COPPER ROAD RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of Copper Road Resources Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2024 have not been reviewed by the Company's auditors.

Copper Road Resources Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

		As at March 31, 2024		As at December 31, 2023
ASSETS				
Current assets				
Cash	**$**	**101,022**	$	11,659
Amounts receivable and other assets (note 3)		**35,263**		30,616
Total assets	**$**	**136,285**	$	42,275
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
Current liabilities				
Amounts payable and other liabilities (notes 4 and 11)	**$**	**211,301**	$	163,086
Amounts received in advance (note 14(ii))		**200,000**		-
Total liabilities		**411,301**		163,086
Shareholders' deficiency				
Share capital (note 5)		**27,513,626**		27,304,551
Reserves (notes 6 and 7)		**807,945**		806,774
Accumulated deficit		**(28,596,587)**		(28,232,136)
Total shareholders' deficiency		**(275,016)**		(120,811)
Total liabilities and shareholders' deficiency	**$**	**136,285**	$	42,275

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Commitments and contingencies (note 13)
Subsequent events (note 14)

Copper Road Resources Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

		Three Months Ended March 31, 2024		2023
Operating expenses				
Exploration and evaluation expenditures (note 9)	**$**	**61,010**	$	140,424
General and administrative (note 10)		**283,263**		110,221
Share-based compensation (notes 7 and 11)		**1,171**		8,329
Operating loss before the following item		**(345,444)**		(258,974)
Loss on settlement of debt (note 5(b)(iii))		**(19,007)**		-
Net loss and comprehensive loss for the period	**$**	**(364,451)**	$	(258,974)
Basic and diluted net loss per share (note 8)	**$**	**(0.01)**	$	(0.01)
Weighted average number of common shares outstanding (note 8)		**55,631,539**		42,932,448

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Copper Road Resources Inc.

Condensed Interim Consolidated Statements of Changes in Equity (Deficiency)
(Expressed in Canadian dollars)
(Unaudited)

	Share capital	Reserves	Accumulated deficit	Total
Balance, December 31, 2023	**$ 27,304,551**	**$ 806,774**	**$ (28,232,136)**	**$ (120,811)**
Shares issued for settlement of debt (note 5(b)(iii))	209,075	-	-	209,075
Share-based compensation (note 7)	-	1,171	-	1,171
Net loss for the period	-	-	(364,451)	(364,451)
Balance, March 31, 2024	**$ 27,513,626**	**$ 807,945**	**$ (28,596,587)**	**$ (275,016)**
Balance, December 31, 2022	**$ 26,732,842**	**$ 843,497**	**$ (27,505,942)**	**$ 70,397**
Shares issued through private placement (note 5(b)(ii))	400,000	-	-	400,000
Warrants (note 5(b)(ii))	(148,874)	148,874	-	-
Share issue costs (note 5(b)(ii))	(25,755)	-	-	(25,755)
Share issued for acquisition of mining property (note 5(b)(i))	60,750	-	-	60,750
Share-based compensation (note 7)	-	8,329	-	8,329
Net loss for the period	-	-	(258,974)	(258,974)
Balance, March 31, 2023	**$ 27,018,963**	**$ 1,000,700**	**$ (27,764,916)**	**$ 254,747**

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Copper Road Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating activities		
Net loss for the period	**$ (364,451)**	$ (258,974)
Adjustments for:		
Loss on settlement of debt (note 5(b)(iii))	**19,007**	-
Share-based compensation (note 7)	**1,171**	8,329
Shares issued for acquisition of mining property (note 5(b)(i))	**-**	60,750
Changes in non-cash working capital items:		
Amounts receivable and other assets	**(4,647)**	7,531
Amounts payable and other liabilities	**238,283**	(4,419)
Amounts received in advance	**200,000**	-
Net cash provided by (used in) operating activities	**89,363**	(186,783)
Financing activities		
Proceeds from private placement (note 5(b)(ii))	**-**	400,000
Shares issue costs	**-**	(25,755)
Net cash provided by financing activities	**-**	374,245
Net change in cash	**89,363**	187,462
Cash, beginning of period	**11,659**	136,924
Cash, end of period	**$ 101,022**	$ 324,386
Supplemental information		
Shares issued for settlement of debt (note 5(b)(iii))	**$ 209,075**	$ -

