

Copper Bullet Mines Inc.

Consolidated Financial Statements

**For the years ended December 31, 2024 and 2023
(In Canadian Dollars)**

To the Shareholders of Copper Bullet Mines Inc.:

Opinion

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

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has recurring losses and as at December 31, 2024, the Company has an accumulated deficit and a working capital deficiency. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

Calgary, Alberta

September 25, 2025

MNP LLP

Chartered Professional Accountants

Copper Bullet Mines Inc.
Consolidated Statement of Financial Position
As at December 31, 2024 and 2023
(amounts in Canadian dollars)

	2024	2023
Assets		
Current Assets		
Cash	\$ 12,521	\$ 25,806
Sales tax recoverable	9,168	10,491
Prepaid expenses (note 4)	90,990	58,000
Total Current Assets	112,679	94,297
Total Assets	\$ 112,679	\$ 94,297
Liabilities		
Current Liabilities		
Accounts payable and accruals	\$ 320,891	\$ 243,726
Related party loans (note 8)	96,247	-
Total Liabilities	417,138	243,726
Shareholders' Deficiency		
Share capital (note 5)	2,962,813	2,044,913
Warrants Reserve (note 5)	15,800	9,800
Contributed Surplus	13,700	13,700
Deficit	(3,296,772)	(2,217,842)
Total Shareholders' Deficiency	(304,459)	(149,429)
Total Liabilities and Shareholders' Deficiency	\$ 112,679	\$ 94,297

Nature of operations and Going concern (note 1)
Commitments (note 4)

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

Approved by the Board of Directors:

"signed"
Dan Weir, Director

"signed"
Doug Harris, Director

Copper Bullet Mines Inc.
Consolidated Statement of Loss and Comprehensive Loss
For the years ended December 31, 2024 and 2023
(amounts in Canadian dollars)

	December 31, 2024	December 31, 2023
Expenses		
Professional fees	\$ 37,394	\$ 56,244
Consultants	633,220	683,249
Mining Costs (note 4)	345,559	437,165
Travel	3,659	14,929
Interest	55,000	-
Office and administrative	4,098	5,293
Total Expenses	1,078,930	1,196,880
Net Loss and Comprehensive Loss	\$ (1,078,930)	\$ (1,196,880)
Weighted average number of common shares outstanding (note 5)*		
– basic & diluted	35,924,448	24,950,000
Loss per share		
– basic & diluted	\$ (0.03)	\$ (0.05)

*Common shares reflect the share split of 1.27707 as of February 24, 2023 as disclosed in note 5.

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

Copper Bullet Mining Inc.
Consolidated Statement of Changes in Shareholders' Deficiency
For the years ended December 31, 2024 and 2023
(amounts in Canadian dollars)

	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance, December 31, 2022	\$ 689,713	\$ 700	\$ 13,000	\$ (1,020,962)	\$ (317,549)
Share issuance (\$0.10)	1,365,000	-	-	-	1,365,000
Warrant value (note 5)	(9,800)	9,800	-	-	-
Warrant expiry	-	(700)	700	-	-
Net loss and comprehensive loss	-	-	-	(1,196,880)	(1,196,880)
Balance, December 31, 2023	2,044,913	9,800	13,700	(2,217,842)	(149,429)
Share issuance	926,000	-	-	-	926,000
Share issuance costs	(2,100)	-	-	-	(2,100)
Warrant value (note 5)	(6,000)	6,000	-	-	-
Net loss and comprehensive loss	-	-	-	(1,078,930)	(1,078,930)
Balance, December 31, 2024	\$ 2,962,813	\$ 15,800	\$ 13,700	\$ (3,296,772)	\$ (304,459)

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

Copper Bullet Mines Inc.
Consolidated Statement of Cash Flows
For the years ended December 31, 2024 and 2023
(amounts in Canadian dollars)

