EUROPEAN ELECTRIC METALS INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)
(Unaudited)

FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established.

EUROPEAN ELECTRIC METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)
AS AT

	July 31, 2025	April 30, 2025
ASSETS		
Current		
Cash	$ 381,280	$ 232,532
Receivables and advances	116,973	266,919
Marketable securities (Note 3)	20,833	20,833
	$ 519,086	$ 520,284
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current		
Accounts payable and accrued liabilities (Note 7)	$ 549,835	$ 501,616
Shareholders' equity (deficit)		
Share capital (Note 5)	48,837,281	48,837,281
Reserves (Note 5)	5,995,385	5,995,385
Deficit	(54,863,415)	(54,813,998)
	(30,749)	18,668
	$ 519,086	$ 520,284

Nature and continuance of operations (Note 1)
Subsequent event (Note 11)

Approved and authorized by the Board on Septembre 26, 2025:

"John Booth" Director *"Fred Tejada"* Director

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

EUROPEAN ELECTRIC METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED JULY 31,

	2025	2024
GENERAL AND ADMINISTRATIVE EXPENSES		
Office and miscellaneous	$ 2,192	$ 3,383
Professional fees (Note 7)	38,844	30,935
Transfer agent and filing fees	5,975	509
Travel and trade show	2,375	-
Loss from operations	(49,386)	(34,827)
Foreign exchange loss	(31)	(607)
	(31)	(607)
Loss and comprehensive loss for the period	$ (49,417)	$ (35,434)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Basic and diluted weighted average number of common shares outstanding	50,302,762	50,302,762

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

EUROPEAN ELECTRIC METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED JULY 31,

		2025		2024
CASH FROM OPERATING ACTIVITIES				
Loss for the period	$	(49,417)	$	(35,434)
Changes in non-cash working capital items:				
Receivables and advances		149,945		1,547
Accounts payable and accrued liabilities		48,220		33,203
Net cash provided by (used in) operating activities		148,748		(684)
Change in cash during the period		148,748		(684)
Cash, beginning of period		232,532		515,871
Cash, end of period	$	381,280	$	515,187

Supplemental disclosure with respect to cash flows (Note 6)

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

EUROPEAN ELECTRIC METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited - Expressed in Canadian Dollars)

	Share capital				
	Number	**Amount**	**Reserves**	**Deficit**	**Total**
Balance at April 30, 2024	50,302,762	$ 48,837,281	$ 5,995,385	$ (54,665,249)	$ 167,417
Loss for the period	-	-	-	(35,434)	(35,434)
Balance at July 31, 2024	50,302,762	48,837,281	5,995,385	(54,700,683)	131,983
Loss for the period	-	-	-	(113,315)	(113,315)
Balance at April 30, 2025	50,302,762	48,837,281	5,995,385	(54,813,998)	18,668
Loss for the period	-	-	-	(49,417)	(49,417)
Balance at July 31, 2025	50,302,762	$ 48,837,281	$ 5,995,385	$ (54,863,415)	$ (30,749)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

European Electric Metals Inc. (the "Company") is an exploration stage company incorporated under the laws of the Province of British Columbia and commenced operations on November 1, 2006. The Company currently trades under the symbol "EVX" on the TSX Venture Exchange.

The Company's head office and principal address is 1507 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 3V7. The registered and records office is 595 Howe St #704, Vancouver, BC V6C 2T5.

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. As at July 31, 2025, the Company had working capital deficit of $30,749 (April 30, 2025 – surplus of $18,668). The Company has incurred losses since inception including $49,417 during the period ended July 31, 2025 (July 31, 2024 - $35,434) and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

The condensed consolidated interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

Many external factors can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited topolitical conflict in other regions. The Company can't predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB").

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and the entities controlled by the Company (Note 7). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

2. BASIS OF PREPARATION (cont'd…)

Basis of measurement

The condensed consolidated interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of the parent company and its subsidiaries.

