

CALIFORNIA-ENGELS MINING COMPANY

- 4276 NAPA LOOP
- ROSEVILLE, CA 95747
 - 530-394-7045
 - CALENGELS.COM
- CALENGELCO@GMAIL.COM

Annual Report

For the period ending December 31, 2025

Outstanding Shares

The number of shares outstanding of our Common Stock was:

695,890 as of December 31, 2025 (Current Reporting Period Date or More Recent Date)

695,890 as of December 31, 2025 (Most Recent Completed Fiscal Year End)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control⁵ of the company has occurred during this reporting period:

Yes: No:

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Current Principal Executive Office Address:

⁵ "Change in Control" shall mean any events resulting in:

- Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

California-Engels Mining Company

4276 Napa Loop, Roseville, California 95747

Email: calengelsco@gmail.com

Current State and Date of Incorporation or Registration: California, March 3, 1936

Incorporated under the laws of the state of California, July 12, 1922. Incorporated as Engels Copper Mining Company on June 19, 1901, and merged into its holding company, California Copper Corporation, to form California-Engels Mining Company on March 3, 1936.

Standing in this jurisdiction: (e.g. active, default, inactive): **Active**

Prior Incorporation Information for the issuer and any predecessors during the past five years:

Response: none, last one -1936

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

Response: None

List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

Response: None

Address of the issuer's principal executive office:

Name: California-Engels Mining Company

Address: 4276 Napa Loop, Roseville, California 95747

Address of the issuer's principal place of business:

x- *Check if principal executive office and principal place of business are the same address:*

Name: California-Engels Mining Company

Address: 4276 Napa Loop, Roseville, California 95747

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Transfer Online Inc.

www.transferonline.com, Tel 503-227-2950

512 SE Salmon, Portland, OR 97214-3444 2nd Floor

Email: info@transferonline.com

Financial Industry Number Standard (FINS) number: 341263

The Transfer Agent is registered under the Exchange Act

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	CAEN
Exact title and class of securities outstanding:	Common
CUSIP:	130199102
Par or stated value:	\$0.25
Total shares authorized:	4,000,00 as of date: <u>December 31,2025</u>
Total shares outstanding:	695,890. as of date: <u>December 31,2025</u>
Total number of shareholders of record:	688 as of date: <u>December 31,2025</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Response: None

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	_____
Par or stated value:	_____
Total shares authorized:	_____ as of date: _____
Total shares outstanding:	_____ as of date: _____
Total number of shareholders of record:	_____ as of date: _____

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Response: None – No additional title or class of securities has been issued

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

RESPONSE: No dividend, voting or preemption rights have been granted

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

RESPONSE: The Company has not authorized a preferred class of stock

3. Describe any other material rights of common or preferred stockholders.

RESPONSE: None. No modifications to the rights of holders of the company's securities have occurred over the reporting period covered by this report.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

RESPONSE: None. No modifications to the rights of holders of the company's securities have occurred over the reporting period covered by this report.

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance</u> :			*Right-click the rows below and select "Insert" to add rows as needed.						
Date <u>12/31/2023</u>		Common: 699,980 Preferred: Nil							
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>12/31/2023</u>		<u>0</u>							
<u>2/24/2024</u>	Returned to unissued	<u>-100</u>	Common	<u>\$2.65</u>	<u>NO</u>			Unrestricted	
<u>3/31/2024</u>	<u>Error found in 7/25/2023</u>	<u>10</u>	Common	<u>0</u>	<u>No</u>		Shares were deducted twice, found in audit	Unrestricted	
<u>5/9/2024</u>	CEDE & Co audit, deduct shares to be balance with Cede & CO	<u>-4,000</u>	Common	<u>0</u>	<u>No</u>		Shares were found to be out of balance with CEDE	Unrestricted	
Shares Outstanding on Date of This Report:									
Date <u>12/31/2025</u>		Common: 695,890 Preferred: <u>Nil</u>							
Ending Balance: <u>695,890</u>									

Example: A company with a fiscal year end of December 31st 2025, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2025 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table

includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion ⁶	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)	
Total Outstanding Balance:		Total Shares:							

Any additional material details, including footnotes to the table are below:

4) Issuer’s Business, Products and Services

The purpose of this section is to provide a clear description of the issuer’s current operations. Ensure that these descriptions are updated on the Company’s Profile on www.OTCMarkets.com.

