CANADIAN COPPER INC.

FINANCIAL STATEMENTS

Years Ended October 31, 2024
(Expressed in Canadian Dollars)

Raymond Chabot
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Independent Auditor's Report

To the Shareholders of
Canadian Copper Inc.

Opinion

We have audited the financial statements of Canadian Copper Inc. (hereafter "the Company"), which comprise the statements of financial position as at October 31, 2024 and 2023, and the statements of loss and comprehensive loss, the statements of changes in shareholders' equity and the statements of cash flows for the years then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "IFRS Accounting Standards").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the “Material uncertainty related to going concern” section, we have determined that there are no other key audit matters to communicate in our report.

Information other than the financial statements and the auditor’s report thereon

Management is responsible for the other information. The other information comprises the information included in Management’s Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Louis Berardi.

Raymond Chabot Grant Thornton LLP[1]

Montréal
February 27, 2025

[1] CPA auditor, public accountancy permit no. A115879

CANADIAN COPPER INC.

Statements of Financial Position
(Expressed in Canadian Dollars)

As at	October 31, 2024	October 31, 2023
Assets		
Current assets		
Cash	$ 145,386	$ 343,667
Sales tax receivable	47,882	131,875
Prepaid expenses	106,749	15,766
Total current assets	300,017	491,308
Non-public investment (note 4)	282,507	-
Environmental bond deposit (note 9)	2,000,000	-
Deposit for purchase of long-lived asset	225,000	-
Exploration and evaluation assets (note 5)	6,406,442	3,210,651
Total Assets	$ 9,213,966	$ 3,701,959
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	$ 99,754	$ 175,500
Flow-through liability (note 10(b)(ii))	-	22,863
Loan payable (note 8)	2,087,400	-
Total current liabilities	2,187,154	198,363
Non-Current liabilities		
Provision for closure and reclamation (note 9)	3,953,146	-
Total Liabilities	6,140,300	198,363
Shareholders' Equity		
Share capital (note 10)	6,943,236	6,496,014
Contributed surplus (note 10)	710,664	515,659
Accumulated deficit	(4,580,234)	(3,508,077)
Total shareholders' equity	3,073,666	3,503,596
Total Liabilities and Shareholders' Equity	$ 9,213,966	$ 3,701,959

Nature and going concern (note 1)
Subsequent event (note 14)

Approved by the Board of Directors:

Director: Simon Quick

Director: Andrew Elinesky

The notes to the financial statements are an integral part of these statements.

CANADIAN COPPER INC.

Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

Years ended October 31,	2024	2023
Expenses		
Exploration and evaluation expenditures (note 5)	$ 375,585	$ 448,782
Professional and regulatory fees	267,949	263,153
Salaries, benefits and consulting fees	188,869	289,228
General and administrative	27,522	121,088
Communications	630	1,422
Stock-based payments (note 10)	-	21,406
Travel expenditure	17,246	12,628
Net loss for before other items:	(877,801)	(1,157,707)
Other items:		
Gain on disposition of exploration and evaluation assets (note 5)	348,186	-
Impairment of exploration and evaluation assets (note 5)	(307,220)	(13,230)
Reversal of flow-through liability (note 10(b)(ii))	22,863	38,337
Accretion of provision for closure and reclamation	(77,180)	-
Interest income	1,131	14,989
Other income (note 5(a))	18,210	-
Foreign exchange loss	(58,064)	-
Interest expense on loan payables (notes 7 and 8)	(142,282)	-
Net loss and comprehensive loss	$ (1,072,157)	$ (1,117,611)
Basic and diluted loss per share	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding - basic and diluted	88,869,899	70,041,749

The notes to the financial statements are an integral part of these statements.

CANADIAN COPPER INC.

Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital				
	Number	Amount	Contributed surplus	Deficit	Total
Balance, October 31, 2022	66,475,000	$ 4,509,123	$ 280,860	$ (2,390,466)	$ 2,399,517
Issuance of units for cash (note 10)	9,129,667	1,001,314	94,246	-	1,095,560
Issuance of flow-through shares (note 10)	4,080,000	408,000	-	-	408,000
Share issuance costs	-	(35,957)	-	-	(35,957)
Flow-through liability (note 10)	-	(61,200)	-	-	(61,200)
Shares issued for exploration and evaluation assets (note 5)	5,637,873	674,734	119,147	-	793,881
Stock-based payments	-	-	21,406	-	21,406
Net loss and comprehensive loss for the year	-	-	-	(1,117,611)	(1,117,611)
Balance, October 31, 2023	85,322,540	$ 6,496,014	$ 515,659	$ (3,508,077)	$ 3,503,596
Shares issued for prepaid interest expense	2,222,222	222,222	-	-	222,222
Shares and warrants issued for exploration and evaluation assets (note 10)	2,500,000	225,000	195,005	-	420,005
Net loss and comprehensive loss for the year	-	-	-	(1,072,157)	(1,072,157)
Balance, October 31, 2024	90,044,762	$ 6,943,236	$ 710,664	$ (4,580,234)	$ 3,073,666

The notes to the financial statements are an integral part of these statements.

