SANDFIRE RESOURCES AMERICA INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED

DECEMBER 31, 2025 AND 2024

SANDFIRE RESOURCES AMERICA INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

SANDFIRE RESOURCES AMERICA INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025 and JUNE 30, 2025
(Unaudited - Expressed in Canadian Dollars)

	December 31, 2025	**June 30, 2025**
	$	$
ASSETS		
Current		
Cash and cash equivalents	387,299	825,204
Prepaid expenses and other assets	351,895	412,956
Total current assets	739,194	1,238,160
Non-current		
Property and equipment (Note 5)	12,727,760	12,594,763
Resource properties (Note 6)	12,391,701	11,921,442
Reclamation bond (Note 6 (vi))	617,781	603,436
Prepaid mining property tax (Note 6 (vii))	599,770	594,670
Total assets	27,076,206	26,952,471
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7 & 12)	1,394,656	2,597,861
Other liabilities (Note 11)	546,068	385,819
Interest payable – related party (Note 9)	7,367,679	5,523,230
Loans payable – related party, net of discount (Note 9)	71,697,086	61,782,958
Total current liabilities	81,005,489	70,289,868
Long-term		
Accrued reclamation and remediation (Note 8)	2,224,463	2,153,346
Total liabilities	83,229,952	72,443,214
SHAREHOLDERS' EQUITY (DEFICIT)		
Share capital (Note 10)	140,084,649	140,084,649
Contributed surplus	14,514,287	14,130,830
Foreign currency reserve	768,361	1,047,008
Accumulated deficit	(211,521,043)	(200,753,230)
Total shareholders' deficit	(56,153,746)	(45,490,743)
Total shareholders' deficit and liabilities	27,076,206	26,952,471

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Note 14)

Approved by the Board on January 28, 2026

"Jason Grace"	*"Chris K. Hedrich"*
Director	Director

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

SANDFIRE RESOURECES AMERICA INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended December 31,		**Six Months Ended December 31,**	
	2025	**2024**	**2025**	**2024**
	$	$	$	$
EXPENSES				
Executive management fees (Note 12)	100,500	100,500	201,000	201,000
Depreciation (Note 5)	83,754	104,793	166,910	201,373
Exploration and evaluation costs	2,254,316	4,033,693	4,712,542	7,876,573
Foreign exchange loss (gain)	12,712	(30,487)	32,422	(48,340)
Office, administration and miscellaneous	144,845	139,465	298,682	240,374
Professional fees	209,873	229,417	510,741	428,222
Share-based payments (Notes 11 & 12)	132,038	95,715	316,105	111,083
Loss from operations	(2,938,038)	(4,673,096)	(6,238,402)	(9,010,285)
OTHER ITEMS				
Interest expense - related party (Note 9)	(2,310,581)	(1,670,079)	(4,476,259)	(3,253,303)
Accretion (Note 8)	(26,897)	(33,619)	(53,152)	(65,112)
Net loss for the period	(5,275,516)	(6,376,794)	(10,767,813)	(12,328,700)
Other comprehensive income				
Foreign currency reserve gain (loss)	808,814	(1,898,902)	(278,647)	(1,523,913)
Net other comprehensive income (loss)	808,814	(1,898,902)	(278,647)	(1,523,913)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(4,466,702)	(8,275,696)	(11,046,460)	(13,852,613)
BASIC AND DILUTED LOSS PER SHARE	(0.01)	(0.01)	(0.01)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	1,023,352,794	1,023,352,794	1,023,352,794	1,023,352,794

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

SANDFIRE RESOURCES AMERICA INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Unaudited - Expressed in Canadian Dollars)

	Share Capital # of shares	Share Capital $	Contributed Surplus $	Foreign Currency Reserve $	Accumulated Deficit $	Total $
Balance at July 1, 2024	1,023,352,794	140,084,649	9,048,706	118,733	(171,145,241)	(21,893,153)
Loss for the period	-	-	-	-	(12,328,700)	(12,328,700)
Other comprehensive loss	-	-	-	(1,523,913)	-	(1,523,913)
Contribution by parent associated with loan (Note 9)	-	-	(101,810)	-	-	(101,810)
Balance at December 31, 2024	**1,023,352,794**	**140,084,649**	**8,946,896**	**(1,405,180)**	**(183,473,941)**	**(35,847,576)**
Loss for the period	-	-	-	-	(17,279,289)	(17,279,289)
Other comprehensive gain	-	-	-	2,452,188	-	2,452,188
Contribution by parent associated with loan (Note 9)	-	-	5,183,934	-	-	5,183,934
Balance at June 30, 2025	**1,023,352,794**	**140,084,649**	**14,130,830**	**1,047,008**	**(200,753,230)**	**(45,490,743)**
Loss for the period	-	-	-	-	(10,767,813)	(10,767,813)
Other comprehensive loss	-	-	-	(278,647)	-	(278,647)
Contribution by parent associated with loan (Note 9)	-	-	383,457	-	-	383,457
Balance at December 31, 2025	**1,023,352,794**	**140,084,649**	**14,514,287**	**768,361**	**(211,521,043)**	**(56,153,746)**

