



CHAMPION ELECTRIC METALS INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited)

For the Three Months Ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Champion Electric Metals Inc. have been prepared and are the responsibility of the Company's management ("Management"). The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

Expressed in Canadian dollars.

As at	Note	March 31, 2025	December 31, 2024
Assets			
Current assets			
Cash		\$158,258	\$216,069
Accounts receivables and prepaids		57,504	279,369
Investments	5	551,576	538,879
Total assets		\$767,338	\$1,034,317
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		\$2,493,032	\$2,602,386
Total liabilities		\$2,493,032	\$2,602,386
Shareholders' Equity (Deficiency)			
Share capital	7	\$27,430,683	\$27,430,683
Warrants	8	720,209	1,358,759
Contributed surplus	9	4,180,942	3,476,639
Accumulated deficit		(34,057,528)	(33,834,150)
Total equity (deficiency)		(1,725,694)	(1,568,069)
Total liabilities and equity		\$767,338	\$1,034,317

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On behalf of the Board,

"Signed"

"Signed"

Jonathan Buick
Director

Paul Fornazzari
Director

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

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)

Expressed in Canadian dollars.

For the three months ended March 31,	Note	2025	2024
Operating expenses			
Exploration expenditures	6	\$51,741	\$839,707
Property acquisition and holding costs	6	17,829	652,508
Management compensation	13	56,727	107,352
Professional and consulting fees		20,276	100,706
Investor relations and business development		15,441	122,788
General and administrative expenses		9,160	9,771
		171,174	1,832,832
Share-based compensation expense	10	65,753	453,926
Net loss before the under-noted items:		\$236,927	\$2,286,758
Gain on flow-through premium	7	—	(91,891)
Unrealized (gain) on investments	5	(12,697)	—
Foreign exchange (gain)		(815)	(738)
Interest income		(37)	(1,153)
Net loss and comprehensive loss for the period		\$223,378	\$2,192,976
Net loss per share - basic and diluted	14	\$0.00	\$0.01
Weighted average number of shares outstanding during the period – basic and diluted		278,938,729	253,877,064

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

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

Expressed in Canadian dollars.

	Note	SHARE CAPITAL		RESERVES		SHAREHOLDERS' EQUITY (DEFICIT)	
		Common Shares #	Share Capital \$	Warrants \$	Contributed Surplus \$	Deficit \$	Total Equity \$
Balance – December 31, 2023		250,463,731	\$26,326,514	\$1,797,043	\$2,684,759	\$(28,212,748)	\$2,595,568
Shares issued for property purchase	8(i)	6,000,000	300,000	39,922	—	—	339,922
Shares issued for finder's fee	8(i)	400,000	20,000	—	—	—	20,000
Share-based compensation	10(i)	—	—	—	307,661	—	307,661
Restricted Stock Units (RSUs) vested	10(i)	—	—	—	146,265	—	146,265
Options expired	10(ii)	—	—	—	(70,673)	70,673	—
Net loss for the period		—	—	—	—	(2,192,976)	(2,192,976)
Balance – March 31, 2024		256,863,731	\$26,646,514	\$1,836,965	\$3,068,012	\$(30,335,051)	\$1,216,440
Shares issued for property purchase	8(ii)	75,000	2,625	—	—	—	2,625
Shares issued for private placements	8(iii)	20,000,000	800,000	—	—	—	800,000
Share issue costs	8(iii)	—	(75,956)	19,956	—	—	(56,000)
Shares issued for RSUs	8(iv)	1,999,998	320,000	—	(320,000)	—	—
Flow-through share premium	7	—	(262,500)	—	—	—	(262,500)
Warrants expired	9(iii)	—	—	(498,162)	498,162	—	—
Options expired	10(ii)	—	—	—	(94,772)	94,772	—
Share-based compensation	10(i)	—	—	—	10,351	—	—
RSUs vested	10(i)	—	—	—	314,886	—	314,886
Net loss for the period		—	—	—	—	(3,593,871)	(3,593,871)
Balance – December 31, 2024		278,938,729	\$27,430,683	\$1,358,759	\$3,476,639	\$(33,834,150)	\$(1,568,069)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

Expressed in Canadian dollars.