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

The Company was incorporated under the laws of the State of California on July 12, 1922, under the name of California Copper Corporation, as a holding company for the shares of its operating company, Engels Copper Mining Company which was incorporated under the laws of the State of California on June 19, 1901. Engels Copper Mining Company was merged into California Copper Corporation on March 3, 1936, and the name of the merged company was changed to California-Engels Mining Company.

The Company has been held as mining property since the mills shut down in 1930. Various mining operation have been on going on the property since that time. Currently as lessor of its timber, rock aggregate and of the Engels and Superior copper mines in the Lights Creek Mining District, Plumas County, California. The property consists of 36 patented lode mining claims totaling 736 acres and 339.24 acres of fee lands and the certified Engelmine Forest tree farm. The property has been leased over the years to several mining companies.

Effective July 27, 2013, US Copper Corp. formerly Crown Mining Corp., Toronto, Canada, acquired the mining lease from the bankruptcy of Starfield Resources Inc. Crown’s consulting mining engineer and consulting geologist completed a Technical Report and Resource Estimate for the Superior Project, Plumas County, California dated November 15, 2013. The mineral resource of the Superior Mine is estimated to be 54 million tons at an average grade of 0.41% copper with 487 million pounds of contained copper. The mineral resource at the Engels Mine is presently estimated to be 19 million tons at an average grade of 0.63% copper. A detailed surface geologic mapping of key areas on the property was completed during the 2014 field season. In 2016 US Copper Corp. acquired the Moonlight Valley copper property of Canyon Copper Corp. thus consolidating the 13 square mile of the Lights Creek Mining District copper properties. During 2017 U S Copper Corp. retained Tetra Tech Inc. to complete a Preliminary Economic Assessment (PEA) on its Moonlight-Superior Copper Project. The PEA was completed on April 18, 2018. See their Website: uscoppercorp.com and their Facebook and “X” sites for Superior Mine and Engels Mine conformation drilling results and updates. On January 6, 2025 a new PEA was released on the property.

⁶ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any “blockers” or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

The mineral deposits of the Lights Creek Mining District are recognized as the largest known unmined copper resources in California. In the past 40 years four Master Thesis have been completed on the Plumas Copper Belt along Lights Creek, three on geology and one on water quality. The Company is also subject to a State of California General Industrial Activities Storm Water Permit. During the year, pursuant to the Company's Storm Water Pollution Prevention Plan, catch and evaporation basins are continuously maintained. Water sampling is conducted by mineral lessee, U S Copper Corp. in furtherance of ongoing activities at the mines.

The rock quarry located on the property is leased to Turner Excavation for crushed rock. A reclamation plan is in place.

Engelmine Tree Farm #2611- A Non-Industrial Timber Management Plan on the Company's mining properties was approved by the California Department of Forestry and became effective July 2, 1999

Past production of timber was over 1.8 million board feet. We were burned over in a wildfire in 2007. After which we did salvage harvesting, cleanup and replanted the trees. In July through October of 2021, the Dixie Wildfire spread throughout Plumas County. In August the fire completely burned over the timber and destroyed the replanted areas. Restoration efforts will include clean up and replanting the tree farm. These efforts are ongoing. Cleanup of the land has begun, and planting of new trees will be planted in the spring of 2026.

The Company has resolved its case for damages resulting from the Dixie Fire of 2021, California- Engels Mining Company et al. v. Pacific Gas and Electric Company, San Francisco Superior Court Case Number CGC-23607817. The case has been fully dismissed as to the Company as of September 10, 2025. The Company and two other affiliated companies are each entitled to an allocation of settlement trust funds. The Company share of such funds has not yet been determined and may or may not be material."

- B. List any subsidiaries, parent company, or affiliated companies.

Response: None

- C. Describe the issuers' principal products or services.

