



Condensed Consolidated Interim Financial Statements (unaudited)

For the Three and Nine Months Ended September 30, 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at September 30, 2025 and December 31, 2024

expressed in thousands of Canadian dollars

	Notes	September 30 2025	December 31 2024
ASSETS			
Current assets			
Cash and cash equivalents		\$90,179	\$58,116
Trade and other receivables	3	30,294	30,133
Inventory	4	98,416	85,466
Prepaid expenses and deposits		2,043	6,024
		220,932	179,739
Mineral properties	5	1,517,117	1,431,063
Non-current inventory	4	57,279	41,515
Reclamation deposits		416	416
Deferred income tax assets		4,608	5,148
		<u>\$1,800,352</u>	<u>\$1,657,881</u>
LIABILITIES			
Current liabilities			
Trade and other payables	6	\$123,966	\$97,475
Taxes payable		4,166	2,284
Short term debt	7	102,552	167,963
Current portion of long term debt	8	88,520	109,560
		319,204	377,282
Long term debt	8	52,292	95,328
Non-current trade payables		2,922	3,212
Future site reclamation provisions	9	227,499	217,242
Deferred income tax liabilities		205,386	141,182
		<u>807,303</u>	<u>834,246</u>
EQUITY			
Share capital	10	490,520	437,043
Contributed surplus		45,761	50,010
Currency translation adjustment		8,236	8,474
Retained earnings		448,532	328,108
		<u>993,049</u>	<u>823,635</u>
		<u>\$1,800,352</u>	<u>\$1,657,881</u>
Commitments and pledges	20		
Contingent liabilities	21		

See accompanying notes to these condensed consolidated interim financial statements.

Approved by the Board and authorized for issue on November 4, 2025

/s/ Larry G. Moeller

Director

/s/ J. Brian Kynoch

Director

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

		Three Months Ended September 30		Nine Months Ended September 30	
	Notes	2025	2024	2025	2024
Revenue		\$168,754	\$146,098	\$521,124	\$362,397
Cost of sales	11	(96,615)	(85,714)	(289,351)	(264,546)
Income from mine operations		72,139	60,384	231,773	97,851
General and administration		(2,876)	(1,217)	(7,239)	(4,003)
Idle mine costs		(2,171)	(2,187)	(6,364)	(5,944)
Interest expense, net	12	(5,914)	(8,602)	(20,822)	(25,477)
Accretion of future site reclamation provisions	9	(2,082)	(1,292)	(6,066)	(3,828)
Other income (loss)	13	581	(470)	53	336
Income before taxes		59,677	46,616	191,335	58,935
Current income and mining taxes	14	(2,116)	(1,123)	(5,550)	(2,254)
Deferred income and mining taxes	14	(19,024)	(13,225)	(65,361)	(13,208)
Income and mining tax expense		(21,140)	(14,348)	(70,911)	(15,462)
Net income		38,537	32,268	120,424	43,473
Other comprehensive income (loss)					
Items that may be subsequently reclassified to profit or loss:					
Currency translation adjustment		142	(96)	(238)	138
Total comprehensive income		\$38,679	\$32,172	\$120,186	\$43,611
Income per share					
Basic	15	\$0.23	\$0.20	\$0.73	\$0.27
Diluted	15	\$0.22	\$0.20	\$0.72	\$0.27
Weighted average number of common shares outstanding					
Basic	15	170,279,700	161,871,341	164,970,285	161,871,341
Diluted	15	174,382,101	162,099,041	168,264,460	162,523,153

See accompanying notes to these condensed consolidated interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

	Share Capital		Contributed Surplus	Currency Translation Adjustment	Retained Earnings	Total
	Number of Shares	Amount				
Balance December 31, 2023	161,871,341	\$437,043	\$49,458	\$7,883	\$221,847	\$716,231
Share based compensation expense	-	-	467	-	-	467
Total comprehensive income	-	-	-	138	43,473	43,611
Balance September 30, 2024	161,871,341	\$437,043	\$49,925	\$8,021	\$265,320	\$760,309
Balance December 31, 2024	161,871,341	\$437,043	\$50,010	\$8,474	\$328,108	\$823,635
Exercised options	1,215,250	3,661	(1,215)	-	-	2,446
Shares issued for convertible debentures (Note 8 (a))	14,687,500	49,118	(3,785)	-	-	45,333
Shares issued for warrants (Note 8 (b))	262,500	698	(147)	-	-	551
Share based compensation expense	-	-	898	-	-	898
Total comprehensive (loss) income	-	-	-	(238)	120,424	120,186
Balance September 30, 2025	178,036,591	\$490,520	\$45,761	\$8,236	\$448,532	\$993,049

See accompanying notes to these condensed consolidated interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

