**NOTICE TO READER**

The Audit Committee, in consultation with management of Copperhead Resources Inc. (the "Company"), has determined that the Company's previously filed unaudited interim condensed financial statements and management's discussion and analysis for the three and nine months ended September 30, 2025 and 2024 needed to be restated to correct an overstated balance of mineral property interests by $78,000, which caused the net loss and comprehensive loss to be misstated for the three and nine months ended September 30, 2025. As a result of the corrections, certain balances on the unaudited interim condensed statement of financial position as at September 30, 2025, and the unaudited interim condensed statement of loss and comprehensive loss, cash flows and changes in shareholders' equity for the period ended September 30, 2025 were affected.

Details of the corrections are fully described in Note 2 to the Company's Restated Unaudited Interim Condensed Financial Statements as filed on SEDAR+ on November 21, 2025.

The previously filed unaudited interim condensed financial statements and management's discussion and analysis for the financial periods were originally filed by the Company on SEDAR+ on November 7, 2025. Each of the Restated Unaudited Interim Condensed Financial Statements and Revised Management's Discussion and Analysis replaces and supersedes the respective previously filed original unaudited interim condensed financial statements and related management's discussion and analysis. There have been no other changes.

# COPPERHEAD RESOURCES INC.

Restated Unaudited Interim Condensed Financial Statements

For the Three and Nine Months ended September 30, 2025 and 2024

(Expressed in Canadian Dollars)

**Copperhead Resources Inc.**
Restated Unaudited Interim Condensed Statements of Financial Position
As at September 30, 2025 and December 31, 2024
(Expressed in Canadian Dollars)

| | **As at September 30, 2025** | As at December 31, 2024 |
|---|---|---|
| | **$** | $ |
| **Assets** | | |
| **Current Assets** | | |
| Cash and cash equivalents | **128,050** | 210,190 |
| Other receivables (Note 5) | **622** | 28,626 |
| Prepaid expenses | **27,842** | - |
| **Total Current Assets** | **156,514** | 238,816 |
| Mineral property interests (Note 6) | **25,000** | 52,500 |
| **Total Assets** | **181,514** | 291,316 |
| **Liabilities** | | |
| **Current Liabilities** | | |
| Accounts payable and accrued liabilities (Notes 7 and 10) | **49,711** | 141,909 |
| **Total Current Liabilities** | **49,711** | 141,909 |
| **Shareholders' Equity** | | |
| Share capital (Note 8) | **823,188** | 705,438 |
| Contributed surplus (Note 9) | **37,926** | 77,849 |
| Accumulated deficit | **(729,311)** | (633,880) |
| **Total Shareholders' Equity** | **131,803** | 149,407 |
| **Total Liabilities and Shareholders' Equity** | **181,514** | 291,316 |

Nature of operations and going concern (Note 1)

**Approved and authorized for issue on behalf of the Board of Directors on November 21, 2025:**

*"Sasha Kaplun" (signed)*
Director

*"Matthew Larsen" (signed)*
Director

The accompanying notes are an integral part of these restated unaudited interim condensed financial statements

## Copperhead Resources Inc.

Restated Unaudited Interim Condensed Statements of Loss and Comprehensive Loss
For the Three and Nine Months ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

| | Three Months ended September 30, | | Nine Months ended September 30, | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| | **$** | $ | **$** | $ |
| **Operating Expenses** | | | | |
| Professional and consulting (Note 10) | **6,000** | 23,932 | **39,378** | 59,932 |
| Listing and filing fees | **8,875** | 14,114 | **23,934** | 25,862 |
| Office and general | **2,107** | 115 | **3,512** | 406 |
| Exploration and evaluation expenditures (Note 11) | **(5,747)** | 7,294 | **(5,593)** | 7,746 |
| **Operating Loss before the Undernoted** | **(11,235)** | (45,455) | **(61,231)** | (93,946) |
| **Other Income (expenses)** | | | | |
| Write-down of mineral property interests (Note 6) | **(78,000)** | - | **(78,000)** | - |
| Finance income | **882** | 647 | **4,988** | 4,802 |
| Foreign exchange loss | **(1,111)** | - | **(1,111)** | - |
| **Net Loss and Comprehensive Loss** | **(89,464)** | (44,808) | **(135,354)** | (89,144) |
| Weighted Average Number of Shares Outstanding | **13,353,700** | 11,823,700 | **13,047,876** | 11,823,700 |
| Net Loss per Share – Basic and Diluted | **(0.01)** | (0.00) | **(0.01)** | (0.01) |

