



**(An Exploration-Stage Company)**

**Condensed Interim Consolidated Financial Statements**

**Three and six months ended June 30, 2025 and 2024**

**(Unaudited - Expressed in Canadian dollars)**



## **NOTICE TO READER**

### **THE ISSUER'S AUDITORS HAVE NOT REVIEWED OR BEEN INVOLVED IN THE PREPARATION OF THESE CONDENSED INTERIM CONSOLIDATED 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 interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Pacific Ridge Exploration Ltd. (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 interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

	Note	June 30, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		2,158,172	12,095
Amounts receivable		14,760	45,375
Prepays		101,203	48,790
		2,274,135	106,260
Equipment and furniture		5,669	8,167
Resource properties	3	4,359,143	4,324,143
Reclamation bonds		68,642	78,142
Right-of-use assets	10	-	3,909
		<b>6,707,589</b>	<b>4,520,621</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities		108,991	156,146
Financial liability	3	4,817	4,817
Lease liabilities – current	10	-	4,203
Flow-through income tax liability	4	118,315	-
		232,123	165,166
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	5	68,841,786	66,062,984
Reserves	5	6,505,322	6,011,887
Deficit		(68,871,642)	(67,719,416)
		6,475,466	4,355,455
		<b>6,707,589</b>	<b>4,520,621</b>

**Nature of operations and going concern** (Note 1)

**Subsequent events** (Note 13)

Approved and authorized for issue on behalf of the Board of Directors

/s/ "Bruce Youngman"

Director

/s/ "Blaine Monaghan"

Director & CEO

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

		Three months ended		Six months ended	
	Note	2025	June 30, 2024	2025	June 30, 2024
		\$	\$	\$	\$
<b>Administrative expenses</b>					
Amortization	10	1,255	20,487	6,407	41,046
Finance lease interest	10	1,303	859	2,447	2,194
Insurance		2,565	6,087	3,580	18,912
Professional and consulting fees		55,912	31,479	64,466	33,895
Property investigation		6,141	-	6,141	-
Management and administrative	7	101,382	85,826	247,670	171,687
Office operations and facilities		78,007	33,269	114,068	60,021
Shareholder communications		69,232	34,832	106,085	101,837
Share-based payments	5	439,937	-	439,937	5,458
Transfer agent and regulatory fees		21,450	22,951	46,344	43,184
		777,184	235,790	1,037,145	478,234
<b>Exploration expenses (income)</b>					
Exploration and evaluation costs	3	93,459	265,068	130,060	416,633
Mining tax credit		(13,122)	(31,677)	(13,122)	(31,677)
		80,337	233,391	116,938	384,956
<b>Other expenses (income)</b>					
Interest		(153)	(15,444)	(289)	(11,099)
Foreign exchange		1,329	2,064	1,367	2,713
Amortization of flow-through premium		(2,935)	-	(2,935)	-
		(1,759)	(13,380)	(1,857)	(8,386)
<b>Net loss for the period</b>		(855,762)	(455,801)	(1,152,226)	(854,804)
<b>Basic and diluted loss per common share</b>		(0.03)	(0.03)	(0.05)	(0.06)
<b>Weighted average number of common shares outstanding</b>		25,209,647	15,721,820	21,399,262	14,514,137

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

Pacific Ridge Exploration Ltd.  
Condensed Interim Consolidated Statements of Changes in Shareholder's Equity  
(Unaudited - expressed in Canadian Dollars)



