



COAST COPPER CORP.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Audit Committee and Board of Directors.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

COAST COPPER CORP.
STATEMENTS OF FINANCIAL POSITION
(Unaudited - expressed in Canadian dollars)

	Note	March 31, 2022	December 31, 2021
ASSETS		\$	\$
Current			
Cash		688,839	1,449,264
Receivables		114,924	127,234
Prepaid expenses and deposits		116,821	56,302
Marketable securities	3	103,898	121,214
		1,024,482	1,754,014
Non-Current			
Exploration and evaluation assets	4	915,626	911,608
Reclamation deposit		13,642	13,642
		929,268	925,250
		1,953,750	2,679,264
LIABILITIES			
Current			
Accounts payable and accrued liabilities	10(b)	585,264	265,644
Flow-through share premium liability	6	-	116,837
		585,264	382,481
SHAREHOLDERS' EQUITY			
Share capital	5	9,568,241	9,555,622
Other equity reserves	5	380,318	326,658
Deficit		(8,580,073)	(7,585,497)
		1,368,486	2,296,783
		1,953,750	2,679,264

Nature of operations and going concern (Note 1)
Subsequent events (Note 5(c))

Approved on behalf of the Board:

"Dale Wallster", Director

"Adam Travis", Director

COAST COPPER CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31
(Unaudited - expressed in Canadian dollars)

	Note	2022	2021
		\$	\$
Expenses			
Consulting	10(a)	20,627	45,825
Director fees	10(a)	16,500	-
Exploration expenditures	4, 10(a)	826,820	83,266
Investor relations		85,538	8,393
Office and administration		11,598	5,585
Professional fees		10,143	4,500
Salaries and personnel costs	10(a)	57,296	10,166
Share-based payments expense	5(e), 10(a)	55,779	23,635
Transfer agent, regulatory and filing fees		9,514	970
		1,093,815	182,340
Other items			
Interest income		(784)	(981)
Exploration and evaluation asset recovery	4(a)(iii)	-	(15,391)
Settlement of flow-through share premium liability on incurring eligible expenditures	6	(116,837)	-
Unrealized loss on marketable securities	4	17,316	-
Write-off of exploration and evaluation asset	4(a)(vii)	1,066	-
		(99,239)	(16,372)
Loss and comprehensive loss for the period		(994,576)	(165,968)
Basic and diluted loss per share		\$ (0.02)	\$ (0.00)
Basic and diluted weighted average number of shares outstanding		55,321,134	40,935,151

COAST COPPER CORP.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited - expressed in Canadian dollars)

	Note	Number of shares	Share capital \$	Other equity reserves \$	Deficit \$	Total \$
Balance, December 31, 2020		40,935,151	8,220,247	298,682	(6,382,767)	2,136,162
Loss for the period		-	-	-	(165,968)	(165,968)
Share-based payments expense	5(e)	-	-	23,635	-	23,635
Balance, March 31, 2021		40,935,151	8,220,247	322,317	(6,548,735)	1,993,829
Loss for the period		-	-	-	(1,114,799)	(1,114,799)
Private placement, net of share issue costs		13,961,539	1,568,221	23,590	-	1,591,811
Flow-through share premium liability		-	(268,846)	-	-	(268,846)
Shares issued pursuant to acquisition of mineral properties		400,000	36,000	-	-	36,000
Share-based payments expense		-	-	58,788	-	58,788
Reclass of forfeited stock options		-	-	(78,037)	78,037	-
Balance, December 31, 2021		55,296,690	9,555,622	326,658	(7,585,497)	2,296,783
Loss for the period		-	-	-	(994,576)	(994,576)
Share-based payments expense	5(e)	-	-	55,779	-	55,779
Shares issued pursuant to warrant exercise	5(b)	105,000	10,500	-	-	10,500
Reclass of exercised warrants	5(e)	-	2,119	(2,119)	-	-
Balance, March 31, 2022		55,401,690	9,568,241	380,318	(8,580,073)	1,368,486

COAST COPPER CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31
(Unaudited - expressed in Canadian dollars)

