

**Corcel Exploration Inc.**

**Unaudited Condensed Interim Consolidated Financial Statements**

**For the Three and Nine Months ended March 31, 2025 and 2024**

**(Expressed in Canadian Dollars)**

## **Notice to Reader**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management of the Company.

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

**Corcel Exploration Inc.**Unaudited Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars)

	As at March 31, 2025	As at June 30, 2024
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash	1,462,740	241,442
Other receivables (Note 4)	1,644	1,871
Prepaid expenses	1,547	-
<b>Total Current Assets</b>	<b>1,465,931</b>	<b>243,313</b>
Exploration and evaluation assets (Note 12)	2,146,881	-
<b>Total Assets</b>	<b>3,612,812</b>	<b>243,313</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (Notes 5, 10)	287,397	24,509
<b>Total Current Liabilities</b>	<b>287,397</b>	<b>24,509</b>
Promissory notes (Note 6)	269,747	-
<b>Total Liabilities</b>	<b>557,144</b>	<b>24,509</b>
<b>Equity</b>		
Share capital	3,584,472	897,839
Reserve for warrants	519,948	-
Accumulated deficit	(1,048,752)	(679,035)
<b>Total Shareholders' Equity</b>	<b>3,055,668</b>	<b>218,804</b>
<b>Total Liabilities and Equity</b>	<b>3,612,812</b>	<b>243,313</b>

Nature of operations and going concern (Note 1)

Contingencies (Note 17)

Subsequent events (Note 18)

**Approved on behalf of the Board of Directors:**

“Jon Ward”  
\_\_\_\_\_  
Jon Ward, Director

“Jesus Velador”  
\_\_\_\_\_  
Jesus Velador, Director

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

**Corcel Exploration Inc.**

Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the Three and Nine Months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

	<b>Three Months ended March 31, 2025</b>	Three Months ended March 31, 2024	<b>Nine Months ended March 31, 2025</b>	Nine Months ended March 31, 2024
	\$	\$	\$	\$
<b>Expenses</b>				
Exploration and evaluation expenses (Note 11)	222,929	-	222,929	50,000
Professional fees (Notes 10, 15)	67,082	18,838	130,291	62,648
General and administrative	8,950	73	9,118	9,562
Transfer agent fees	5,480	1,831	7,379	5,510
<b>Net Loss and Comprehensive Loss</b>	<b>(304,441)</b>	<b>(20,742)</b>	<b>(369,717)</b>	<b>(127,720)</b>
<b>Weighted Average Number of Outstanding Shares</b>				
- Basic and diluted (Note 9)	36,735,333	22,750,000	27,343,723	22,593,636
<b>Net Loss per Share - Basic and Diluted (Note 9)</b>	<b>(0.008)</b>	<b>(0.001)</b>	<b>(0.014)</b>	<b>(0.006)</b>

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

**Corcel Exploration Inc.**

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the Three and Nine Months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserve for Warrants	Accumulated Deficit	Total
	#	\$	\$	\$	\$
<b>Balance, June 30, 2023</b>	<b>21,750,000</b>	<b>847,839</b>	<b>24,155</b>	<b>(546,424)</b>	<b>325,570</b>
Issuance of shares for property acquisition (Notes 7 and 11)	1,000,000	50,000	-	-	50,000
Expiry of warrants (Note 8)	-	-	(24,155)	24,155	-
Net Loss and Comprehensive Loss	-	-	-	(127,720)	(127,720)
<b>Balance, March 31, 2024</b>	<b>22,750,000</b>	<b>897,839</b>	<b>-</b>	<b>(649,989)</b>	<b>247,850</b>
<b>Balance, June 30, 2024</b>	<b>22,750,000</b>	<b>897,839</b>	<b>-</b>	<b>(679,035)</b>	<b>218,804</b>
Shares issued on acquisition of CuQuest Resources Corp. (Notes 7 and 12)	<b>15,000,000</b>	<b>1,800,000</b>	<b>-</b>	<b>-</b>	<b>1,800,000</b>
Proceeds from Private Placements (Notes 7 and 8)	<b>9,560,000</b>	<b>915,044</b>	<b>518,956</b>	<b>-</b>	<b>1,434,000</b>
Share issuance costs (Notes 7 and 8)	-	(17,496)	(9,923)	-	(27,419)
Issuance of Finders' Warrants	-	(10,915)	10,915	-	-
Net Loss and Comprehensive Loss	-	-	-	(369,717)	(369,717)
<b>Balance, March 31, 2025</b>	<b>47,310,000</b>	<b>3,584,472</b>	<b>519,948</b>	<b>(1,048,752)</b>	<b>3,055,668</b>