	Number of common shares	Share Capital	Contributed surplus	Subscriptions received in advance	Deficit	Total
		\$	\$	\$	\$	\$
<b>Balance, December 31, 2023</b>	<b>13,048,679</b>	<b>63,182,638</b>	<b>5,752,729</b>	<b>-</b>	<b>(64,410,535)</b>	<b>4,524,832</b>
Flow-through units issued for cash	2,371,968	1,847,120	162,500	-	-	2,009,620
Non-flow-through units issued for cash	1,860,810	1,379,111	54,769	-	-	1,433,880
Flow-through premium	-	(151,125)	-	-	-	(151,125)
Subscriptions received in advance	-	-	-	14,000	-	14,000
Share issuance costs, cash	-	(218,664)	-	-	-	(218,664)
Share issuance costs, finders warrants	-	(46,807)	46,807	-	-	-
Option exercises	25,000	47,126	(20,876)	-	-	26,250
Share-based payments	-	-	5,458	-	-	5,458
Net loss for the period	-	-	-	-	(854,804)	(854,804)
<b>Balance, June 30, 2024</b>	<b>17,306,457</b>	<b>66,039,399</b>	<b>6,001,387</b>	<b>14,000</b>	<b>(65,265,339)</b>	<b>6,789,447</b>
<b>Balance, December 31, 2024</b>	<b>17,396,457</b>	<b>66,062,984</b>	<b>6,011,887</b>	<b>-</b>	<b>(67,719,416)</b>	<b>4,355,455</b>
Flow-through units issued for cash	4,180,115	710,620	-	-	-	710,620
Non-flow-through unites issued for cash	16,816,924	2,354,369	-	-	-	2,354,369
Flow-through premium	-	(121,250)	-	-	-	(121,250)
Share issue costs, cash	-	(111,439)	-	-	-	(111,439)
Share issue costs, finders warrants	-	(53,498)	53,498	-	-	-
Share-based payments	-	-	439,937	-	-	439,937
Net loss for the period	-	-	-	-	(1,152,226)	(1,152,226)
<b>Balance, June 30, 2025</b>	<b>38,393,496</b>	<b>68,841,786</b>	<b>6,505,322</b>	<b>-</b>	<b>(68,871,642)</b>	<b>6,475,466</b>

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

	June 30, 2025	June 30, 2024
	\$	\$
<b>Cash flows provided by (used in) operating activities</b>		
Loss for the period	(1,152,226)	(854,804)
Items not affecting cash:		
Amortization	6,407	41,046
Finance lease interest	62	2,194
Share-based payments	439,937	5,458
Interest received	(289)	(20,296)
Flow-through tax recovery	(2,935)	-
Changes in non-cash working capital:		
Other receivables	30,615	66,539
Prepays	(52,413)	(53,477)
Flow-through tax liability	-	(162,342)
Trade payables and accrued liabilities	(44,655)	(116,916)
	(775,997)	(1,092,598)
<b>Cash flows used in investing activities</b>		
Resource property acquisition costs	(35,000)	(23,306)
Acquisition of equipment and furniture	-	(4,110)
Reclamation bond	7,500	(13,500)
Interest received	289	20,296
	(27,211)	(20,620)
<b>Cash flows provided by financing activities</b>		
Proceeds from share issuances	3,064,989	3,443,500
Share issuance costs	(111,439)	(218,664)
Subscriptions received in advance	-	14,000
Proceeds from Option exercise	-	26,250
Advances received for exploration	-	(195,000)
Amounts expensed from advances received	-	(49,360)
Finance lease – principal payments	-	(39,456)
Finance lease – interest payments	(4,265)	(2,194)
	2,949,285	2,979,076
<b>Change in cash during the period</b>	2,146,077	1,865,858
<b>Cash, beginning of period</b>	12,095	541,840
<b>Cash, end of period</b>	2,158,172	2,407,698
<b>Supplemental cash flow information</b> (Note 12)		

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

## 1. Nature of operations and going concern uncertainty

Pacific Ridge and its wholly owned subsidiary Pacific Ridge Exploration (US) Inc. are in the business of acquiring and exploring resource properties in Canada and the United States. Pacific Ridge is incorporated and domiciled in Canada under the *Business Corporations Act* (British Columbia). The address of its registered office is Suite 1100 – 1111 Melville Street, Vancouver, British Columbia, Canada, V6E 3V6.

The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for resource properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary capital to finance operations including contributions from future joint venture partners. The carrying value of the Company's mineral properties does not reflect current or future value.

The Company's condensed interim consolidated financial statements have been prepared using accounting principles applicable to a going concern basis, which contemplates that the Company will be able to continue its operations for at least twelve months from June 30, 2025, and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business as they come due. The Company has not generated revenue from operations to date and will require additional financing to undertake further advanced exploration of its mineral properties, as well as for general administrative activities and operations. Future operations of the Company are dependent upon its ability to raise additional equity financing and maintain sufficient working capital and upon future production or proceeds from the dispositions of its mineral property interests.

As of June 30, 2025, the Company had cash of \$2,158,172 and working capital of \$2,042,012, which is calculated as current assets less current liabilities, and accumulated deficit of \$68,871,642. For the six months ended June 30, 2025, the Company incurred a net loss of \$1,152,226 and used cash in operating activities of \$775,497. The Company's operations to date have been financed by the issuance of common shares, the exercise of share purchase warrants, and the exercise of stock options. Despite this, there can be no assurance that the Company will be able to continue to secure additional financings in the future, and if it does, it cannot assure that the terms be favourable. This gives rise to a material uncertainty that may raise significant doubt about the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not give effect to any adjustments to the carrying values of the assets and liabilities, the reported expenses, and the statements of financial position classifications used that would be necessary should the Company be unable to continue as going concern. Such adjustments could be material.