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of operations and going concern

Copper Road Resources Inc. (the "Company") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Ontario Business Corporations Act on December 13, 2002. The Company is engaged in the acquisition, exploration and evaluation of properties for the mining of precious and base metals. The primary office of the Company is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

On September 14, 2022, the Company changed its corporate name from Stone Gold Inc. to Copper Road Resources Inc. The Company's shares commenced trading on the TSX Venture Exchange ("TSXV") under the new name at the opening of trading on September 15, 2022 and under the new trading symbol "CRD".

On February 12, 2024, 100797918 Ontario Inc. (the "Subsidiary") was incorporated. The Subsidiary is a wholly-owned subsidiary of the Company.

The Company has incurred a loss of $364,451 for the three months ended March 31, 2024 (three months ended March 31, 2023 - $258,974) and as at March 31, 2024, had an accumulated deficit of $28,596,587 (December 31, 2023 - $28,232,136). These conditions indicate the existence of a material uncertainty that casts significant doubt as to whether the Company can continue as a going concern.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and classification of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

The business of acquisition, exploration and evaluation for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company's continued existence is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

(Expressed in Canadian dollars)

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of May 22, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2023, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2024 could result in restatement of these unaudited condensed interim consolidated financial statements.

Basis of consolidation

The unaudited condensed interim consolidated financial statements include the accounts of the Company, and its controlled subsidiary 100797918 Ontario Inc. All significant intercompany transactions and balances have been eliminated on consolidation.

New accounting standards adopted

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. At January 1, 2024, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

3. Amounts receivable and other assets

	As at March 31, 2024	As at December 31, 2023
Sales tax receivable - Canada	**$ 32,385**	$ 21,754
Prepaid expenses	**2,878**	8,862
	$ 35,263	$ 30,616

(Expressed in Canadian dollars)

4. Amounts payable and other liabilities

	As at March 31, 2024	As at December 31, 2023
Trade payables	**$ 107,601**	$ 61,102
Accrued liabilities	**103,700**	101,984
	$ 211,301	$ 163,086

The following is an aged analysis of the amounts payable and other liabilities:

	As at March 31, 2024	As at December 31, 2023
Less than 1 month	**$ 85,559**	$ 145,086
1 to 3 months	**79,811**	-
Greater than 3 months	**45,931**	18,000
	$ 211,301	$ 163,086

5. Share capital

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

As at March 31, 2024, the issued share capital amounted to $27,513,626. Changes in issued share capital for the periods presented are as follows:

	Number of common shares	Amount
Balance, December 31, 2022	**42,300,667**	**$ 26,732,842**
Shares issued for acquisition of mineral property (i)	450,000	60,750
Shares issued through private placement (ii)	5,000,000	400,000
Warrants (ii)	-	(148,874)
Share issue costs (ii)	-	(25,755)
Balance, March 31, 2023	**47,750,667**	**$ 27,018,963**

	Number of common shares	Amount
Balance, December 31, 2023	**55,214,951**	**$ 27,304,551**
Shares issued for settlement of debt (iii)	3,801,365	209,075
Balance, March 31, 2024	**59,016,316**	**$ 27,513,626**

(i) Refer to note 9(i). The fair value was estimated based on the closing price of the Company's share on the date of issue.

(Expressed in Canadian dollars)

5. Share capital (continued)

b) Common shares issued (continued)

(ii) On March 21, 2023, the Company closed a non-brokered private placement of 5,000,000 units of the Company at a price of $0.08 per unit for aggregate gross proceeds of $400,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.15 for a period of 24 months following the closing date of the offering.

The fair value of the 5,000,000 warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: exercise price of $0.15; expected dividend yield of 0%; risk-free interest rate of 3.70%; expected volatility of 160% and an expected life of 2 years. The fair value assigned to these warrants was $148,874.