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

SANDFIRE RESOURCES AMERICA INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Unaudited - Expressed in Canadian Dollars)

	Six Months Ended December 31, 2025	**Six Months Ended December 31, 2024**
	$	$
OPERATING ACTIVITIES		
Net loss for the period	(10,767,813)	(12,328,700)
Items not involving cash:		
Depreciation (Note 5)	166,910	201,373
Accretion of accrued reclamation and remediation (Note 8)	53,152	65,112
Accretion of interest on loan payable – related party (Note 9)	2,654,049	1,988,075
Share-based payments (Note 11)	316,105	111,083
Changes in operating assets and liabilities	(7,577,597)	(9,963,057)
Prepaid expenses and other assets	61,061	216,797
Accounts payable and accrued liabilities	(1,203,205)	(592,012)
Accrued interest payable – related party	1,844,449	1,481,629
Other liabilities	(155,856)	(112,979)
Cash used in operating activities	(7,031,148)	(8,969,622)
INVESTING ACTIVITIES		
Purchase of property and equipment (Note 5)	(190,311)	(730,664)
Acquisition of resource properties (Note 6)	(369,013)	(460,589)
Cash used in investing activities	(559,324)	(1,191,253)
FINANCING ACTIVITIES		
Proceeds from loan payable – related party (Note 9)	7,204,210	10,214,677
Cash provided by financing activities	7,204,210	10,214,677
Net (decrease) increase in cash and cash equivalents during the period	(386,262)	53,802
Effect of exchange rate changes on cash and cash equivalents	(51,643)	(118,006)
Cash and cash equivalents, beginning of period	825,204	570,474
Cash and cash equivalents, end of period	**387,299**	**506,270**
Cash	108,095	216,215
Cash equivalents	279,204	290,055
Cash and cash equivalents	**387,299**	**506,270**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Sandfire Resources America Inc. (the "Company") (TSX.V SFR.V) was incorporated on July 30, 1998 under the laws of British Columbia and is a mining exploration and development company. The Company is an 86.9% subsidiary of Sandfire Resources Ltd. ("Parent"), a public company in Australia. The address of the Company's corporate and head office is 1111 W Hastings St. 15th Floor Vancouver, BC V6E 2J3, Canada. The Company's stock symbol is "SFR.V" on the TSX Venture Exchange and "SRAFF" on the U.S. OTC Market.

In 2020, the Company has started pre-construction earthworks of the Black Butte Copper project. The ability of the Company to obtain necessary financing to commence the full development and construction of a mine is not certain.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest in accordance with industry standards to 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, unregistered claims, aboriginal claims, and non-compliance with regulatory requirements.

During the three and six months ended December 31, 2025, the Company had a comprehensive net loss of $4,466,702 (December 31, 2024 - $8,275,696) and $11,046,460 (December 31, 2024 - $13,852,613), respectively. At December 31, 2025, the Company's cash and cash equivalents were $387,299 (June 30, 2025 – $825,204) and had a working capital deficit of $80,266,295 (June 30, 2025 – $69,051,708).

During the year ended June 30, 2025, and six months ended December 31, 2025, the Company's subsidiary, Tintina Montana Inc. ("TMI") and the Company as guarantor, entered into various bridge loan agreements, denominated in US with Parent for short-term funding of day-to-day operations. The Company will have to raise additional funds to meet planned 2026/27 exploration expenses and future mine development work plans. On June 27, 2025, the Company entered into a fifth variation agreement of the September 2021 bridge loan agreement with its Parent. Under the terms of the agreement the available principal amount of the loan was increased from US$50 million to US$59.5 million along with the maturity date being extended to June 30, 2026.

The Company has concluded that the working capital as held at December 31, 2025, is insufficient to fund all committed and non-discretionary expenditures for at least the next twelve months. Unless additional funds are raised, the Company may have insufficient funds to realize its assets and discharge its liabilities in the normal course of business.

On November 1, 2022, the Company announced that the necessary permits to appropriate water for the Black Butte Copper Project were received. Issuance of the water permits triggered an appeal by objectors. On January 2, 2025, the Company received a positive ruling by the Montana Supreme Court upholding a 2023 District Court decision regarding the water rights related to Tintina Montana Inc.'s Mine Operating Permit, of the Black Butte Copper Project (Note 14).