The accompanying notes are an integral part of these restated unaudited interim condensed financial statements

## Copperhead Resources Inc.

Restated Unaudited Interim Condensed Statements of Changes in Shareholders' Equity
For the Nine Months ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

| | Number of Common Shares | Share Capital | Contributed Surplus | Accumulated Deficit | Total |
|---|---|---|---|---|---|
| | # | $ | $ | $ | $ |
| **Balance, December 31, 2023** | **11,823,700** | **705,438** | **77,849** | **(519,060)** | **264,227** |
| Net loss for the period | - | - | - | (89,144) | (89,144) |
| **Balance, September 30, 2024** | **11,823,700** | **705,438** | **77,849** | **(608,204)** | **175,083** |
| | | | | | |
| **Balance, December 31, 2024** | **11,823,700** | **705,438** | **77,849** | **(633,880)** | **149,407** |
| Issuance of shares from private placement (Note 8) | 1,230,000 | 92,250 | - | - | 92,250 |
| Issuance of shares pursuant to option agreement (Notes 6 and 8) | 300,000 | 25,500 | - | - | 25,500 |
| Cancellation of stock options (Note 9) | - | - | (39,923) | 39,923 | - |
| Net loss for the period | - | - | - | (135,354) | (135,354) |
| **Balance, September 30, 2025** | **13,353,700** | **823,188** | **37,926** | **(729,311)** | **131,803** |

The accompanying notes are an integral part of these restated unaudited interim condensed financial statements

## Copperhead Resources Inc.

Restated Unaudited Interim Condensed Statements of Cash Flows
For the Nine Months ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| **Cash Flows Used in Operating Activities** | | |
| Net loss for the period | **(135,354)** | (89,144) |
| Adjustments for non-cash items: | | |
| Write-down of mineral property interests (Note 6) | **78,000** | - |
| | **(57,354)** | (89,144) |
| Changes in non-cash working capital: | | |
| Other receivables | **28,004** | (5,857) |
| Prepaid expenses | **(27,842)** | - |
| Accounts payable and accrued liabilities | **(92,198)** | 53,637 |
| **Cash Flows used in Operating Activities** | **(149,390)** | (41,364) |
| **Cash Flows from Financing Activities** | | |
| Proceeds from issuance of common shares (Note 8) | **92,250** | - |
| **Cash Flows provided by Financing Activities** | **92,250** | - |
| **Cash Flows from Investing Activities** | | |
| Payment pursuant to Twilite Gold Project option agreement (Note 6) | **(25,000)** | - |
| **Cash Flows used in Investing Activities** | **(25,000)** | - |
| **Decrease in cash and cash equivalents** | **(82,140)** | (41,364) |
| Cash and cash equivalents, beginning of period | **210,190** | 257,847 |
| **Cash and cash equivalents, end of period** | **128,050** | 216,483 |
| **Supplemental Information** | | |
| Income tax paid | **-** | - |
| Mining exploration tax credit received (Note 11) | **12,813** | - |
| Interest paid | **-** | - |
| **Non-Cash Activities** | | |
| Shares issued for mineral property interests (Note 6) | **25,500** | - |

The accompanying notes are an integral part of these restated unaudited interim condensed financial statements

(Expressed in Canadian Dollars)

### 1. Nature of Operations and Going Concern

Copperhead Resources Inc. (the "Company" or "Copperhead") was incorporated on February 17, 2022 under the *Business Corporations Act* (British Columbia). The address of the Company's registered office is 1055 West Georgia Street, 1500 Royal Centre, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, Canada. The Company's common shares are publicly traded on the Canadian Securities Exchange (the "Exchange") under the stock symbol "CUH."