In connection with the offering, the Company agreed to pay a cash commission in the aggregate amount of $19,861 to eligible finder's in accordance with the policies of the TSXV.

Certain directors and management of the Company subscribed to the offering for an aggregate of 708,500 units.

(iii) On March 21, 2024, the Company issued 3,801,365 common shares of the Company to settle $190,068 of accounts payable for professional services. The fair value of the shares issued was $209,075, resulting in a loss on settlement of debt of $19,007. The common shares are subject to a statutory hold period which will expire four months and one day from the date of closing of the debt settlement.

6. Warrants

The following table reflects the continuity of warrants for the periods ended March 31, 2024 and March 31, 2023:

	Number of warrants	Weighted average exercise price ($)
Balance, December 31, 2022	**10,134,163**	**0.175**
Issued (note 5(b)(ii))	5,000,000	0.150
Balance, March 31, 2023	**15,134,163**	**0.167**
Balance, December 31, 2023 and March 31, 2024	**10,862,180**	**0.161**

The following table reflects the actual warrants issued and outstanding as of March 31, 2024:

Number of warrants outstanding	Grant date fair value($)	Exercise price ($)	Expiry date
787,500	70,593	0.300	July 22, 2024
5,000,000	148,874	0.150	March 21, 2025
1,750,000	66,319	0.150	October 20, 2025
122,500	5,120	0.100	October 20, 2025
2,857,142	105,460	0.150	July 26, 2026
345,038	12,736	0.150	July 26, 2026
10,862,180	**409,102**	**0.161**	

(Expressed in Canadian dollars)

7. Stock options

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2022 and March 31, 2023	**4,145,000**	**0.15**
Balance, December 31, 2023 and March 31, 2024	**3,770,000**	**0.15**

(i) The portion of the estimated fair value of options granted in the current and prior periods and vested during the three months ended March 31, 2024, amounted to $1,171 (three months ended March 31, 2023 - $8,329)

The following table reflects the actual stock options issued and outstanding as of March 31, 2024:

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 12, 2024	0.05	0.03	120,000	120,000
November 2, 2025	0.15	1.59	950,000	950,000
December 9, 2025	0.17	1.69	50,000	50,000
July 12, 2026	0.11	2.28	100,000	100,000
February 10, 2027	0.15	2.87	1,550,000	1,550,000
November 2, 2027	0.15	3.59	1,000,000	1,000,000
		2.62	**3,770,000**	**3,770,000**

8. Net loss per common share

The calculation of basic and diluted loss per share for the three months ended March 31, 2024 was based on the loss attributable to common shareholders of $364,451 (three months ended March 31, 2023 - $258,974) and the weighted average number of common shares outstanding of 55,631,539 (three months ended March 31, 2023 - 42,932,448). Diluted loss per share did not include the effect of 3,770,000 stock options (March 31, 2023 - 4,145,000 stock options) and 10,862,180 warrants (March 31, 2023 - 15,134,163 warrants) as they are anti-dilutive.

(Expressed in Canadian dollars)

9. Exploration and evaluation expenditures

	Three Months Ended March 31, 2024	2023
Copper Road Project		
Drilling	**$ 206**	$ 5,600
General and geology	**-**	20,016
Laboratory analysis	**-**	1,217
Legal fees	**180**	-
Property acquisition costs (i)	**55,000**	110,750
Property maintenance	**1,370**	-
Travel, hotel and meals	**-**	2,319
Other	**3,592**	522
	$ 60,348	$ 140,424
Mount Jamie North Property		
Property maintenance	**$ 662**	$ -
	$ 662	$ -
Total	**$ 61,010**	$ 140,424

(i) On March 14, 2023, the Company paid $35,000 and issued 200,000 common shares of the Company valued at $27,000 according to the East Breccia Option Agreement and paid $15,000 and issued 250,000 common shares of the Company valued at $33,750 according to the Tribag Option Agreement.