CANADIAN COPPER INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

Year ended October 31	2024	2023
Operating Activities		
Net loss	$ (1,072,157)	$ (1,117,611)
Items not affecting cash:		
Stock-based payment (note 10)	-	21,406
Reversal of flow-through liability	(22,863)	(38,337)
Interest expense on loan payables	142,282	-
Foreign exchange loss	58,064	-
Gain on disposition of exploration and evaluation assets	(348,186)	-
Accretion of provision for closure and reclamation	77,180	-
Impairment of exploration and evaluation assets	307,220	13,230
Changes in non-cash operating working capital:		
Sales tax receivables	83,993	32,753
Prepaid	4,277	20,363
Accounts payable and accrued liabilities	(75,746)	32,275
Cash used in operating activities	(845,936)	(1,035,921)
Investing Activities		
Acquisition of exploration and evaluation assets (note 5)	(200,000)	(1,100,000)
Environmental bond deposit	(2,000,000)	-
Proceeds from disposition of exploration and evaluation assets	1,058,639	-
Deposit purchase of long-lived asset for Caribou	(225,000)	-
Cash used in investing activities	(1,366,361)	(1,100,000)
Financing Activities		
Net proceeds from issuance of shares, net of costs	-	1,467,603
Repayment of principal and interest of loan payable to related party	(365,320)	-
Proceeds from loan payable to related party	350,000	-
Proceeds from loan payable	2,029,336	-
Cash provided by financing activities	2,014,016	1,467,603
Change in cash	(198,281)	(668,318)
Cash, beginning	343,667	1,011,985
Cash, ending	$ 145,386	$ 343,667
Non-cash investing and financing activities		
Shares and warrants issued for exploration and evaluation assets (note 10)	$ 420,005	$ 793,880
Non-public investment received from disposition of exploration and evaluation assets	$ 282,507	$ -
Increase in provision for closure and reclamation and exploration and evaluation assets	$ 3,875,966	$ -
Shares issued for prepaid interests	$ 222,222	$ -

The notes to the financial statements are an integral part of these statements.

1. Nature of operations and going concern

Canadian Copper Inc. (“Canadian Copper” or “the Company”) was incorporated under the *Business Corporations Act* (Ontario) (the OBCA) on April 8, 2021. The Company’s shares are listed on the CSE under the ticker “CCI” on July 26, 2022.

The address of the Company’s corporate office address is Canadian Venture Building, 82 Richmond Street East, Toronto ON, M5C 1P1.

The principal business of the Company is the identification, evaluation and acquisition of mineral properties in Canada. During the year ended October 31, 2024, the Company has been active in investigating the viability of the Company’s mineral properties (the “Properties”). The Company has not yet determined whether any of the properties it owns may contain a mineral resource that may eventually be economically recoverable. The economic viability of the Properties will depend on the establishment of ore reserves, the confirmation of the Company's interest in the mineral claims and the ability of the Company to obtain the necessary financing to complete its development and place it into commercial production.

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future. During the year ended October 31, 2024, the Company has incurred losses of $1,072,157 (2023 - $1,117,611) and as at October 31, 2024, has an accumulated deficit of $4,580,234 (October 31, 2023 - $3,508,077) and working capital deficiency of $1,887,137 (October 31, 2023 - working capital of $292,945). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and generating profitable operations in the future. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms acceptable to the Company.
These factors give rise to a material uncertainty which casts significant doubt about the Company’s ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

The financial statements were approved and authorized for issue on February 27, 2025 by the Board of Directors of the Company.

2. Basis of preparation

(a) Statement of compliance

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and interpretations issued by the IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended October 31, 2024.

(b) Functional and presentation currency

The functional and presentation currency of the Company is the Canadian dollar.

(c) Measurement basis

These financial statements have been prepared on the historical cost basis except for where IFRS Accounting Standards requires recognition at fair value.

3. Summary of material accounting policies

(a) Significant accounting estimates and judgments

The preparation of these financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and may change if new information becomes available. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods if the revision affects both the current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

Critical accounting estimates

i. Stock-based payments. To estimate expenses for stock-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the chosen valuation model. The Company estimated the volatility of shares of similar companies and the expected life and the exercise period of warrants and stock options granted. The model used by the Company is the Black-Scholes valuation model (see note 10).

ii. Estimation of provision for closure and reclamation. The Company recognizes management’s best estimate for closure and reclamation obligations in the period in which they are incurred. The cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations, expected timing of cash outflows, inflation rates and discount rates. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Such changes could be significant.

3. Summary of material accounting policies (continued)

Critical accounting estimates (continued)

iii. Fair value of investment in securities not quoted in an active market or private company investments. Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

Critical accounting judgments

i. Going concern
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year and to fund planned and contractual exploration and evaluation programs, involves judgments including expectations of future events that are believed to be reasonable under the circumstances.

ii. Impairment of Exploration and evaluation assets
Exploration and evaluation assets shall be assessed for an impairment test when facts and circumstances suggest that their carrying amount may exceed recoverable amount. To determine Indications of impairment of exploration and evaluation assets require significant judgment. Management considers various factors including, but are not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends and price of minerals.

iii. Deferred tax assets
The determination of whether it is likely that future taxable profits will likely be available to utilize against any deferred tax assets

(b) Mining properties options agreements

Options on interests in mining properties acquired by the Company are recorded at the value of the consideration paid but excluding the commitment for future expenditures, Commitment for future expenditures does not meet the definition of a liability and thus are not accounted for immediately. Expenditures are accounted for only when incurred by the Company.