		Three Months Ended September 30		Nine Months Ended September 30	
	Notes	2025	2024	2025	2024
OPERATING ACTIVITIES					
Net income		\$38,537	\$32,268	\$120,424	\$43,473
Items not affecting cash flows					
Deferred mining and income tax expense	14	19,024	13,225	65,361	13,208
Depletion and depreciation		24,624	16,534	70,541	49,180
Gain on disposal of mineral properties		(35)	-	(35)	(104)
Share based compensation		753	154	898	467
Accretion of future site reclamation provisions		2,082	1,292	6,066	3,828
Foreign exchange (gains) losses		(547)	70	(19)	(389)
Interest income		(345)	(575)	(1,672)	(2,034)
Interest expense		6,259	9,177	22,494	27,511
		90,352	72,145	284,058	135,140
Net change in non-cash operating working capital balances	16	10,866	592	14,931	1,543
Income and mining taxes paid		(750)	(501)	(3,667)	(1,258)
Interest income received		345	575	1,672	2,034
Interest expense paid		(5,521)	(9,270)	(23,204)	(26,712)
Cash provided by operating activities		95,292	63,541	273,790	110,747
FINANCING ACTIVITIES					
Proceeds from short term debt	7	32,091	17,508	46,089	83,387
Repayment of short term debt	7	(21,000)	(25,500)	(111,500)	(46,000)
Repayment of current portion of long term debt		(1,024)	(836)	(3,430)	(2,310)
Proceeds from issue of debentures	8	-	-	-	55,000
Repayment of debentures	8	-	-	(20,000)	(43,675)
Lease payments		(1,875)	(871)	(5,787)	(3,001)
Issue of share capital for exercised warrants		551	-	551	-
Issue of share capital for exercised options		90	-	2,446	-
Cash provided by (used in) financing activities		8,833	(9,699)	(91,631)	43,401
INVESTING ACTIVITIES					
Acquisition and development of mineral properties		(63,553)	(54,351)	(162,484)	(138,072)
Net change in non-cash investing working capital balances		1,586	2,371	12,661	3,649
Proceeds on sale of minerals properties and other		35	30	35	150
Cash used in investing activities		(61,932)	(51,950)	(149,788)	(134,273)
EFFECT OF FOREIGN EXCHANGE ON CASH		511	(67)	(308)	391
INCREASE IN CASH		42,704	1,825	32,063	20,266
CASH, BEGINNING OF PERIOD		47,475	43,377	58,116	24,936
CASH, END OF PERIOD		\$90,179	\$45,202	\$90,179	\$45,202

See accompanying notes to these condensed consolidated interim financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

1. NATURE OF OPERATIONS

Imperial Metals Corporation (the “Company”) is incorporated under the laws of the Province of British Columbia, Canada, and its principal business activity is the exploration, development, and production of base and precious metals from its mineral properties. The head office, principal address and registered and records office of the Company are located at 580 Hornby Street, Suite 900, Vancouver, British Columbia, Canada V6C 3B6. The Company’s shares are listed as symbol “III” on the Toronto Stock Exchange.

The Company’s key projects are:

- 30% interest in the Red Chris copper-gold mine in northwest British Columbia, and
- 100% interest in the Mount Polley copper-gold mine in central British Columbia.

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will continue operating in the foreseeable future and will be able to service its debt obligations, realize its assets and discharge its liabilities in the normal course as they come due. The Company has in place a planning, budgeting, and forecasting process to determine the funds required to support the Company’s operations and expansionary plans.

The Company has financed its operating cash requirements primarily through revenues generated by its 30% share of Red Chris mine, its 100% interest in the Mount Polley mine, credit facility, debentures and equity raises. The Company’s ability to realize the carrying value of its assets and to continue as a going concern is based upon the continued support of our shareholders, senior lender and the operational success at our operating mines. It will be necessary for the Company to raise additional funds from time to time for the continued execution of its strategic plan which is to see increased cash generation from its operating mines. These additional funds may come from sources which include the issuance of shares, the issuance of debt or alternative sources of financing.

The Company has in place a robust planning, budgeting, and forecasting process to determine the funds required to support its operations and expansionary plans. As a result, after considering all relevant information, management has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern for at least the next year.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

The annual consolidated financial statements are prepared in accordance with IFRS® Accounting Standards as Issued by the International Accounting Standards Board. These unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (IAS 34).

These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2024.