The Company's history of losses, a direct result of not yet having built a mine and started production, and negative working capital, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company plans to address this uncertainty by drawing down on its amended bridge loan agreement (as discussed above) in fiscal year 2026. The Company's ability to raise funds is dependent on many factors such as the volatility in copper prices, and as such there is no assurance that the Company will be successful in obtaining the required financing for planned exploration and mine development, as well as for general working capital. These financial statements do not contain any adjustments to the amounts that may be required should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"). For these purposes, IFRS comprise the standards issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). Accounting policies applied are consistent with those of the previous financial year, unless otherwise noted.

b) Basis of preparation

These condensed consolidated interim financial statements have been prepared under the historical cost basis, except for financial instruments designated at fair value through profit or loss which are carried at fair value. These condensed consolidated interim financial statements were approved by the Board of Directors of the Company on January 28, 2026.

c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned US subsidiary, TMI, which was incorporated in the United States. TMI wholly owns the Black Butte copper underground project. All intercompany balances and transactions have been eliminated on consolidation. The Company consolidates subsidiaries where it has the ability to exercise control. Control of an investee is defined to exist when the investor is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Particularly, the Company controls investees, if and only if, the Company has all of the following: power over the investee; exposure, or rights to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed consolidated interim financial statements involves the use of judgments and estimates and from assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances at the time, having regard to prior experience, and are continually reviewed and evaluated. Estimates are inherently uncertain and actual results may differ from the amounts included in the financial statements. Revisions to the estimates and assumptions are recognized in the period in which the estimates are revised and in future periods.

Impairment of resource properties

Determining if there are any facts and circumstances indicating impairment loss on resource properties is a subjective process involving judgment and a number of estimates and interpretations in many cases. Determining whether to test for impairment of resource properties requires management's judgment, among others, regarding the following:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale.

Impairment assessments for resource properties require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, exploration potential, and resources. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets. In such circumstances, some or all of the carrying amount of the assets may be further impaired or the impairment charge reduced with the impact recognized in the Condensed Consolidated Interim Statements of Loss.

These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses could differ in such a situation and significant adjustments to the Company's loss may occur in future periods.

Impairment of PPE

Determining if there are any facts and circumstances indicating impairment loss on property and equipment ("PPE") is a subjective process involving judgment and a number of estimates and interpretations in many cases. Impairment exists when the carrying value of PPE exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from researched sales transactions of similar assets, conducted at arm's length, or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is sensitive to the discount rate used for the model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses could differ in such a situation and significant adjustments to the Company's loss may occur in future periods.

Estimated useful life of property, and equipment

Management estimates the useful lives of PPE based on the period during which the assets are expected to be available for use. The amounts and timing of recorded expenses for amortization of property and equipment for any period are affected by these estimated useful lives. The estimates are reviewed at each reporting date and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's PPE in the future.

Determination of technical feasibility and commercial viability of a resource property

The application of the Company's accounting policy for resource properties requires determining when technical feasibility and commercial viability have been demonstrated involves significant judgement, particularly in relation to projects where feasibility assessment may be ongoing over an extended period of time.

In making this determination, management assesses whether a final investment decision has been approved by the Company's board of directors which is an indication of technical feasibility and commercial viability of a project. Absent this approval, other factors are considered, such as the booking of significant quantities of commercial reserves, approval of budgeted expenditure to commence commercial development activities or the actual commencement of expenditure on development activities. As at December 31, 2025, the Company has determined that they are in the exploration and evaluation stage as they are awaiting the results of the ongoing drill program as well as funding commitments from its Parent to continue mine development.

Accrual of reclamation and remediation costs

In determining accrued reclamation and remediation costs, the calculation of discounted cash flows includes various factors that require estimates and judgments including the extent and costs of reclamation and remediation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates, and changes in discount rates. The accrued reclamation and remediation costs are subsequently accreted to its full value over time through charges to the Consolidated Statements of Loss. The ultimate magnitude of these costs is uncertain, and cost estimates can vary in response to many factors including changes to the relevant legal requirements, whether closure plans achieve intended reclamation goals, and the emergence of new restoration techniques or experience. The expected timing of expenditures can also change. As a result, there could be significant adjustments to the provision for rehabilitations, which would affect future financial results.

Share-based payments

Management determines costs for equity-settled share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards is determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments for share-based payments include estimating the future volatility of the share price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions could affect the fair value estimates.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax-related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax-related accruals and deferred income tax provisions in the period in which such determination is made.

Capital contribution from bridge loan

The Company received loans from its parent company at a below-market rate, hence, the benefit is recorded as a capital contribution within equity. Management has determined the market rate is based on the US Federal Reserve Bank investment grade rated CCC or below corporate debt publicly issued in the US domestic market.

4. ACCOUNTING STANDARDS

Accounting standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after July 1, 2025, or later periods. Of those issued, none are not applicable to, or do not have a significant impact on the Company.

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments – Disclosures*. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

In May 2024, the Board issued IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

IFRS 19 is effective for reporting periods beginning on or after January 1, 2027 and earlier adoption is permitted.