We hold mining property of the Engels and Superiors Mines for copper, gold and silver. This property is currently under lease to U S Copper Corp. who are in the exploration phase. They have recently published a new PEA on the property.

We also hold the Engelmine Forest, California Tree Farm, # 2611 where we once again will grow trees for lumber stock, after restoration from the 2021 Dixie Wildfire is complete. This was begun as the first quarter of 2025 and continue for several more years. Replanting of trees will begin the spring of 2026.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

Response: All lands owned by the company are mining properties with timber rights.

The Company is the fee owner of 36 patented lode mining claims totaling 736 acres, plus 239.24 acres of other patented lands at Engelmine, Lights Creek Mining District, Plumas County, California. Of this, 898.12 ac are leased to U S Copper

Corp., Toronto, Canada which continues with exploration on advancement toward the production from the Engels and Superior Copper mines.

The remaining 72.37 acres of the Company's patented lands at Engelman are not subject to any encumbrance.

The Company is the fee owner of five patented lode mining claims totaling 100 acres in the Genesee Mining District, Plumas County, California. None of the claims are subject to any encumbrance.

Effective September 1, 2012, the Company leased the No. 10 Level dump of the Engels Mine to Turner Excavating, Inc. to screen and crush aggregate for road rock and other uses. The lessee completed a reclamation plan and financial bond to assure that performance standards of the reclamation plan are satisfied. The Company receives a 10% gross royalty on rock sold with a minimum of \$3,000 per year. Reclamation of the land has begun and is expected to be completed by the end of 2026.

6) All Officers, Directors, and 5% Beneficial Owners of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Lamb and Company LLC,	Control person: Norman Arthur Lamb, President	Roseville, CA	189,788	Common	27.27%
Norman A Lamb	Chief Executive Officer, President, Director	Roseville, CA	3,800	Common	.55%
M. Blair Ogden	Corporate Secretary, Director	San Rafael, CA	100	Common	.01%
Richard C. Poulton	Director	Prescott, Az	25,126	Common	3.60%
Flowery Gold Mines Co of NV	Control Person Norman A Lamb, President	Roseville, CA	87,000	common	12.5%
Katherine Ann Lamb	Chief Financial Officer, V. P. & Director	Roseville, CA	7,100	Common	1.02%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

Response: None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

Response: None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

Response: None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

Response: None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

Response: None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

Response: None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

Response: None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: Chris Dieterich: Dieterich & Associates
Address 1: 815 Moraga Suite 207
Address 2: Los Angeles, California 90049
Phone: 310-312-6888
Email: venturelaw@gmail.com

Accountant or Auditor

Name: Excelsis Accounting Group- Troy Haggard
Address 1: 5335 Kietzke Ln. Ste 110
Address 2: Reno, NV 89511
Phone: (775) 332-4200
Email: thaggard@excelsisaccounting.com

Investor Relations

Name:
Firm:
Address 1:
Address 2:
Phone:
Email:

All other means of Investor Communication:

X (Twitter):
Discord:
LinkedIn
Facebook:
[Other] calengels.com

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement.** This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name:
Firm:
Nature of Services:
Address 1:
Address 2:
Phone:
Email:

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Katherine A. Lamb
Title: Vice President & CFO
Relationship to Issuer: Officer of the company

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Troy Haggard
Title: Accounting Firm
Relationship to Issuer: Service Provider

Describe the qualifications of the person or persons who prepared the financial statements:⁷

Response: Troy Haggard

- 35 years of experience focused on providing consulting services for both public and private companies requiring expertise with financial statement preparation and analysis, internal controls, business planning, risk assessment and back office operations.
- Involved with audit and attestation services associated with both public issuers and private companies.
- Primarily with audits of companies that file with the Securities and Exchange Commission (SEC) which require review of filings including but not limited to 10-Ks, 10-Qs, and 8-Ks. Perform SOX (Sarbanes Oxley) compliance procedures including reviewing process narratives, performing walkthroughs and detail testing.
Degree - University of Nevada Reno, 1995 (Finance and Economics)