	December 31, 2024	December 31, 2023
Operating activities:		
Net loss	\$ (1,078,930)	\$ (1,196,880)
Items not affecting cash:		
Services paid with shares (note 5)	405,000	478,000
Mining expenditures settled with shares	30,000	-
Interest settled with shares	55,000	-
Settlement of accounts payable with shares	180,000	-
Changes in non-cash working capital:		
Sales tax recoverable	1,323	(2,338)
Accounts payable and accruals	(32,990)	(181,655)
Prepaid expenses	77,165	30,100
Cash used in operating activities	(363,432)	(872,773)
Financing activities:		
Proceeds from issuance of common shares (note 5)	256,000	902,000
Share issuance costs (note 5)	(2,100)	(15,000)
Related party loans (note 8)	96,247	-
Cash from financing activities	350,147	887,000
Increase (decrease) in cash	(13,285)	14,227
Cash, at beginning of the year	25,806	11,579
Cash, end of the year	\$ 12,521	\$ 25,806

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

1. Nature of Operations and Going concern

Copper Bullet Mines Inc. (the “Company”) was federally incorporated on April 10, 2021 under the laws of Canada with provincial registration in Ontario. The Company’s principal place of business is located at 129 Pinewood Trail, Mississauga Ontario L5G 2L2. On July 22, 2021, the Company incorporated its 100% wholly owned subsidiary CBMI USA Inc in Arizona, USA. The Company’s principal business activities include the acquisition and exploration of mineral property assets.

Basis of Measurement and Going concern

These consolidated financial statements were prepared on a going concern basis under the historical cost convention. Unless otherwise stated, all amounts presented in these consolidated financial statements are stated in Canadian dollars

These consolidated financial statements as at and for the years ended December 31, 2024 and 2023 have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Corporation will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

For the year ended December 31, 2024, the Company reported a net loss of \$1,078,930 and negative cash flows from operations of \$363,432. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company’s ability to continue as a going concern. If the going concern assumption is not appropriate, adjustments may be necessary to the carrying amounts and classification of the Company’s assets and liabilities. These financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities on the Consolidated Statement of Financial Position. Such adjustments could be material.

In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments for exploration and development programs and general and administration costs.

Management is periodically seeking additional forms of financing through the issuance of new equity instruments and the exercise of warrants and stock options to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Without new funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these consolidated financial statements.

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on September 25, 2025.

2. Basis of Presentation

Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (“IASB”).

Functional and Presentation Currency

The consolidated financial statements are presented in Canadian dollars. The functional currency for the parent entity is Canadian dollars and the subsidiary’s functional currency is US dollars.

2. Basis of Presentation (continued)

Significant Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- (i) The amounts recorded for current and deferred tax expense and deferred tax assets and liabilities are based on estimates as to the timing of the reversal of temporary differences, substantially enacted tax rates and the likelihood of tax assets being realized. The availability of tax pools and other deductions are subject to audit and interpretation by tax authorities; and,
- (ii) Share-based compensation and warrant valuation is subject to the estimation of the fair value of the award at the date of grant using the Black-Scholes pricing model which is based on significant assumptions such as volatility, dividend yield, expected term and forfeitures.

Significant accounting judgments

- (i) The evaluation of the Company's ability to continue as a going concern is dependent on its ability to raise financing to further explore and develop its exploration and evaluation assets to achieve profitable operations. Certain judgements are utilized when making the determination on the Company's ability to achieve its plans;
- (ii) The Company records share-based payments based on management's judgement of the expected exercise date of options; and,

3. Significant Accounting Policies

The accounting policies set out below have been applied in these consolidated financial statements.

a) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

(i) Classification and measurement

The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into two categories: (1) measured at amortized cost and (2) fair value through profit or loss ("FVTPL"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI").

Financial instruments are recognized initially at fair value except in the case of financial assets or liabilities measured at amortized cost which are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below.

The Company has classified cash, related party loans, and accounts payable and accrued liabilities as financial instruments measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. These financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

ii) Equity instruments

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

iii) Impairment

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at fair value through profit or loss and equity investments. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applies the simplified approach for accounts receivable which do not contain a significant financing component. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

3. Significant Accounting Policies (continued)

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts or requests to restructure payment schedules. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses, if any, are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

b) Fair Value Determination

A number of the Company's accounting policies and disclosures may require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

The Company classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement

The carrying value of cash, related party loans, and accounts payable and accrued liabilities approximates its fair value due to their short-term to maturity.

c) Foreign Currency

Transactions in foreign currencies are translated to Canadian dollars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the period end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognized in profit or loss.