(Unaudited - Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT

Cost	Equipment	Vehicle	Buildings and improvements	Assets under construction	Land	Total
	$	$	$	$	$	$
June 30, 2024	566,772	513,265	2,612,026	9,077,264	1,377,230	14,146,557
Additions	58,374	49,669	216,209	756,575	-	1,080,827
Transfers	-	-	658,475	(658,475)	-	-
Revaluation of reclamation and remediation asset	-	-	-	(804,959)	-	(804,959)
Currency translations	(2,768)	(2,506)	(12,757)	(44,401)	(6,726)	(69,158)
June 30, 2025	622,378	560,428	3,473,953	8,326,004	1,370,504	14,353,267
Additions	-	-	26,339	163,972	-	190,311
Currency translations	5,338	4,806	29,795	71,402	11,754	123,095
December 31, 2025	**627,716**	**565,234**	**3,530,087**	**8,561,378**	**1,382,258**	**14,666,673**
Accumulated Depreciation						
June 30, 2024	289,196	308,783	758,000	-	-	1,355,979
Additions	159,903	70,404	189,297	-	-	419,604
Currency translations	(5,398)	(3,263)	(8,418)	-	-	(17,079)
June 30, 2025	443,701	375,924	938,879	-	-	1,758,504
Additions	25,417	36,220	105,273	-	-	166,910
Currency translations	3,565	2,880	7,054	-	-	13,499
December 31, 2025	**472,683**	**415,024**	**1,051,206**	**-**	**-**	**1,938,913**
Net book value						
June 30, 2025	178,677	184,504	2,535,074	8,326,004	1,370,504	12,594,763
December 31, 2025	**155,033**	**150,210**	**2,478,881**	**8,561,378**	**1,382,258**	**12,727,760**

At December 31, 2025, assets under construction consist of partial phase one mine development assets being, roads, pit, land improvements, fencing, and reclamation and remediation asset. These assets will be placed in service once mining and milling of the property begins.

At June 30, 2025, management reviewed its estimated accrued reclamation costs associated with its mineral resource. The revaluation resulted in a decrease of $804,959 (June 30, 2024 - $196,834) to the related asset retirement costs included in assets under construction (Note 8). As at December 31, 2025, there was no further revaluation to the reclamation costs.

During the six months ended December 31, 2025, the Company advanced development on its core shed #4 and as a result capitalized $163,972 within assets under construction. During the year ended June 30, 2025, the Company advanced development on its core shed #4 and as a result capitalized $756,575 within assets under construction. The Company also capitalized $216,209 of improvements to its head office and other buildings.

As at December 31, 2025, the Company has successfully won both legal challenges as described in Note 14. Management has made the decision to continue to suspend construction of the assets under construction pending the completion of the updated feasibility report, and secured financing to complete phase 1 development. As a result, no borrowing costs were capitalized to assets under construction during the six months ended December 31, 2025, and the year ended June 30, 2025.

(Unaudited - Expressed in Canadian Dollars)

6. RESOURCE PROPERTIES AND EXPLORATION AND EVALUATION COSTS

Additions to resource properties during the six months ended December 31, 2025 and year ended June 30, 2025 were as follows:

	December 31, 2025	**June 30, 2025**
	$	**$**
Balance, beginning of year	11,921,442	10,773,654
Additions:		
Black Butte Copper 2010 Leases (Note 6i)	-	822,443
Black Butte Copper 2011 Leases (Note 6ii)	-	57,171
Lease and water use agreement (Note 6iii)	27,439	27,410
Mining lease agreement 2017 (Note 6iv)	13,719	13,705
Mining lease agreement 2023 (Note 6v)	6,860	13,986
Bureau of Land Management payments	320,995	316,218
Total additions	369,013	1,250,933
Currency translation	101,246	(103,145)
Balance, end of the period	12,391,701	11,921,442

Exploration and evaluation costs incurred during the three and six months ended December 31, 2025 were $2,254,316 (December 31, 2024 - $4,033,693) and $4,712,542 (December 31, 2024 - $7,876,573), respectively.

i) Black Butte Copper 2010 Leases

On May 2, 2010, the Company, through its wholly-owned subsidiary, TMI, entered into mining lease agreements and a surface use agreement (collectively, the “Black Butte Agreements”) with the owners of the Black Butte copper-cobalt-silver property in central Montana, United States.

The Black Butte Agreements, as amended, provide the Company, through TMI, with exclusive use and occupancy of any part of the property that is necessary for exploration and mining activities for an initial term of 30 years, which can be extended by the Company for additional periods of 10 years by giving prior notice within the time specified in the agreements. The Black Butte Agreements also provide for surface lease payments and advance minimum royalty payments to be paid to the lessors for the initial 30-year term, in total of approximately US$13,580,000 (US$6,186,658 paid as of December 31, 2025) in cash and a Net Smelter Returns (“NSR”) royalty of 5% after commencement of commercial production, if any. At any time after completion of a feasibility study, the Company has the right to buydown the maximum 5% NSR to 2% by making payments to the lessors in total of US$10,000,000.

In addition, due to a purchase option provision in the Black Butte Copper 2010 lease, the Company began paying an individual lessor US$4,293 annually over 20 years beginning in June 2021.