When the Company sells interest in a mining property, if any, it uses the carrying amount of the interest before the sale of the option as the carrying amount for the portion of the property retained and credits any cash consideration received against the carrying of this portion(any excess is recognized as a gain in profit or loss).

3. Summary of material accounting policies (continued)

(c) Exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral deposits with economic potential. Costs incurred before the legal right to undertake exploration and evaluation activities has been obtained are recognized in profit or loss as incurred, if any. The cost of acquiring licenses and other expenditures associated with the acquisition of exploration and evaluation assets (including option payments) are capitalized on a property-by-property basis and are carried at cost less accumulated impairment losses, if any. No amortization expense is recognized on these assets during the exploration and evaluation period. Other exploration and evaluation expenditures are expensed as incurred. Once a project has been established as commercially viable and technically feasible, the related accumulated capitalized costs are reclassified as tangible assets and subsequent development expenditures are capitalized.An impairment test is performed before reclassification and any impairment loss is then recognized in profit or loss. Whenever a mining property is no longer viable or is abandoned, the capitalized amounts are written-down to their net recoverable amounts with the related charge recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

(d) Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash-generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

-the right to explore the areas has expired or will expire in the near future with no expectation of renewal.
-no further exploration or evaluation expenditures in the area are planned or budgeted;
-no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
-sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset’s or cash-generating unit’s carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment charge is reversed if the assets or cash-generating unit’s recoverable amount exceeds its carrying amount.

3. Summary of material accounting policies (continued)

(e) Provision, contingent liabilities and contingent assets

Provisions are recognized when present legal or constructive obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes, decommissioning, restoration and similar liabilities, or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company's operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible, given that the Company's operations are still in the exploration and evaluation stage. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

As at October 31, 2024 and 2023, the Company had no contingent liabilities and therefore no provision was recorded in the financial statements. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(f) Provision for closure and reclamation

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, dismantling operating facilities, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. When the liability is initially recognised, the present value of the estimated cost is included in the amount of the exploration and evaluation expenditures to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of operations as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. When applicable for closed sites, changes to estimated costs are recognised immediately in the profit or loss.

3. Summary of material accounting policies (continued)

(g) Basic and diluted loss per share

Basic loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the year. Diluted loss per share is calculated by adjusting loss attributable to shareholders of the Company, and the weighted average number of shares outstanding, for the effects of all dilutive potential shares which include performance warrants, warrants and stock options. Dilutive potential shares are deemed to have been converted into shares, warrants and at the average market price at the beginning of the period or, if later, at the date of issue of the potential shares.

The diluted loss per share is equal to the basic loss per share given the anti-dilutive effect of the outstanding performance warrants, warrants and stock options.

(h) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rate that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(i) Financial instruments

(i) Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

(ii) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial assets is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure them at FVTPL.

3. Summary of material accounting policies (continued)

(i) Financial instruments (continued)

(iii) Measurement

Financial assets at FVTOCI
Financial assets at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss). There are no financial assets classified in this category.

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value adjusted for transaction costs, and subsequently carried at amortized cost less any impairment. The Company's cash, environmental bond deposit, accounts payable and accrued liabilities and loan payable fall into this category of financial instruments.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs expensed in the statements of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of income (loss) in the period in which they arise. The Company's non public investment is classified in this category.

(iv) Impairment of financial assets at amortized cost

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses –the expected credit loss (ECL) model'.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

(l) Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs.

If shares are issued following the exercise of warrants or stock options, this account also includes the charge previously accounted to the warrants or stock options as contributed surplus. Furthermore, if shares are issued following the acquisition of mining property or other non-financial assets, shares are valued at fair value of the shares issued on the day the agreement was concluded.

Proceeds from unit placements are allocated between shares and warrants issued using the residual method.

Issuance of flow-through shares represents in substance an issue of ordinary shares and the sale of the right to tax deductions to the investors.

When the flow-through shares are issued, the sale of the right to tax deductions is deferred and presented as flow-through liability in the statement of financial position.

The proceeds received from flow-through shares are allocated between share capital, and the flow-through liability using the residual method.

The liability component recorded initially on the issuance of shares is reversed on renouncement of the right to tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss

3. Summary of material accounting policies (continued)

(m) Other elements of equity

Contributed surplus includes compensation expense related to warrants and stock options not exercised. Deficit includes all current and previous losses.

(n) Stock-based compensation

Equity settled stock-based payments for employees and others providing similar services are measured at their fair value on the date of grant using the Black-Scholes model. Stock options are recognized as compensation expense on a graded vesting basis over the period in which the options vest.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest.The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to contributed surplus. When stock options or warrants expire after vesting, the recorded value is reclassified to deficit.

For stock options and warrants granted to non-employees, the compensation expense is measured at the fair value of goods or services received. If the fair value cannot be reasonably estimated, compensation expense is then measured at the fair value of the equity instruments granted and measured at the date the Company obtains goods or services rendered.

Where the terms and conditions of options are modified, the increase or decrease in the fair value of the options,measured immediately before and after the modification, is charged to profit or loss over the remaining vesting period.