Certified Public Accountant (CPA) License # 5396

Memberships and Professional Organizations

AICPA , NVCPA

Professional History

1989 – 2002	Contract Geological Services (CGS) - General Manager
2002 – 2007	BCS Inc. – General Manager
2007 – 2010	Tax Services of America – Regional Director
2010 - Current	Excelsis Accounting Group

Provide the following qualifying financial statements:

- o Audit letter, if audited;
- o Balance Sheet;
- o Statement of Income;
- o Statement of Cash Flows;
- o Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- o Financial Notes

⁷ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be “machine readable.” Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Norman A. Lamb certify that:

1. I have reviewed this Disclosure Statement for **California-Engels Mining Company**.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: February 2, 2026

Norman A Lamb

"/s/ [Norman A Lamb] [CEO's Signature]

Principal Financial Officer:

I, Katherine A. Lamb certify that:

1. I have reviewed this Disclosure Statement for **California-Engels Mining Company**;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: February 2, 2026

Katherine A Lamb

"/s/[Katherine A Lamb] [CFO's Signature]

The December 31, 2025 Financial Report is attached:

California-Engels Mining Company

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December 31, 2025

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California-Engels Mining Company

Balance Sheets

December 31, 2025 and December 31, 2024

(Unaudited)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 206,214	\$ 184,074
Prepaid expenses	25,129	84,943
Total current assets	231,343	269,017
Property and equipment, net	239,781	241,881
Other assets:		
Investment securities	313,460	357,130
Total other assets	313,460	357,130
Total assets	\$ 784,584	\$ 868,028
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accrued expenses	\$ -	\$ 97,072
Total current liabilities	-	97,072
Non-current liabilities:		
Deferred income taxes	58,339	56,412
Total non-current liabilities	58,339	56,412
Total liabilities	58,339	153,483
STOCKHOLDERS' EQUITY		
Capital stock, par value \$0.25, 4,000,000 shares authorized, 695,890 and 695,890 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	174,973	174,973
Paid-in capital	2,735,395	2,735,395
Accumulated deficit	(2,184,123)	(2,195,823)
Total stockholders' equity	726,245	714,545
Total liabilities and stockholders' equity	\$ 784,584	\$ 868,028

The accompanying notes form an integral part of these financial statements.

California-Engels Mining Company
 Statements of Income (Loss)
 For the Years Ended December 31, 2025 and 2024
 (Unaudited)

	<u>2025</u>	<u>2024</u>
Revenue:		
Royalty income	\$ 28,384	\$ 35,923
Mining lease income	20,000	20,000
Storage fee income	3,323	14,502
Professional services	18,700	12,900
Interest income	6,969	7,578
Total revenue	<u>77,376</u>	<u>90,903</u>
Operating and general expenses:		
Professional fees	20,749	84,053
Payroll expense	17,677	17,656
Director fees	22,000	2,000
Insurance expense	31,521	29,953
Taxes and licenses	10,019	9,875
Office expense	9,284	7,512
Storage fees	1,729	1,439
Depreciation expense	2,100	2,100
Stock maintenance fee	4,200	3,979
Total operating and general expenses	<u>119,279</u>	<u>158,567</u>
Operating loss	<u>(41,903)</u>	<u>(67,664)</u>
Other Income (loss):		
Unrealized gain (loss) on equity investments	(43,670)	9,199
QSF Dixie Fire income	100,000	-
Total other income (loss)	<u>56,330</u>	<u>9,199</u>
Income (loss) before taxes	14,427	(58,465)
Income tax benefit (expense)	(2,727)	15,406
Net income (loss)	<u>\$ 11,700</u>	<u>\$ (43,058)</u>

The accompanying notes form an integral part of these financial statements.