On August 29, 2024, one of the previous agreements dated May 2, 2010, had the annual surface lease payment increase from US$10,000 to US$75,000.

ii) Black Butte Copper 2011 Leases

In June 2011, the Company, through its subsidiary, staked additional claims on federal lands and entered into mining lease agreements. The additional mining lease agreements were entered under similar terms as the Black Butte Agreements as described above. The Company was granted the sole and exclusive use and occupancy of any part of the property that is necessary for exploration and mining activities for an initial term of 30 years, which can be extended by the Company for additional periods of 10 years by giving prior notice within the time specified in the agreements. The additional Black Butte Agreements provide for prior to commercial production, advance minimum royalty payments to be paid to the lessors, in total of US$1,250,000 in cash (US$450,000 paid as of December 31, 2025), and a NSR royalty of 5% after commencement of commercial production, if any. At any time after completion of a feasibility study, the Company has the right to buydown the maximum 5% NSR to 2% by making payments to the lessors in total of US$5,000,000.

iii) Lease and Water Use Agreement

On October 15, 2015, the Company, through TMI, entered into a Lease and Water Use Agreement to lease the water rights to certain locations in Meagher County, Montana, United States, for a term of 30 years. The Company shall pay the owner the sum of US$20,000 per year, increasing to US$100,000 per year upon actual mining and production of minerals at the Black Butte Copper property. The Company can terminate the lease and water use agreement at its option.

iv) Mining Lease Agreement 2017

On September 13, 2017, the Company, through TMI, entered into a Mining Lease Agreement for the purpose of mineral exploration and mining in certain lands located in Meagher County, Montana for an initial term of 30 years. In consideration, the Company shall pay the owner an advance minimum royalty payment, in total of US$555,000 in cash (US$60,000 paid as of December 31, 2025) and a NSR royalty of 5% after commencement of commercial production, if any. At any time after completion of a feasibility study, the Company has the right to buydown the maximum 5% royalty to 2% in return for a payment of US$5,000,000 divided pro rata among the mineral owners, and an option to renew the lease for five years. The Company can terminate the mining lease agreement at its option.

v) Mining Lease Agreement 2023

On August 17, 2023, the Company, through TMI, entered into a Mining Lease Agreement for the purpose of mineral exploration and mining in certain lands located in Meagher County, Montana for an initial term of 30 years along with two 10-year extensions. In consideration, the Company shall pay the owner an advance minimum royalty payment, in total of US$150,000 in cash (US$20,000 paid as of December 31, 2025) and a NSR royalty of 2% after commencement of commercial production, if any. The Company can terminate the mining lease agreement at its option.

vi) Reclamation Bond

As at December 31, 2025, the Company had reclamation bonds of $617,781 (US$443,442) (June 30, 2025 - $603,436 (US$443,442)) held with Department of Environmental Quality (“DEQ”). The Bonds are recorded as non-current assets on the Condensed Consolidated Interim Statements of Financial Position.

vii) Prepaid Mining Property Tax

During the year ended June 30, 2021, the Company was required per its August 2018 Hard Rock Mining Impact Plan (HRMIP) to make mine property tax prepayment of $593,987 (US$437,000) to cover the immediate impacts for the City of White Sulphur Springs and Meagher County resulting from the planned development of the Black Butte Project. The prepayment will be credited against future property taxes due once the resource taxable assets are constructed and added to the Meagher County property tax lists of taxable assets for the Company. The prepaid mining property tax balances at December 31, 2025 and June 30, 2025 were $599,770 (US$437,000) and $594,670 (US$437,000), respectively. There were no additional property taxes paid in the six months ended December 31, 2025.

(Unaudited - Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company had the following accounts payables and accrued liabilities at December 31, 2025, and June 30, 2025.

	December 31, 2025	June 30, 2025
	$	$
Trade payables	650,796	640,900
Accrued liabilities and other	348,140	1,605,444
Accrued salaries and payroll	395,720	351,517
Total accounts payable and accrued liabilities	**1,394,656**	**2,597,861**

At December 31, 2025, the Company has an account payable (excluding interest payable) to Sandfire Resources Ltd. of $416,543 (June 30, 2025 - $359,362). These amounts owing by the Company are unsecured, non-interest bearing with no fixed terms of repayment. Refer to Note 9 for information about the Company's loans and interest payable to Sandfire Resources Ltd.

8. ACCRUED RECLAMATION AND REMEDIATION

The Company records accrued reclamation costs related to disturbance to its properties would be subject to restoration in the future based upon the present value of its best estimate of future reclamation costs. Activity in the related accrued reclamation and remediation balance for the six months ended December 31, 2025, and year ended June 30, 2025, is as follows:

	December 31, 2025	June 30, 2025
	$	$
Balance, beginning of year	2,153,346	2,846,594
Accretion	53,152	128,871
Changes in discount rate and estimates	-	(804,959)
Currency translation	17,965	(17,160)
Balance, end of period	**2,224,463**	**2,153,346**

The undiscounted amount of the expected cash flows required to settle the reclamation liability, upon completion of mining and milling activities, is estimated to be US$2.2 million as at December 31, 2025. The Company has estimated that reclamation and remediation payments are expected to be incurred from 2034 to 2053 with the majority of the payments being made in years 2039 to 2042. The liability for the expected cash flows, as reflected in the condensed consolidated interim financial statements, has been inflated at 2.37% (June 30, 2025 – 2.37%) and discounted using a risk-free rate of 4.78% (June 30, 2025 - 4.78%).