Consideration paid by employees or non-employees on the exercise of stock options and warrants are recorded as share capital and the related stock-based payment expense is transferred from contributed surplus, respectively, to share capital.

(o) Government assistance

Government assistance related to current expenses is accounted for as other income while assistance related to the acquisition of exploration and evaluation assets is accounted for as a reduction of the related exploration and evaluation assets. Government assistance is accrued in the year in which the current expenses or the capital expenditures are incurred, provided that the Company is reasonably certain that it will be received.

(p) Segment reporting

The Company presents and discloses segment information based on information that is regularly reviewed by the chief operating decision-maker, i.e.,the President and the Board of Directors.The Company has only one operating segment which consist in the mining activities. All non-current assets are in Canada.

(Expressed in Canadian Dollars)

3. Summary of material accounting policies (continued)

(q) New standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company in the current or future reporting periods.

IFRS 18, PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS
On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. The new standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The new Accounting Standard introduces significant changes to the structure of income statements, presentation of two new defined subtotals in the statement of profit or loss: (1) Operating profit; and (2) Profit before financing and income taxes, required disclosures in the notes to the financial statements of management-defined performance measures and introduces new principles for aggregation and disaggregation of information. The impact of adoption of the new standard has not yet been determined by the Company.

4. Non-public investment

The non-public investment represents 3,800,000 Raptor shares. As at October 31, 2024, non-public investment was carried at $282,507 representing fair value of the Raptor shares (note 5(b)).

5. Exploration and evaluation assets

The continuity of exploration and evaluation assets are as follow:

As at	October 31, 2024	October 31, 2023
Opening balance	$ 3,210,651	$ 1,330,000
Additions	200,000	1,100,000
Additions from issuance of shares and warrants (note 10)	420,005	793,881
Additions from recognition of provision of closure and reclamation (note 10)	3,875,966	-
Consideration received for disposition	(1,341,146)	-
Gain on disposition	348,186	-
Impairment of exploration and evaluation assets	(307,220)	(13,230)
Ending balance	$ 6,406,442	$ 3,210,651

(i) On May 16, 2023, the Company applied and was approved for the the New Brunswick Junior Mining Assistance Program (NBJMAP) which is a financial assistance program for private-sector Junior companies. It provides up to 50% of eligible costs, within defined limits, for mineral exploration projects and is intended to increase the probability of finding economically viable mineral resources in New Brunswick. The total approved NBJMAP funding amount was $35,000. During the year ended October 31, 2023, the Company received $26,000 from the program funding which was recorded against the exploration and evaluation expenditures.

(Expressed in Canadian Dollars)

5. Exploration and evaluation assets (continued)

Mineral interests:

	October 31, 2024	October 31, 2023
Turgeon Project		
Turgeon Project 1813	$ 233,977	$ 458,977
Turgeon Sud Property 5594	132,731	132,731
Murray Brook West Project		
Murray Brook West 7846	104,616	104,616
Murray Brook Project		
Murray Brook Project	5,935,118	1,439,147
Chester Project		
Chester Property 1571	-	567,638
Chester EAB Property 6003	-	197,482
Big Sveogle River Property 9026	-	14,311
Legacy Project		
Legacy Group Property 5443	-	65,893
McKenzie Gulch Property 6202	-	178,116
Brunswick Cards Project		
The North Sevogle Property 9302	-	51,740
Total	$ 6,406,442	$ 3,210,651

On June 30, 2021, the Company entered into an Option Agreement ("Puma Option Agreement") with Puma Exploration Inc. ("Puma"), a Company listed on the TSX-V under the ticker PUMA. The Company is granted an option to acquire 100% of the following exploration projects (Collectively, the "Puma Projects"):

(a) The Turgeon, Chester, Legacy and Brunswick cards

Under the terms of the Option Agreement dated on June 30, 2021, as amended on November 19, 2021, on April 29, 2022 and March 2024, the Company can acquire 100% interest in the Puma Projects located in New Brunswick and are subject to and conditional upon all of the following remaining conditions being satisfied:

- $2,000,000 payable less the proceeds received by Puma from the disposal of the Chester and Turgeon projects at the Company's option in cash or common stock before July 2025.

In March 2024, the Legacy and Brunswick cards projects were removed from the Puma option agreement. The Company recorded an impairment of $295 749 regarding these projects.

5. Exploration and evaluation assets (continued)

(b) Disposal of Chester and Turgeon projects

On March 4, 2024, the Company and Puma signed definitive agreements to sell its Chester Project and Turgeon Project to Raptor Resources Ltd. ("Raptor" or "Buyer"). The agreements were subsequently amended to allow Raptor to delay its Initial Public Offering (“IPO”) and listing on the Australian Securities Exchange (“ASX”) to June 2025.

On October 2, 2024, the Company disposed of its Chester Project for cash consideration of $833,639 in cash and 3,800,000 shares of Raptor. Under the updated sales agreement signed with Raptor, Raptor will complete its IPO and listing on ASX in June 2025. The 3,800,000 shares of Raptors was valued at $282,507 based on fair value of $0.07 per share (0.08 Australian dollar) on the date of the transaction. The total consideration of $1,116,146 of Chester Project disposed of resulted in a gain on disposition of exploration and evaluation assets of $348,186 which had been recorded in the statement of loss and comprehensive loss for the year ended October 31, 2024. The Company recorded an impairment of $11,471 regarding the Chester project claims it no longer plans to explore.