California-Engels Mining Company

Statements of Stockholders' Equity

For the years ended December 31, 2025 and December 31, 2024

(Unaudited)

	<u>2025</u>	<u>2024</u>
Capital Stock:		
\$0.25 par value, 4,000,000 shares authorized; 695,890 and 695,890 shares issued and outstanding at December 31, 2025, and 2024, respectively		
Balance at beginning of year	\$ 174,973	\$ 174,995
Repurchase of capital stock	<u>-</u>	<u>(22)</u>
Balance at end of period	<u>174,973</u>	<u>174,973</u>
Paid-in Capital:		
Balance at beginning of year	2,735,395	2,735,638
Repurchase of capital stock	<u>-</u>	<u>(243)</u>
Balance at end of period	<u>2,735,395</u>	<u>2,735,395</u>
Accumulated Deficit:		
Balance at beginning of year	(2,195,823)	(2,152,765)
Net income (loss)	<u>11,700</u>	<u>(43,058)</u>
Balance at end of period	<u>(2,184,123)</u>	<u>(2,195,823)</u>
Total Stockholders' Equity	<u><u>\$ 726,245</u></u>	<u><u>\$ 714,545</u></u>

The accompanying notes form an integral part of these financial statements.

California-Engels Mining Company
 Statements of Cash Flows
 For the years ended December 31, 2025 and 2024
 (Unaudited)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Net income (loss)	\$ 11,700	\$ (43,058)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation	2,100	1,798
Unrealized (gain) loss on equity investments	43,670	(9,200)
Deferred income taxes	1,928	(16,207)
Changes in operating assets and liabilities		
Royalty receivable	-	212
Prepaid expenses	59,814	(84,565)
Accrued expenses	(97,072)	97,072
Due to related parties	-	-
Net cash provided by (used in) operating activities	<u>22,140</u>	<u>(53,949)</u>
Cash flows from financing activities:		
Repurchase of capital stock	-	(265)
Net cash used in financing activities	<u>-</u>	<u>(265)</u>
Net change in cash and cash equivalents	22,140	(54,214)
Cash, beginning of period	<u>184,074</u>	<u>238,288</u>
Cash, end of period	<u>\$ 206,214</u>	<u>\$ 184,074</u>
Supplemental disclosure of cash flow information:		
<i>Cash paid during the period for:</i>		
Income taxes	<u>\$ 800</u>	<u>\$ 800</u>

The accompanying notes form an integral part of these financial statements.

California-Engels Mining Company

Notes to Financial Statements

December 31, 2025

(Unaudited)

1. Summary of Significant Accounting Policies

This summary of significant accounting policies of California-Engels Mining Company (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) and have been consistently applied in the preparation of the financial statements.

Nature of Activity

The Company's principal line of business is development of mineral and timber properties. The principal revenue sources currently consist of royalties, lease and investment income. The Company's properties are located in the western United States.

Basis of Accounting

The Company's books are maintained on the accrual method of accounting in accordance with US GAAP.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers all highly liquid debt instruments with a purchased maturity of three months or less to be cash equivalents.

In addition to its bank account, the Company maintains its cash in a money market investment account, which is not insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2025, the Company had \$206,214 in such an account. The Company has not experienced any losses in such an account.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are capitalized at cost. It is the Company's policy to capitalize expenditures for these items in excess of \$500 with a useful life greater than one year. Depreciation is calculated using the straight-line method over five to fifteen years.

Income Taxes

The Company accounts for income taxes under the provisions of FASB ASC 740, *Income Taxes*. ASC 740 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted rates in effect for the year in which the differences are expected to reverse.

1. Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1* *Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;*
- Level 2* *Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and*
- Level 3* *Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).*

The Company holds publicly traded securities which are considered equity securities. Those securities are classified within Level 1 of the fair value hierarchy as their fair value is determined using quoted prices in active markets.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on net income or stockholders' equity.

2. Property and Equipment

The Company has resolved its case for damages resulting from the Dixie Fire of 2021, *California-Engels Mining Company et al. v. Pacific Gas and Electric Company*, San Francisco Superior Court Case Number CGC-23607817. The case was fully dismissed on September 10, 2025. The Company and two other affiliated companies are each entitled to an allocation of settlement trust funds. The Company share of such funds has not yet been determined and may or may not be material.

Property and equipment consisted of the following:

	December 31, 2025	December 31, 2024
Land and land improvement	\$ 248,132	\$ 248,132
Furniture, equipment and vehicles	6,049	6,049
Less accumulated depreciation	(14,400)	(12,300)
Property and equipment, net	<u>\$ 239,781</u>	<u>\$ 241,881</u>

Depreciation expense was \$2,100 for the year ended December 31, 2025.