	Note	SHARE CAPITAL		RESERVES		SHAREHOLDERS' EQUITY (DEFICIT)	
		Common Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total Equity
		#	\$	\$	\$	\$	\$
Balance – December 31, 2024		278,938,729	\$27,430,683	\$1,358,759	\$3,476,639	\$(33,834,150)	\$(1,568,069)
Warrants expired	9(iv)	—	—	(638,550)	638,550	—	—
RSUs vested	10(i)	—	—	—	65,753	—	65,753
Net loss for the period		—	—	—	—	(223,378)	(223,378)
Balance – March 31, 2025		278,938,729	\$27,430,683	\$720,209	\$4,180,942	\$(34,057,528)	\$(1,725,694)

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

Condensed Consolidated Interim Statements of Cash Flows (Unaudited)

Expressed in Canadian dollars.

For the three months ended March 31,	Note	2025	2024
OPERATING ACTIVITIES			
Net loss for the period		\$(223,378)	\$(2,192,976)
Adjustments to non-cash items:			
Gain on flow-through premium	7	—	(91,891)
Shares issued for properties		—	359,922
Share-based compensation expense	10	65,753	453,926
Unrealized gain on investments	5	(12,697)	—
Net change in non-cash working capital balances:			
Accounts receivables and prepaids		221,865	(11,433)
Accounts payable and accrued liabilities		(109,354)	864,607
		\$(57,811)	\$(617,845)
Net (decrease) increase in cash		\$(57,811)	\$(617,845)
Cash, beginning of period		216,069	2,621,192
Cash, end of period		\$158,258	\$2,003,347

Non-cash activities:

Shares issued for finders' fees	\$	—	\$20,000
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The accompanying notes are an integral part of these interim financial statements.

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

1. Nature of Operations and Going Concern

CHAMPION ELECTRIC METALS INC., a company incorporated under the Canada Business Corporation Act, and its wholly owned subsidiaries (the “**Company**” or “**Champion**”) are engaged in the acquisition and exploration of certain mineral properties in Quebec, Canada and Idaho, United States of America (“USA”). The Company is listed on the Canadian Securities Exchange (“CSE”) under the symbol “ITKO”, the OTCQB Exchange, under “GLDRF”, and the Frankfurt Stock Exchange under “1QB1”. The address of the corporate office is Suite 1800, 372 Bay Street Toronto, Ontario, M5H 2W9.

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025 and 2024 (“Interim Financial Statements”) have been prepared on the basis of accounting principles applicable to a going concern that assumes the realization of assets and discharge of liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements; such adjustments could be material.

Mineral exploration projects, even when successful, require large amounts of exploration investment to prove mineable reserves, generally over long periods of time, prior to the commencement of production. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing, the continued support of its existing shareholders, and the outlining and development of commercial deposits of metals at its project to generate positive cash flows from operations. While the Company has been successful in securing financing and identifying suitable properties to date, there is no assurance that the Company will continue to be successful in achieving these objectives. For these reasons, there exist material uncertainties that cast significant doubt on the ability of the Company to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development activities and in which it has an interest, in accordance with industry standards for the current stage of exploration and development 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, unregistered claims, and non-compliance with regulatory and environmental requirements. These Interim Financial Statements were authorized for issue in accordance with a resolution of the directors dated May 30, 2025.

2. Basis of Presentation

a) Statement of compliance

These Interim Financial Statements, including comparatives, have been prepared in accordance with International Accounting Standards 34 (“IAS 34”) ‘Interim Financial Reporting’ using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Except as noted below, the accounting policies applied by the Company in these Interim Financial Statements are the same as those applied in the Company's audited annual consolidated financial statements for the years ended December 31, 2024, and 2023 (“Annual

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

2. Basis of Presentation, continued

Financial Statements”) and should be read in conjunction with those statements.

b) Basis of Measurement

These Interim Financial Statements were prepared on a going concern basis, under the historical cost convention.

c) Use of Estimates and Judgments

The preparation of these Interim Financial Statements in conformity with IFRS requires Management to make judgments, estimates, and assumptions that affect the application of the accounting policies to the financial information presented. Actual results may differ from the estimates, assumptions, and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