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

## Corcel Exploration Inc.

Unaudited Condensed Interim Consolidated Statements of Cash Flows  
For the Three and Nine Months ended March 31, 2025 and 2024  
(Expressed in Canadian Dollars)

	Three Months ended March 31, 2025	Three Months ended March 31, 2024	Nine Months ended March 31, 2025	Nine Months ended March 31, 2024
	\$	\$	\$	\$
<b><u>Operating Activities</u></b>				
Net loss for the period	(304,441)	(20,742)	(369,717)	(127,720)
Adjustments for:				
Shares issued for property extension (Notes 8 and 12)	-	-	-	50,000
Interest expense (Note 6)	6,549	-	6,549	-
	(297,892)	(20,742)	(363,168)	(77,720)
Net change in non-cash working capital items:				
Other receivables (Note 4)	3,734	3,911	227	796
Prepaid expenses	2,085	-	1,233	-
Accounts payable and accrued liabilities (Notes 5, 10)	72,701	5,853	89,847	(6,733)
<b>Cash Flows used in Operating Activities</b>	<b>(219,372)</b>	<b>(10,978)</b>	<b>(271,861)</b>	<b>(83,657)</b>
<b><u>Investing Activities</u></b>				
Net cash from acquisitions (Note 12)	86,578	-	86,578	-
<b>Cash flows from Investing Activities</b>	<b>86,578</b>	<b>-</b>	<b>86,578</b>	<b>-</b>
<b><u>Financing Activities</u></b>				
Proceeds from private placements (Note 7)	1,434,000	-	1,434,000	-
Share issuance costs (Note 7)	(27,419)	-	(27,419)	-
<b>Cash flows from Financing Activities</b>	<b>1,406,581</b>	<b>-</b>	<b>1,406,581</b>	<b>-</b>
Increase in cash and cash equivalents	1,273,787	(10,978)	1,221,298	(83,657)
Cash and cash equivalents, beginning of period	188,953	274,542	241,442	347,221
<b>Cash and cash equivalents, end of period</b>	<b>1,462,740</b>	<b>263,564</b>	<b>1,462,740</b>	<b>263,564</b>

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

## **Corcel Exploration Inc.**

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the Three and Nine Months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### **1. Nature of Operations and Going Concern**

Corcel Exploration Inc. (“Corcel” or the “Company”) was incorporated under the laws of the Province of British Columbia, Canada, on July 21, 2020. The Company was formed to engage in the business of acquiring, exploring, and evaluating mineral resource properties. On December 2, 2021, the Company completed its initial public offering (the “Offering”), and effective December 3, 2021, the Company’s common shares commenced trading under the ticker symbol “CRCL” on the Canadian Securities Exchange. The address of the Company’s corporate office and principal place of business is 1723-595 Burrard Street, Vancouver, British Columbia, V7X 1J1, Canada.

The Company’s mineral resource properties are in the exploration stage and, as a result, the Company currently has no source of operating cash flow. The exploration and development of the Company’s mineral resource properties depend on the ability of the Company to obtain financing.

The Company’s future viability depends upon the acquisition and financing of mineral exploration or other projects. If the mineral projects are to be successful, additional funds will be required for development and, if warranted, to place them into commercial production. The expected primary source of future funds presently available to the Company is through the issuance of common shares. The ability of the Company to arrange such financing will depend, in part, on prevailing market conditions as well as the business performance of the Company. These events and conditions indicate the existence of material uncertainties that cast significant doubt on the Company’s ability to continue as a going concern. There can be no assurance that the Company will be successful in its efforts to arrange the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution.

Although the Company has taken steps to verify title to the mineral resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

### **2. Basis of Presentation**

#### **(a) Statement of Compliance**

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting (“IAS 34”).