California-Engels Mining Company
Notes to Financial Statements
December 31, 2025
(Unaudited)

3. Mining Claims and Fee Land Owned

At December 31, 2025, the Company was the owner of 36 patented lode mining claims totaling 736 acres comprising the Engels and Superior Mines and 239.24 acres of patented land at Engelman, Lights Creek Mining District, Plumas County, California. All of these lands are optioned to US Copper Corp. except for 72.37 acres on Diamond Mountain Road along Lights Creek by the Company for possible commercial development.

At December 31, 2025, the Company was the owner of 5 patented lode mining claims totaling 100 acres on Ward Creek in the Genesee Mining District, Plumas County, California.

4. Valuations of Mineral Lands

The mineral lands carried on the books at a value of \$10,000 less depletion have a historical cost basis from June 19, 1901 of \$1,000,000. Beginning in 1913, different valuations were placed on these lands by the Commissioner of Internal Revenue. Under instructions of the Commissioner, the values of the land were written up on the books to a high of \$4,500,000 on February 23, 1928.

In 1934, because of depressed conditions, the mineral lands were written down to \$10,000 without any tax benefit. In the event of a sale of these lands the recognized gain for tax purposes will be substantially reduced or eliminated. Consequently, a deferred tax asset of approximately \$340,000 has been offset by a corresponding valuation allowance of approximately \$340,000 due to the unlikelihood of the sale of the property in the near future. During the year ended December 31, 2017, reflecting the federal corporate income tax rate change resulting from the Tax Cuts and Jobs Act, the deferred tax asset and corresponding valuation allowance related to the mineral lands were each re-measured to be \$210,000.

It is estimated that the current market value of the properties meets or exceeds the \$1,000,000 historical cost basis; however, due to the length of time the Company has reported the land values at the written down value of \$10,000, a change to the cost method has not been deemed appropriate for reporting purposes.

5. Investment Securities

The Company's equity securities portfolio is comprised of items with readily determinable fair values. In accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 321, *Investments – Equity Securities Topic*, those equity securities are reported as an asset at their fair value. Following adoption of ASU 2016-01, unrealized gains and losses arising during the period are recorded in net income (loss).

The following table reflects the portion of unrealized gains and (losses) recognized during the years ended December 31, on equity securities still held at the reporting date:

	<u>2025</u>	<u>2024</u>
Net gains and (losses) recognized during the period on equity securities	\$ (43,670)	\$ 9,199
Less: Net gains and (losses) recognized during the year on equity securities sold during the period	<u>-</u>	<u>-</u>
Unrealized gains and (losses) recognized during the period on equity securities held at the reporting date	<u>\$ (43,670)</u>	<u>\$ 9,199</u>

There were no sales of equity securities during the years ended December 31, 2025 and 2024.

6. Fair Value Measurements

The Company's equity securities are classified according to the fair value hierarchy established by ASC 820, *Fair Value Measurements and Disclosures*. The following tables reflect the estimated fair values of equity securities held at December 31, 2025 and December 31, 2024 according to their classification in the fair value hierarchy and the change in fair values during the respective years:

	December 31, 2025				Change in Fair Values in Current Period Earnings
	Level 1	Level 2	Level 3	Total	
Equity Securities	\$ 313,460	\$ -	\$ -	\$ 313,460	\$ (43,670)

	December 31, 2024				Change in Fair Values in Current Period Earnings
	Level 1	Level 2	Level 3	Total	
Equity Securities	\$ 357,130	\$ -	\$ -	\$ 357,130	\$ 9,199

No transfers between level 1 and level 2 occurred during the periods ended December 31, 2025 and December 31, 2024. The Company considers any transfer between fair value hierarchy levels to have occurred at the end of the reporting period.

7. Contingent Liabilities

The Company is not a defendant in any legal proceedings nor is there any litigation in progress, pending or threatened against the Company.

8. Capital Stock

During the year ended December 31, 2024, the Company repurchased and retired 100 shares of capital stock at \$2.65 per share for a total cost of \$265. Additionally, 10 shares previously retired were returned to issued and outstanding.