3. Significant Accounting Policies (continued)

d) Share-based Transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is recognized as share-based payment expense, with a corresponding increase in equity, over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

f) Earnings (Loss) per Share

Basic earnings (loss) per common share is computed by dividing the earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share amounts are calculated by giving effect to the potential dilution that would occur if contracts to issue common shares were exercised, fully vested, or converted to common shares. The treasury stock method is used to determine the dilutive effect of dilutive instruments. The treasury stock method assumes that the proceeds received from the exercise price of in-the-money dilutive instruments are used to repurchase common shares.

g) Consolidation

The Company's consolidated financial statements are of the parent company and its US subsidiary as of December 31, 2024, which the subsidiary entity has the similar year end date. All transactions and balances between parent and subsidiary are eliminated on consolidation, including investment in subsidiary, inter-company loans, and unrealised gains/losses on transactions between the entities. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Company perspective. Amounts reported in the subsidiary's financial statements have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

h) Taxes

Tax expense comprises current and deferred tax. Tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3. Significant Accounting Policies (continued)

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

i) Provisions

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable. The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

j) Issuance costs

Issuance costs directly related to issuance of share capital are charged as a reduction against share capital. Costs incurred for shares not yet issued are recorded as deferred finance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to profit (loss) if the shares are not issued.

4. Mining Costs

Option A

Pursuant to an option agreement (the "Option A Agreement") dated June 1, 2021, the Company was granted an option to acquire a 100% undivided interest in ninety-nine (99) mining claims located in Gila County, Arizona ("Option A Property") over a term of 10 years.

In order to keep the option valid, the Company shall make cash payments and incur mining expenditures on the Option A Property as follows:

Date	Renewal	Expenditures	Cash Payments (USD)
Signing Date		\$ -	\$ 20,000
1 st Anniversary of Signing date	June 1, 2022	-	20,000
2 nd Anniversary of Signing date	June 1, 2023	100,000	30,000
3 rd Anniversary of Signing date	June 1, 2024	200,000	35,000
4 th Anniversary of Signing date	June 1, 2025	200,000	40,000
5 th Anniversary of Signing date	June 1, 2026	250,000	60,000
6 th Anniversary of Signing date	June 1, 2027	250,000	80,000
7 th Anniversary of Signing date	June 1, 2028	300,000	80,000
8 th Anniversary of Signing date	June 1, 2029	300,000	400,000
Total		\$ 1,600,000	\$ 765,000

The Company has the right to terminate the Agreement by giving 90 days written notice of such termination, which is reduced to 30 days if more than 3 months before the next anniversary of the signing date. The optionors retain a 3% Net Smelter Return royalty on the Option A Property. The Company has the right to purchase the first 1.50% of the royalty for \$3,000,000 USD at any time prior to the commencement of commercial production.

Option B

Pursuant to an option agreement (the "Option B Agreement") dated July 23, 2021, the Company was granted an option to acquire a 100% undivided interest in nine (9) mining claims located in Copper Springs, Arizona ("Option B Property") over a term of 10 years.

In order to keep the option valid, the Company shall make cash payments and incur mining expenditures on the Option B Property as follows:

Date	Renewal	Cash Payments (USD)
Signing Date		\$ 5,000
1 st Anniversary of Signing date	July 23, 2022	10,000
2 nd Anniversary of Signing date	July 23, 2023	15,000
3 rd Anniversary of Signing date	July 23, 2024	20,000
4 th Anniversary of Signing date	July 23, 2025	20,000
5 th Anniversary of Signing date	July 23, 2026	30,000
6 th Anniversary of Signing date	July 23, 2027	35,000
7 th Anniversary of Signing date	July 23, 2028	40,000
8 th Anniversary of Signing date	July 23, 2029	200,000
Total		\$ 375,000

The Company has the right to terminate the Agreement by giving written notice of such termination. The optionors retain a 3% Net Smelter Return royalty on the Option B Property. The Company has the right to purchase the first 1.50% of the royalty for \$3,000,000 USD at any time prior to the commencement of commercial production.

