CopperEx Resources Corporation

Condensed interim consolidated financial statements

Six months ended June 30, 2026 and 2025

Expressed in Canadian Dollars
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

CopperEx Resources Corporation
Condensed Interim Consolidated Statements of Financial Position
As at June 30, 2026 and December 31, 2025
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2026 $	December 31, 2025 $
Assets			
Current assets:			
Cash		28,647	26,348
Taxes and other receivable		4,742	982
Prepaid expenses and deposits		4,846	7,074
		38,235	34,404
Non-current assets:			
Mining interests	5	717,870	698,682
		717,870	698,682
Total assets		756,105	733,086
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	7	587,396	670,521
Loan payable	8	205,698	-
Total liabilities		793,094	670,521
Equity (deficiency)			
Share capital	6	16,585,453	16,585,453
Contributed surplus		3,652,553	3,659,907
Accumulated other comprehensive income (loss) (“AOCL”)		101,364	115,268
Deficit		(20,376,359)	(20,298,063)
		(36,989)	62,565
Total liabilities and equity		756,105	733,086

Going concern – Note 1
Commitments – Note 5, 6

Approved on behalf of the Board:

“Mark Tommasi”
Director

“Chase Taylor-Robins”
Director

CopperEx Resources Corporation
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the six months ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

		For the six months ended	June 30,
	Note	**2026** **$**	**2025** **$**
General expenses:			
Accounting and audit fees	7	43,691	63,952
Administration and general expenses		9,788	37,192
Consulting fees and wages	7	7,185	148,500
Investor relations		795	39,024
Legal fees		13,543	11,346
Share-based compensation	6, 7	(7,354)	54,857
Regulatory fees and shareholder information		8,839	8,663
VAT expense		-	1,047
Loss before other items		(76,487)	(364,581)
Other income (expense) items			
Interest income		580	510
Interest expense	8	(5,698)	-
Loss on sale of a subsidiary	12	-	(285,670)
Foreign exchange gain (loss)		2,917	(691)
Write off of accounts payable		392	-
Loss from continuing operations		(78,296)	(650,432)
Loss from discontinued operations	12	-	(8,606)
Net loss for the period		**(78,296)**	**(659,038)**
Other comprehensive income (loss)			
Reclassification of translation gain on the sale of subsidiary	12	-	453,435
Foreign currency translation adjustment		(13,904)	9,826
Total items that may be reclassified subsequently to profit or loss		(13,904)	463,261
Total comprehensive loss		(92,200)	(195,777)
Basic and diluted loss per share from continuing operations		(0.00)	(0.02)
Basic and diluted loss per share from discontinued operations		(0.00)	(0.00)
Weighted average number of shares outstanding – basic and diluted		31,833,014	31,833,014

CopperEx Resources Corporation
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the six months ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	Number of common shares #	Share capital $	Contributed surplus $	AOCI(L)) $	Deficit $	Equity (Deficiency) $
Balance as at December 31, 2024	**31,833,014**	**16,585,453**	**3,581,593**	**(386,645)**	**(18,274,419)**	**1,505,982**
Share-based compensation	-	-	54,857	-	-	**54,857**
Loss and comprehensive loss for the period	-	-	-	463,261	(659,038)	**(195,777)**
Balance as at June 30, 2025	**31,833,014**	**16,585,453**	**3,636,450**	**76,616**	**(18,933,457)**	**1,365,062**
Balance as at December 31, 2025	**31,833,014**	**16,585,453**	**3,659,907**	**115,268**	**(20,298,063)**	**62,565**
Share-based compensation	-	-	(7,354)	-	-	**(7,354)**
Loss and comprehensive loss for the period	-	-	-	(13,904)	(78,296)	**(92,200)**
Balance as at June 30, 2026	**31,833,014**	**16,585,453**	**3,652,553**	**101,364**	**(20,376,359)**	**(36,989)**