The Company is an exploration stage junior mining company engaged in the business of identification, acquisition, and exploration of mineral interests. The recovery of the amounts comprising mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

These unaudited interim condensed financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At as September 30, 2025, the Company had not yet achieved profitable operations, had accumulated losses of $729,311 since its inception, and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. A number of alternatives, including but not limited to, selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

These unaudited interim condensed financial statements 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 financial statements. Such adjustments could be material.

### 2. Restatement

Subsequent to the issuance of the previously reported unaudited interim condensed financial statements for the three and nine months ended September 30, 2025 and 2024 (filed on SEDAR+ on November 7, 2025), it was determined that the balance of the mineral property interests related to the Red Line Project (defined hereafter) should have been written down following the termination of the underlying option agreement. The overstatement caused a misstatement of the accumulated deficit and the net loss, as at and for the three and nine months ended September 30, 2025. The basic and diluted net loss per share was also corrected accordingly.

As a result of the corrections, certain balances on the unaudited interim condensed statement of financial position as at September 30, 2025, and the unaudited interim condensed statement of loss and comprehensive loss, cash flows and changes in shareholders' equity for the three and nine months ended September 30, 2025 were also affected.

The following tables summarize the effects of the adjustments:

Line items on the restated unaudited interim condensed statement of financial position and the restated unaudited interim condensed statement of changes in shareholders' equity:

| | **Previously reported** | Adjustments | **Restated** |
|---|---|---|---|
| | **$** | $ | **$** |
| Mineral property interests | **103,000** | (78,000) | **25,000** |
| Total assets | **259,514** | (78,000) | **181,514** |
| Accumulated deficit | **(651,311)** | (78,000) | **(729,311)** |
| Total shareholders' equity | **209,803** | (78,000) | **131,803** |
| Total liabilities and shareholders' equity | **259,514** | (78,000) | **181,514** |

(Expressed in Canadian Dollars)

## 2. Restatement (continued)

Line items on the restated unaudited interim condensed statement of net loss and comprehensive loss:

| *Three months ended September 30, 2025* | **Previously reported** | Adjustments | **Restated** |
|---|---|---|---|
| | **$** | $ | **$** |
| Write-down of mineral property interests | **-** | (78,000) | **(78,000)** |
| Net loss and comprehensive loss | **(11,464)** | (78,000) | **(89,464)** |
| Net loss per share – basic and diluted | **(0.00)** | (0.01) | **(0.01)** |

| *Nine months ended September 30, 2025* | **Previously reported** | Adjustments | **Restated** |
|---|---|---|---|
| | **$** | $ | **$** |
| Write-down of mineral property interests | **-** | (78,000) | **(78,000)** |
| Net loss and comprehensive loss | **(57,354)** | (78,000) | **(135,354)** |
| Net loss per share – basic and diluted | **(0.00)** | (0.01) | **(0.01)** |

## 3. Basis of Preparation

### 3.1 Statement of Compliance

These unaudited interim condensed financial statements have been presented in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB’) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies and methods of computation applied by the Company in these unaudited interim condensed financial statements are the same as those applied in the Company’s annual audited financial statements for the year ended December 31, 2024. The unaudited interim condensed financial statements do not include all the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company’s annual audited financial statements for the year ended December 31, 2024.

### 3.2 Basis of Presentation

These unaudited interim condensed financial statements were prepared under the historical cost basis except for financial instruments which are measured at fair value. In addition, these unaudited interim condensed financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

### 3.3 Functional Currency

Items included in these unaudited interim condensed financial statements are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The functional currency of the Company is the Canadian Dollar (“$” or “CAD”), which is also the presentation currency of these financial statements, unless otherwise noted.

### 3.4 Significant Accounting Judgments and Estimates

The preparation of these unaudited interim condensed financial statements in accordance with IFRS® Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue, and expenses. These are consistent with those noted in the Company’s audited financial statements for the year ended December 31, 2024, unless otherwise noted.