Copper Bullet Mines Inc.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(amounts in Canadian dollars)

4. Mining Costs (continued)

Option C

Pursuant to an option agreement (the "Option C Agreement") dated October 1, 2021, the Company was granted an option to acquire a 100% undivided interest in eighteen (18) mining claims located in Copper Springs, Arizona ("Option C Property") over a term of 10 years.

In order to keep the option valid, the Company shall make cash payments and incur mining expenditures on the Option C Property as follows:

Date	Renewal	Cash Payments (USD)
Signing Date		\$ 5,000
1 st Anniversary of Signing date	Oct. 1, 2022	20,000
2 nd Anniversary of Signing date	Oct. 1, 2023	30,000
3 rd Anniversary of Signing date	Oct. 1, 2024	35,000
4 th Anniversary of Signing date	Oct. 1, 2025	40,000
5 th Anniversary of Signing date	Oct. 1, 2026	60,000
6 th Anniversary of Signing date	Oct. 1, 2027	80,000
7 th Anniversary of Signing date	Oct. 1, 2028	80,000
8 th Anniversary of Signing date	Oct. 1, 2029	400,000
Total		\$ 750,000

The Company has the right to terminate the Agreement by giving written notice of such termination. The optionors retain a 3% Net Smelter Return royalty on the Option C Property. The Company has the right to purchase the first 1.50% of the royalty for \$3,000,000 USD at any time prior to the commencement of commercial production. On April 14, 2023, the Option C contract was updated to clarify the vendor's beneficial owners whereas there were no material changes from the initial Option C Agreement. The 2024 amount of \$35,000 USD was paid in 2025 (see note 9).

Option D

Pursuant to an option agreement (the "Option D LOI") dated July 25, 2022, the Company was granted an option to acquire a 100% undivided interest in one hundred forty three (143) mining claims located in Gila County, Arizona ("Option D Property") over a term of 4 years.

On April 14, 2023, the option agreement (the "Option D Agreement") was executed to formalize the terms agreed by the parties in the Option D LOI. In order to keep the option valid, the Company shall make consideration payments on the Option D Property as follows:

Date	Shares Issued	Cash Payments (USD)
Signing Date (April 14, 2023)	600,000	\$ 90,000
Prior to December 31, 2023		100,000
Prior to December 31, 2024		150,000
Prior to December 31, 2025		200,000
Total	600,000	\$ 540,000

The Company has the right to terminate the Agreement by giving 90 days written notice of such termination. The optionors retain a 2% Net Smelter Return royalty on the Option D Property. The Company has the right to purchase the first 1.00% of the royalty for \$1,000,000 USD at any time prior to the commencement of commercial production. The 2024 amount of \$150,000 USD was paid in 2025 (see note 9). The amount recorded as a prepaid expense represents annual maintenance fees paid in advance to the Bureau of Land Management.

Copper Bullet Mines Inc.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(amounts in Canadian dollars)

5. Share Capital

- a) Authorized
Unlimited common shares

- b) Issued

	Initial Issuance	*Post Split Number	Stated Value
Balance, December 31, 2022	14,437,000	18,437,000	\$ 689,713
Issuance of common shares at \$0.10 each (i)		13,800,000	\$ 1,380,000
Warrant allocation			(9,800)
Share issue costs		-	(15,000)
Balance, December 31, 2023		32,237,000	\$ 2,044,913
Issuance of common shares at \$0.10 each (ii)		9,010,000	\$ 901,000
Issuance of units at \$0.07 each (iii)		357,143	25,000
Warrant allocation (iii)		-	(6,000)
Share issue costs		-	(2,100)
Balance, December 31, 2024		41,604,143	\$ 2,962,813

*On February 21, 2023, the shareholders of the Company approved a share split of 1.27707 new Copper Bullet share based on each 1 old Copper Bullet share based on shares issued and outstanding on February 24, 2023.