CopperEx Resources Corporation
Condensed Interim Consolidated Statements of Cash Flows
For the six months ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	2026 $	2025 $
Cash (used in) provided by:		
Operating activities:		
Loss for the period	(78,296)	(659,038)
Items not involving cash:		
Share-based compensation	(7,354)	54,857
Impairment loss	-	1,727
Loss on sale of subsidiary	-	285,670
Accrued loan interest	5,698	-
Write off of accounts payable	(392)	-
Changes in non-cash working capital:		
Taxes and other receivable	(3,760)	3,898
Prepaid expenses and deposits	2,228	7,792
Accounts payable and accrued liabilities	(82,733)	194,926
Cash used in operating activities – total	(164,609)	(110,168)
Cash used in operating activities – continuing operations	(164,609)	(92,462)
Cash used in operating activities – discontinued operations	-	(17,706)
Investing activities:		
Cash from sale of subsidiary, net of proceeds	-	(37,776)
Expenditures on mining interests	(31,938)	(106,062)
Cash used in investing activities – total	(31,938)	(143,838)
Cash used in investing activities – continuing operations	(31,938)	(110,262)
Cash used in investing activities – discontinued operations	-	(33,576)
Financing activities:		
Proceeds from loan	200,000	-
Cash provided by financing activities	200,000	-
Effect of foreign exchange rate changes on cash	(1,154)	632
Increase (decrease) in cash	2,299	(253,374)
Cash, beginning	26,348	305,323
Cash, ending	28,647	51,949

Supplemental information		
Non-cash investing and financing activities		
Interest received	580	510
Expenditures on mining interests in accounts payable	-	(32,518)

1. DESCRIPTION OF BUSINESS, NATURE OF OPERATIONS AND GOING CONCERN

CopperEx Resources Corporation (the “Company” or “CopperEx”) was incorporated under the British Columbia Business Corporations Act on March 12, 2021. The head office, principal address and records office of the Company are located at 1100 – 1199 West Hastings Street, Vancouver, BC V6E 3T5. The Company is listed on the TSX Venture Exchange under the symbol “CUEX”.

The Company is in the business of acquiring, exploring and evaluating mineral properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. As its principal business, the Company acquires and explores mineral properties in areas deemed to have relatively high potential for mining success and relatively low political risk. The Company’s business plan is to engage in these mining activities on a long-term basis.

As the Company has no income, it must rely on debt or equity financings to fund its operations. To date the Company’s main source of funding has been the issuance of equity securities through private placements to investors.

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. The Company had an accumulated deficit of $20,376,359 and incurred operating losses since inception, including $78,296 for the six months ended June 30, 2026. The Company had cash of $28,647 and a working capital deficit of $754,859 as at June 30, 2026. The Company needs to raise funds in order to continue on as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available to cover its working capital needs or to develop its mineral properties and / or cover general and administrative expenses. The ability of the Company to arrange additional financing in the future depends in part on the prevailing capital market conditions and mineral property exploration success. There is a material uncertainty which casts significant doubt upon the Company’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These consolidated financial statements do not include any adjustment that might be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”), together ”IFRS”, applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting.

In the preparation of these condensed interim consolidated financial statements, the Company has used the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended December 31, 2025 except as noted below and as outlined in Note 4.

The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.
Unless otherwise stated, all dollar amounts are in Canadian dollars.

These condensed interim consolidated financial statements were approved by the Board of Directors on August 24, 2026.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the consolidated financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is reviewed.

The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Critical Judgments in Applying Accounting Policies

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments, as follows:

Going concern

The consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future (Note 1). These consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

Impairment of assets

The carrying amounts of mining interests and equipment, are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount.

The Company assesses its mining interests and equipment assets at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential, mineral reserves, and foreign exchange rates, as well as the cash-generating unit ("CGU") definition.

Key Sources of Estimation Uncertainty

Environmental rehabilitation

Significant estimates and assumptions are made in determining the environmental rehabilitation costs as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, and changes in discount rates. Those uncertainties may result in actual expenditures in the future being different from the amounts currently provided. The Company has not made any provision as at June 30, 2026.

Share-based payments

Management assesses the fair value of stock options granted in accordance with the accounting policy. The fair value of stock options granted is measured using the Black-Scholes option valuation model and is only an estimate of their potential value and requires the use of estimates and assumptions.

4. CHANGES IN ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Adoption of New Accounting Standards

In August 2023, IASB issued amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability*. The amendments clarify when a currency is exchangeable into another currency, specify how an entity determines the exchange rate to apply when exchangeability is lacking, and require additional disclosures for currencies that are not exchangeable. The Company adopted these amendments effective January 1, 2025. The adoption of these amendments did not have a material impact on the Company's consolidated financial statements.

In May 2024, the International Accounting Standards Board ("IASB") issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance ("ESG")-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The Company adopted these amendments on January 1, 2026. The adoption of these amendments had no impact on the Company's financial statements.

Accounting Standards Issued But Not Yet Effective

In April 2024, IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*, to replace IAS 1, *Presentation of Financial Statements*. The aim of IFRS 18 is to set out requirements for presentation and disclosure of financial statements to ensure the entity provides relevant and accurate information about its assets, liabilities, equity, income and expenses. IFRS 18 is effective for the fiscal years beginning on or after January 1, 2027. The adoption of these amendments is not expected to have a material impact on the Company's consolidated financial statements.