3. Material Accounting Policies

a) Basis of Consolidation

These Interim Financial Statements include the accounts of Champion and its wholly owned subsidiaries, Idaho Champion Gold Mines Ltd., Energy IQ Quebec Ltd., Idaho Champion Gold Mines USA, Inc., Idaho Champion Gold Mines LLC., and Idaho Champion Cobalt USA, Inc. Control is achieved when Champion has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statements of loss and comprehensive loss from the effective date of acquisition or to the date of disposal. Intergroup balances and transactions are eliminated on consolidation.

b) Functional and Presentation Currency

These Interim Financial Statements are presented in Canadian dollars, which is the Company's presentation currency. The functional currency of Champion and its subsidiaries is the Canadian dollar. Monetary assets and liabilities in other currencies are translated at the closing rate at the reporting date. Non-monetary assets in other currencies are translated at historical rates. Income and expenses in other currencies are translated at the exchange rates at the dates of the transactions. All resulting exchange differences are recognized in income (loss).

c) Exploration and Evaluation Expenditures (“E&E”)

The Company expenses both the cost of its exploration and evaluation expenditures (“E&E”), and the cost of acquiring and maintaining interests in mineral rights, licenses, and properties, asset acquisitions or option agreements. E&E relates to costs incurred for the exploration and evaluation of potential mineral reserves such as conducting geological studies; exploratory drilling and sampling and evaluating the technical feasibility and commercial viability of extracting a mineral resource.

**Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024**

Expressed in Canadian dollars.

3. Material Accounting Policies, continued

d) Recent Accounting Pronouncements

Standards Accounting Changes

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded.

Future accounting standards

Standards issued and effective for annual periods beginning on or after January 1, 2025:

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar

contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required, and early adoption is permitted.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted.

**Sale of Contribution of Assets between an Investor and its Associate or Joint Venture
(Amendments to IFRS 10 and IAS 28)**

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however, early

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

3. Material Accounting Policies, continued

adoption is permitted.

Currency translation

The functional and reporting currency of the Corporation and its subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign currency translation differences are recognized in profit or loss.

4. Critical Judgments and Accounting Estimates

Material Accounting Judgments and Estimates

The preparation of these Interim Financial Statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Interim Financial Statements and reported amounts of expenses during the reporting period. Estimates by their nature are uncertain and therefore actual outcomes could differ from the estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the statement of financial position date, could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

- i) the inputs used in accounting for the valuation of warrants and options which are included in the statement of financial position;
- ii) the inputs used in accounting for share-based compensation expense in the statement of comprehensive loss;
- iii) the nil provision for asset retirement obligations which is included in the statement of financial position;
- iv) the estimated useful life of property, plant, and equipment; and
- v) the existence and estimated amount of contingencies (*note 15 – Commitments and Contingencies*).

5. Investments

On October 3, 2024 the Company entered into an option agreement with Legacy Gold Mines Ltd. ("Legacy Gold") As part of option consideration, the Company received cash of \$75,000, 1,100,000 common shares of Legacy Gold valued at \$258,500 based on the quoted market price at the time of issuance and 200,000 warrants to purchase 200,000 common shares of Legacy Gold at \$0.30 per share for two years from the date of issuance valued at \$22,383 using the Black-Scholes model.

At March 31, 2025, the Company holds 1,100,000 common shares and 200,000 warrants of Legacy Gold (2024 – nil) with a fair market value of \$495,000 for the common shares based on the quoted market price

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

5. Investments, continued

of \$0.45 and \$56,576 for the warrants based on a Black-Scholes model (December 31, 2024 - \$484,000 and \$54,879 respectively).

The following table summarizes information regarding the Company's investments for the three months period ended March 31, 2025 and December 31, 2024.

	Shares	Warrants	Total
Balance, December 31, 2024	\$484,000	\$54,879	\$538,879
Change in fair value	11,000	1,697	12,697
Balance, March 31, 2025	\$495,000	\$56,576	\$551,576

6. Exploration Projects/Mining Interests

LITHIUM

James Bay, Quebec Canada

On February 12, 2024, (the "Date of Acquisition"), the Company completed the acquisition of certain (Des Bois) claims in the JBA. Consideration for the lithium-based claims included the issuance of a) 6,000,000 common shares valued at \$300,000 (based on the trading price of the common shares at the Date of Acquisition), and b) 3,000,000 common share purchase warrants with an exercise price of \$0.20 within two years from the date of signing of the definitive purchase and sale agreement and claims transfer. The warrants were valued at \$39,922. See notes 9(xiii) and 10(vi) – *Share capital and Warrants*. Additionally, the Company issued 400,000 common shares valued at \$20,000 as finders' fees. The vendors will retain a 2% NSR on the Des Bois claims and the Company has the option to repurchase 1% of the NSR for \$1,000,000.