## 4. Summary of Material Accounting Policies

The material accounting policies applied by the Company in these unaudited interim condensed financial statements are the same as those noted in the Company’s audited financial statements for the year ended December 31, 2024, unless otherwise noted below.

### (a) Share-Based Payments

Amounts recorded for cancelled or expired unexercised stock options are transferred to retained earnings (accumulated deficit) in the period of which the cancellation or expiry occurs.

### 4. Summary of Material Accounting Policies (continued)

### (b) Share-Based Payments

Amounts recorded for cancelled or expired unexercised stock options are transferred to retained earnings (accumulated deficit) in the period of which the cancellation or expiry occurs.

### (c) Adoption of New Accounting Policies

The Company adopted the following amendments, effective January 1, 2025. The changes were made in accordance with the applicable transitional provisions. The Company had assessed that there was no material impact upon the adoption of these amendments on its financial statements:

*Amendments to IAS 21 – Effects of Changes in Foreign Exchange Rates ("IAS 21")*

In August 2023, the IASB introduced amendments to IAS 21, impacting entities with transactions or operations in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

### (d) Recent Accounting Pronouncements

At the date of authorization of these unaudited condensed interim financial statements, the IASB and the IFRIC have issued a number of new standards, amendments to standards and interpretations which are effective for annual periods beginning on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded.

*IFRS 9 – Financial Instruments ("IFRS 9") and IFRS 7 – Financial Instruments: Disclosures ("IFRS 7")*

In May 2024, the IASB issued narrow scope amendments to IFRS 9 and IFRS 7. The amendments were incorporated into Part I of the CPA Canada Handbook – Accounting in October 2024. The amendments provide clarification that a financial liability is derecognized on the 'settlement date', i.e., the date on which the liability is extinguished as the obligation specified in the contract is discharged or cancelled or expired and provide an accounting policy option to derecognize a financial liability that is settled in cash using an electronic payment system before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option shall apply it to all settlements made through the same electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets with contingent features, including environmental, social and corporate governance (ESG) linked features and clarify that, for a financial asset to have 'non-recourse' features, the entity's ultimate right to receive cash flows must be contractually limited to the cash flows generated by specified assets. The amendments also include factors that an entity should consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test), clarify the characteristics of the contractually linked instruments that distinguish them from other transactions; and add new disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments that have certain contingent features. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The amendments are to be applied retrospectively. In applying the amendments, an entity is not required to restate comparative periods. The Company is currently assessing the impact of adopting the above standard on the financial statements.

*IFRS 18 – Presentation and Disclosure of Financial Statement ("IFRS 18")*

In April 2024, the IASB issued the new standard of IFRS 18. The standard aims to bring more transparency and comparability to the financial performance of companies, enabling investors to make better investment decisions. IFRS 18 introduces three sets of new requirements: improved comparability of the profit or loss statement (statement of income), improved transparency of management-defined performance measures, and more useful grouping of information in financial statements. IFRS 18 will replace IAS 1. This standard becomes effective for years beginning on or after January 1, 2027, and companies may apply it earlier subject to authorization by relevant regulators. The Company is assessing the impacts to ensure that all information complies with the standard.

The Company has not early adopted these revised standards and will be assessing the impact of adopting the above standard on the financial statements.

## 5. Other Receivables

As at September 30, 2025, the Company's other receivables balance comprises amounts in respect of Harmonized Sales Tax refunds. Subsequent to period-end, the Company received these sales tax refunds in full.

## 6. Mineral Property Interests

*Red Line Project*

On April 6, 2022 (the "Commencement Date"), the Company entered into an option agreement (the "Option Agreement") with Romios Gold Resources Inc ("Romios"), pursuant to which the Company has the option to acquire 75% of Romios' interest in a group of properties located in Northwest British Columbia, collectively referred to as the Red Line Project (the "Red Line Project").

On January 10, 2025, the Company entered into an amendment (the "Amendment") to the Option Agreement with Romios. As consideration for entering into the Amendment, the Company issued 300,000 common shares to Romios on January 20, 2025.