These unaudited condensed interim consolidated financial statements were reviewed, approved, and authorized for issuance by the Board of Directors (the “Board”) of the Company on May 29, 2025.

#### **(b) Basis of Measurement**

These consolidated financial statements have been prepared in accordance with IFRS, on the historical cost basis except for financial instruments which are measured at fair value, as explained the material accounting policies set out in Note 3. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

## **Corcel Exploration Inc.**

Notes to the Unaudited Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months ended March 31, 2025 and 2024  
(Expressed in Canadian Dollars)

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### **2. Basis of Presentation (continued)**

#### **(c) Basis of Consolidation**

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, CuQuest Resources Corp. (“CuQuest”). Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

#### **(d) Functional and Presentation Currency**

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and CuQuest, unless otherwise noted. The functional currency is the currency of the primary economic environment in which the Company operates.

#### **(e) Significant Accounting Judgments and Estimates**

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known.

Items for which actual results may differ materially from these estimates are described as follows:

##### *Going concern*

At each reporting period, management exercises judgment in assessing the Company’s ability to continue as a going concern by reviewing the Company’s performance, resources and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budgets, expected profitability, investment and financing activities and management’s strategic planning. The assumptions used in management’s going concern assessment are derived from actual operating results along with industry and market trends. Management believes there is sufficient capital to meet the Company’s business obligations for at least the next 12 months, after taking into account expected cash flows, capital commitments, future financing and the Company’s cash position at period end.

##### *Fair value of financial assets and financial liabilities*

Fair value of financial assets and financial liabilities on the statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. 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. The judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

##### *Income taxes*

Income taxes and tax exposures recognized in the financial statements reflect management’s best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses.

## Corcel Exploration Inc.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months ended March 31, 2025 and 2024  
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### 2. Basis of Presentation (continued)

#### *Warrants*

Management determines the costs for share purchase warrants using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments are used in applying the valuation techniques. These assumptions and judgments include the expected volatility of the share price, expected forfeitures, expected dividend yield, expected term, and expected risk-free interest rate. Such assumptions and judgments are inherently uncertain. Changes in these assumptions can affect the fair value estimates of share-based compensation.

#### *Provisions*

The Company recognizes provisions if there is a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation and the obligation can be reliably estimated. The amount recognized as a provision reflects management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

#### *Income taxes*

Income taxes and tax exposures recognized in the consolidated financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference. In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

### 3. Summary of Material Accounting Policies

The accounting policies applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those noted in the Company's audited financial statements for the years ended June 30, 2024 and 2023, unless otherwise noted below.

### 4. Other Receivables

The Company's other receivables balance represents amounts due from government taxation authorities in respect of the Goods and Services Tax/Harmonized Sales Tax. The Company anticipates full recovery of these amounts and therefore no expected credit losses have been recorded against these receivables, which are due in less than one year.

### 5. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for trade purchases incurred in the normal course of business.

	March 31, 2025	June 30, 2024
	\$	\$
Accounts payable	52,469	7,019
Accrued liabilities	234,928	17,490
	<u>287,397</u>	<u>24,509</u>

The Company's standard term for trade payables is 30 to 60 days.

## Corcel Exploration Inc.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months ended March 31, 2025 and 2024  
(Expressed in Canadian Dollars)

### 6. Promissory Notes

	March 31, 2025	June 30, 2024
	\$	\$
Principal	240,000	-
Accrued Interest	29,747	-
	269,747	-

The Company assumed promissory notes as part of the acquisition of CuQuest (see Note 13 for more details). The promissory notes are payable on demand and accrue interest at 12% per annum, calculated annually on December 31. Any payments made will first be applied to accrued and unpaid interest, with the remainder applied to the principal. During the three and nine months ended March 31, 2025, the Company accrued interest charges of \$6,549 (2024 - \$nil) on the promissory notes which is included in General and Administrative expenses on the consolidated statements of loss and comprehensive loss.