There were no capital stock transactions during the year ended December 31, 2025.

9. Mining Lease

On April 18, 2006, the Company entered into an Exploration Permit with Option to Lease and Purchase agreement on its 36 patented lode mining claims and 162.12 acres of its fee lands at Engelman, Lights Creek Mining District, Plumas County, California. The agreement provides for annual rental payments, issuance of shares, annual work requirement and a net smelter return of 2% when in production. Royalties to the Company are capped at \$25,000,000. The Company retained the rights to the timber on the property and to manage its Engelman Forest, California Tree Farm #2611 pursuant to its Non-Industrial Management Plan. Upon completion of mining and reclamation, title to the property will be returned to the Company.

California-Engels Mining Company
Notes to Financial Statements
December 31, 2025
(Unaudited)

10. Rock Lease

Effective September 1, 2012, the Company leased the No. 10 Level dump of the Engels Mine to Turner Excavating, Inc. to screen and crush aggregate for road rock and other uses. The lessee completed a reclamation plan and financial bond to assure that performance standards of the reclamation plan are satisfied. The Company receives a 10% gross royalty on rock sold with a minimum of \$3,000 per year.

11. Related Party Transactions

The Company receives bookkeeping and office fees from three other entities that share common management with the Company. The income received from such entities amounted to \$18,700 and \$12,900 for the years ended December 31, 2025 and 2024, respectively. The company paid payroll to a board member who performed all management functions of the Company in the amount of \$17,677 and \$17,656 for the years ended December 31, 2025 and 2024.

The Company pays storage rent, stock maintenance and transfer fees to an entity that shares common management with the Company. The expenses incurred for such services amounted to \$5,929 and \$5,418 for the years ended December 31, 2025 and 2024, respectively.

12. Earnings (Loss) per Share

The earnings (loss) per share for the years ended December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Net Income (Loss) - Numerator	\$ 12,827	\$ (43,058)
Weighted Shares - Denominator	<u>695,890</u>	<u>700,895</u>
Earnings (Loss) per Share	<u>\$ 0.018</u>	<u>\$ (0.061)</u>

13. Income Taxes

A reconciliation of the difference between the provision for income taxes and income taxes at the statutory U.S. Federal income rate and State income tax rate is as follows for the for the years ended December 31.

	Year Ended December 31,	
	<u>2025</u>	<u>2024</u>
Federal income tax - current	\$ -	\$ -
State income tax - current	(800)	(800)
Deferred income taxes	(1,927)	16,206
Total income tax benefit (expense)	<u>\$ (2,727)</u>	<u>\$ 15,406</u>

California-Engels Mining Company
Notes to Financial Statements
December 31, 2025
(Unaudited)

Deferred income tax liabilities consisted of the following at:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Deferred tax liabilities		
Unrealized gain (loss) on securities	\$ (19,285)	\$ (31,506)
Basis difference in partnership and royalty trust investments	(50,162)	(48,563)
Depreciation	914	(926)
Net operating loss carryforwards	<u>10,194</u>	<u>24,583</u>
Total deferred tax liabilities	<u>\$ (58,339)</u>	<u>\$ (56,412)</u>

The Company had cumulative net operating losses of \$15,685 as of December 31, 2025, for federal income tax purposes. The federal net operating loss carryforwards can be used indefinitely. The Company had cumulative net operating losses of \$98,805 as of December 31, 2025, for state income tax purposes which it estimates can be used in future years without expiration.

Tax returns subject to examination - The Company files income tax returns in the United States and in the state of California. These tax returns are subject to examination by taxation authorities provided the years remain open under the relevant statutes of limitations, which may result in the payment of income taxes and/or a decrease in the net operating losses available for carryforwards. While the Company believes that its tax filings do not include uncertain tax positions, the results of potential examinations or the effect of changes in tax law cannot be ascertained at this time. The Company currently has no tax years under examination. As of December 31, 2024, federal income tax returns for the years 2022 through the most recently filed return, and California income tax returns for the years 2021 through the most recently filed return remain subject to examination by the taxing authorities.

14. Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through January 21, 2026, the date the financial statements were available to be issued.