POLYMETALLIC

Champagne Project, Idaho USA

The Company has certain patented claims (private property) that are located within the Company's past-producing Champagne Project in Idaho, USA. The claims include certain patent lode mining claims and certain patent mill site which are located inside the project area controlled by Champion.

On May 6, 2020, Champion signed a binding Property Option Agreement (the "Agreement") with a private family (the "Optionor") which provides an option to acquire additional claims that are also located within the Company's past producing Champagne Project. Under the terms of the Agreement, Champion shall pay the Optionor US\$8,000 (paid) and issue 100,000 Champion common shares (issued). Further, the Company will pay US\$8,000 on each anniversary date of the option agreement thereafter for the first 20 years of the agreement. The agreement can be renewed for an additional 20 years upon payment of US\$15,000 and the issuance of shares with a value of US\$20,000 on each anniversary date.

**Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024**

Expressed in Canadian dollars.

6. Exploration Projects/Mining Interests, continued

Champion can purchase a 100% interest in the claims by paying the Optionor the following in US\$:

• If option is exercised during years 1 to 10	\$150,000
• If option is exercised during years 11 to 20:	\$200,000
• If option is exercised during years 21 to 30:	\$250,000
• If option is exercised during years 31 to 40	\$300,000

On May 19, 2020, the Company acquired additional mining claims ("Reliance") that are also located within the Company's Champagne Project. Consideration for the Reliance Claims was US\$15,000 and the issuance of 150,000 Champion common shares.

On June 29, 2021, Champion signed a binding property option agreement to acquire a 100% fee simple interest in new surface and mineral rights on properties within Champion's Champagne Gold Project.

Under the terms of the option agreement, the parties have agreed to a five-year option, during which Champion will pay total consideration of US\$240,000 and 500,000 common shares of the Company, structured as follows:

- An initial payment of US\$10,000 and 50,000 common shares of the Company (completed);
- Annual payments of US\$10,000 and 50,000 common shares of the Company on the first and second anniversaries, each of which is an option to be paid at the sole discretion of the Company (completed);
- Annual payments of US\$10,000 and 75,000 common shares of the Company on the third and fourth anniversaries (completed); and
- On or before the fifth anniversary, Champion has the option to remit the final consideration of US\$190,000 and 200,000 common shares of the Company.

COBALT

Idaho Cobalt, Idaho, USA

The Company owns 100% of the Idaho Cobalt property through its subsidiary Idaho Champion Cobalt USA Inc. These claims are in good standing.

GOLD

Baner Project, Idaho, USA

Since October 2017, the Company has owned 100% of the Baner Property in Idaho, USA. In February 2018 the Company staked certain claims comprising the Baner property. These claims are in good standing.

On July 22, 2024, the Company entered into an option agreement to sell the Baner Gold Project. The optionor can acquire 100% interest in the property pursuant to the following:

- i) On completion of the Transaction, Champion Electric will receive:
 - a. Cash payment of CAD\$75,000;(received);
 - b. 1,100,000 common shares of Prestwick Capital Corp. (now "Legacy Gold or "Legacy"); (received); and

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

6. Exploration Projects/Mining Interests, continued

- c. Warrants to purchase up to 200,000 Legacy Gold shares at \$0.30 per share for two (2) years from the date of issuance (received).

Within 18 months from the completion of the sale, the Company to receive ("Payment #1 Date"):

- a. Cash payment of CAD\$350,000;
- b. 200,000 Legacy Gold shares; and
- c. Warrants to purchase up to 200,000 Legacy Gold shares at the last closing price for the shares prior to the date of issuance, for two (2) years from the date of issuance.