	Note	2022	2021
		\$	\$
Operating Activities			
Loss for the period		(994,576)	(165,968)
Items not involving cash:			
Settlement of flow-through share premium liability	7	(116,837)	-
Share-based payments expense	6(e)	55,779	23,635
Unrealized gain on marketable securities	4	17,316	-
Write-off of exploration and evaluation asset		1,065	-
Net change in non-cash working capital	8	271,411	(95,434)
Cash used in operating activities		(765,842)	(237,767)
Investing Activity			
Acquisition of exploration and evaluation assets	5	(5,083)	(12,683)
Cash used in investing activity		(5,083)	(12,683)
Financing Activity			
Proceeds pursuant to exercise of warrants	6(b)	10,500	-
Cash provided by financing activity		10,500	-
Net decrease in cash		(760,425)	(250,450)
Cash, beginning of period		1,449,264	1,463,598
Cash, end of period		688,839	1,213,148
Supplemental cash flow information	8		

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Coast Copper Corp. ("**Coast Copper**" or the "**Company**") was incorporated as Roughrider Exploration Limited on December 7, 2011 under the British Columbia Business Corporations Act. Effective September 28, 2021, the Company changed its name from Roughrider Exploration Limited to Coast Copper Corp. The Company is listed on the TSX Venture Exchange ("**TSX-V**") as a Tier 2 Mining Issuer under the trading symbol "COCO". The principal business of the Company is the exploration and evaluation of mineral properties. The principal focus of the Company is exploring its portfolio of mineral properties, including the Empire Mine property located on northern Vancouver Island, British Columbia ("**BC**") and the Golden Triangle properties in central BC, its sole operating and geographical segment.

The address of the Company's head office and registered office is Suite 904 - 409 Granville Street, Vancouver, BC, Canada, V6C 1T2.

These condensed interim financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company realized a loss of \$994,576 for the three months ended March 31, 2022 (2021: \$165,968). At March 31, 2022, the Company had an accumulated deficit of \$8,580,073. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

The Company has incurred operating losses in its exploration operations and its ability to continue as a going concern is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete their development and fund their operations until commercially successful and future production or proceeds from the disposition thereof. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future, therefore, a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* ("**IAS 34**") as issued by the International Accounting Standards Board ("**IASB**") using accounting principles consistent with International Financial Reporting Standards ("**IFRS**") as issued by the IASB.

These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2021 which include the accounting policies used in the preparation of these condensed interim financial statements.

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

These condensed interim financial statements were prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information.

The Board of Directors (the “**Board**”) approved these condensed interim financial statements on May 26, 2022.

3. MARKETABLE SECURITIES

Marketable securities are financial assets measured at fair value through profit or loss (“**FVTPL**”) and consisted of an investment of 865,817 free-trading common shares of Goldplay Mining Inc. (“**Goldplay**”) (Note 4(a)(iii)) at March 31, 2022. The fair value of marketable securities has been determined by reference to published price quotations in an active market, a Level 1 valuation.

A summary of the changes in FVTPL investments is presented below:

	\$
Balance December 31, 2021	121,214
Unrealized loss	<u>(17,316)</u>
Balance, March 31, 2022	<u><u>103,898</u></u>

4. EXPLORATION AND EVALUATION ASSETS

a) BRITISH COLUMBIA

i) EMPIRE MINE PROPERTY

On September 22, 2020, the Company entered into an option agreement to acquire a 100% interest in the Empire Mine property (the “**Empire Option Agreement**”) from Mirva Properties Ltd. (“**Mirva**”). The Empire Mine property consists of mineral claims (the “**Greater Empire Claims**”) and crown grants (the “**Quatsino Crown Grants**”) all located in the Rupert District on northern Vancouver Island, BC, near Port McNeill.

In order to earn a 100% interest in the Greater Empire Claims, the Company must make aggregate cash payments of \$750,000, issue 3,000,000 common shares of the Company to Mirva and complete work commitments totaling \$2,000,000 over a four-year period, as follows:

	Cash payment	Share issuance	Work commitment
	\$		\$
Upon regulatory approval	50,000 (paid)	200,000 (issued)	N/A
By September 22, 2021	100,000 (paid)	400,000 (issued)	200,000 (completed)
By September 22, 2022	150,000	600,000	400,000 (completed)
By September 22, 2023	200,000	800,000	600,000
By September 22, 2024	<u>250,000</u>	<u>1,000,000</u>	<u>800,000</u>
	750,000	3,000,000	2,000,000

In order to earn a 100% interest in the Quatsino Crown Grants, the Company must pay Mirva the equivalent of \$500,000 with either a cash payment or equivalent value in common shares of the Company, at the Company’s election, on or before the fifth anniversary date of the Empire Option Agreement.