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

5. MINING INTERESTS

For the six months ended June 30, 2026, the Company capitalized the following acquisition and exploration costs:

	La Rica Property, Peru $	Total $
Balance as at December 31, 2025	698,682	698,682
Acquisition costs		
License renewal	31,938	31,938
Total acquisition costs	31,938	31,938
Foreign currency loss	(12,750)	(12,750)
Balance as at June 30, 2026	717,870	717,870

For the year ended December 31, 2025, the Company capitalized the following acquisition and exploration costs:

	La Rica Property, Peru $	Kio Buggy Property, Chile $	Alto Amanecer Project, Chile $	Total $
Balance as at December 31, 2024	621,970	1,078,627	-	1,700,597
Acquisition costs				
License renewal	35,876	-	-	35,876
Total acquisition costs	35,876	-	-	35,876
Exploration costs				
General	2,909	10,778	1,688	15,375
Insurance	-	2,614	-	2,614
Legal	2,163	9,997	-	12,160
Supplies	-	9,160	-	9,160
Travel	2,150	-	-	2,150
Total exploration costs	7,222	32,549	1,688	41,459
Impairment	-	(1,122,829)	(1,727)	(1,124,556)
Foreign currency gain	33,614	11,653	39	45,306
Balance as at December 31, 2025	698,682	-	-	698,682

A) La Rica Property, Peru

On June 17, 2021, The Company entered into an agreement with Luna Recursos Naturales S.A.C. ("LRN"), a Peruvian Company, where the Company issued 1,035,276 common shares to acquire LRN. LRN held 9 mineral concessions located in the Apurimac Province, Peru ("La Rica").

During the year ended December 31, 2021, the Company also acquired 14 mineral concessions through staking. 11 of the additional mineral concessions were dropped during 2025.

In order to keep the La Rica Property concession payments of 87,205 PEN (approximately $36,000) are due in June 2027.

B) Kio Buggy Property, Chile

On May 21, 2021, the Company issued 1,331,362 common shares to acquire Minera Copanor SpA ("Copanor"), owner of the Kio Buggy Property ("Kio Buggy"), located in the region of Antofagasta, Chile.

During the year ended December 31, 2025, management decided to focus on other properties. Accordingly, the Kio Buggy Property was written down to its estimated fair value of $Nil, which is a Level 3 estimate in the fair value hierarchy.

In order to keep the Kio Buggy Property, the Company was required to pay concession fees of 144,912,420 CLP (approximately $218,000) by February 26, 2026. These concession fees were not paid and the Kio Buggy Property was relinquished.

6. SHARE CAPITAL

a) Authorized

Unlimited number of common shares, without par value; and unlimited number of preferred shares, without par value.

b) Common share transactions:

No shares were issued during the six months ended June 30, 2026 and 2025.

c) Reserves

Stock options

Pursuant to the Company's equity incentive compensation plan (the "Option Plan"), the Company may grant incentive stock options to directors, officers, employees and consultants of the Company or any subsidiary thereof. The total number of shares issuable pursuant to the Option Plan is up to a maximum of 10% of the issued and outstanding common shares of the Company at any given time. The exercise price of each stock option shall not be lower than the market price or such discount from the market price as may be permitted by the stock exchange on which the common shares are listed and provided that no stock option shall have a term exceeding ten years (or such longer period as is permitted by the stock exchange on which the common shares are listed). The Board of Directors determines the vesting terms of the stock options which may vary between grants.

Share-based compensation expense (recovery) during the six months ended June 30, 2026 is ($7,354) (2025 – $54,857). No options were granted during the six months ended June 30, 2026 (2025 – Nil).

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

The movement in the stock options during the six months ended June 30, 2026 and the year ended December 31, 2025 is as follows::

	Stock options #	Exercise price $
Outstanding, December 31, 2024	**3,054,050**	**0.72**
Cancelled	(1,250,327)	0.98
Forfeited	(163,513)	(0.90)
Outstanding, December 31, 2025	**1,640,210**	**0.50**
Forfeited	(1,204,061)	0.51
Outstanding, June 30, 2026	**436,149**	**0.46**
Exercisable, June 30, 2026	**436,149**	**0.46**

The options expiring on September 22, 2028 vest as to one-third after twelve months and an additional one-third every three months thereafter. The options expiring on March 11, 2029 and the options expiring on November 9, 2029 vest in three equal installments every six months after the grant date.