Pursuant to the Option Agreement, as amended, the Company can exercise the option to acquire 75% of the Red Line Project by:

i) Incurring exploration expenditures of:
   - $75,000 within 12 months of the Commencement Date (Met);
   - $100,000 within 24 months of the Commencement Date (Met);
   - $100,000 on or before September 30, 2025; and
   - $100,000 on or before September 30, 2026

ii) Issuing:
   - 1,000,000 common shares to Romios within 5 days of the Commencement Date (Issued on April 6, 2022);
   - 500,000 common shares to Romios on or before June 30, 2026;

iii) Making a cash payment of $75,000 on or before June 30, 2026; and

iv) Enter into a joint venture with Romios to collectively operate the Red Line Project, whereby the Company's initial interest in the joint venture shall be 75% and Romios's initial interest shall be 25%.

On September 29, 2025, the Company withdrew from the Option Agreement on the Red Line Project, following an internal portfolio and capital allocation review by management. As the Company does not foresee any further exploration activities on the Red Line Project, an impairment of $78,000 was recorded as at September 30, 2025, to write down the recoverable value of the Red Line Project to $nil.

*Twilite Gold Project*

On August 18, 2025, the Company entered into an option agreement (the "Twilite Option Agreement") with TRU Precious Metals Corp. ("TRU") pursuant to which the Company has the option to acquire a 100% ownership interest in 65 mineral claims located in Central Newfoundland and known as the Twilite Gold Project (the "Twilite Gold Project").

Pursuant to the Twilite Option Agreement, the Company can exercise the option to acquire a 100% interest of the Twilite Gold Project by:

i) Paying $25,000 in cash on August 18, 2025 (paid);
ii) On or before August 18, 2027, incurring exploration expenditures of $75,000 plus applicable tax; &
iii) On or before August 18, 2027, paying an additional $200,000 in cash to TRU; and issuing such number of common shares to TRU as is equal in value to $300,000, at a deemed price per common share equal to the closing price of the common shares on the Exchange on the day immediately prior to the share issuance.

Upon exercise of the Twilite Option Agreement, the Company will grant TRU a 2.0% net smelter returns royalty from any future mineral production at the Twilite Gold Project.

(Expressed in Canadian Dollars)

## 7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are primarily comprised of amounts outstanding incurred in the normal course of business. The usual credit period taken for trade purchases is between 30 to 90 days.

| | **September 30, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Trade payable | **40,711** | 80,289 |
| Accrued liabilities | **9,000** | 61,620 |
| | **49,711** | 141,909 |

## 8. Share Capital

*Authorized share capital*

The Company is authorized to issue an unlimited number of common shares.

Common shares issued and outstanding as at September 30, 2025 and December 31, 2024:

| | **Number of Common Shares** | **Amount** |
|---|---|---|
| | **#** | **$** |
| **Balance, December 31, 2023 and 2024** | **11,823,700** | **705,438** |
| Issuance of shares to pursuant to Option Amendment (Note 5) | 300,000 | 25,500 |
| Issuance of shares from private placement | 1,230,000 | 92,250 |
| **Balance, September 30, 2025** | **13,353,700** | **823,188** |

*Authorized share capital*

On January 20, 2025, the Company issued 300,000 common shares to Romios as consideration for entering into the Amendment (see Note 6). These common shares were valued at $25,500 based on the Company's closing share price on the date of issuance and the amount was capitalized as mineral property interests on the statements of financial position.

On March 4, 2025, the Company closed a non-brokered private placement (the "Private Placement"). The Company issued 1,230,000 common shares at a price of $0.075 per share, for gross proceeds of $92,250.

## 9. Stock Options

The stock option plan of the Company provides that the Board of the Company may from time to time, in its discretion and in accordance with the Exchange requirements, grant to directors, officers, consultants and employees of the Company, non-assignable and non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the total issued and outstanding common shares of the Company, exercisable for a period of up to five (5) years from the date of the grant.

During the nine months ended September 30, 2025, 500,000 stock options were cancelled. An amount of $39,923, representing the grant date fair value of these options was transferred to accumulated deficit upon the cancellation. During the nine months ended September 30, 2025 and 2024, no other options were granted, exercised, expired or forfeited.