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

a) BRITISH COLUMBIA (continued)

i) EMPIRE MINE PROPERTY (continued)

Mirva has retained a 2% net smelter return ("**NSR**") royalty on the Empire Mine property, of which 1% may be purchased for \$1,000,000 at any time up to 120 days after commencement of commercial production. The Empire Option Agreement has been structured such that this NSR royalty plus all other NSR royalties which may currently exist and be payable on the Empire Mine property will not exceed in aggregate 2.5% before buydowns.

ii) GIN, ELDORADO AND BONANZA PROPERTIES

On April 13, 2020, the Company purchased a 100% interest in the Gin, Eldorado and Bonanza (collectively "**Red Chris**") properties from Cazador (Note 10), Rene Bernard, an individual, and Elemental (Note 12), in consideration for 11,000,000 common shares of the Company (the "**Golden Triangle Acquisition**"), which were valued at \$660,000. The Red Chris properties are located in the Golden Triangle area of northern BC.

Certain claims on the Eldorado property are subject to a 2% NSR royalty, of which Cazador owns 50%.

iii) SCOTTIE WEST PROPERTY

In May 2020, the Company staked the Scottie West property located in the Golden Triangle area of northern BC, near the District of Stewart. Staking costs totaled \$11,128.

On November 20, 2020, the Company entered into a farm-out agreement with Goldplay whereby Goldplay can earn a 70% interest in the Company's Scottie West property by making aggregate cash payments of \$500,000, issuing common shares of Goldplay to the Company with a total value of \$500,000 and incurring a minimum of \$1,000,000 of exploration expenditures on the property over a four-year period, as follows:

	Cash payment	Share issuance	Work commitment
	\$	\$	\$
Upon closing	25,000 (received)	25,000 (received)	N/A
By November 20, 2021	25,000 (received)	50,000 (received)	200,000 (completed)
By November 20, 2022	50,000	75,000	100,000
By November 20, 2023	150,000	150,000	300,000
By November 20, 2024	<u>250,000</u>	<u>200,000</u>	<u>400,000</u>
	500,000	500,000	1,000,000

For years one through four, Goldplay must issue shares by dividing the dollar amount by the 10-day volume-weighted average price of its publicly listed shares immediately prior to the date of the share issuance.

During the three months ended March 31, 2021, the Company received an amount of \$15,391 from Goldplay as a reimbursement for certain exploration expenditures the Company incurred in 2020. The Company recorded this amount as exploration and evaluation asset recovery.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

a) BRITISH COLUMBIA (continued)

iii) SCOTTIE WEST PROPERTY (continued)

Upon Goldplay's successful completion of the farm-out, the Company and Goldplay will form a joint venture on the property. The Company will retain a 2% NSR royalty of which Goldplay can repurchase 1% of the NSR royalty for \$2,000,000 at any time after a production decision has been made.

iv) STERLING PROPERTY

The Company owns a 100% interest in certain claims in the Sterling property, with a carrying value of \$Nil, located near Houston, BC.

v) HOME BREW PROPERTY

In February 2021, the Company staked the Home Brew property located in south central BC. This property is comprised of one mineral claim. Total cost of the staking was \$2,500.

vi) KNOB HILL PROPERTY

In February 2021, the Company staked the Knob Hill property located on northern Vancouver Island. Total cost of the staking was \$6,974.

vii) SANDY PROPERTY

In March 2021, the Company staked the Sandy property located in southeastern BC, close to the town of Nelson. Total cost of the staking was \$1,066. In January 2022, the Company allowed the Sandy property claims to expire and wrote off the carrying amount of \$1,066.

viii) JACOBIE PROPERTY

In January 2022, the Company staked the Jacobie property located in central BC. Total cost of the staking was \$1,583.

ix) POLLEY EAST PROPERTY

In January 2022, the Company staked the Polley East property located in central BC. Total cost of the staking was \$722.

b) SASKATCHEWAN

GENESIS PROPERTY

The Company owns a 50% interest in the Genesis property, with a carrying value of \$Nil, located in the Athabasca Basin region of Canada.

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022

(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation assets

A summary of the changes in exploration and evaluation assets is presented below:

	Empire Mine	Gin	Eldorado	Bonanza	Home Brew	Knob Hill	Sandy	Jacobie	Polley East	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2021	238,830	198,000	398,238	66,000	2,500	6,974	1,066	-	-	911,608
Staking	361	1,272	-	-	-	1,146	-	1,583	722	5,084
Write-off	-	-	-	-	-	-	(1,066)	-	-	(1,066)
Change during the period	361	1,272	-	-	-	1,146	(1,066)	1,583	722	4,018
Balance, March 31, 2022	239,191	199,272	398,238	66,000	2,500	8,120	-	1,583	722	915,626