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2025. The Company has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Comparative Information

Certain comparative amounts have been reclassified to conform to current period presentation, and those reclassifications are not material.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

3. TRADE AND OTHER RECEIVABLES

	September 30 2025	December 31 2024
Trade receivables	\$30,013	\$23,569
Tax credit receivable	281	6,564
	<u>\$30,294</u>	<u>\$30,133</u>

4. INVENTORY

	September 30 2025	December 31 2024
Stockpile ore	\$92,925	\$64,399
Concentrate	19,692	19,712
Supplies	43,078	42,870
Total inventory	155,695	126,981
Less non-current inventory	(57,279)	(41,515)
Total current inventory	<u>\$98,416</u>	<u>\$85,466</u>

During the nine months period ended September 30, 2025 inventory of \$263,500 was recognized in cost of sales (September 30, 2024-\$243,440) and a net impairment charge of \$5,991 (September 30, 2024-\$2,625 of a net impairment charge) on stockpile ore, concentrate and supplies inventory was included in cost of sales.

As at September 30, 2025, the Company had \$62,863 (December 31, 2024-\$55,148) of inventory pledged as security for the credit facility (Note 7).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

5. MINERAL PROPERTIES

	Mineral Properties	Capitalized Stripping Costs	Exploration, Evaluation and Development	Plant & Equipment	Total
<i>Costs</i>					
Balance December 31, 2023	\$566,772	\$168,525	\$308,843	\$817,684	\$1,861,824
Additions	9	40,926	67,453	93,767	202,155
Change in estimates of future site reclamation provisions	62,866	-	(64)	-	62,802
Disposals and write down	-	(13,714)	-	(115)	(13,829)
Foreign exchange valuation	-	-	591	-	591
Balance December 31, 2024	\$629,647	\$195,737	\$376,823	\$911,336	\$2,113,543
Additions	9	47,038	55,993	77,115	180,155
Change in estimates of future site reclamation provisions	4,191	-	-	-	4,191
Foreign exchange valuation	-	-	(238)	-	(238)
Balance September 30, 2025	\$633,847	\$242,775	\$432,578	\$988,451	\$2,297,651
<i>Accumulated depletion & depreciation & impairment losses</i>					
Balance December 31, 2023	\$180,402	\$129,648	\$1,637	\$303,185	\$614,872
Depletion and depreciation	11,358	16,394	-	53,614	81,366
Disposals and write down	-	(13,714)	-	(44)	(13,758)
Balance December 31, 2024	\$191,760	\$132,328	\$1,637	\$356,755	\$682,480
Depletion and depreciation	35,326	16,227	-	46,501	98,054
Balance September 30, 2025	\$227,086	\$148,555	\$1,637	\$403,256	\$780,534
<i>Carrying Amount</i>					
Balance December 31, 2023	\$386,370	\$38,877	\$307,206	\$514,499	\$1,246,952
Balance December 31, 2024	\$437,887	\$63,409	\$375,186	\$554,581	\$1,431,063
Balance September 30, 2025	\$406,761	\$94,220	\$430,941	\$585,195	\$1,517,117

At September 30, 2025, leased mobile equipment at cost of \$27,842 (December 31, 2024-\$25,496) and accumulated depreciation of \$17,428 (December 31, 2024-\$12,695) was included with plant and equipment.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

Red Chris Mine

Red Chris Development Company Ltd., a wholly owned subsidiary of the Company, owns a 30% beneficial interest in the Red Chris copper/gold mine in northwest British Columbia. The Company and Newmont Corporation (“Newmont”) have a joint venture for the operation of Red Chris, with Newcrest Red Chris Mining Limited, a wholly owned subsidiary of Newmont, acting as operator. The property is comprised of the Red Chris Main claim group (51 tenures / 17,149 hectares), the Red Chris South group (27 tenures / 6,097 hectares), the GJ Connector (2 tenures / 972 ha), the GJ group (87 tenures / 39,432 hectares) and the Hawkeye group (McBride, Railway and Todogin claims, (37 tenures / 8,225 hectares) consisting of 204 mineral tenures (71,875 hectares). Five of the Red Chris Main tenures are mining leases (5,141 hectares). Net smelter royalties of 2.0% are payable on the current tenures which are being mined from the Red Chris mine.

Mount Polley Mine

The Mount Polley copper/gold mine in south-central British Columbia is owned 100% by Mount Polley Mining Corporation, a wholly owned subsidiary of the Company. The property encompasses 24,096 hectares consisting of seven mining leases (2,007 hectares) and 52 mineral claims (22,089 hectares). A production royalty is payable on ore mined from Mining Lease 933970. In October 2019, Mount Polley Mining Corporation optioned seven adjacent mineral tenures (3,331 hectares) and the option was exercised on December 30, 2022. These claims are subject to a production royalty payable on ore mined from the claims and milled in the Mount Polley processing plant. There is currently no ore being mined on tenures subject to the production royalties.

Huckleberry Mine

The Huckleberry copper mine in west-central British Columbia is 100% owned by Huckleberry Mines Ltd., a wholly owned subsidiary of the Company. The property encompasses 25,767 hectares, consisting of two mining leases (2,422 hectares) and 49 mineral claims (23,345 hectares).