Within 12 months from the Payment #1 Date, Champion to receive ("Payment #2 Date"):

- a. Cash payment CAD\$500,000; and
- b. Warrants to purchase up to 200,000 Legacy Gold at the last closing price for the shares prior to the date of issuance, for two (2) years from the date of issuance.

As part of the agreement, Legacy will have the exclusive right to manage and operate all work programs conducted on the Baner Gold Project at its sole discretion. Legacy will also be responsible for maintaining the Baner Gold Project in good standing during this period.

Additionally, upon fulfillment of the payments and securities issuances outlined in the binding agreement, the Option will be deemed exercised, and a 100% undivided interest in the Baner Gold Project will be transferred to Legacy, free and clear of all encumbrances, subject to a 1% net smelter return royalty (the "NSR") in favor of the Company. Legacy may buy back the NSR in exchange for a \$7,500,000 payment to Champion Electric.

Property Acquisition and Exploration and Evaluation ("E&E") Expenditures

During the three months ended March 31, 2025, the Company incurred the following E&E for the Company's active projects:

	March 31 2025 ⁽¹⁾	March 31, 2024 ⁽¹⁾
Acquisition – James Bay	17,829	647,235
Acquisition – Cobalt	—	5,273
Exploration – James Bay	47,112	762,831
Exploration – Champagne	—	9,745
Exploration – Cobalt	4,629	67,131
	\$69,570	\$1,492,215

- (1) Property acquisition costs include all payments made (including share issuances) to acquire and maintain mineral properties, claims, licenses and permits.

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

7. Flow-through Share Premium Liability

The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. The liability is subsequently reduced and recorded in the consolidated statements of loss and comprehensive loss on a pro-rata basis based on the corresponding eligible exploration expenditures that have been incurred. Total premium liability of \$262,500 was recognized in respect of the August flow-through private placement.

During the three months ended March 31, 2025, a total of \$nil was expended on eligible Canadian Exploration Expenses ("CEE"). During the three months ended March 31, 2024, a total of \$735,130 was expended on CEE, which resulted in a total of \$91,891 being derecognized as flow-through share premium. From April 1, 2024 to December 31, 2024 a total of \$448,088 was derecognized as sufficient eligible CEE was incurred at the James Bay lithium project.

Balance, December 31, 2023	\$277,479
Flow-through share premium derecognized	(91,891)
Balance, March 31, 2024	\$185,588
Liability incurred on flow-through shares issued	262,500
Flow-through share premium derecognized	(448,088)
Balance, December 31, 2024 and March 31, 2025	\$—

8. Share Capital

The Company is authorized to issue an unlimited number of common shares. At March 31, 2025, there are 278,938,729 (December 31, 2024 – 278,938,729) common shares issued and outstanding:

- (i) On February 12, 2024, the Company acquired ("DesBois Lithium Project" or "DLP") for \$100,000 cash, the issuance of 6,000,000 common shares (the "February 2024 Purchase Shares"), 3,000,000 warrants (note 9) and the issuance of 400,000 common shares for finders' fees. The February 2024 Purchase Shares were valued at \$300,000 and the finders' fees shares were valued at \$20,000 based on the quoted market price of the Company's common shares at the date of issuance.
- (ii) On June 21, 2024, the Company made a fourth annual payment as part consideration for the five-year option for the acquisition of certain property interests in Idaho, USA, by issuing 75,000 common shares, valued \$2,625 based on the quoted market price of the Company's common shares at the date of issuance.
- (iii) On August 19, 2024, the Company closed a private placement with the issuance of 20,000,000 flow-through shares for gross proceeds of \$800,000 ("FT Offering"). In connection with closing the FT Offering, the Company paid \$56,000 cash and issued 1,400,000 broker warrants to the finders (note 9 - Warrants).
- (iv) On August 19, 2024, 1,999,998 RSUs were settled, resulting in the issuance of a corresponding number of common shares. The shares were valued at \$320,000 based on the share price on the original grant date.

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

9. Warrants

From time to time, the Company issues warrants as a component of equity financings. The Company assigns a fair value to the warrants using a Black-Scholes option pricing model, as at the date of issuance. As warrants are exercised, the fair value is transferred to share capital. Should warrants expire unexercised, the fair value is reclassified to contributed surplus.