The summary of the Company's stock options outstanding as at June 30, 2026, is as follows:

Expiry date	Stock options #	Exercise price $	Remaining contractual life (Years)
September 22, 2028	51,149	0.65	2.23
March 11, 2029	285,000	0.50	2.70
November 9, 2029	100,000	0.27	3.36
Outstanding, June 30, 2026	**436,149**	**0.46**	**2.80**

Warrants

The movement in the warrants the six months ended June 30, 2026 and the year ended December 31, 2025 is as follows:

	Warrants #	Exercise price $
Outstanding, December 31, 2024	**4,435,062**	**1.62**
Expired	(2,772,547)	1.87
Outstanding, December 31, 2025	**1,662,515**	**1.20**
Expired	(300,015)	5.27
Outstanding and exercisable, June 30, 2026	**1,362,500**	**0.30**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

The summary of the Company's warrants outstanding as at June 30, 2026, is as follows:

Expiry date	Warrants #	Exercise price $	Remaining contractual life (Years)
November 1, 2026	1,362,500	0.30	0.34
Outstanding, June 30, 2026	**1,362,500**	**0.30**	**0.34**

d) Escrowed shares, stock options and warrants

In connection with the RTO, the Company entered into escrow agreements and pooling and voluntary lock-up agreements resulting in 14,051,068 common shares, 380,783 stock options and 492,215 warrants being placed in escrow. The 492,215 warrants expired unexercised.

9,426,068 escrow shares and 380,783 escrow stock options will be released as follows:

Date of Automatic Timed Release	Amount of Escrow Securities Released
On the date that the Company's common shares were listed on the TSX-V, February 12, 2024	10% of the escrow shares (released)
6 months after the listing date (August 12, 2024)	15% of the escrow shares (released)
12 months after the listing date (February 12, 2025)	15% of the escrow shares (released)
18 months after the listing date (August 12, 2025)	15% of the escrow shares (released)
24 months after the listing date (February 12, 2026)	15% of the escrow shares (released)
30 months after the listing date (August 12, 2026)	15% of the escrow shares (released subsequent to June 30, 2026)
36 months after the listing date (February 12, 2027)	The remainder of the escrow shares

4,625,000 escrow shares will be released as follows:

Date of Automatic Timed Release	Amount of Escrow Securities Released
On the date that the Company's common shares were listed on the TSX-V, February 12, 2024	25% of the escrow shares (released)
6 months after the listing date (August 12, 2024)	15% of the escrow shares (released)
12 months after the listing date (February 12, 2025)	15% of the escrow shares (released)
18 months after the listing date (August 12, 2025)	The remainder of the escrow shares (released)

As at June 30, 2026, 1,413,921 common shares and 57,118 stock options remained in escrow.

e) Basic and diluted loss per share

During the six months ended June 30, 2026, potentially dilutive common shares totaling 1,798,649 (2025 – 3,423,658) were not included in the calculation of basic and diluted loss per share because their effect was anti-dilutive. Potentially dilutive common shares are from stock options and warrants.

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

7. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel include members of the current and former Board, the former Chief Executive Officer ("CEO") and President and the Chief Financial Officer ("CFO"). The related party transactions during the six months ended June 30, 2026 and 2025 are as follows:

	2026 $	2025 $
Accounting fees	24,750	44,683
Consulting fees and wages	7,185	148,500
Share-based compensation	(7,997)	88,266
	23,938	281,449

Accounts payable and accrued liabilities as at June 30, 2026 include $3,067 due to Malaspina Consultants Inc., a private company that provides accounting and administrative services where the CFO is a managing director (December 31, 2025 - $400,583 due to the former CEO of the Company and $78,262 due to Malaspina Consultants Inc.). The balances owing are non-interest bearing and due on demand. Related party transactions are conducted in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

During the six months ended June 30, 2026, $407,769 of accounts payable and accrued liabilities due to the former CEO were transferred to a third party.

During the six months ended June 30, 2026, wages and vacation accrual of $7,185 (2025 - $148,500) were earned by Dave Prins (former CEO of the Company). Accounting fees of $24,750 (2025 - $44,683) were charged by Malaspina Consultants Inc. during the six months ended June 30, 2026.

8. LOAN PAYABLE

On March 18, 2026, the Company entered into a loan agreement with an arm's length party for $200,000. The loan bears interest at 10% per annum, is unsecured and due on demand. For the six months ended June 30, 2026, the Company recognized interest expense of $5,698 in connection with the loan payable.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being mineral exploration. Geographic segment information of the Company is as follows:

At June 30, 2026:

	Canada $	Chile $	Peru $	Total $
Total non-current assets	-	-	717,870	717,870

At December 31, 2025:

	Canada $	Chile $	Peru $	Total $
Total non-current assets	-	-	698,682	698,682

10. FINANCIAL INSTRUMENTS

Fair value of financial instruments:

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The carrying value of cash, accounts payable and accrued liabilities and loans payable, approximated their fair value because of the short-term nature of these instruments.