## 2. Basis of preparation and summary of material accounting policies

### Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended December 31, 2024.

The condensed interim consolidated financial statements were approved by the Board of Directors on August 19, 2025.

### Critical accounting estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates. In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2024.

Management applies judgment in reviewing for impairment indicators the carrying value of the resource properties on a quarterly basis, or whenever events or circumstances indicate that their carrying value may not be recovered. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the Company has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the resource properties is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management during the six months ended June 30, 2025.

### 3. Resource properties

The Company has interests in mineral properties in British Columbia and Yukon in Canada. A summary of capitalized acquisition costs is as follows:

	Company-owned properties						Properties on option from third parties		Total
	Kliyul BC	Redton BC	Onjo BC	Orbison BC	RDP BC	Mariposa YT	Chuchi BC	Chuchi South BC	
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Balance, December 31, 2023</b>	3,635,681	35,000	412,230	12,261	155,449	-	50,216	50,000	4,350,837
Option payments in cash	-	-	-	-	-	-	5,000	11,000	16,000
Other payments in cash	1,425	-	-	-	-	7,840	9,041	(61,000)	(42,694)
<b>Balance, December 31, 2024</b>	<b>3,637,106</b>	<b>35,000</b>	<b>412,230</b>	<b>12,261</b>	<b>155,449</b>	<b>7,840</b>	<b>64,257</b>	<b>-</b>	<b>4,324,143</b>
Option payments in cash	-	-	-	-	-	-	35,000	-	35,000
<b>Balance, June 30, 2025</b>	<b>3,637,106</b>	<b>35,000</b>	<b>412,230</b>	<b>12,261</b>	<b>155,449</b>	<b>7,840</b>	<b>99,257</b>	<b>-</b>	<b>4,359,143</b>

In addition to the above capitalized acquisition costs, the Company has incurred the following exploration and evaluation expenses:

Property	Province/ Territory	Six months ended June 30,	
		2025 \$	2024 \$
Kliyul	BC	17,092	162,302
Chuchi	BC	17,285	129,475
Mariposa	YT	8,394	13,406
Eureka Dome	YT	8,380	-
Redton	BC	956	15,303
Chuchi South	BC	956	2,242
Onjo	BC	956	841
Orbison (Gap)	BC	-	-
RDP – Portion incurred by the Company	BC	60,843	1,250
RDP - Project management fees*	BC	-	(2,083)
General exploration		15,198	93,897
Total exploration expenses incurred by the Company:		130,060	416,633
* Exploration in RDP financed by Antofagasta:		-	47,277
<b>Total exploration expenses</b>		<b>130,060</b>	<b>463,910</b>

\* During the six months ended June 30, 2025, \$nil exploration expenses were incurred by Antofagasta (2024 - \$47,277 plus \$30,000 in a property option payment to the property's underlying owner).

A description of the relevant projects follows:

Company-owned properties:

**a. Kliyul and Redton properties, British Columbia**

On May 10, 2023, the Company entered into an agreement with AuRico to acquire a 100% interest in the Kliyul copper-gold project ("Kliyul") and the Redton copper-gold project ("Redton") by issuing 1,699,610 common shares at a fair market value of \$2.10 per share to AuRico (the "AuRico Agreement"). This AuRico Agreement replaces an earn-in property agreement (the "Kliyul-Redton Agreement") entered into on January 17, 2020, and amended on April 7, 2020, and on July 22, 2020, with AuRico.

Kliyul is subject to 2% net smelter return royalties. Redton is subject to (i) a 2.5% net smelter return royalty, with the right of reducing it to 1% for \$2,000,000, and (ii) a 2% royalty.

**b. Onjo property, British Columbia**

On January 27, 2022, the Company entered into an agreement to acquire a 100% interest in the Onjo copper-gold porphyry project ("Onjo") in north-central British Columbia. The Company paid \$50,000 in cash and issued 75,000 common shares with a fair value of \$3.50 per share, equivalent to \$262,500. The vendor of Onjo retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD \$1,500,000.

On February 22, 2022, the Company entered into an agreement to acquire a 100% interest in four internal claims at Onjo by paying \$25,000 cash and issuing 25,000 common shares with a fair value of \$2.65 per share equivalent to \$66,250 to the vendor. With the acquisition of these claims, Pacific Ridge now owns 100% of the claims within the project boundary.