9. LOANS PAYABLE – RELATED PARTY

Beginning in September 2021 and through December 31, 2025, TMI and the Company as guarantor, entered into various bridge loan agreements with Sandfire Resources Ltd. (parent) for short-term funding of day-to-day operations. At December 31, 2025, the bridge loan agreement, as amended, specify that repayment of the loans was initially the earlier of (i) June 30, 2026 or (ii) 7 days after the Company completes either a debt or equity financing with gross proceeds of at least US$69.5 million. As at December 31, 2025, $74.4 million (US$54.2 million) has been borrowed, with a maximum amount available to be borrowed under the bridge loan of US$59.5 million through one or more advances.

(Unaudited - Expressed in Canadian Dollars)

Interest on the loans is set at 5% per annum and interest is payable on the last day of each calendar month. The stated interest rate of the bridge loan was below the market rate for similar loan instruments. For accounting purposes at the date of each advance, the Company discounts the expected payments using a risk-adjusted discount rate and an estimated repayment date. Rates of 11.46% to 12.76% were used for the loans received during the six months ended December 31, 2025 (11.19% to 14.88% for the year ended June 30, 2025). Amounts received in excess of fair value on the date of the advances were credited to contributed surplus representing a contribution by Sandfire Resources Ltd.

A summary of the activity for the six months ended December 31, 2025, and for the year ended June 30, 2025, is as follows:

		Six months ended December 31, 2025		Year ended June 30, 2025
Balance, beginning of the period	$	61,782,958	$	40,013,457
Additions		7,204,210		23,834,454
Discount due to below-market interest rate		(383,457)		(5,082,124)
Accretion of discount		2,654,049		3,902,525
Currency translation		439,326		(885,354)
Balance, end of the period	$	71,697,086	$	61,782,958

		Six months ended December 31, 2025		2024
Interest expense (including accretion of discount)	$	4,476,259	$	3,253,303

		As at December 31, 2025		As at June 30, 2025
Accrued interest payable	$	7,367,679	$	5,523,230

The bridge loan agreement was amended on June 27, 2025, to increase the maximum amount available to be funded. The amendment resulted in a debit adjustment of $4,247,122 during the year ended June 30, 2025, recognized on the loan payable balance on that date, with an offsetting debit to contributed surplus representing a contribution by Sandfire Resources Ltd. The discount was due to the repricing of the carrying value of the outstanding principal of the bridge loan on that date to the market rate for similar loan instruments of 12.66%.

All other terms and conditions of the bridge loan remain in full force and effect, except as amended. No securities of the Company are issuable under the Agreement.

10. SHARE CAPITAL

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

b) Issued and outstanding at December 31, 2025: 1,023,352,794 (June 30, 2025: 1,023,352,794) common shares.

(Unaudited - Expressed in Canadian Dollars)

11. SHARE INCENTIVE PLAN AND SHARE-BASED PAYMENTS

On November 1, 2021, the Company established an Omnibus Share Incentive Plan (the "Plan") for certain qualified directors, executives, officers, employees, and consultants. The Plan includes options that were issued under the Company's former stock option plan. Shares delivered under the Plan will generally be from authorized but unissued shares of the Company. The Plan reserves for issuance up to 2.5% of the issued and outstanding share capital of the Company from time to time with the maximum number of shares reserved cannot exceed 102,325,279 shares. Options granted under the Plan are for a term not to exceed 10 years from the date of their grant.

The Plan allows for awards in the following forms: stock purchase option, restricted share unit ("RSU"), performance share unit ("PSU") or deferred share unit ("DSU"). Options granted under the Plan entitle the recipient to acquire a designated number of shares at a stated exercise price and typically vest over a period specified in the option agreement. DSUs are granted for services rendered, or for future services to be rendered, that typically vest upon issuance. Settlement of DSUs is the date of the recipient's resignation or termination of employment, retirement, or death. To date, no DSUs have been awarded under the Plan. RSUs and PSUs are granted for services rendered, or for future services to be rendered, that vest based on the passage of time during continued employment or other service relationship over a period determined by the board of directors.

	December 31, 2025	June 30, 2025
	$	$
Restricted share unit liability	218,427	260,927
Performance share unit liability	327,641	124,892
Total other liabilities	**546,068**	**385,819**

Restricted Share Units:
The Company is required to record a liability for the potential future settlement of the RSUs at each reporting date by reference to the fair value of the liability. The fair value of the recorded liability in relation to the RSUs was $218,427 as at December 31, 2025 (June 30, 2025 – $260,927). During the six months ended December 31, 2025, the Company recognized share-based compensation of $113,357 (December 31, 2024 - $68,263).