### 7. Share Capital

#### *Authorized share capital*

The Company is authorized to issue an unlimited number of common shares without par value. Common shares issued and outstanding as at March 31, 2025 and June 30, 2024 are as follows:

	Number of common shares	Amount
	#	\$
<b>Balance, June 30, 2023</b>	<b>21,750,000</b>	<b>847,839</b>
Issuance of shares for property acquisition	1,000,000	50,000
<b>Balance, June 30, 2024</b>	<b>22,750,000</b>	<b>897,839</b>
Shares issued on acquisition of CuQuest Resources Corp.	15,000,000	1,800,000
Proceeds from Private Placements	9,560,000	915,044
Share issuance costs	-	(17,496)
Issuance of Finders' Warrants	-	(10,915)
<b>Balance, March 31, 2025</b>	<b>47,310,000</b>	<b>3,584,472</b>

#### *Share capital transactions for the three and nine months ended March 31, 2025*

On January 8, 2025, the Company issued 15,000,000 common shares on closing of the CuQuest acquisition. The common shares were valued at \$1,800,000 based on the share price of \$0.12 on the date of issuance. For more details please see Note 13.

On March 28, 2025, the Company completed a private placement offering (the "Private Placement") of 9,560,000 units of the Company ("Units") at a price of \$0.15 per Unit, for aggregate gross proceeds of \$1,434,000. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder to purchase one common share at an exercise price of \$0.30 for a period of 24 months from the date of issuance. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.165; expected dividend yield of 0%; risk-free interest rate of 2.49%; volatility of 136.07% and an expected life of 2 years.

An aggregate of \$27,419 was paid to certain finders and an aggregate of 182,790 Finders' Warrants were issued to certain finders in connection with the Private Placement. Each Finders' Warrant entitles the finder to acquire one common share at a price of \$0.30 for a period of 24 months from the date of issuance. The fair value of these Finders' Warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.165; expected dividend yield of 0%; risk-free interest rate of 2.49%; volatility of 136.07% and an expected life of 2 years. The estimated total fair value of the Finders' Warrants was \$17,105 and was treated as a share-issuance cost.

The Company recorded \$886,633 for the issuance of shares, and \$519,948 for the issuance of warrants based on a residual fair value calculation.

## Corcel Exploration Inc.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months ended March 31, 2025 and 2024  
(Expressed in Canadian Dollars)

### 7. Share Capital (continued)

*Share capital transactions for the three and nine months ended March 31, 2024*

On August 2, 2023, pursuant to the Amending Agreement (defined hereafter) and in consideration of extending and amending the terms of the Option Agreement (defined hereafter), the Company issued an aggregate of 1,000,000 common shares to the Optionors (defined hereafter). The common shares were measured at a fair value of \$50,000 based on the closing share price on the date of issuance.

### 8. Warrants Reserve

The following summarizes the warrant activity for the three and nine months ended March 31, 2025, and year ended June 30, 2024:

	2025		2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
	#	\$	#	\$
<b>Outstanding, beginning of period</b>	-	-	460,000	0.10
Granted	9,560,000	0.30	-	-
Granted	182,790	0.30	-	-
Expired	-	-	(460,000)	0.10
<b>Outstanding, end of period</b>	<b>9,742,790</b>	<b>0.30</b>	-	-

*Warrant activity for the three and nine months ended March 31, 2025*

On March 28, 2025, the Company issued 9,560,000 Warrants and 182,790 Finders' Warrants in connection with the closing of the Private Placement, as disclosed in Note 8.

*Warrant activity for the three and nine months ended March 31, 2024*

On December 2, 2023, 460,000 Agent's Warrants expired unexercised. Upon expiry, the cost of the Agent's Warrants of \$24,155 was allocated from warrants reserve to accumulated deficit.

### 9. Loss per Share

Basic and diluted loss per share for the three and nine months ended March 31, 2025, is calculated by dividing the net loss of \$304,441 and \$369,717, respectively (March 31, 2024 – net loss of \$20,742 and \$127,720, respectively) by the weighted average number of common shares outstanding of 36,735,333 and 27,313,723, respectively (March 31, 2024 – 22,750,000 and 22,593,636, respectively).

For the three and nine months ended March 31, 2025, the basic and diluted loss per share was \$0.008 and \$0.014, respectively (March 31, 2024 – \$0.001 and \$0.006, respectively).