**c. Orbison property, British Columbia**

The Orbison project (also known as Gap project) is a reconnaissance porphyry Cu-Au exploration project in central British Columbia.

**d. RDP Property, British Columbia**

On May 3, 2021 (amended on January 14, 2022), the Company entered into an agreement to acquire 100% of the RDP copper-gold porphyry project (“RDP”).

Under the terms of the Agreement, the Company has the option to earn a 100% interest in RDP by making payments as follows:

Cash payments	Shares	Exploration expenses	Due on or before	Status
\$	#	\$		
5,000	10,000	-	Upon execution and regulatory approval	Completed
10,000	10,000	60,000	November 30, 2021	Completed
30,000	30,000	250,000	December 15, 2022	Completed
80,000	70,000	550,000	December 15, 2023	Completed
<b>125,000</b>	<b>120,000</b>	<b>860,000</b>		

The Company issued the remaining 70,000 shares at a fair market value of \$1.55 per share during the year ended December 31, 2023, and now owns a 100% interest in RDP.

Additionally, the Company will issue 300,000 shares to the vendor on completion of 5,000 m of drilling and an additional 500,000 shares upon defining a 1,000,000 ounces of gold equivalent resource in the inferred or greater category. The property is also subject to a 2% NSR payable to the vendor, half of which can be purchased at any time for \$1.5 million.

On February 10, 2022, the Company entered into an earn-in agreement on RDP (the “Agreement”) with Antofagasta Minerals S.A. (“Antofagasta”), a wholly owned subsidiary of Antofagasta PLC. Antofagasta can earn a 75% interest in RDP by making cash payments in an aggregate amount of \$1,350,000, plus a success payment of \$800,000 upon exercise of the option, and spending \$10,000,000 on exploration over eight years, with a firm commitment to spend \$1,000,000 in year one, and delivering a NI 43-101 compliant preliminary economic assessment report. During the option period, Antofagasta would fund all exploration and Pacific Ridge would be the initial operator.

During the year ended December 31, 2023, Antofagasta provided funding of \$2,015,743 (USD \$1,500,000) based on the projected 2023 project costs. During the same period \$1,979,690 was incurred in exploration expense on behalf of Antofagasta and \$110,000 was used to pay for the Company’s property option payment obligations. The Company charged operator’s fees of \$62,217 during the year.

During the year ended December 31, 2024, Antofagasta terminated the Agreement on the RDP property and will no longer pursue the property. During the year ended December 31, 2024, \$195,000 of Antofagasta advances were applied against expenditures on the project. As at December 31, 2024 the Company has \$4,817 owing to Antofagasta regarding funds they advanced for exploration expenses on the RDP property.

**e. Mariposa property, Yukon**

The Company acquired a 100% interest in the Mariposa property, Dawson Mining District, Yukon, in 2014. Between September 2016 and March 2019, the property was optioned to Four Nines Gold Inc. (“Four Nines”). The securities referred to in note 3 from Four Nines were received by the Company as part of the option payments.

On December 31, 2022, the Company set up an accrual of \$50,000 for reclamation work. During 2023, reclamation work for \$44,505 was carried out, with the remaining \$5,495 remaining as a liability at December 31, 2024, for further work to be done during 2025.

Company-owned properties sold to third parties

**f. Fyre Lake property, Yukon**

The Company owned a 100% interest in the Fyre Lake property, located in the Watson Lake Mining District, Yukon. On January 18, 2017, the Company closed an option agreement with BMC Minerals (No. 1) Ltd. (“BMC”), amended on December 19, 2018, on April 10, 2020, December 12, 2021, and on December 20, 2022, whereby BMC had the right to acquire a 100% interest in Fyre Lake by making payments totalling \$3,375,000, which were received between 2017 and 2023. In addition, due to renegotiations, the Company received an additional \$350,000 during that period.

On March 28, 2023, The Company received the final \$400,000 cash payment from BMC. This was BMC’s last payment required to acquire a 100% interest in Fyre Lake. The Company will receive an additional \$1,000,000 if BMC’s Kudz Ze Kayah property reaches a commercial stage for one year. As there was no carrying value for Fyre Lake on the Company’s statement of financial position, these payments were recorded as property option payments on the statement of loss and comprehensive loss.