Huckleberry mine operations were suspended in August 2016. The mine remains on care and maintenance status until the economics of mining improve.

Other Exploration Properties

The Company has a portfolio of 23 greenfield exploration properties located mainly in British Columbia.

Impairment Analysis of Mineral Properties

In accordance with its accounting policies and processes, each asset or cash-generating unit (“CGU”) is evaluated to determine whether there are any indications of impairment or impairment reversal. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

Based on the Company’s assessment with respect to possible indicators of either impairment or reversal of previous impairments to its mineral properties, including the impact of current macroeconomic and geopolitical uncertainties on the operations and the prevailing market metals prices, the Company concluded that as of September 30, 2025, there were no impairment or impairment reversal indicators of mineral properties (December 31, 2024-indicators of impairment identified).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

6. TRADE AND OTHER PAYABLES

	September 30 2025	December 31 2024
Trade payables and accruals	\$95,500	\$72,185
Accrued payroll, payroll related benefits and taxes	11,672	11,862
Accrued interests on debt	16,794	13,428
	<u>\$123,966</u>	<u>\$97,475</u>

7. SHORT TERM DEBT

Amounts due for short term debt are:

	September 30 2025	December 31 2024
Credit Facility	\$ -	\$90,500
Advanced Development Loan	102,552	77,463
	<u>\$102,552</u>	<u>\$167,963</u>

The movement of the amounts due for short term debt are:

	Nine Months Ended September 30 2025	Year Ended December 31 2024
Balance, beginning of period	\$167,963	\$132,630
Amounts advanced	46,089	104,333
Amount repaid	(111,500)	(69,000)
Balance, end of period	<u>\$102,552</u>	<u>\$167,963</u>

Credit Facility

At September 30, 2025, a credit facility aggregating \$125,000 (December 31, 2024-\$125,000) is in effect until expiry on March 31, 2026. The facility is secured by the Company's shares and shares of all material subsidiaries and a floating charge on certain assets of the Company. The full amount of the \$125,000 of credit facility is guaranteed by a related party. The guarantee fee is payable monthly at a rate of 1.5% per annum. Any funds borrowed under the credit facility bear an interest rate of CORRA plus 2.0%.

As at September 30, 2025, a total of \$12,725 (December 31, 2024-\$100,202) has been utilized, that consists of drawdowns in the amount of \$nil (December 31, 2024-\$90,500) and \$12,725 (December 31, 2024-\$9,702) for letters of credit pledged for settlement of future site reclamation provisions and other obligations.

Advanced Development Loan

The Company signed a loan agreement with Newcrest Red Chris Mining Limited to finance the Company's 30% interest in advanced development works on the Red Chris block cave decline and related activities. The aggregate planned expenditures in respect of 100% of advanced development works is \$387,100. The Advanced Development Loan is repayable on demand (with certain restrictions) and bears interest at prime rate plus 3.5% per annum.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

8. LONG TERM DEBT

Amounts due for non-current debt are:

	September 30 2025	December 31 2024
Convertible and non-convertible debentures	\$126,393	\$189,535
Equipment leases	7,270	9,472
Equipment loans	7,149	5,881
	140,812	204,888
Less portion due within one year	(88,520)	(109,560)
	<u>\$52,292</u>	<u>\$95,328</u>

Debentures

- (a) On August 31, 2022 the Company completed its non-brokered private placement of unsecured convertible debentures. The debentures with a face value of \$47,000 mature on August 30, 2027 and bear interest at 8% per year, with interest payable semi-annually in cash. Each \$3.20 of the principal amount of the convertible debenture is convertible into one common share of the Company. The convertible debentures are not callable unless the closing price of the Company's common shares exceeds 140% of the conversion price for at least 30 consecutive days.

On July 14, 2025 the Company announced its intention to redeem at par on August 18, 2025 (the "Redemption Date") all of its outstanding \$47,000 principal amount of convertible debenture. All debentures were converted and 14,687,500 common shares were issued on the Redemption Date in lieu of the redemption price.

- (b) On December 23, 2022 the Company issued unsecured non-convertible debentures (the "Debentures") with an aggregate principal amount of \$48,450 which have a maturity date of December 23, 2026 and which bear interest at a rate of 10% per annum, with interest payable semi-annually in cash. In connection with the issuance of the Debentures, the Company issued 6,056,250 common share purchase warrants which are exercisable into common shares of the Company at a price of \$2.10 per share. The warrants expire on December 23, 2026.

During the three months ended September 30, 2025, total of 262,500 warrants were exercised and the Company issued 262,500 of common shares. At September 30, 2025 the total of 5,793,750 warrants remain outstanding.