10. General and administrative

	Three Months Ended March 31, 2024	2023
Professional fees (note 11)	**$ 208,980**	$ 44,380
Management compensation (note 11)	**30,000**	18,000
Office and general	**10,608**	17,327
Director fees (note 11)	**18,000**	15,000
Reporting issuer costs	**10,846**	8,518
Shareholder and investors relations	**3,147**	1,430
Business development	**1,500**	5,346
Bank charges	**182**	220
	$ 283,263	$ 110,221

(Expressed in Canadian dollars)

11. Related party disclosures

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel including Chief Executive Officer, Chief Financial Officer ("CFO") and directors of the Company was as follows:

	Three Months Ended March 31, 2024	2023
Management compensation and salaries and benefits [(1)]	**$ 52,635**	$ 37,635
Share-based compensation	**$ 156**	$ 1,110

[(1)] Salaries and benefits include director fees. The Board of Directors and select officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to fees and stock options for their services. During the three months ended March 31, 2024, $18,000 (three months ended March 31, 2023 - $15,000) was paid or accrued for director fees. As at March 31, 2024, officers and directors (excluding the CFO) were owed $96,040 (December 31, 2023 - $46,342) and this amount was included in amounts payable and other liabilities.

The Company entered into the following transactions with related parties:

	Notes	Three Months Ended March 31, 2024	2023
Marrelli Group	(i)	**$ 8,659**	$ 7,697
Dixcart Trust Corporation Limited ("Dixcart")	(ii)	**$ 8,068**	$ 6,046

(i) During the three months ended March 31, 2024, the Company paid professional fees of $8,659 (three months ended March 31, 2023 - $7,697) to Marrelli Support Services Inc., and certain of its affiliates, together know as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, (ii) bookkeeping and office support, (iii) regulatory filing services, and (iv) press release services. The Marrelli Group was owed $17,344 (December 31, 2023 - $7,195) and these amounts were included in amounts payable and other liabilities.

(ii) Shaun Drake, who is the Corporate Secretary Officer of the Company, is an employee of Dixcart. During the three months ended March 31, 2024, the Company paid professional fees of $8,068 (three months ended March 31, 2023 - $6,046) to Dixcart. The amounts charged by Dixcart are recorded at their exchange value. As at March 31, 2024, Dixcart was owed $4,722 (December 31, 2023 - $8,208).

(iii) Refer to note 5(b)(ii).

All amounts due to related parties are unsecured, non-interest bearing and due on demand.

12. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim consolidated financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

13. Commitments and contingencies

Flow-through shares

Pursuant to the terms of a flow-through share agreement, the Company is in the process of complying with flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of March 31, 2024, the Company is committed to incurring approximately $264,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2024 arising from the flow-through offerings.

14. Subsequent events

(i) On April 12, 2024, 120,000 stock options with an expiry date of $0.05 expired unexercised.

(ii) On May 10, 2024, the Company completed the sale of its 100% interest in the 24,000-hectare Copper Road Project located in Batchewana Bay, Ontario (“Copper Road Project”) from the Company (the “Transaction”) to Sterling Metals Corp. (“Sterling”).

Pursuant to the terms of the share purchase agreement dated February 13, 2024, Sterling acquired the Subsidiary, which holds the Copper Road Project, in consideration for: (i) the payment of $460,000 in cash ($200,000 received as at March 31, 2024); and (ii) and the issuance of an aggregate of 108,087,669 common shares of Sterling (the "Consideration Shares"), of which Copper Road retained 21,838,123 Consideration Shares, representing approximately 9.9% of the issued and outstanding common shares of Sterling. Computershare Investor Services Inc. the registrar and transfer agent for Sterling, commenced distribution of the remaining 86,249,546 Consideration Shares today to shareholders of Copper Road on pro rata basis (the "Distribution").

Pursuant to the requirements of the TSXV, the common shares of the Copper Road (the “Copper Road Shares”) will continue to remain halted until the completion of the Distribution to both registered and beneficial shareholders of the Company.