### 10. Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of members of key management personnel during the three and nine months ended March 31, 2025 and 2024 were as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024	Nine months ended March 31, 2025	Nine months ended March 31, 2024
	\$	\$	\$	\$
Professional fees	9,000	9,000	27,000	27,000
	<b>9,000</b>	<b>9,000</b>	<b>27,000</b>	<b>27,000</b>

## **Corcel Exploration Inc.**

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### **10. Related Party Transactions (continued)**

During the three and nine months ended March 31, 2025, Branson Corporate Services Ltd. (“Branson”), where the Company’s Chief Financial Officer (“CFO”) is employed, charged fees of \$9,000 and \$27,000, respectively (2024 – \$9,000 and \$27,000, respectively), for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees. As at March 31, 2025, a balance of \$3,150 (June 30, 2024 – \$3,150) was owed to Branson and is included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

On March 28, 2024, the Company announced the completion of the Private Placement. Insiders of the Company participated, subscribing for in aggregate 164,234 Units for gross proceeds of \$24,635.

During the three and nine months ended March 31, 2024, pursuant to the Amending Agreement and in consideration of extending and amending the terms of the Option Agreement, the Company issued an aggregate of 1,000,000 common shares to the Optionors, of which 500,000 common shares were issued to a director of Corcel.

### **11. Exploration and Evaluation Expenditures**

#### *Peak Property*

On August 4, 2020, the Company entered into the Option Agreement with the Optionors to acquire a 100% interest in the Peak Mineral Property located in the Province of British Columbia, in exchange for 1,000,000 common shares of the Company with a fair value of \$20,000 based on the price of the most recent private placement financing at the time.

Pursuant to the Option Agreement, the Company is required to spend \$250,000 in exploration on the Peak Property:

- (i) \$100,000 by December 31, 2020 (completed); and
- (ii) \$150,000 by July 20, 2023.

On July 20, 2023, the Company reached a binding agreement (the “Amending Agreement”) with the Optionors, to extend and amend the terms of the Option Agreement relating to the Peak Property, to provide that the Company may complete the exercise of the option by incurring the exploration expenses required for the second milestone before July 20, 2024.

On August 2, 2023, pursuant to the Amending Agreement and in consideration of extending and amending the terms of the Option Agreement, the Company issued an aggregate of 1,000,000 common shares to the Optionors.

A 2% royalty on net smelter returns (“NSR”) from all production by the Company at the Peak Property will be payable. The Company may purchase one-half (1/2) of the NSR for \$1,000,000 at any time prior to specified milestones for commercial production.

#### *Willow Property*

On June 21, 2024, the Company acquired the Willow Copper Property located in the Province of British Columbia through direct staking by the Company. The property consists of a single, fully contiguous claim block totalling approximately 1,160 hectares.

#### *Yuma King Property*

On January 8, 2025, the Company completed an acquisition of 100% of the issued and outstanding shares of CuQuest pursuant to the terms of a share exchange agreement. CuQuest holds the right to acquire a 100% interest in the Yuma King Property located in La Paz County, Arizona.

On March 12, 2024, CuQuest entered into a definitive mining lease with purchase option agreement (“Mining Lease Agreement”), leasing all of the property’s 495 unpatented mining claims and related rights. The annual lease payment to the lessor is US\$155,000, with the first payment due on March 26, 2024 (paid).

The agreement grants the Company the option to purchase a 100% undivided interest in the property by paying a total of US\$6,000,000 to the lessor before the sixth anniversary, minus any annual lease payments made up to that point.

On April 12, 2024, the Company accepted the lessor’s proposal to include an additional 20 additional claims in the Mining Lease Agreement for a total cost of US\$15,200 (paid).

## Corcel Exploration Inc.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements  
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(Expressed in Canadian Dollars)

### 11. Exploration and Evaluation Expenditures (continued)

During the three and nine months ended March 31, 2025 and 2024, the Company's E&E expenditures are comprised of the following:

	<b>Three months ended March 31, 2025</b>	Three months ended March 31, 2024	<b>Nine months ended March 31, 2025</b>	Nine months ended March 31, 2024
	\$	\$	\$	\$
Property acquisition costs	-	-	-	50,000
Property maintenance fees	<b>222,929</b>	-	<b>222,929</b>	-
	<b>222,929</b>	-	<b>222,929</b>	50,000

### 12. Acquisitions

On January 8, 2025, the Company completed an acquisition of 100% of the issued and outstanding shares of CuQuest Resources Corp. ("CuQuest"). The shareholders of CuQuest received 15,000,000 common shares in the capital of the Company. The total fair value of the consideration is \$1,800,000.