Significant accounting judgements, estimates and assumptions

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that 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:

The assessment of the Company's ability to continue as a going concern and to raise additional funding to cover its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgement based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

3. MARKETABLE SECURITIES

The Company holds marketable securities of Ibero Mining Corp. ("Ibero"). Marketable securities are measured at fair value by reference to quoted stock prices on established exchanges. As at July 31, 2025, the marketable securities had a fair value of $20,833 (April 30, 2025 - $20,833) and accordingly the Company recognized an unrealized gain of $nil (2024 – gain of $nil) during the period ended July 31, 2025.

	Number of shares	Fair market value
Balance, April 30, 2024	833,334	$ 29,167
Loss on revaluation	-	(8,334)
Balance, April 30, 2025 and July 31, 2025	833,334	$ 20,833

4. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties.

5. SHARE CAPITAL AND RESERVES

Authorized share capital

As at July 31, 2025, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares are fully paid.

Share issuances

During the period ended July 31, 2025 and the year ended April 30, 2025, the Company did not issue any shares.

Stock options

As at July 31, 2025 and April 30, 2025, the Company has nil stock options issued and outstanding, and during those periods ended, no stock options were granted, cancelled, or expired.

Share-based payments

The Company has a stock option plan and restricted-share unit ("RSU") plan under which it is authorized to grant options and RSUs to executive officers and directors, employees and consultants. During the period ended July 31, 2025 and 2024, the Company did not grant any options or RSUs.

Stock options

The Company can grant options enabling the holders to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 10 years with vesting determined by the board of directors.

Restricted share snits

The Company can issue RSUs which entitle the holder to common shares of the Company upon vesting, based on vesting terms determined by the Company's Board of Directors at the time of grant. The RSUs can be granted for a maximum term of 10 years. The aggregate number of shares available for issuance from treasury under the RSU Plan, shall, together with all other share compensation arrangements, including stock options, not exceed 20% of the Company's issued shares.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the three-month period ended July 31, 2025, and July 31, 2024, the Company did not enter into any material non-cash transactions.

No cash was paid for interest or taxes for the three-month periods ended July 31, 2025 and July 31, 2024.

7. RELATED PARTY TRANSACTIONS

During the period ended July 31, 2025, the Company paid, accrued or recognized professional fees of $30,000 (2024 - $30,000) to a company controlled by an officer of the Company,

Included in accounts payable and accrued liabilities is $419,290 (April 30, 2025 - $387,790) due to officers and directors of the Company.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash, receivables and accounts payable and accrued liabilities approximates fair value due to the short term nature of the financial instruments. Marketable securities are valued at a level 1 fair value measurement and are classified as fair value through profit or loss. Cash, receivables and accounts payable and accrued liabilities are classified at amortized cost.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company does not currently maintain significant cash deposits in any subsidiaries.

Receivables mainly consists of GST receivable from the Government of Canada. The Company has not had issues with respect to collectability of these amounts and believes that the credit risk concentration with respect to receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to try and have sufficient liquidity to meet liabilities when due. As at July 31, 2025, the Company had a cash balance of $381,280 to settle current liabilities of $549,835. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. While the Company has been successful in obtaining its required funding in the past there is no assurance that any additional future financing will be available.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Financial risk factors (cont'd…)

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of July 31, 2025, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through Albania. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US Dollars, EURO and Albanian Lek.

Fluctuations in the EURO will, consequently, have an impact upon the Company's profitability and the value of the Company's liabilities. As at July 31, 2025, the impact of a 10% change in the rate of exchange on the US Dollar, EURO and Albanian Lek compared to the Canadian dollar would result in a change of approximately $4,048 on the Company's loss for the period. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

9. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the acquisition exploration of its mineral property interests. Capital is comprised of the Company's shareholders' equity . The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities.

The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes to the Company's capital management approach during the period ended July 31, 2025.

10. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition and exploration of mineral property licences.