Third party properties being optioned to the Company

**g. Chuchi property, British Columbia**

On May 6, 2022, the Company entered into a property earn-in agreement (the “Earn-In Agreement”) with AuRico for the acquisition of up to a 75% interest in the Chuchi porphyry copper-gold project (“Chuchi”). The terms of the option agreement in order to acquire a 51% interest in Chuchi are as follows:

Cash payments	Shares	Exploration expenses	Due on or before	Status
\$	#	\$		
			Upon Exchange approval	Paid
10,000	-	-	May 06, 2023	Complete
-	-	150,000	May 06, 2024	Complete
-	-	750,000	May 06, 2025	Complete
-	-	1,500,000	May 06, 2026	Complete
50,000	200,000	2,600,000		
<b>60,000</b>	<b>200,000</b>	<b>5,000,000</b>		

The Company then has the right to increase its interest in Chuchi to 75% by making additional payments as follows:

Cash payments	Shares	Exploration expenses	Due on or before	Status
\$	#	\$		
50,000	-	1,500,000	May 06, 2027	
50,000	150,000	3,500,000	May 06, 2028	
<b>100,000</b>	<b>150,000</b>	<b>5,000,000</b>		

Various claims are subject to up to 6% in net smelter royalties, which can be brought down to 2.1% through cash payments of up to \$5,000,000. An annual royalty advance of \$20,000 will be paid during the fourth quarter of each year until production is reached.

The Company also paid a finder's fee of \$15,000 on signing of the agreement and will pay \$5,000 every six months thereafter plus 2% on exploration expenditures after certain other property payments have been made. During the six months ended June 30, 2025, the Company incurred \$35,000 in finders fee costs.

During the year ended December 31, 2024 the Company incurred \$14,041 in acquisition costs at Chuchi.

#### h. Chuchi South property, British Columbia

On March 3, 2023, the Company entered into an Amended and Restated Mineral Property Option Agreement (the "Chuchi South Agreement") pursuant to which the Company can acquire a 51% interest in Chuchi South under the following terms:

Cash payments	Shares	Exploration expenses	Due on or before	Status
\$	#	\$		
50,000	-	-	On signature	Paid
-	-	150,000	December 31, 2023	Completed
50,000	-	-	February 13, 2024	Completed*
-	55,000	500,000	December 31, 2024	
50,000	-	-	February 13, 2025	
-	-	750,000	December 31, 2025	
50,000	-	-	February 13, 2026	
-	-	1,000,000	December 31, 2026	
50,000	-	-	February 13, 2027	
-	-	1,600,000	December 31, 2027	
<b>250,000</b>	<b>55,000</b>	<b>4,000,000</b>		

\* During the year ended December 31, 2024 the Company issued the 55,000 common shares to complete this requirement.

During the year ended December 31, 2024, the Company determined not to proceed with Chuchi South Property and accordingly, recorded an impairment loss of \$61,000 to write down Chuchi South Property to \$Nil.

#### 4. Flow-through

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuances:

	\$
<b>Balance at December 31, 2024</b>	-
Liability incurred on flow-through shares issued	125,404
Flow-through issuance costs	(4,154)
Settlement of flow-through liability on incurred expenditures	(2,935)
<b>Balance at June 30, 2025</b>	<b>118,315</b>

As at June 30, 2025, the Company has to incur \$693,115 of flow-through expenditures by December 31, 2026.

#### 5. Share capital

##### a. Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

During the six months ended June 30, 2025, the Company had the following share issuances:

- i) On March 26, 2025, the Company closed the first tranche of a non-brokered private placement issuing 618,823 flow-through units ("FT Units") at a price of \$0.17 per FT Unit for gross proceeds of \$105,200 and 1,632,430 non-flow-through units ("NFT Units") at a price of \$0.14 per NFT Unit for gross proceeds of \$228,540

Each FT Unit is comprised of one common share of the Company issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one common share purchase warrant. Each NFT Unit is comprised of one common share of the Company and one warrant. Each warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of \$0.20 any time on or before March 28, 2028. The Company incurred share issuance costs for this private placement of \$33,927. The warrants were fair valued at \$nil using the residual value and the Company recorded a flow-through premium of \$18,565 offset by the allocation of \$924 of share issuance costs.

- ii) On June 4, 2025, the Company closed the second tranche of a non-brokered private placement issuing 3,561,292 flow-through units ("FT Units") at a price of \$0.17 per FT Unit for gross proceeds of \$605,420 and 15,184,494 non-flow-through units ("NFT Units") at a price of \$0.14 per NFT Unit for gross proceeds of \$2,125,829.