The acquisition did not meet the definition of a business under IFRS 3 – *Business Combinations* and has been accounted for as an asset acquisition. As such, the total purchase price was allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values. Transaction costs associated with the acquisition were capitalized as part of the cost of the assets.

CuQuest holds the right to acquire a 100% interest in the Yuma King Property located in La Paz County, Arizona.

The following table includes all net assets acquired and all consideration paid at their respective fair value.

	<b>CuQuest</b>
	\$
Cash	86,578
Prepaid expenses	2,780
Accounts payable and accrued liabilities	(173,041)
Promissory notes	(263,198)
Exploration and evaluation assets	2,146,881
<b>Net assets acquired</b>	<b>1,800,000</b>
	<b>1,800,000</b>
Consideration paid in shares	<b>1,800,000</b>

The purchase price allocation is preliminary and subject to change pending final valuation of the assets acquired and liabilities assumed.

### 13. Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain optimal returns to shareholders and benefits for its stakeholders. While the Company does not yet have any revenues, management monitors its capital structure and makes adjustments according to market conditions to meet its objectives given the current outlook of the business and industry in general. The Board of the Company does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged since the Company's most recent financial reporting period.

The Company is not subject to any externally imposed capital requirements.

## Corcel Exploration Inc.

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### 14. Financial Instruments

The Company's financial instruments consist primarily of cash, accounts payable and accrued liabilities, and promissory notes. The Company is exposed to various risks as it relates to these financial instruments. Management, under oversight of the Board, mitigates these risks by assessing and monitoring the Company's risk management processes. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

#### *Credit risk*

Credit risk is the risk of potential loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with a reputable Canadian chartered bank, which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at March 31, 2025, the Company had a cash balance of \$1,462,740 (June 30, 2024 – \$241,442) to settle current liabilities of \$287,397 (June 30, 2024 – \$24,509).

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities as at March 31, 2025:

	Carrying amount	Year 1	Year 2 to 3	Year 4 to 5
	\$	\$	\$	\$
Accounts payable and accrued liabilities	287,397	287,397	-	-
Promissory notes	269,747	-	269,747	-

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring anticipated cash flows to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

Management believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at March 31, 2025.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2025, the Company had no variable interest rate financial instruments and had no hedging agreements in place with respect to floating interest rates. Management believes that the interest rate risk concentration with respect to financial instruments is minimal.

#### *Foreign exchange risk*

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company's operations are based in Canada, but may have, from time to time, transactions denominated in foreign currencies. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management does not anticipate a high volume of transactions to be denominated in foreign currencies and believes that the foreign exchange risk remains minimal.

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### 14. Financial Instruments (continued)

#### *Fair value*

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

The Company classifies fair value measurements using 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 March 31, 2025, the Company's financial instruments consisted of cash, accounts payable and accrued liabilities, and promissory notes. The fair value of cash, accounts payables and accrued liabilities, and promissory notes are approximately equal to their carrying value due to their short-term nature.

### 15. Professional Fees

During the three and nine months ended March 31, 2025 and 2024, the Company's professional fees are comprised of the following:

	<b>Three months ended March 31, 2025</b>	Three months ended March 31, 2024	<b>Nine months ended March 31, 2025</b>	Nine months ended March 31, 2024
	\$	\$	\$	\$
Audit and accounting expenses	<b>26,535</b>	13,000	<b>57,969</b>	44,476
Consulting fees	<b>19,901</b>	5,838	<b>51,676</b>	18,172
Legal fees	<b>20,646</b>	-	<b>20,646</b>	-
	<b>67,082</b>	18,838	<b>130,291</b>	62,648

### 16. Contingencies

The Company's E&E activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. As at the date hereof, the Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make future expenditures to comply with such laws and regulations.

### 17. Subsequent Events

On April 7, 2025, 2,700,000 stock options were granted to officers, directors, and consultants of the Company. Each option entitles the holder to purchase one common share at an exercise price of \$0.12 for a period of 5 years from the date of issuance.