- (i) On February 12, 2024, the Company issued 3,000,000 warrants in connection with the acquisition of certain Lithium claims. A fair value of \$39,922 was assigned to these warrants. See note 8(i) – *Share Capital*.
- (ii) On August 19, 2024 the Company issued 1,400,000 broker warrants in connection with the FT Offering. A fair value of \$19,956 was assigned to these warrants. See note 8(ii) – *Share Capital*.

The following table summarizes the assumptions used in the valuation of the warrants itemized in (i) and (ii) above:

Issue date	Feb 12, 2024	Aug. 19, 2024
Fair value	\$39,922	\$19,956
Number of warrants	3,000,000	1,400,000
Exercise price	\$0.20	\$0.05
Risk-free rate of return	4.24%	3.33%
Annualized volatility	107.36%	139.91%
Expected life	2.00	2.00
Dividend yield	0%	0%

Expired

- (i) During the three months ended March 31, 2025 a total of 16,190,358 warrants with exercise prices ranging from \$0.12 to \$0.22, expired.
- (ii) During the year ended December 31, 2024, a total of 27,459,440 warrants, with exercise prices ranging from \$0.10 to \$0.15, expired.

The fair value of the expired warrants has been reclassified to contributed surplus.

Notes to the Interim Financial Statements (Unaudited)
For the Three Months Ended March 31, 2025 and 2024

Expressed in Canadian dollars.

9. Warrants, continued

A summary of warrant activity during the year ended December 31, 2024 and the three months ended March 31, 2025 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2023	55,836,266	\$0.15
Issued – 8 (i)	3,000,000	0.20
Issued – 8 (iii)	1,400,000	0.05
Expired – 9 (ii)	(27,459,940)	(0.10-0.15)
Balance, December 31, 2024	32,776,326	\$0.19
Expired – 9 (i)	(16,190,358)	(0.15)
Balance, March 31, 2025	16,585,968	\$0.22

At March 31, 2025, there are 16,585,968 regular and finders' warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the exercise prices noted below:

Number	Fair Value Assigned (\$)	Exercise Price	Remaining Contractual Life In Years	Expiry Date
250,000	24,211	\$0.15	0.15	May 26, 2025
4,810,103	249,357	\$0.25	0.23	June 24, 2025
5,675,399	298,154	\$0.25	0.30	July 20, 2025
1,150,466	60,344	\$0.25	0.38	Aug.18, 2025
3,000,000	39,922	\$0.20	0.79	Jan. 15, 2026
300,000	28,265	\$0.25	1.10	May 7, 2026
1,400,000	19,956	\$0.05	1.39	Aug.19, 2026
16,585,968	\$720,209	\$0.22	0.48	

10. Share-based Incentive Plans

SOP

Champion has a stock option plan that provides for the granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. Terms of the options granted are subject to the allocation and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the CSE.

- (i) On March 14, 2024, the Company granted an aggregate of 5,550,000 stock options to certain directors, and consultants. These five-year options vested immediately and have an exercise price of

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10. Share-based Incentive Plans, continued

\$0.075. The options were assigned a fair value of \$307,661 based on a Black-Scholes option pricing model using the following assumptions: share price – \$0.07; risk-free rate of return – 3.60%; annualized volatility – 109.65%; and dividend yield – 0%. Out of total fair value of options, 4,500,000 options valued at \$249,454 were issued to related parties.

- (ii) During the year ended December 31, 2024, a total of 1,550,000 options with exercise prices of \$0.05 - \$0.20, expired.
- (iii) During the three months ended March 31 2025, a total of 2,875,000 options with an exercise price of \$0.10, expired.

A summary of stock option activity during the year ended December 31, 2024, and three months ended March 31, 2025 is as follows:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2023	13,825,000	\$0.10
Granted (i)	5,550,000	\$0.75
Expired (ii)	(4,425,000)	\$(0.05-0.20)
Balance, December 31, 2024 and March 31, 2025	14,950,000	\$0.09

A summary of the issued and outstanding stock options as at March 31, 2025, is as follows:

Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining Contractual Life – Years	Expiry Date
\$0.30	300,000	300,000	0.01	August 4, 2025
\$0.20	500,000	500,000	0.03	March 24, 2026
\$0.20	100,000	100,000	0.01	April 26, 2026
\$0.15	400,000	400,000	0.05	April 19, 2027
\$0.05	2,500,000	2,500,000	0.40	August 24, 2027
\$0.08	3,000,000	3,000,000	0.56	January 18, 2028
\$0.13	2,100,000	2,100,000	0.44	May 11, 2028
\$0.16	550,000	550,000	0.12	August 9, 2028
\$0.075	5,500,000	5,500,000	1.46	March 14, 2029
\$0.09	14,950,000	14,950,000	3.08	

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10. Share-based Incentive Plans, continued

RSU Plan

Champion has an RSU Plan that provides for the granting of restricted stock units up to a maximum of 10% of the Company's issued and outstanding common shares, less any issued and outstanding stock options. Terms of the RSUs are subject to the allocation and approval by the Board of Directors. Each RSU shall be converted into one common share as vesting occurs. RSUs are measured at fair value on the grant date. On August 8, 2023, the Company granted 6,000,000 RSUs. On August 19, 2024, 1,999,998 RSUs were settled, resulting in the issuance of a corresponding number of common shares. The shares were valued at \$320,000 based on share price on the original grant date.

For the three months ended March 31, 2025, the Company recorded share-based compensation expense for the next tranche of RSUs to be settled, of \$65,753 (March 31, 2024 – \$146,265).

See note 15 – *Subsequent event*.

11. Capital Management

The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time-to-time issue shares and adjust its capital spending to manage current and projected debt levels. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate cash to meet the ongoing financial obligations of the Company. To assess capital operating efficiency and financial strength, the Company continually monitors its net cash and working capital.

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company's financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the number of observable inputs used to value the instrument.

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11. Capital Management, continued

The following tables provide an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Investment, fair value	Level 1 (Quoted Market Price)	Level 2 (Valuation technique-observable market-market inputs)	Level 3 (Valuation technique non-observable market-market inputs)	Total
Legacy shares	\$495,000	—	—	\$495,000
Legacy warrants	—	56,576	—	56,576
March 31, 2025	\$495,000	56,576	—	\$551,576

Investment, fair value	(Level 1) Quoted Market Price)	Level 2 (Valuation technique-observable market-market inputs)	Level 3 (Valuation technique-non-observable market-market inputs)	Total
Legacy shares	\$484,000	—	—	\$484,000
Legacy warrants	—	54,870	—	54,874
December 31, 2025	\$484,000	54,870	—	\$538,870

12. Financial Instruments and Risk Management

As at March 31, 2025 and December 31, 2024, the Company financial instruments are at fair value.

Categories of Financial Instruments	March 31, 2025	December 31, 2024
Financial Assets—amortized cost		
Cash	\$158,258	\$216,069
Accounts receivable	36,485	235,742
Investments	551,576	538,879
Financial Liabilities – amortized cost		
Accounts payable and accrued liabilities	2,493,032	2,602,386

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to a variety of financial risks: liquidity risk and market risk (currency fluctuations, interest rates, and commodity prices). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

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12. Financial Instruments and Risk Management, continued

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 has established a standard of ensuring that it has enough resources available to withstand any downturn in the industry. As the Company's industry is very capital-intensive, the majority of its spending is related to its capital programs. The Company prepares periodic capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on both operated and non-operated projects to further manage capital expenditures. The Company's goal is to prudently spend its capital while maintaining its credit reputation amongst its suppliers. At March 31, 2025, the Company had \$158,258 in cash to settle \$2,493,032 of accounts payable and accrued liabilities (December 31, 2024 - \$216,069 of cash to settle \$2,602,386 of current indebtedness). Accordingly, Management considers Champion's liquidity risk to be significant.

Market Risk

Market risk is the risk that changes in interest rates, foreign exchange rates, and commodity and equity prices will affect the Company's net earnings or loss or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of the Canadian chartered bank.

Foreign exchange risk

The Company engages in transactions and activities in currencies other than its reported currency as a portion of its exploration activities are carried out in the USA. Accordingly, expenses, assets and liabilities in the USA result in the Company being exposed to foreign exchange fluctuations. The Company does not have a hedging policy and attempts to mitigate foreign exchange risk by buying US dollars at optimal spot rates whenever possible.