The Company's activities expose it to financial risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are credit risk, liquidity risk, currency risk, interest rate risk and commodity price risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through large Canadian, international, and foreign national financial institutions. The Company's taxes and other receivable consists mainly of taxes receivable from government agencies. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company's cash is held with reputable Canadian and foreign banks. The Company believes it is not exposed to significant credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that sufficient funds are raised from equity offerings or debt financings to meet its operating requirements, after considering existing cash. See Note 1 for further discussion.

c) Market risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Significant market risks to which the Company is exposed are as follows:

i) Foreign currency risk

The Company is exposed to currency risk by having balances and transactions in currencies that are different from its functional currency. The Company operates in foreign jurisdictions, which use the Chilean Peso, Peruvian Sol and United States Dollar. The Company does not use derivative instruments to reduce upward and downward risk associated with foreign currency fluctuations. Balances of financial assets in foreign currencies as of June 30, 2026 are as follows:

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

	Chilean Peso	Peruvian Sol	US Dollar
Financial assets denominated in foreign currency	762,155	2,357	3,441

At June 30, 2026, US$ amounts were converted at a rate of US$0.7037 to CAD 1.00, Chilean Peso amounts were converted at a rate of Chilean Peso 648.85 to CAD 1.00 and Peruvian Soles amounts were converted at a rate of Peruvian Sol 2.40 to CAD 1.00.

A 10% change in the Chilean Peso relative to the Canadian dollar would change the Company's profit or loss by $117.

A 10% change in the Peruvian Sol relative to the Canadian dollar would change the Company's statement of profit or loss by $98.

A 10% change in the US dollar relative to the Canadian dollar would change the Company's profit or loss by $489.

ii) Interest rate risk

Interest rate risk is the risk arising from the effect of changes in floating interest rates applicable to the Company's financial instruments. At June 30, 2026, the Company has no short or long-term debt subject to floating interest rates and the Company has not entered, into any financial derivatives or other financial instruments to hedge against this risk. Also, the Company is exposed to interest rate fluctuations on the interest rate offered on cash balances held at chartered financial institutions, however this risk is considered to be minimal.

d) Commodity price risk

The Company has no revenue, thus is not exposed to commodity and equity price risk. However, the economic viability of the Company's mineral interests may be adversely affected by fluctuations in metals prices.

11. CAPITAL RISK MANAGEMENT

The Company manages common shares, stock options, and share purchase warrants as 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 development of its mineral interest and development assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and adjusts 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, issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. Cash consists of cash on hand with banks.

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

Any additional development and exploration is subject to acquiring new financing through loans, issue new shares through equity offerings or the sale of assets.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There has been no change to the Company's approach to capital management during the six months ended June 30, 2026.

The Company is not subject to externally imposed capital requirements.

12. DISCONTINUED OPERATIONS AND SALE OF SUBSIDIARY

On April 18, 2025, the Company entered into an agreement to dispose of its shares in CopperEx Chile in exchange for CLP 1,000,000 ($1,432). Included in CopperEx Chile on the date of transfer was the obligation to pay the remaining termination payment of US$115,508 to Aspromin (Note 5).

The disposition of CopperEx Chile is considered to be a discontinued operation for the Company and accordingly, loss from discontinued operations is included in the consolidated statements of loss for all periods presented. The loss from discontinued operations for the six months ended June 30, 2026 and 2025 are as follows:

	2026 $	2025 $
General expenses:		
Accounting fees	-	2,997
Administration and general expenses	-	442
VAT expense	-	667
Loss before other items	-	(4,106)
Other income (loss) items		
Foreign exchange gain (loss)	-	(2,773)
Impairment	-	(1,727)
Loss from discontinued operations	-	(8,606)

The following table outlines the net assets (liabilities) disposed of, the consideration received and the loss on sale of subsidiary:

	$
Cash consideration received	1,432
Net assets (liabilities) disposed of	
Assets disposed of	
Cash and cash equivalents	39,208
Prepaid expenses and deposits	14,217
Liabilities disposed of	
Accounts payable and accrued liabilities	(188,362)
Due to CopperEx	(31,396)
Net assets (liabilities) disposed of	(166,333)
Reclassification of translation loss	453,435
Loss on sale of subsidiary	285,670