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration expenditures

The Company's exploration expenditures for the three months ended March 31, 2022 were as follows:

	Empire	Gin	Eldorado	Home Brew	Knob Hill	Total
	\$	\$	\$	\$	\$	\$
Analysis	108,952	-	-	-	-	108,952
Camp	22,315	-	-	-	-	22,315
Communications	1,347	-	-	-	-	1,347
Community engagement	1,466	-	92	-	-	1,558
Drilling	406,652	-	-	-	-	406,652
Field equipment	10,648	-	-	-	-	10,648
Fuel	22,521	-	-	-	-	22,521
Geological consulting	121,246	270	128	45	3,619	125,308
Geophysics	49,392	-	-	-	-	49,392
Labour and benefits	30,628	-	-	-	-	30,628
Surveys	25,000	-	-	-	-	25,000
Travel and transport	22,499	-	-	-	-	22,499
	822,666	270	220	45	3,619	826,820

5. SHARE CAPITAL

a) Authorized

An unlimited number of common shares without par value
An unlimited number of preference shares without par value

b) Share issuance details

Three months ended March 31, 2022

In March 2022, 105,000 common shares of the Company were issued pursuant to the exercise of 105,000 warrants with an exercise price of \$0.10 per share for proceeds of \$10,500.

Three months ended March 31, 2021

There were no share issuances during the three months ended March 31, 2021.

c) Stock options

The Company has a rolling long-term incentive plan ("LTIP") whereby the Company may grant certain awards to directors, officers, employees and consultants, including stock options, to an aggregate maximum of 10% of the common shares outstanding at the time of the grant. The exercise price, term and vesting period of each option are determined by the Board within regulatory guidelines.

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited - Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

c) Stock options (continued)

A summary of the changes in stock options is presented below:

	Number of options	Weighted average exercise price
		\$
Balance, December 31, 2021 and March 31, 2022	4,090,000	0.13

The following stock options were outstanding as at March 31, 2022:

Outstanding	Exercisable	Weighted average Exercise Price (outstanding)	Expiry Date	Weighted average remaining life (in years)
		\$		
1,375,000	1,375,000	0.18	June 1, 2025	3.17
200,000	200,000	0.18	January 11, 2026	3.79
2,515,000	628,750	0.10	October 28, 2026	4.58
4,090,000	2,203,750	0.13		4.07

On April 8, 2022, the Company granted 100,000 stock options with an exercise price of \$0.12 and an expiry of April 8, 2027 to a new employee. The options are subject to certain vesting requirements.

d) Share purchase warrants

A summary of the changes in warrants is presented below:

	Number of warrants	Weighted average exercise price
		\$
Balance, December 31, 2021	12,500,402	0.21
Exercised	(105,000)	0.10
Balance, March 31, 2022	12,395,402	0.21

The following warrants were outstanding as at March 31, 2022:

Outstanding	Exercisable	Exercise Price	Expiry Date
		\$	
4,897,250	4,897,250	0.30	July 31, 2022
7,498,152	7,498,152	0.15	May 25, 2023
12,395,402	12,395,402		

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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(Unaudited - Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

e) Share-based payments expense

The share-based payments expense for the stock options, based on vesting schedules, during the three months ended March 31, 2022 was \$55,779 (2021: \$23,635).

There were no stock options granted during the three months ended March 31, 2022. The weighted average fair value at grant date of options granted during the three months ended March 31, 2021 was \$0.12.

The fair value of the stock options that were granted during the three months ended March 31, 2021 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	0.33%
Expected stock price volatility	93%
Expected dividend yield	0.0%
Expected option life in years	5.0

Expected volatility is based on historical price volatility to the extent of the expected life of the option.

During the three months ended March 31, 2022, the Company reclassified \$2,119 (2021: \$Nil) from other equity reserves to share capital pursuant to warrants that were exercised.

6. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company's flow-through share premium liability was as follows:

	\$
Balance December 31, 2021	116,837
Settlement of flow-through share premium liability pursuant to incurring qualified expenditures	(116,837)
Balance, March 31, 2022	-

As at March 31, 2022, the Company had satisfied its requirement to spend the qualified Canadian exploration expenditures pursuant to the private placement of FT Units that was completed on November 26, 2021.