The Company also received $225,000 cash for the sale of the Turgeon Project as per the modifications made to the Raptor sale agreement.

Outstanding items under Turgeon agreement:

- Under the modified agreements, Raptor is targeting its IPO and listing on the ASX in June 2025. Therefore, Canadian Copper will receive 4,000,000 Raptor unlisted shares until their listing is complete. Future Turgeon cash and share payment totals remain unchanged.
- $675,000 payment with a minimum cash component of $270,000 by Raptor to the Company on or before June 30th, 2025. This payment is conditional on Raptor listing its company shares on the ASX.

The Company is further amending the Puma Option Agreement changing the terms of the remaining two anniversary payments to Puma Exploration Inc. to reflect the sale of the Chester and Turgeon Projects to Raptor. The Company will pay a finder's fee to an arm's-length third party of 5% in cash at each successful milestone of the Chester and Turgeon transactions.

The Company recorded $18,210 other income for the penalty payment received from Raptor for extension of the IPO and cash payment for the sale of the Chester Project.

(c) Murray Brook Project

On August 1, 2023, the Company acquired 72% of the Murray Brook Project (“Murray Brook Project or Murray Brook deposit”) from Votorantim Metals Canada Inc. ("VM Canada"). In addition, the proposed Murray Brook Project abuts Murray Brook West property enabling the consolidation of the 18 km Caribou Horizon.

Transaction summary details are highlighted below:

- $250,000 deposit paid to Seller upon expiration of Right of First Refusal. (Paid).
- $750,000 installment to be paid by the Company to the Seller. (Paid).
- Issue 2,000,000 units of Canadian Copper (issued) (note 10(b)(ii)).
- A 0.25% net smelter return ("NSR") royalty on the Murray Brook asset.
- $2,000,000 bond to be paid within three months of closing the transaction (deposited on March 19, 2024).
- Final installment of $2,000,000 to be paid by the Company to the Seller within 31 days of commercial production.

(Expressed in Canadian Dollars)

5. Exploration and evaluation assets (continued)

(c) Murray Brook Project (continued)

On September 11, 2023, the Company signed an agreement with MetalQuest Mining Inc., an arm's length seller ("MetalQuest") to acquire the remaining 28% of the Murray Brook Project.

1. A $100,000 deposit paid in September 2023 (paid).
2. A $200,000 paid in January 2024 (paid).
3. The issuance of 2,500,000 units of Canadian Copper which were issued by the Company in January 2024 (issued).
4. A 0.33% net smelter return ("NSR") royalty on the MB asset. 50% of NSR can be repurchased by the Company for $1.0 M.
5. A final installment of $1,000,000 to be paid by the Company to the Seller within 31 days of commercial production.

Royalties

The Puma Projects are subject to the following NSR Royalties:

Title	Royalty
Murray Brook West	The Murray Brook Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000, with the Company retaining a right of first refusal on the remaining royalty.
Turgeon Project	The Turgeon Project is subject to a 2% NSR royalty on gold and silver and 1% NSR on any other saleable production, half of which can be bought back by the Company for $500,000.

The Chester Project is subject to the following royalty:

Title	NSR Royalty
Brook Royalty	The Brook Royalty is subject to a 1% NSR royalty, which can be bought back for $1,000,000.
Northeast Royalty	The Northeast Royalty is subject to a 1% NSR royalty, which half can be bought back for $500,000.
Granges Royalty	The Granges Royalty is subject to a 1% NSR royalty, which half can be bought back for $500,000.
Puma Royalty	The Puma Royalty is subject to a 2% NSR royalty, of which half can be bought back by the Company for $1,000,000.

The Murray Brook Project is subject to the following NSR royalty:

Title	Royalty
	The Murray Brook Project is subject to three separate NSR's. First is 0.25%, half of which can be bought back by the Company for $1,000,000. Second is 0.33%, half of which can be bought back by the Company for $1,000,000. There is also a 0.67% NSR El Nino Resources with no buyback provision.

(Expressed in Canadian Dollars)

6. Related party transactions

Related party transaction

Key management includes current directors, CEO and President of the Company, the remuneration of key management personnel during the year ended October 31, 2024 and 2023 is summarized below:

Years ended October 31,	2024	2023
Salary paid to the CEO	$ 159,000	$ 190,800
Interest expense paid to the loan payable to the CEO (iii)	15,320	-
Consulting fees to three directors (i)	-	-
Consulting fee paid for accounting and CFO services (ii)	57,854	61,158
Stock-based compensation	-	21,406
	$ 232,174	$ 273,364

(i) As at October 31, 2024, the Company owed to directors or their companies $nil (October 31, 2023 - $9,509) recorded in accounts payable and accrued liabilities, to related parties. These transactions took place in the normal course of business.

(ii) The Chief Financial Officer ("CFO") of the Company is an employee of Marrelli Support Services Inc. ("MSSI"). During the year ended October 31, 2024, the Company incurred professional fees of $57,854 (2023 - $61,158) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at October 31, 2024, MSSI was owed $3,448 (October 31, 2023 - $nil) with respect to services provided, and this amount was included in accounts payable and accrued liabilities.