- (c) On June 21, 2023 the Company issued on a non-brokered private placement basis unsecured non-convertible debentures with an aggregate principal amount of \$34,470. The debentures had a maturity date of July 1, 2024 and bear interest at a rate of 12% per annum, with interest paid semi-annually in cash. On June 24, 2024 the Company amended certain terms of the debentures: extended its maturity date to November 1, 2025 and included a 2% prepayment penalty on the outstanding principal amount. These debentures were repaid on October 31, 2025 (Note 22).
- (d) On November 1, 2023 the Company issued on a non-brokered private placement basis unsecured non-convertible debentures with an aggregate principal amount of \$20,000. The debentures had a maturity date of July 1, 2025 and bear interest at a rate of 12% per annum, with interest paid semi-annually in cash. These debentures were repaid on June 30, 2025.
- (e) On March 1, 2024 the Company issued on a non-brokered private placement basis unsecured non-convertible debentures with an aggregate principal amount of \$45,000. The Debentures have a maturity date of November 1, 2025 and bear interest at a rate of 12% per annum, with interest paid semi-annually in cash. These debentures were repaid on October 31, 2025 (Note 22).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

The movement of the debentures amounts are:

	Nine Months Ended September 30 2025	Year Ended December 31 2024
Balance, beginning of period	\$189,535	\$175,983
Issuance of new debentures	-	55,000
Repayment of debentures	(20,000)	(43,675)
Conversion of debentures into shares (Note 8(a))	(44,715)	-
Accretion	1,573	2,227
Balance, end of period	\$126,393	\$189,535

Equipment leases

The outstanding amount of equipment leases is \$7,270 (December 31, 2024-\$9,472) at weighted average interest rate of 4.26% with monthly payments of \$620. The contractual lease payments are as follows:

	September 30 2025	December 31 2024
Due in less than one year	\$4,935	\$6,809
Due in one to four years	2,636	2,993
Total undiscounted lease liabilities, end of period	\$7,571	\$9,802

9. FUTURE SITE RECLAMATION PROVISIONS

The Company has recognized provisions for future site reclamation at its Red Chris, Mount Polley, Huckleberry, Ruddock Creek and Catface properties. Although the ultimate amounts of the future site reclamation provisions are uncertain, the provision of these obligations is based on information currently available, including closure plans and applicable regulations. Significant closure activities include land rehabilitation, water treatment, demolition of facilities, monitoring and other costs.

The total undiscounted amount of estimated cash flows required to settle the Company's estimated future closure and decommissioning costs is \$377,897 (December 31, 2024-\$352,301). The estimated future cash flows were then inflated using inflation rate 2.0% (December 31, 2024-2.0%). The total provision for closure and decommissioning costs is calculated using discount rates between 3.67% to 5.67% (December 31, 2024-3.37% to 5.37%). Obligations in the amount of \$247,506 are expected to be settled in the years 2025 through 2054.

	Nine Months Ended September 30 2025	Year Ended December 31 2024
Balance, beginning of period	\$217,242	\$149,335
Accretion	6,066	5,105
Change in estimates of future costs and discount rate	4,191	62,802
Balance, end of period	\$227,499	\$217,242

The amount and timing of closure plans for the mineral properties will vary depending on a number of factors, including exploration success and alternative mining plans.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

10. SHARE CAPITAL

Share Capital

Authorized	
50,000,000	First Preferred shares without par value with special rights and restrictions to be determined by the directors, of which 3,100,000 have been designated as "Series A First Preferred shares" (issued and outstanding – nil)
50,000,000	Second Preferred shares without par value with rights and restrictions to be determined by the directors (issued and outstanding – nil)
An unlimited number of Common Shares without par value	

Share Option Plans

Under the Share Option Plans, options not exceeding 10% of the issued common shares of the Company, may be granted to its directors, officers and employees. As at September 30, 2025, a total of 14,056,409 common share options had remained available for grant under the plans. Under the plans, the exercise price of each option cannot be greater than the market price of the Company's shares on the date of grant and an option's maximum term is 10 years. Options are granted from time to time by the Board of Directors and vest over a three or five year period.

During the three months ended September 30, 2025, the Company granted 1,575,000 stock options (September 30, 2024-nil) at a weighted average exercise price of \$4.32 (September 30, 2024-\$nil). During the nine months ended September 30, 2025, the Company granted 1,575,000 stock options (September 30, 2024-100,000) at a weighted average exercise price of \$4.32 (September 30, 2024-\$2.40).

During the three months ended September 30, 2025, the weighted average fair value for the options granted was \$2.32 per option, which was estimated at the date of the grant using the Black-Scholes option pricing model using the following weighted average assumptions: risk-free interest rate - 2.90%; expected dividend yield - \$nil; expected stock price volatility - 54.69%; expected option life - 5.4 years and, estimated forfeiture rate - 5.00%.