Transactions for cash-settled RSUs outstanding for the six months ended December 31, 2025, and year ended June 30, 2025, were as follows:

	December 31, 2025	June 30, 2025
	Number of RSUs	Number of RSUs
Outstanding, beginning of period	1,774,306	263,147
Granted	-	1,774,306
Settled	(591,435)	(263,147)
Outstanding, end of period	1,182,871	1,774,306

RSUs outstanding at December 31, 2025 vest in two equal tranches on July 1, 2026 and 2027.

Performance Share Units:
The Company is required to record a liability for the potential future settlement of the PSUs at each reporting date by reference to the fair value of the liability. A PSU represents the right to receive a subordinated voting share settled by the issuance of treasury shares or purchased on the open market or the cash equivalent at the market value of a share at the vesting date or a combination of cash and

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shares at the discretion of the Board. These PSUs vest upon completion of the performance period (through 2027) and specific performance conditions set forth for each individual grant for individually defined reporting and operating measurement objectives. The Company determines the factor to be applied to that target number of PSUs, with such percentage based on level of achievement of the performance conditions. Upon the achievement of the conditions, any unvested PSUs become fully vested. The fair value of the recorded liability in relation to the PSUs was $327,641 as at December 31, 2025 (June 30, 2025 – $124,892). During the six months ended December 31, 2025, the Company recognized share-based compensation of $202,748 (December 31, 2024 – $42,820).

Transactions for cash-settled PSUs outstanding for the six months ended December 31, 2025 and year ended June 30, 2025, were as follows:

	December 31, 2025 Number of PSUs	June 30, 2025 Number of PSUs
Outstanding, beginning of period	1,774,306	112,278
Granted	-	1,774,306
Milestone achievement adjustment	-	(40,701)
Settled	-	(71,577)
Outstanding, end of period	1,774,306	1,774,306

The PSUs will vest in two equal tranches on July 1, 2026 and 2027.

12. RELATED PARTY TRANSACTIONS AND BALANCES

The following key management personnel compensation and related party transactions took place during the three and six months ended December 31, 2025, and 2024**.**

	For the three months ended December 31,		For the six months ended December 31,	
	2025	2024	2025	2024
	$	$	$	$
Directors and executive officers' short-term benefits	290,753	312,944	875,686	769,936
Exploration and evaluation costs (1)	108,484	115,690	314,037	264,360
Share-based compensation	132,038	95,715	316,105	111,083
Total remuneration	**531,275**	**524,349**	**1,505,828**	**1,145,379**

(1) Exploration and evaluation costs relates to short-term benefits paid to key management personnel whose primary function is exploration and evaluation, or whose function has been substantially allocated to exploration and evaluation activities.

The remuneration of directors and other members of key management, which includes director and management fees as well as salary and wages, is included in short-term benefits and share-based payments.

During the three and six months ended December 31, 2025, a total of $100,500 (December 31, 2024 - $100,500) and $201,000 (December 31, 2024 - $201,000), respectively, of the directors and executive officers short-term benefits were allocated to non-exploration executive management fees on the statement of loss and comprehensive loss. As at December 31, 2025, the Company had accounts payable and salary accruals of $184,455 (June 30, 2025 - $356,521) to officers of the Company.

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These amounts owed by the Company are unsecured, non-interest bearing with no fixed terms of repayment.

During the year ended June 30, 2025, the Company purchased a vehicle amounting to $49,669 from an officer of the Company. The transaction was conducted at the estimated market value based on a review of listed prices for similar vehicles. There are no outstanding balances as of June 30, 2025, related to this transaction. There were no similar transactions during the six months ended December 31, 2025.

During the three and six months ended December 31, 2025, the Company incurred $431,967 (December 31, 2024 - $nil) and $797,318 (December 31, 2024 - $nil) respectively, in technical advisory fees from its Parent Company.

13. SEGMENT INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration, and development of resource properties. The resource properties are located in the State of Montana in the United States.

						As at December 31, 2025
		Canada		United States		Total
Other assets	$	101,934	$	1,854,811	$	1,956,745
Property and equipment		-		12,727,760		12,727,760
Resource properties		-		12,391,701		12,391,701
Total Assets	$	101,934	$	26,974,272	$	27,076,206
Total Liabilities	$	633,178	$	82,596,774	$	83,229,952

						As at June 30, 2025
		Canada		United States		Total
Other assets	$	208,658	$	2,227,608	$	2,436,266
Property and equipment		-		12,594,763		12,594,763
Resource properties		-		11,921,442		11,921,442
Total Assets	$	208,658	$	26,743,813	$	26,952,471
Total Liabilities	$	581,928	$	71,861,286	$	72,443,214

		Canada		United States		Total
Net Loss for the three months ended December 31, 2025	$	(375,134)	$	(4,900,382)	$	(5,275,516)
Net Loss for the three months ended December 31, 2024	$	(382,172)	$	(5,994,622)	$	(6,376,794)
Net Loss for the six months ended December 31, 2025	$	(854,174)	$	(9,913,639)	$	(10,767,813)
Net Loss for the six months ended December 31, 2024	$	(595,460)	$	(11,733,240)	$	(12,328,700)

(Unaudited - Expressed in Canadian Dollars)

14. COMMITMENTS AND CONTINGENCIES

Lease commitments

The Company's resource properties are subject to future lease payments. The Company has future lease payments for the Black Butte Copper 2010, 2011, 2017, and 2023 leases, as well as the lease for the water use agreement and mining leases (Note 6). The aggregate annual payments for the Company's four mineral lease agreements and water agreement are due as follows.