The following table summarizes information of stock options outstanding and exercisable as at September 30, 2025:

| **Date of expiry** | **Number of options outstanding** | **Number of options exercisable** | **Exercise price** | **Weighted average remaining contractual life** |
|---|---|---|---|---|
| | **#** | **#** | **$** | **Years** |
| December 1, 2028 | 475,000 | 475,000 | 0.10 | 3.17 |
| | **475,000** | **475,000** | **0.10** | **3.17** |

## 10. Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the three and nine months ended September 30, 2025, an entity (the "Entity") in which a former director of the Company is also a director and shareholder, charged professional fees of $nil and $14,000, respectively, (2024 – $10,500 and $31,500, respectively) for services provided to the Company. As at September 30, 2025, an amount of $7,617 (December 31, 2024 – $75,145) included in accounts payable and accrued liabilities is due to the Entity. The amount outstanding is unsecured, non-interest bearing and due on demand.

On September 24, 2025, a former director of the Company voluntarily forfeited 300,000 stock options. An amount of $23,955, representing the grant date fair value of these options was transferred to accumulated deficit upon the cancellation.

During the three and nine months ended September 30, 2025, a firm (the "Firm") in which the Chief Financial Officer of the Company is a principal, charged professional fees of $3,000 and $4,968, respectively, (2024 – $nil and $nil) for services provided to the Company. As at September 30, 2025, no balance was owed to the Firm (December 31, 2024 – $nil).

All related party transactions are incurred in the normal course of operations and have been measured at the agreed amount, which is the amount of consideration established and agreed to by the related parties.

## 11. Exploration and Evaluation Expenditures

During the three and nine months ended September 30, 2025, the Company's exploration and evaluation ("E&E") expenditures incurred comprised of costs related to assaying, analysis, and sampling, and claims maintenance of $7,067 and $7,221, respectively, on the Red Line Project (2024 – $7,294 and $7,746, respectively). These expenditures were netted against exploration tax credits received of $12,813 and $12,813, respectively, (2024 – $nil and $nil) for a net E&E recovery recorded of $5,747 and $5,593, respectively (2024 – $7,294 and $7,746, respectively).

During the three and nine months ended September 30, 2025, no E&E expenditures had been incurred on the Twilite Gold Project.

## 12. Financial Instruments and Risk Management

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring, and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

*Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's cash and cash equivalents are held in with a reputable Canadian chartered bank, which are closely monitored by management. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with Schedule A financial institution, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

*Liquidity risk*

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its needs.

As at September 30, 2025, the Company had a cash and cash equivalents balance of $128,050 (December 31, 2024 – $210,190) to settle current liabilities of $49,711 (December 31, 2024 – $141,909). The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecasts and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing.

**12. Financial Instruments and Risk Management (continued)**

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not have any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

*Price risk*

The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals. Management monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

*Foreign exchange risk*

The Company's functional currency is the CAD, and major purchases are transacted in CAD. Management believes the foreign exchange risk derived from currency conversions is negligible. The foreign exchange risk is therefore manageable and not significant. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign exchange rates.

*Capital management*

The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities.

In addition, the Company is dependent upon external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geological or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There have been no changes in the Company's approach to capital management since the end of the last reporting period.

*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. The Company's financial instruments consist of cash and cash equivalents, other receivables, and accounts payable. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that includes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Expressed in Canadian Dollars)

**12. Financial Instruments and Risk Management (continued)**

*Fair value hierarchy (continued)*

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| *Cash and cash equivalents* | $ | $ | $ | $ |
| September 30, 2025 | 128,050 | - | - | 128,050 |
| December 31, 2024 | 210,190 | - | - | 210,190 |

As at September 30, 2025 and December 31, 2024, the Company's financial instruments carried at fair value consisted of its cash and cash equivalents, which had been classified as Level 1. There were no financial assets or liabilities measured and recognized in the statements of financial position at fair value that would be categorized as Level 2 or 3 in the fair value hierarchy above.

**13. Segment Information**

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, the amounts disclosed also represent segment amounts.