Movements in Share Options

The changes in share options were as follows:

	Nine Months Ended September 30 2025		Year Ended December 31 2024	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of period	3,552,250	\$3.76	3,544,750	\$3.78
Granted	1,575,000	\$4.32	100,000	\$2.40
Exercised	(1,215,250)	\$2.01	-	-
Forfeited	(41,250)	\$3.69	(62,500)	\$2.24
Expired	(123,500)	\$2.04	(30,000)	\$5.00
Outstanding, end of period	3,747,250	\$4.62	3,552,250	\$3.76
Options exercisable, end of period	1,562,250	\$5.82	2,852,250	\$4.10

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

The following table summarizes information about the Company's share options outstanding as at September 30, 2025:

Exercise Prices	Options Outstanding		Options Exercisable	
	Options Outstanding	Remaining Contractual Life in Years	Options Outstanding & Exercisable	Remaining Contractual Life in Years
\$2.00	101,250	1.67	63,750	1.67
\$2.40	1,115,000	2.35	512,500	2.27
\$4.32	1,545,000	5.17	-	-
\$5.75	65,000	2.25	65,000	2.25
\$8.00	921,000	0.18	921,000	0.18
	3,747,250	2.96	1,562,250	1.01

Warrants

In connection with the issuance of the A Debentures (Note 8 (b)), the Company issued 6,056,250 common share purchase warrants which are exercisable into common shares of the Company at a price of \$2.10 per share for a period of four years from the date of issuance. The warrants expire on December 23, 2026. The fair value of the warrants was estimated using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 3.38%, expected dividend yield of nil, expected stock price volatility of 67.62% and expected life of 4 years.

During the three months ended September 30, 2025, total of 262,500 warrants were exercised and the Company issued 262,500 of common shares. At September 30, 2025 the total of 5,793,750 warrants remain outstanding.

11. COST OF SALES

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Operating expenses	\$72,230	\$69,489	\$219,700	\$216,147
Share based compensation expense	96	22	114	85
Depletion and depreciation	24,289	16,203	69,537	48,314
	\$96,615	\$85,714	\$289,351	\$264,546

Included in cost of sales for the three months ended September 30, 2025 is \$738 of net impairment charge (September 30, 2024-\$4,059 of net impairment charge) in relation to concentrate, stockpile and supplies inventory.

Included in cost of sales for the nine months ended September 30, 2025 is \$5,991 of net impairment charge (September 30, 2024-\$2,625 of net impairment charge) in relation to concentrate, stockpile and supplies inventory.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

12. INTEREST EXPENSE, NET

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Interest and finance fees on debt:				
Convertible debentures (Note 8)	\$651	\$1,202	\$3,062	\$3,616
Non-convertible debentures (Note 8)	3,919	4,542	12,862	13,588
Equipment loans and leases (Note 8)	202	194	640	610
	4,772	5,938	16,564	17,814
Other interest and finance fees				
Credit facility (Note 7)	592	2,016	3,065	6,681
Advanced development loan (Note 7)	2,357	1,872	6,281	4,744
Other	895	1,223	2,865	3,029
	3,844	5,111	12,211	14,454
	8,616	11,049	28,775	32,268
Less: interest capitalized	(2,357)	(1,872)	(6,281)	(4,757)
Less: interest income	(345)	(575)	(1,672)	(2,034)
	\$5,914	\$8,602	\$20,822	\$25,477

13. OTHER INCOME (LOSS)

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Gain on disposal of mineral properties	\$35	\$ -	\$35	\$104
Foreign exchange gain (loss)	546	(470)	18	232
	\$581	\$(470)	\$53	\$336

14. INCOME AND MINING TAX EXPENSE

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Current income and mining taxes	\$2,116	\$1,123	\$5,550	\$2,254
Deferred income and mining taxes	19,024	13,225	65,361	13,208
	\$21,140	\$14,348	\$70,911	\$15,462

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

15. INCOME PER SHARE

Basic income per share is calculated by dividing the net income for the period by the weighted average number of ordinary shares outstanding during the period. The diluted net income is adjusted for an individual effect, net of tax of each class of instruments that affects earnings per share.