Each FT Unit is comprised of one common share of the Company issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one common share purchase warrant. Each NFT Unit is comprised of one common share of the Company and one warrant. Each warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of \$0.20 any time on or before June 4, 2028. The Company incurred share issuance costs for this private placement of \$131,009. The warrants were fair valued at \$nil using the residual value method and recorded a FT premium of \$106,839 offset by the allocation of \$3,230 of share issuance costs based on the share price on the date of issuance.

During the year ended December 31, 2024, the Company had the following share issuances:

- i) On March 22, 2024, the Company closed the first tranche of a non-brokered private placement originally announced on February 22, 2024, and on March 4, 2024. The Company issued 746,968 flow-through units ("FT Units") at a price of \$0.95 per FT Unit for gross proceeds of \$709,620. The Company also issued 1,207,250 non-flow-through units ("NFT Units") at a price of \$0.80 per NFT Unit for gross proceeds of \$965,800.

Each FT Unit is comprised of one common share of the Company issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one common share purchase warrant. Each NFT Unit is comprised of one common share of the Company and one warrant. Each warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of \$1.20 any time on or before March 22, 2026. The Company incurred share issuance costs for this private placement of \$83,781. The warrants were fair valued at \$nil using the residual value method and allocated a FT premium of \$nil based on the share price on the date of issuance.

- ii) On April 4, 2024, the Company closed the second and final tranche of a non-brokered private placement originally announced on March 4, 2024. The Company issued 105,875 NFT Units for gross proceeds of \$84,700. The Company incurred an additional \$23,108 in cash share issuance costs relating to the first and second tranches. The Company fair valued the warrants at \$nil using the residual value method.

- iii) On June 7, 2024, the Company closed the first tranche of a non-brokered private placement, originally announced on May 23, 2024. The Company issued 1,625,000 FT Units at a price of \$0.80 per FT Unit for gross proceeds of \$1,300,000. The Company also issued 547,686 NFT Units at a price of \$0.70 for gross proceeds of \$383,380. The Company incurred total cash issue costs of \$111,775. Each FT Unit consists of one FT Share and one common share purchase warrant and each NFT Unit consists of one common share and one common share purchase warrant. The warrants have an exercise price of \$1.20 and expire on June 7, 2026. The Company valued the warrants at \$217,269 using the residual value method.

The Company recorded a flow-through premium on the FT Units of \$161,500 offset by the allocation of \$11,375 of share issuance costs. The Company also issued 136,738 finder's warrants with each warrant being exercisable at \$0.70 per warrant, expiring on June 7, 2024. The Company fair valued the finder's warrants at \$46,807 using the Black-Scholes Option Pricing Model using the following assumptions: risk free rate – 3.93%; expected volatility – 115.62%, useful life – 2 years; forfeiture rate – nil, expected dividends – nil.

- iv) On August 6, 2024, the Company closed the second tranche of a non-brokered private placement, originally announced on May 23, 2024. The Company issued 35,000 non-flow-through units ("NFT Units") at a price of \$0.70 per NFT Unit for gross proceeds of \$24,500. Each NFT Unit is comprised of one common share of the Company and one warrant. Each warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of \$1.20 any time on or before December 7, 2024. The Company incurred share issuance costs of \$1,416.
- v) On November 12, 2024, the Company issued 55,000 common shares with a fair value of \$0.20 per share (equivalent to \$11,000) for the acquisition of Chuchi South property (note 3(h)).

vi) During the year ended December 31, 2024, the Company issued 25,000 shares for gross proceeds of \$26,250 pursuant to the exercise of stock options, the share price on the date of exercise was \$1.10. The Company reclassified \$20,876 of contributed surplus to share capital upon exercise of the options.

**b. Share Purchase Warrants**

A summary of the warrants outstanding is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
<b>Balance, December 31, 2023</b>	<b>2,919,883</b>	<b>3.49</b>
Issued	4,404,517	1.19
Expired	(2,552,617)	3.61
<b>Balance, December 31, 2024</b>	<b>4,771,783</b>	<b>1.30</b>
Issued	21,484,931	0.20
<b>Balance, June 30, 2025</b>	<b>26,256,714</b>	<b>0.40</b>

As at June 30, 2025, the summary of warrants outstanding and exercisable are as follows:

Number of Warrants Outstanding	Exercise Price	Expiry Date
	\$	
367,266	2.70	September 28, 2025
1,954,218	1.20	March 22, 2026
105,875	1.20	April 5, 2026
2,172,686	1.20	June 7, 2026
22,988	0.70	June 7, 2026
113,750	0.70	August 6, 2026
35,000	1.20	August 6, 2026
1,632,430	0.20	March 28, 2028
83,220	0.20	March 28, 2028
618,823	0.20	March 28, 2028
30,800	0.20	March 28, 2028
15,184,494	0.20	June 4, 2028
266,200	0.20	June 4, 2028
3,561,292	0.20	June 4, 2028
107,672	0.02	June 4, 2028
<b>26,256,714</b>	<b>0.40</b>	

**c. Stock Options**

The Company has a stock option plan in place authorizing the granting of stock options to qualified optionees to purchase a total of up to 10% of the then issued and outstanding common shares of the Company. Stock options generally are granted for a maximum term of five years and expire 90 days following the termination of the optionee's agreement. The exercise price for the options is set at the closing market price of the common shares on the grant date. The vesting periods of options vary with terms determined by the board of directors.

During the six months ended June 30, 2025, the Company granted 2,900,000 stock options to directors, officers, employees and consultants of the Company and recorded share-based payments expense of \$439,937 (2024 - \$5,458). The options were fair valued using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate – 2.86%, dividend yield – nil, expected life – 5 years, volatility – 118%.

Stock option transactions and the number of stock options outstanding and exercisable are summarized below:

	Number of Share Options	Weighted Average Exercise Price
		\$
<b>Balance, December 31, 2023</b>	<b>807,500</b>	2.70
Exercised	(25,000)	1.10
Expired	(45,000)	2.64
Forfeited	(50,000)	3.19
<b>Balance, December 31, 2024</b>	<b>687,500</b>	2.69
Expired	(75,000)	0.50
Issued	2,900,000	0.17
<b>Balance, June 30, 2025</b>	<b>3,512,500</b>	0.66

Stock options outstanding and exercisable are as follows:

Number of Share Options Exercisable	Exercise Price	Expiry Date
	\$	
25,000	0.75	October 22, 2025
40,000	1.05	March 9, 2026
80,000	2.50	July 15, 2026
220,000	3.60	May 12, 2027
30,000	3.60	June 14, 2027
217,500	3.00	February 1, 2028
2,250,000	0.17	June 5, 2030
650,000	0.19	June 26, 2030
<b>3,512,500</b>	<b>0.66</b>	

## 6. Government grants and tax credits

During the six months ended June 30, 2025, the Company received \$13,122 corresponding to the British Columbia Mining and Exploration Tax Credit (“BCMETC”) corresponding to qualifying exploration expenses incurred during 2023.

## 7. Related parties

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

The Company has no compensation arrangements with its board of directors other than non-cash stock option grants. In the case of senior officers of the Company, which include the President & CEO, and the CFO, the Company provides certain compensation for termination without cause and for a change of control of the Company.

Key management includes the board of directors and executive officers.

Compensation awarded to key management is listed below:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Management fees Chairman	10,000	7,600	14,400	21,840
Management fees CEO	46,603	48,041	93,206	96,083
Management fees CFO	22,500	24,000	45,000	44,000
Share-based payments	251,560	-	251,560	-
	<b>330,663</b>	<b>79,641</b>	<b>404,166</b>	<b>161,923</b>

All related party transactions were in the normal course of business and as at June 30, 2025 the Company had \$13,592 (December 31, 2024 - \$38,308) owing to related parties.

## 8. Capital management

The Company’s objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore the various properties for the benefits of its shareholders. The Company’s operations have been and will continue to be funded by the sale of equity to investors.

The Company’s capital includes the components of shareholders’ equity. Capital requirements are driven by the Company’s exploration activities on its mineral property interests and associated administration expenses. To effectively manage the Company’s capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals.

The Company monitors actual expenses relative to the approved budget on all exploration projects and overheads to manage costs, commitments, and exploration activities. There were no changes in the Company’s approach to capital management during the six months ended June 30, 2025.

## 9. Financial instruments

### Fair values

As at June 30, 2025, the recorded amounts for cash, other receivables and trade payable and accrued liabilities approximate their fair values due to their short maturity. The Company's marketable securities are measured at fair value on a recurring basis. These financial instruments are grouped into Level 1 to 3 based on the degree to which the significant inputs used to determine the fair value are observable. No financial instruments were considered level 3, which are fair value measurements derived from valuation techniques that include significant inputs that are not based on observable market data.

### Interest rate risk

The Company's cash held in financial institutions earns interest at variable interest rates. However, due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

### Credit risk

The Company has its cash deposited at one of Canada's largest banks with an AA rating, federally insured, and therefore exposed to minimal credit risk.