(iii) Refer to note 7 for loan received from and repaid back to the CEO of the Company.

7. Loan payable to related party

During the year ended October 31, 2024, Simon Quick, the CEO and director of the Company, made an unsecured loan facility to the Company of $350,000 at a fixed rate of 7.20% per annum. The CEO did not earn any interest fees from this loan. The rate charged to the Company was the same rate the CEO paid on the loan from his financial institution. During the year ended October 31, 2024, the Company repaid the principal of the loan of $350,000 and an interest expense of $15,320.

(Expressed in Canadian Dollars)

8. Loan payable

On January 30, 2024, the Company entered into a one-third of production offtake agreement ("Offtake Agreement") for copper concentrates from the Murray Brook deposit and an unsecured credit facility ("the Credit Facility") of US$1.5 million with Ocean Partners UK Ltd ("Ocean Partners"). Ocean Partners shall have the right to purchase a minimum of one third of the copper concentrate at market rates for the payable metals produced by the Murray Brook deposit and three other Right of First Refusal ("ROFR") conditions. The remaining ROFR conditions are: 1) Ocean Partners will have the right to match and purchase the remaining copper concentrate produced should a third party submit a bonafide offer, 2) Ocean Partners will have the right to provide offtake financing at the same terms should a third party submit a bonafide offer, and, 3) Ocean Partners will have the right to match and purchase other concentrates should a third party submit a bonafide offer. The Credit Facility is an amount of US$1,500,000 due in April 2025 . Interest on the Credit Facility were paid in advance as 2,222,222 common shares of the Company valued at $222,222 and included in prepaid expense. The fair value of the loan payable was $1,771,435 based on a market interest rate of 15% which has a difference of $265,715 from the transaction value representing a deferred gain. During the year ended October 31, 2024, the Company recorded $165,603 accretion for both the fair value of the loan payable and the deferred gain. The accretions offset each other and have no net impact on the statement of loss and comprehensive loss.

The continuity of the loan payable is as follows:

	Loan	Deferred gain	Total
Balance, opening	-	$ -	$ -
Addition	1,771,435	265,715	2,037,150
Accretion	165,603	(165,603)	-
Foreign exchange	50,250	-	50,250
	1,987,288	$ 100,112	$ 2,087,400

9. Provision for closure and reclamation

The Company's provision for closure and reclamation costs is based on management's estimates of costs to reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred. On the Murray Brook property, the Company became responsible for the reclamation in April 2024. The Company has made a $2,000,000 bond deposit with the New-Brunswick government as a financial guarantee for the restauration. The Company has estimated its total provision for closure and reclamation based on a total future cash flows of $3,739,772, an inflation rate of 3.45% and a discount rate of 3.02%. Reclamation is expected to occur in approximately 5 years.

The following table sets forth the variation in the provision:

Initial provision	$ 3,626,317
Accretion	77,180
Change to estimate	249,649
Ending balance	$ 3,953,146

10. Share capital

(a) Authorized

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

(b) Issued and outstanding - Common Shares

As at October 31, 2024, the issued share capital is comprised of 90,044,762 (October 31, 2023 - 83,322,540) common shares.

2,700,000 shares issued on January 19, 2022 were held in escrow as at October 31, 2024 (October 31, 2023 - 5,400,000) and are subject to a 36-month contractual escrow release period from their respective issuance, as follows: 10% on or before the listing and listing shares are issued and afterwards 15% every six months after the listing and issuance of listing shares.

1,800,000 shares issued on July 12, 2022 were held in escrow as at October 31, 2024 (October 31, 2023 - 3,600,000) and are subject to a 36-month contractual escrow release period from their respective issuance, as follows: 10% in November 2022 and 15% in January 2023 and afterwards 15% every six month.

i) Shares issued during the year ended October 31, 2024:

On January 30, 2024, the Company entered into a one third of production offtake agreement for copper concentrates from the Murray Brook deposit and and unsecured Credit Facility of up to US$1.5 million ($2.01 million) with Ocean Partners UK Ltd. (note 8). On January 29, 2024, the Company issued 2,222,222 common shares for one-time interest payment of $222,222.

On January 31, 2024, the Company issued 2,500,000 common shares of the Company as part of the consideration for the purchase of Murray Brook Project (Note 5) with a fair value of $225,000 based on the fair value of the Company's common shares on the date of issuance. On January 31, 2024, the Company also issued 2,500,000 warrants. The fair value of the warrants granted was determined at $195,005 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - $0.09; Exercise price - $0.13; expected life – 5 years, volatility – 139% and risk-free rate of $3.43%.

ii) Shares issued during the year ended October 31, 2023

On December 20, 2022, the Company closed a private placement consisting of 4,080,000 flow-through shares (the "FT Shares") at a price of C$0.10 per FT Share for aggregate gross proceeds of $408,000 (the "FT Offering"). There were no warrants issued as part of this financing. The Company paid finder's fees to certain arm's-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the FT Offering and other issuance costs for an aggregate amount of $13,336. Certain directors and other insiders of the Company participated in the FT Offering and subscribed into the FT Offering for the maximum amount permissible under applicable securities laws and regulatory rules, acquiring an aggregate of 100,000 FT Shares. The Company recorded $61,200 flow-through liability on the date of issuance. During the year ended October 31, 2023, the Company incurred qualifying expenditures of $255,579 and recorded a reversal of flow-through liability of $38,337.