As at March 31, 2025, the Corporation had foreign cash balances in the Canadian equivalent of \$3,186 and trade payables of \$56,102 (December 31, 2024 – \$1,706 and trade payables of \$66,806. Sensitivity to a plus or minus 5% change in the foreign exchange rate would have resulted in an increase in the net assets of the Corporation in the amount of \$2,645 at March 31, 2025 (December 31, 2024 – \$3,255).

Commodity and equity risk

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. As the Company's properties are in the exploration and evaluation stage and to date do not contain any identified mineral resources or reserves, the Company does not hedge against commodity price risk.

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12. Financial Instruments and Risk Management, continued

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital.

Other price risk typically arises from exposure to equity and commodity securities. If the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant statement of operations could have increased or decreased by approximately \$55,158 (December 31, 2024 - \$53,887).

13. Related Party Transactions and Key Management Compensation

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

(a) Related party transactions

Since November 2021, the Company has retained Grove Corporate Services Ltd. ("Grove") to provide certain professional corporate services to the Company, including administrative, investor relations and financial reporting and corporate secretarial services provided by the CFO and Corporate Secretary (the "Services"). During the three months ended March 31, 2025, Grove billed the Company a total of \$46,500 (2024 - \$72,700) plus HST for the Services. Included in accounts payable at March 31, 2025, is \$45,975 (December 31, 2024 - \$25,266) owed to Grove for unpaid Services. The amount is unsecured, non-interest bearing, and due on demand.

During the three months period ended March 31, 2025, the Company incurred professional legal fees of \$nil from a law firm ("Legalco") of which a director of the Company is a former partner. During the three months ended March 31, 2024, while the director was still a partner, Legalco invoiced the Company for a total of \$271,364 out of which \$187,313 was charged to E&E. At March 31, 2025 and 2024, a total of \$286,897 is owed to Legalco for unpaid services. The amounts are unsecured, non-interest bearing and due on demand.

(b) Key management compensation

During the three months period ended March 31, 2025, the Company remunerated its Chief Executive Officer ("CEO") \$10,227 (2024 - \$56,250). Included in accounts payable at March 31, 2025 is \$55,364 (2024 - \$nil) owing for unpaid management fees and reimbursable expenses. The amount is unsecured, non-interest bearing and due on demand.

Directors, officers, employees and consultants are eligible for stock option grants. During the three months period ended March 31, 2025, the Company granted an aggregate of nil (2024 - 5,550,000) stock options to certain directors and officers. See note 10 – *Share-based Incentive Plans*.

**Notes to the Interim Financial Statements (Unaudited)
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13. Related Party Transactions and Key Management Compensation, continued

(b) Key management compensation

Key Management Compensation incurred for the three months ended March 31, 2025, and 2024 is as follows:

	2025	2024
Management fees	\$10,227	\$56,250
Corporate services	46,500	47,434
Share-based compensation	65,753	395,719
	\$122,480	\$499,403

- (1) Directors and others are also eligible to be compensated with Restricted Stock Units ("RSUs"). RSUs entail the award of common shares, over a designated vesting period. During the three months period ended March 31, 2025, the Company recorded share-based compensation expense for the next tranche of RSUs to be settled in the amount of \$65,753 (March 31, 2024 – \$146,265).

14. Loss Per Share

The calculation of basic loss per share for the three months period ended March 31, 2025 and 2024 was based on total loss attributable to common shareholders of \$223,378 (2024 - \$2,192,976), and a weighted average number of common shares outstanding of 278,938,729 and 253,877,064 respectively.

15. Commitments and Contingencies

Environment

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company periodically evaluates its obligations under environmental regulations and expects to make in the future, expenditures to comply with such laws and regulations.

Executive and Corporate Services Agreements

The Company is a party to certain Management contracts. (a) Upon termination of the contracts, for other than cause, approximately \$271,000 would become due and owing to the terminated parties (b) This contract contains, that, if there is a change of control, it would trigger a payable amount of \$450,000. As no terminations have taken place as at March 31, 2025, no provision has been made in the Interim Financial Statements.

16. Subsequent event

On April 29, 2025, the Board of Directors passed a resolution to cancel the settlement of the remaining 4,000,002 RSUs originally granted on August 19, 2023.