### 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 manages liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities and through the management of its capital structure. At June 30, 2025, the Company had cash of \$2,158,172 (December 31, 2024 - \$12,095), trade payable and accrued liabilities of \$108,991 (December 31, 2024 - \$156,146), a financial liability of \$4,817 (December 31, 2024 - \$4,817) corresponding to cash provided by Antofagasta Minerals for exploration at RDP (note 3(d)), and lease liabilities of \$nil (December 31, 2024 - \$4,203). At June 30, 2025, there exists material uncertainty with respect to the Company's ability to continue as a going concern. Refer to Note 1 of these condensed interim consolidated financial statements.

### Currency risk

As at June 30, 2025, the Company kept less than 1% of its cash in US dollars. A change in the value of the US dollar by 10% relative to the Canadian dollar would affect the Company's working capital by an immaterial amount.

### Price risk

As the Company no longer holds any marketable securities, there is no price risk at June 30, 2025.

## 10. Right-of-use assets and lease liabilities

The Company recognizes lease liabilities in relation to a sublease agreement for office space, and a lease for a truck used for assisting Company personnel in exploration activities.

An office sublease agreement was entered into on February 1, 2023, with a term ending on August 31, 2024. The office lease liability is measured at the present value of the remaining lease payments starting on February 1, 2023, by using the Company's incremental borrowing rate. The weighted average incremental borrowing rate applied to the office lease liability was 10%. The associated lease liability recognized as at February 1, 2023, was \$96,627.

An associated right-of-use asset for the office lease was measured at the amount equal to the lease liability on February 1, 2023. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease liabilities are subsequently measured at amortized cost using the effective interest rate method.

On April 1, 2023, a truck was leased for support of exploration activities. The term of the truck lease ends on March 31, 2025. The weighted average incremental borrowing rate applied to the truck lease liability was 8.49% as per the corresponding lease contract. The associated truck lease liability recognized as at April 1, 2023, was \$31,278, with a corresponding right-of-use asset being depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The following table summarizes the lease transactions:

	June 30, 2025	December 31, 2024
	\$	\$
Balance, beginning of year	4,203	62,713
Lease payments	(4,265)	(61,220)
Interest expense	62	2,710
	-	4,203
Less: current portion of lease liability	-	(4,203)
<b>Non-current portion of lease liability</b>	<b>-</b>	<b>-</b>
	June 30, 2025	December 31, 2024
	\$	\$
Value of right-of-use asset	3,909	60,234
Amortization	(3,909)	(56,325)
<b>Value of right-of-use asset</b>	<b>-</b>	<b>3,909</b>

The Company recorded \$6,407 of amortization of which \$2,498 is for depreciation of equipment and furniture.

## 11. Segmented information

The Company has one business segment, the exploration of mineral properties, further subdivided into geographic regions. As at June 30, 2025, and throughout 2024, all of the Company's non-current assets were held in Canada.

## 12. Supplementary information with respect to cash flows

	Six months ended June 30, 2025	2024
Non-cash financing activities:		
Share issuance costs incurred through trade payables and accrued liabilities	-	(12,369)
Finder's warrant valuations	53,498	-

### 13. Subsequent events

On August 18, 2025, the Company announced it had entered into an agreement with Red Cloud Securities Inc. ("Red Cloud") to act as sole agent and bookrunner in connection with a best efforts private placement for aggregate gross proceeds of up to \$4,000,000 through the sale of the following:

- Up to 15,000,000 units of the Company ("Units") at a price of \$0.20 per Unit for gross proceeds of up to \$3,000,000. Each Unit will consist of one common share of the Company and one common share purchase warrant exercisable at a price of \$0.28 per warrant, exercisable for a period of 36 months following the date of closing. The Units will be offered for sale pursuant to the Listed Issuer Financing Exemption allowing the shares to be freely tradeable upon closing.
- Up to 4,347,826 flow-through units of the Company ("FT Units") at a price of \$0.23 per FT Unit for gross proceeds of up to \$1,000,000. Each FT Unit will consist of one common share of the Company to be issued as a flow-through share and one common share purchase warrant exercisable at a price of \$0.28 per warrant, exercisable for a period of 36 months following the date of closing.

The Company also grants Red Cloud the option, exercisable in full or in part up to 48 hours prior to the closing, to raise up to an additional \$1,000,000 in gross proceeds from the sale of any combination of Units and FT Units at their respective offering prices.