(Expressed in Canadian Dollars)

10. Share capital (continued)

(b) Issued and outstanding - Common Shares (continued)

ii) Shares issued during the year ended October 31, 2023 (continued)

On July 31, 2023, the Company closed its oversubscribed non-brokered private placement consisting of 9,129,667 units at a price of $0.12 per unit for gross proceeds of $1,095,560. Each unit of the private placement consists of one common share of the Company and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.18 per share at any time within 2 years from the date of issuance. The warrants will be subjected to an accelerated exercise clause in the event the Company's share price exceeds $0.30 for 10 consecutive trading days on a volume weighted average price basis. The Company paid finder's fees to certain arm's-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the private placement for an aggregate amount of $7,621 and up to 7% in finder warrants at the same terms of warrants issued as part of the Private Placement for an aggregate of 63,210 finder warrants. The fair value of the warrants granted was determined at $91,297 using the residual method in which the fair value of the common shares issued of $1,004,263 was deducted from the gross proceeds of the private placement to arrive at the fair value of the warrants issued in the units. The fair value of the broker warrants granted was determined at $2,950 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - $0.11; Exercise price - $0.18; expected life – 2 years, volatility – 100% and risk-free rate of $4.67%.

On June 28, 2023, the Company issued 3,637,873 common shares at a price of $0.125 per share pursuant to the terms of an option agreement (Note 5) with a fair value of $454,734.

On August 1, 2023, the Company issued 2,000,000 common shares of the Company as part of the consideration for the purchase of Murray Brook Project (Note 5) with a fair value of $220,000 based on the fair value of the Company's common shares on the date of issuance of $0.11 per share. On August 1, 2023, the Company also issued 2,000,000 warrants. The fair value of the warrants granted was determined at $119,147 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - $0.11; Exercise price - $0.20; expected life – 5 years, volatility – 79% and risk-free rate of $3.98%.

Warrants and broker warrants

	Year ended October 31, 2024		**Year ended October 31, 2023**	
	Number of warrants	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
Opening	9,365,544	$ 0.25	2,737,500	$ 0.40
Issued	2,500,000	0.13	6,628,044	0.19
Ending	11,865,544	$ 0.22	9,365,544	$ 0.25

(Expressed in Canadian Dollars)

10. Share capital (continued)

Warrants and broker warrants (continued)

As at October 31, 2024, the Company had the following warrants outstanding:

Expiry date	Warrants outstanding	Exercise price ($)	Weighted average remaining life (years)
January 19, 2025	2,737,500	0.40	0.22
July 31, 2025	4,564,834	0.18	0.75
July 31, 2025	63,210	0.18	0.75
August 1, 2028	2,000,000	0.20	3.75
January 31, 2029	2,500,000	0.13	4.25
	11,865,544	0.22	1.87

As at October 31, 2023, the Company had the following warrants outstanding:

Expiry date	Warrants outstanding	Exercise price ($)	Weighted average remaining life (years)
January 19, 2025	2,737,500	0.40	1.22
July 31, 2025	4,564,834	0.18	1.75
July 31, 2025	63,210	0.18	1.75
August 1, 2028	2,000,000	0.20	4.76
	9,365,544	0.25	2.24

Stock options

On December 1, 2021, the Shareholders of the Company approved the Stock Option Plan, the “SOP”. The purpose of the SOP is to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants, to reward those individuals from time to time for their contributions toward the long-term goals of the Company and to enable and encourage those individuals to acquire Common Shares as long-term investments. Upon becoming a reporting issuer, the Company will be required to obtain Shareholder approval of the SOP on a yearly basis in accordance with the policies of the CSE.

The Company grants stock options to directors, officers, employees and consultants and affiliates or any person deemed suitable by the board of directors, pursuant to its Incentive Share Option Plan, the “Plan”. The number of options that may be issued under the Plan is limited to no more than 10% of the Company’s issued and outstanding shares on the grant date. Options issued under the Plan vest in six equal quarterly releases over a period of 18 months from award date and must have a term equal to or less than 10 years after the shares have been listed on the CSE.

(Expressed in Canadian Dollars)

10. Share capital (continued)

Stock options (continued)

	Year ended October 31, 2024		Year ended October 31, 2023	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Opening	1,600,000	$ 0.156	1,600,000	$ 0.156
Issued	-	-	-	-
Ending	1,600,000	$ 0.156	1,600,000	$ 0.156

As at October 31, 2024, the Company had the following stock options outstanding:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price ($)	remaining life (years)
December 1, 2026	1,000,000	1,000,000	0.100	2.08
January 24, 2027	600,000	600,000	0.250	2.23
	1,600,000	1,600,000	0.156	2.20

As at October 31, 2023, the Company had the following stock options outstanding:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price ($)	remaining life (years)
December 1, 2026	1,000,000	660,000	0.100	3.09
January 24, 2027	600,000	600,000	0.250	3.24
	1,600,000	1,260,000	0.156	3.14

During the year ended October 31, 2024, $nil (2023 - $21,406) stock-based payments was recorded in the statements of loss and comprehensive loss.