- (i) During 2023, the Company issued 13,800,000 common shares at \$0.10 per common share for total proceeds of \$1,380,000. Included in the above are issuances of 780,000 common shares for settlement for services valued at \$78,000 and 4,000,000 common shares related to a corporate finance agreement (with the \$400,000 recorded as consulting expense), which were all valued at \$0.10 per common share.
- (ii) During 2024 the Company issued 9,010,000 common shares at \$0.10 per common share for total proceeds of \$901,000. Included in the above are issuances of 550,000 shares related to obtaining loans (with the \$55,000 recorded as interest expense), 4,050,000 shares for settlement for services, 300,000 shares related to mining expenditures, and 1,800,000 shares to settle previous accounts payable to the CEO and CFO, which were all valued at \$0.10 per common share.
- (iii) In December 2024, the Company issued 357,143 units at \$0.07 for total proceeds of \$25,000, which each unit includes one (1) common share plus $\frac{1}{2}$ warrant exercisable for three years at \$0.15 exercise price into a common share. Therefore, the Company reduced common shares for the \$6,000 value attributed to warrant reserve.

Loss per share

In the calculation of loss per share, all warrants were excluded from the diluted loss per share calculations as their effect is anti-dilutive.

5. Share Capital (continued)

Warrants

A summary of the warrants issued and outstanding are as follows:

	Number of Warrants	Weighted Average Life	Weighted Average Exercise Price
Balance, December 31, 2022	14,000	0.21	\$ 0.10
Warrants expiry	(14,000)	0.21	0.10
Warrants issued	150,000	1.24	0.10
Balance, December 31, 2023	150,000	1.24	\$ 0.10
Warrants issued	178,152	3.00	0.15
Balance, December 31, 2024	328,152	1.27	\$ 0.12

On December 13, 2024, the Company issued 178,152 warrants with value attributed of \$6,000 allocated to warrant reserve. The fair value of the 178,152 warrants issued was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Exercise price (\$/warrant)	\$0.15
Stock price on grant date	\$0.07
Expected life (years)	3.0
Risk-free interest rate	3.5%
Expected volatility	100%
Warrant fair value (per warrant)	\$ 0.034
Estimated forfeiture rate	0%
Expected dividend yield	0%

On March 27, 2023, the Company issued 150,000 warrants and paid cash of \$15,000 for share issue costs in relation shares to the capital raise. The value attributed to the 150,000 warrants of \$9,800 allocated to warrant reserve. At December 31, 2024, the estimated remaining life of the warrants was 0.3 years and all the warrants were still outstanding.

The fair value of the 2023 warrants issued was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Exercise price (\$/warrant)	\$0.10
Stock price on grant date	\$0.10
Expected life (years)	2.0
Risk-free interest rate	2.00%
Expected volatility	131%
Warrant fair value (per warrant)	\$ 0.065
Estimated forfeiture rate	0%
Expected dividend yield	0%

6. Taxes

The amount for deferred tax in the consolidated financial statements results from applying the combined federal and provincial/state tax rates to the Company's income before taxes as follows:

	2024	2023
Loss before taxes	\$ (1,078,930)	\$ (1,196,880)
Combined federal and provincial tax rate	26.5%	26.5%
Expected tax recovery	(285,916)	(317,173)
Deferred tax benefits not recognized	285,916	317,173
Income tax recovery	\$ -	\$ -

As at December 31, the Company's gross timing differences not recognized are as follows:

	2024	2023
Share issuance costs - Canada	\$ 27,197	\$ 31,235
Non-capital loss carry-forwards - Canada	2,052,519	1,307,415
Non-capital loss carry-forwards and other pools - USA	1,436,240	952,199
	\$ 3,515,956	\$ 2,290,849

The non-capital loss carryforward balance is available to reduce future years' income for tax purposes. The losses in Canada will begin to expire in 2041 if not utilized with taxable income. Tax losses in USA can be carried forward indefinitely and are limited to 80% of taxable income.