7. SUPPLEMENTAL CASH FLOW INFORMATION

The net change in non-cash operating working capital balances for the three months ended March 31 consisted of the following:

	2022	2021
	\$	\$
Receivables	12,310	(6,909)
Prepaid expenses	(60,519)	4,125
Accounts payable and accrued liabilities	319,620	(92,650)
	271,411	(95,434)

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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7. SUPPLEMENTAL CASH FLOW INFORMATION (continued)

There were no non-cash investing or financing transactions for the three months ended March 31, 2022 or 2021.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company examines the various financial instruments to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and market risk (including interest rate, currency and other price risk). The risk related to financial instruments is managed by senior management of the Company under directions approved by the Board. The Company's Board has not approved the use of derivative financial products.

Financial instruments

Cash, receivables, reclamation deposit and accounts payable and accrued liabilities are carried at amortized cost as they approximate their fair values due to the short-term nature of the financial instruments. Marketable securities are measured using level 1 of the fair value hierarchy.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements is summarized below:

a) Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and receivables. The Company limits its exposure to credit loss by placing its cash with a major Canadian bank. The Company's significant receivables at March 31, 2022 relate to a goods and services tax refund from government agencies of Canada who are not considered default risks.

b) Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company is exposed to liquidity risk and manages it through the management of its capital structure, as outlined below. All of the Company's current financial liabilities are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position. The Company remains exposed to liquidity risk.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, equity prices, and foreign currency fluctuations.

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8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

c) Market risk (continued)

(i) Interest rate risk

Interest rate risk on cash is minimal because these investments generally have a fixed yield rate. As at March 31, 2022, the Company did not have any interest-bearing debt.

(ii) Foreign currency risk

The Company could be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2022, the Company did not have any significant exposure to foreign currencies and so considers foreign currency risk insignificant to the Company at present.

(iii) Price risk

The Company may at times have limited indirect exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

9. 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. The Company's strategy remains unchanged from the year ended December 31, 2021.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary. The annual budgets are approved by the Board.

In order to maximize ongoing exploration efforts, the Company does not pay dividends. The Company's treasury management policy is to invest its cash in highly rated liquid short-term interest-bearing investments with an initial term to maturity of twelve months or less.

The Company is not subject to externally imposed capital requirements.

10. RELATED PARTY TRANSACTIONS

Key management compensation

Key management personnel at the Company are the Directors and Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

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10. RELATED PARTY TRANSACTIONS (continued)

Key management compensation (continued)

In addition to key management personnel, the Company transacted with the following related parties during the three months ended March 31, 2022 and/or 2021:

- Cazador Resources Ltd. ("**Cazador**"), a private company controlled by the Company's CEO, Adam Travis;
- Thomas Morgan & Co Ltd. ("**TMCL**"), a private company controlled by the Company's Chair of the Board, Fletcher Morgan; and
- TSquared Accounting Inc. ("**TSquared**"), a private company controlled by the Company's CFO, Tim Thiessen.

a) Related Party Transactions

The Company's related party transactions for the three months ended March 31 were as follows:

		2022	2021
		\$	\$
Consulting fees	1	19,500	45,175
Director fees	2	16,500	-
Equipment rentals (exploration)	3	1,701	-
Geological fees (exploration)	4	19,500	20,175
Salaries	5	22,500	-
Share-based payments expense	6	38,812	23,635
		<u>118,513</u>	<u>88,985</u>

1 Consulting fees for the three months ended March 31, 2022, consisted of \$19,500 (2021: \$19,500) earned by the CEO, Mr. Travis through Cazador, \$Nil (2021: \$19,500) earned by the CFO, Mr. Thiessen through TSquared and \$Nil (2021: \$6,175) earned by the Company's Office Manager through Cazador.

2 Director fees consisted of amounts of \$7,500 earned by Mr. Morgan through TMCL and \$4,500 earned by each of the Company's independent Board members, Messrs. Dale Wallster and Dan Berkshire.

3 Equipment rentals consisted exclusively of rentals from Cazador.

4 Geological fees consisted exclusively of fees earned by the CEO through Cazador, which were included in exploration expenditures.

5 Salaries consisted exclusively of amounts earned by the CFO, Mr. Thiessen.

6 Share-based payments expense is a non-cash item that consisted of the fair value of stock options that have been granted to key management personnel.

COAST COPPER CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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(Unaudited - Expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS (continued)

b) Related Party Balances

Related party balances, which are included in accounts payable and accrued liabilities on the condensed interim statement of financial position, consisted of the following:

	March 31, 2022	December 31, 2021
Current liabilities	\$	\$
Due to Cazador	15,463	38,454
Due to Directors	9,000	-
Due to TMCL	7,875	-
Due to TSquared	-	6,825
	<u>32,338</u>	<u>45,279</u>