11. Management of capital

The Company defines capital as all accounts in equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

As at October 31, 2024, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company will continue to rely on capital markets to support continued growth. The Company is not subject to any externally imposed capital requirement.

12. Financial instrument and financial risk

The Company's financial instruments include cash, accounts payable and accrued liabilities and loan payable to related party. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Fair value of financial instruments

IFRS 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As at October 31, 2024, the Company has determined the carrying values of its financial instruments as follows:

i. The carrying values of cash, accounts payable and accrued liabilities, loan payable approximate their fair values due to the short-term nature of these instruments.
ii. Non-public investment is carried at fair value. Non-public investment is classified at level 3 of the fair value hierarchy.
iii. The Environementl bond deposit approximate fair value based on discounted cashflow analysis and current market conditions.

The key assumptions used in the valuation of the non-public investment include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions, the marketability of the shares and subsequent transactions.

The following table presents the fair value, categorized by key valuation techniques and the unobservable inputs used within Level 3 as at:

October 31, 2024

Investment name	Valuation technique	Fair value	Unobservable inputs
Non-public investments	Recent financing approach	$ 282,507	Transaction price

12. Financial instrument and financial risk (continued)

Fair value of financial instruments (continued)

As the valuation of investments for which market quotations are not readily available and are inherently uncertain, the values may fluctuate materially within short periods of time and are based on estimates, and determinations of fair value may differ materially from values that would have resulted if a ready market existed for the investments.

For the investment valued based on a transaction price, management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at October 31, 2024. A 10% decrease (increase) on the fair value of these investments will result in a corresponding decrease (increase) of approximately $28,000 in the total fair value of the investment. The Company has applied a marketability discount of 0% to its non-public investment valued based on recent financing. Had the Company applied a marketability discount of 5% it would have resulted in a corresponding decrease of approximately $14,000 in the total fair value of the investments. While this illustrates the overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances.

The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

Financial risk management objectives and policies:

The Company's financial instruments include cash, non-public investment, environmental bond deposit, accounts payable and accrued liabilities and loan payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and the environmental bond deposit. To minimize the credit risk on cash, the Company places the instrument with a high credit quality financial institution. The environmental bond deposit is with the government and has low credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private placements for a sufficient amount.

Contractual maturities of accounts payable and accrued liabilities and of the loan payable are less than one year.

12. Financial instrument and financial risk (continued)

Financial risk management objectives and policies (continued):

(iii) Market risk

Foreign currency risk

The Company’s non-public investment is denominated in Australian dollar and subjec to foreign exchange risk. The Company’s sensitivity analysis suggests that a 10% depreciation or appreciation of the Australian dollar against the Canadian dollar would have resulted in an approximate $28,000 decrease or increase in the Company’s total comprehensive income or loss. The Company's loan payable is denominated in US dollar and a 10% depreciaiton or appreciation of the US dollar against the Canadian dollar would have resulted in an approximately $209,000 decrease or increase in the Company's total comprehensive income or loss.

13. Income taxes

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	Year ended October 31, 2024	Year ended October 31, 2023
Loss before recovery of income taxes	$ (1,072,157)	$(1,117,611)
	26.5%	26.5%
Expected income tax (recovery) at statutory rate	(284,122)	(296,167)
Impact of flow-through shares	-	67,728
Change in unrecognized tax benefit	297,843	229,465
Permanent and other	(13,721)	(1,026)
Actual income tax recovery	$ -	$ -

The amount of deductible temporary differences and unused tax losses for which no deferred tax asset is recognized are as follows :

As at	October 31, 2024	October 31, 2023
Non-capital losses carry forward	$ 2,266,517	$ 1,607,156
Share issue costs and other	22,554	30,236
Provision for reclamation	77,180	-
Exploration and evaluation assets	1,310,221	1,006,636
Total deferred tax assets	$ 3,676,472	2,644,028

(Expressed in Canadian Dollars)

13. Income taxes (continued)

As at October 31, 2024, the Company had $2,266,517 of non-capital loss carry forwards available to reduce taxable income for future years. These losses expire as follows:

2044	$	668,040
2043		647,509
2042		413,720
2041		537,248
	$	2,266,517

14. Subsequent event

On December 6, 2024, the Company closed its non-brokered private placement consisting of 12,226,557 units at a price of $0.15 per unit for gross proceeds of $1,833,983. Each unit of the private placement consists of one common share of the Company and one-full share purchase warrant. The warrant is comprised of two distinct parts: one-half warrant with a six-month expiry and an exercise price of $0.175 and one-half warrant with a 24-month expiry and an exercise price of $0.225. The warrant with an exercise price of $0.225 is subject to an accelerated exercise clause in the event the Company's share price exceeds $0.30 for 10 consecutive trading days on a volume weighted average price basis.

The Company paid finder's fees to certain arm's-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the private placement for an aggregate amount of $18,410.01 and up to 7% in finder warrants at the same terms of warrants issued as part of the private placement for an aggregate of 122,733 finder warrants. A statutory four month plus one day hold period will apply to all securities issued in connection with the private placement.