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Numerator:				
Net Income (for basic and diluted weighted-average number of common shares outstanding)	\$38,537	\$32,268	\$120,424	\$43,473
Denominator:				
Basic weighted-average number of common shares outstanding	170,279,700	161,871,341	164,970,285	161,871,341
Effect of dilutive securities: stock options, warrants and convertible debentures	4,102,402	227,700	3,294,175	651,812
Diluted weighted-average number of common shares outstanding	174,382,101	162,099,041	168,264,460	162,523,153
Basic net income per common share	\$0.23	\$0.20	\$0.73	\$0.27
Diluted net income per common share	\$0.22	\$0.20	\$0.72	\$0.27

The following common shares that may be issued in relation to the following items have been excluded from the calculation of diluted net income per common share:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Stock Options	986,000	2,328,500	986,000	2,328,500
Warrants	-	-	-	-
Convertible debentures	-	14,687,500	-	14,687,500

16. SUPPLEMENTAL CASH FLOW INFORMATION

Net change in non-cash operating working capital balances:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Trade and other receivables	\$(7,238)	\$(3,389)	\$(6,588)	\$1,122
Inventory	(202)	(2,012)	(5,111)	(12,386)
Prepaid expenses and deposits	1,745	1,413	3,980	1,789
Trade and other payables	14,971	3,457	17,626	8,764
Income and mining tax payable	1,590	1,123	5,024	2,254
	\$10,866	\$592	\$14,931	\$1,543

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

17. RELATED PARTY TRANSACTIONS AND COMPENSATION TO DIRECTORS AND KEY MANAGEMENT PERSONNEL

Related Party Transactions

Related party transactions with a joint venture, a significant shareholder, companies controlled by a significant shareholder, companies in which directors are owners, and with the Company's directors and officers are as follows:

Statements of Financial Position

	September 30 2025	December 31 2024
Assets		
Equipment rental trade receivables from Red Chris Joint Venture	\$1	\$51
Liabilities		
Debentures (Note 8)	\$91,420	\$139,380
Advanced Development Loan (Note 7)	\$102,552	\$77,463
Interest accrued	\$15,998	\$11,643

Statements of Income and Comprehensive Income

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Equipment rental from Red Chris Joint Venture	\$14	\$115	\$167	\$402
Credit facility arrangement guarantee fee	\$472	\$472	\$1,402	\$1,404
Interest expense	\$5,303	\$3,682	\$16,489	\$11,073
Interest expense capitalized	\$(2,357)	\$(1,872)	\$(6,281)	\$(4,757)

The full amount of the \$125,000 of credit facility is guaranteed by a related party (Note 7). The guarantee fee is payable monthly at a rate of 1.5% per annum.

The Company incurred the above transactions and balances in the normal course of operations.

Compensation of Directors and Key Management Personnel

The remuneration of the Company's directors and other key management personnel \$1,251 and \$2,310 for the three and nine months ended September 30, 2025, respectively (three and nine months ended September 30, 2024-\$427 and \$2,041). The remuneration includes salaries, estimated bonuses payable within the year of the Statement of Financial Position date and other annual employee benefits.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

18. REPORTABLE SEGMENTED INFORMATION

The Company operates primarily in Canada. All of the Company's assets are located in Canada, except for assets in relation to Sterling totalling \$7,075 as at September 30, 2025 (December 31, 2024-\$7,313) which are located in the USA. The Company's reportable segments reflect the internal reporting used by the Company's management to report to the chief operating decision maker.

Reportable Segments

	Three Months Ended September 30, 2025				
	Red Chris	Mount Polley	Huckleberry	Corporate and Others	Total
Reportable segmented revenues	\$73,193	\$95,547	\$21	\$ -	\$168,761
Less inter-segment revenues	-	-	(7)	-	(7)
Revenues from external sources	\$73,193	\$95,547	\$14	\$ -	\$168,754
Depletion and depreciation	\$17,387	\$6,830	\$407	\$ -	\$24,624
Interest (expense) income, net	\$(3,339)	\$(4,044)	\$(157)	\$1,626	\$(5,914)
Accretion of future site reclamation provisions	\$(882)	\$(660)	\$(540)	\$ -	\$(2,082)
Net income (loss)	\$4,562	\$36,996	\$(2,187)	\$(834)	\$38,537
Capital expenditures	\$30,708	\$35,963	\$1,747	\$643	\$69,061
Total assets	\$1,091,391	\$421,588	\$205,152	\$82,221	\$1,800,352
Total liabilities	\$434,214	\$185,400	\$54,528	\$133,161	\$807,303

	Three Months Ended September 30, 2024				
	Red Chris	Mount Polley	Huckleberry	Corporate and Others	Total
Reportable segmented revenues	\$43,253	\$102,730	\$165	\$575	\$146,723
Less inter-segment revenues	-	-	(50)	(575)	(625)
Revenues from external sources	\$43,253	\$102,730	\$115	\$ -	\$146,098
Depletion and depreciation	\$8,596	\$7,534	\$404	\$ -	\$16,534
Interest (expense) income, net	\$(4,586)	\$(3,791)	\$183	\$(408)	\$(8,602)
Accretion of future site reclamation provisions	\$(252)	\$(466)	\$(570)	\$(4)	\$(1,292)
Net (loss) income	\$(1,944)	\$38,576	\$(2,473)	\$(1,891)	\$32,268
Capital expenditures	\$36,065	\$27,762	\$186	\$352	\$64,365
Total assets	\$967,417	\$288,891	\$226,802	\$51,423	\$1,534,533
Total liabilities	\$286,636	\$129,276	\$63,695	\$294,617	\$774,224