	As of December 31, 2025	
	USD $	CDN $
During year ended June 30,		
2026 (remaining)	558,895	767,067
2027	593,895	815,104
2028	593,895	815,104
2029	598,895	821,966
2030	598,895	821,966
Thereafter	6,493,950	8,912,758
Total	9,438,425	12,953,965

Permit

On June 4, 2020, a legal challenge to the issuance of certain permits to the Company was lodged in the 14th Judicial Court in Meagher County, Montana against the DEQ and TMI.

On February 26, 2024, the Company received a positive ruling by the Montana Supreme Court which reversed a 2021 district court decision and instructed the District Judge to have the DEQ completely reinstate Tintina Montana Inc.'s Mine Operating Permit, of the Black Butte Copper Project. The Montana Supreme Court granted the Company's request for summary judgement allowing Black Butte Copper to move forward with construction of its highly engineered, underground copper mine. The Company won on all counts in the Montana Supreme Court decision with a 5-2 decision upholding the 2020 decision of the DEQ to allow copper mining at the Black Butte Copper Project.

Water rights

The Black Butte Copper Project, operated by TMI, proposed underground copper mine is located in the Smith River watershed which is a 'closed basin' to filing of any additional water rights appropriations. For use of water from the mine, other water use must be retired to make the needed water volumes available for the mine.

On November 1, 2022, the Company announced that the necessary permits to appropriate water for the Black Butte Copper Project were received. Issuance of the water permits triggered an appeal by certain objectors.

On January 2, 2025, the Montana Supreme Court in a 5-2 decision affirmed the Company's position and the Montana district court's determination that mine dewatering is not a beneficial use of water and therefore Sandfire's water rights and permits have been upheld.

Management contracts

The Company is party to certain management contracts containing minimum commitments of approximately $797,000 due within one year and additional contingent payments of up to $1,316,000 upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these financial statements.

15. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource properties. The Company does not have any externally imposed capital requirements to which it is subject to other than as noted below.

As at December 31, 2025, and June 30, 2025, the Company had capital resources consisting of cash, loans, and equity. 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 may attempt to issue new shares or adjust the amount of cash through a debt financing.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from operations. There was no change to the Company's capital management approach during the three and six months ended December 31, 2025.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2025, the Company may not be compliant with the policies of the TSXV. The impact of non-compliance is currently unknown and is under the discretion of TSXV.

Refer to Note 1 Nature of operations and going concern.

16. FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy has three levels to classify the inputs to valuation techniques used to measure fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (interest rate, yield curves), or inputs that are derived principally from or corroborated observable market data or other means.

Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Cash settled share-based payments carried at fair value are classified as Level 1 in the fair value hierarchy. As at December 31, 2025 and June 30, 2025, the carrying value of the Company's financial instruments approximates their fair value due to their short terms to maturity.

Liquidity risk
The Company manages liquidity risk by maintaining an adequate cash balance. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities. The Company's accounts payable and accrued liabilities generally have contractual maturities of less that 30 days and are subject to normal trade terms. Refer to Note 9 for repayment terms for the loans payable.

Interest rate risk
The Company's cash and cash equivalents are subject to interest rate price risk. The Company's interest rate risk management policy for cash and cash equivalents is to purchase highly liquid investments with a term to maturity of three months or less on the date of purchase. The Company does not engage in any hedging activity. The Company earned insignificant interest income during the three and six months ended December 31, 2025, and 2024. The Company's loan payable bears interest at a fixed rate.

Credit risk
The Company maintains substantially all of its cash with major financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. Management believes that the credit risk concentration with respect to its financial instruments is remote.

Foreign currency risk
As the Company operates on an international basis, currency risk exposures arise from transactions and balances denominated in foreign currencies. The Company's foreign exchange risk arises primarily with respect to the U.S. dollar. A significant portion of the Company's cash, accounts payable, and expenses are denominated in U.S. dollars. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company's business, financial condition, and results of operations. The Company does not engage in any hedging activity.

There have been no changes in the Company's objectives and policies for managing the above-mentioned risks and there has been no significant change in the Company's exposure to each risk during the three and six months ended December 31, 2025. As at December 31, 2025, a 10% change in U.S. dollar against Canadian dollar would result in a $1.0 million (December 31, 2024 - $1.2 million) decrease or increase in the Company's net comprehensive loss.