.49</b>

The fair value of share purchase warrants issued within units in private placements is determined by applying the residual method. Share purchase warrants granted as share-based payments or as share issuance costs are measured at fair value using the BSM.

The Company did not issue warrants for the three months ended September 30, 2025. A summary of the Company's weighted average inputs used in the BSM for warrants issued during the year ended June 30, 2025 is as follows:

Share price	\$0.17
Exercise price	\$0.30
Expected life	2.00 years
Risk-free interest rate	2.49%
Expected volatility	314.19%
Expected annual dividend yield	0.00%

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**9. SHARE CAPITAL (continued)**

The Company estimates expected volatility on the grant date based on a review of historical volatilities over a period equivalent to the expected life of the share purchase warrants being valued. The risk-free interest rate is determined on the grant date using the implied yields on Government of Canada zero-coupon bonds with a remaining term consistent with the expected life of the share purchase warrants.

**10. PROFESSIONAL FEES**

A summary of the Company's professional fees for the three months ended September 30, 2025 and 2024 is as follows:

	2025	2024
	\$	\$
Audit and accounting expenses	<b>28,565</b>	16,886
Consulting fees	<b>46,109</b>	-
Legal fees	<b>9,274</b>	-
Listing and filing fees	-	12,626
	<b>83,948</b>	29,512

**11. RELATED PARTY TRANSACTIONS**

Key management personnel include those with authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, officers and companies controlled by key management personnel.

A summary of the Company's related party transactions with key management personnel for the three months ended September 30, 2025 and 2024 is as follows:

	2025	2024
	\$	\$
Exploration and evaluation expenditures	<b>53,358</b>	-
Management fees	<b>25,000</b>	-
Professional fees	<b>9,000</b>	9,000
Share-based compensation	<b>5,650</b>	-
	<b>93,008</b>	9,000

As at September 30, 2025, the Company had \$82,159 due to related parties (June 30, 2025 - \$46,267), which is included in accounts payable and accrued liabilities. The amounts are unsecured, due on demand, and are non-interest bearing.

**12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at September 30, 2025, the Company's financial instruments consist of cash and accounts payable and accrued liabilities which are classified as and measured at amortized cost. The carrying values of these financial instruments approximate their respective fair values due to their short-term nature. Management, under oversight of the Board, mitigates these risks by assessing and monitoring the Company's risk management processes. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

## **12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

### **a) Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfil its contractual obligations. The Company's credit risk relates primarily to cash. The Company minimizes its credit risk related to cash by placing cash with major financial institutions. The Company considers the credit risk related to cash to be minimal.

### **b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company is exposed to liquidity risk through accounts payable and accrued liabilities. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required.

As at September 30, 2025, the Company had a cash balance of \$173,021 (June 30, 2025 - \$578,681) to settle current liabilities of \$149,546 (June 30, 2025 - \$104,128), which have contractual maturities of 90 days or less. The Company has assessed its liquidity risk as high and will be required to raise additional capital in the future to fund its operations.

### **c) Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

#### 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. As at September 30, 2025, the Company had no variable interest rate financial instruments and had no hedging agreements in place with respect to floating interest rates and therefore was not exposed to interest rate risk.

#### Foreign exchange risk

Foreign exchange risk is the risk that the fair value of the Company's assets and liabilities will fluctuate due to changes in foreign exchange rates. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management does not anticipate a high volume of transactions to be denominated in foreign currencies and believes that the foreign exchange risk remains minimal as at September 30, 2025.

## **13. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to bring its mineral properties to commercial production. While the Company does not yet have any revenues, management monitors its capital structure and makes adjustments according to market conditions to meet its objectives given the current outlook of the business and industry in general. The Board of the Company does not establish quantitative return on capital criteria for management but rather relies on the expertise of the management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged since the Company's most recent financial reporting period.

The Company is not subject to any externally imposed capital requirements.

Historically, the Company has been dependent on external financing to fund its activities. As at September 30, 2025, the capital structure of the Company consisted of shareholders' equity which was \$80,701 (June 30, 2025 - \$488,275).

Management reviews the Company's capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements.

There have not been changes to the Company's capital management policy during the three months ended September 30, 2025.