The Company has not recognized a deferred tax asset as the Company has deemed it is not probable that the asset will be realized at this time. The Company will recognize a deferred tax asset when it is probable there will be sufficient taxable income in future periods to utilize the deferred tax assets.

7. Financial Risk Management Objectives and Policies

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern, in order to provide returns for the shareholders and benefits for other stakeholders. The Company does not have any externally imposed capital requirements to which it is subject. The Company includes shareholders' equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund sourcing and exploration of its resource property. Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk relates to cash on deposit with Canadian chartered banks and undeposited funds. The Company manages credit exposure of cash by selecting financial institutions with high credit ratings.

7. Financial Risk Management Objectives and Policies (continued)

Market Risk

Market risk is the risk that changes in market conditions, such as foreign exchange rates and interest rates, will affect the Company's cash flow, income or the value of its financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the Company's return. The Company's policies for managing foreign currency risk and interest rate risk are as follows:

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has made commitments denominated in US dollars (see note 4), which poses foreign currency risk. Management takes into account the foreign exchange rates when planning spending and raising of capital.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's exposure to interest rate risk is a result of interest earned on its bank deposits which is insignificant.

Liquidity Risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The Company has cash of \$12,521 to settle the accounts payable obligations of \$417,138 at December 31, 2024, see note 9 for equity capital raise in 2025.

Foreign currency risk

The Company has certain monetary assets and liabilities that are denominated in US dollars where as the functional currency is in Canadian dollars. This results in currency risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The table below indicates the foreign currency to which the Company had significant exposure at December 31, 2024 in Canadian dollar terms:

	Monetary Exposure	Impact of 5% change
US dollar	\$66,500	\$4,500

At December 31, 2024, had the USD exchange rate changed by 5% with all other variables held constant, the decrease or increase respectively would amount to approximately \$4,500 based on the Company's exposure. This amount does not take into account the commitments denominated in US dollars disclosed in note 4, which would have significantly greater impact if exchange rates fluctuated.

8. Related Party Loans

During the year ended December 31, 2024, the Company incurred consulting fees of \$150,000 to an entity controlled by the CEO and \$60,000 to the CFO, which are included in Consultants expense (2023 - \$150,000 to the CEO and \$63,000 to the CFO). In addition, the CEO directly invoiced the Company \$35,000 in 2024 which was settled in shares. At December 31, 2024, \$nil and \$96,900 for the CEO and CFO respectively (2023 - \$76,962 and \$84,750), which are included in accounts payable and accruals.

During 2024, the Company issued 1,800,000 shares to settle the amounts owing \$180,000 (CEO of \$130,000 and CFO of \$50,000), which were valued at \$0.10 per share.

	2024	2023
Beginning Balance	\$ -	\$ 60,999
Advances from related parties	96,247	-
Repayments to related parties	-	(60,999)
Net activity	96,247	(60,999)
Ending Balance	\$ 96,247	\$ -

During 2024, the Company received loans totalling \$96,247 from related parties for the payment of mining costs, where 550,000 shares in total were issued to the related parties for providing funding (see note 5). Transactions with related parties are incurred in the normal course of business and initially measured at fair value.

9. Subsequent Events

During 2025, the Company completed a private placement raising gross proceeds of \$943,220 through an offering of units priced at \$0.07 per unit. Each unit consisted of one common share and one-half warrant, with each whole warrant entitling the holder to purchase one common share at \$0.15 for a period of three years.

During 2025, the Company paid \$35,000 USD related to the 2024 option renewal payment for Option C and \$100,000 USD related to the 2024 option renewal payment for Option D (see note 4).

On July 28, 2025, First and Goal Capital Corp. ("F&G") entered into a binding letter of intent with the Company to pursue a business combination or similarly structured transaction that would constitute a reverse takeover of F&G (the "Transaction"). The Transaction is intended to qualify as an arm's length "Qualifying Transaction" under Policy 2.4 of the TSX Venture Exchange ("TSXV") Corporate Finance Manual. A definitive agreement is expected to be executed in the fall of 2025, at which time a comprehensive news release will be issued outlining the full terms of the Transaction.