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

	Nine Months Ended September 30, 2025				
	Red Chris	Mount Polley	Huckleberry	Corporate and Others	Total
Reportable segmented revenues	\$210,723	\$310,234	\$239	\$ -	\$521,196
Less inter-segment revenues	-	-	(72)	-	(72)
Revenues from external sources	\$210,723	\$310,234	\$167	\$ -	\$521,124
Depletion and depreciation	\$47,583	\$21,737	\$1,221	\$ -	\$70,541
Interest (expense) income, net	\$(11,857)	\$(13,214)	\$(448)	\$4,697	\$(20,822)
Accretion of future site reclamation provisions	\$(2,646)	\$(1,830)	\$(1,590)	\$ -	\$(6,066)
Net income (loss)	\$15,264	\$111,953	\$(4,990)	\$(1,803)	\$120,424
Capital expenditures	\$80,423	\$96,844	\$1,997	\$891	\$180,155
Total assets	\$1,091,391	\$421,588	\$205,152	\$82,221	\$1,800,352
Total liabilities	\$434,214	\$185,400	\$54,528	\$133,161	\$807,303

	Nine Months Ended September 30, 2024				
	Red Chris	Mount Polley	Huckleberry	Corporate and Others	Total
Reportable segmented revenues	\$125,747	\$236,248	\$575	\$1,725	\$364,295
Less inter-segment revenues	-	-	(173)	(1,725)	(1,898)
Revenues from external sources	\$125,747	\$236,248	\$402	\$ -	\$362,397
Depletion and depreciation	\$29,489	\$18,478	\$1,213	\$ -	\$49,180
Interest (expense) income, net	\$(13,776)	\$(10,950)	\$581	\$(1,332)	\$(25,477)
Accretion of future site reclamation provisions	\$(756)	\$(1,351)	\$(1,710)	\$(11)	\$(3,828)
Net (loss) income	\$(9,571)	\$62,743	\$(4,041)	\$(5,658)	\$43,473
Capital expenditures	\$89,179	\$66,487	\$238	\$635	\$156,539
Total assets	\$967,417	\$288,891	\$226,802	\$51,423	\$1,534,533
Total liabilities	\$286,636	\$129,276	\$63,695	\$294,617	\$774,224

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

Customers by Geographic Area

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Switzerland	\$124,338	\$134,944	\$408,799	\$215,256
China	13,218	10,522	54,000	19,744
Philippines	(236)	(21)	12,926	17,222
United States of America	31,236	-	44,990	46,738
Singapore	-	9	-	43,822
United Kingdom	-	(168)	-	17,923
Canada	198	812	409	1,692
	<u>\$168,754</u>	<u>\$146,098</u>	<u>\$521,124</u>	<u>\$362,397</u>

In the period ended September 30, 2025, the Company had 4 principal customers individually accounting for more than 10% each for a total 64% of revenues (September 30, 2024-5 principal customers individually accounting for more than 10% each for a total 84% of revenues).

The Company's principal product is copper concentrate (contains copper, gold, and silver) which is sold at prices quoted on the London Metals Exchange and LBMA. The Company sells all concentrate production to a limited number of traders and smelters.

Revenue by Major Product and Service

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Copper	\$89,099	\$91,073	\$284,215	\$231,520
Gold	77,697	53,125	231,445	126,500
Silver	1,760	1,088	5,055	2,685
Other	198	812	409	1,692
	<u>\$168,754</u>	<u>\$146,098</u>	<u>\$521,124</u>	<u>\$362,397</u>

19. FINANCIAL INSTRUMENTS, INTEREST RATE AND CREDIT RISK

During the reporting period, the Company examined the various financial instrument risks to which it is exposed and assessed the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, market risk and other price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of equity comprised of share capital, contributed surplus, currency translation adjustment and retained earnings.

Credit Risk

The Company's credit risk is limited to cash, trade and other receivables, and future site reclamation deposits in the ordinary course of business. The credit risk of cash and future site reclamation deposits is mitigated by placing funds in financial institutions with high credit quality.

Liquidity Risk

The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. The Company ensures that in addition to cash balances there are sufficient committed credit facilities, including the advance payment facilities with its customers, to provide cash necessary to meet projected cash requirements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

The Company holds investments in mineral and exploration properties. While these may be convertible to cash they are not considered when assessing the Company's liquidity as they are part of the risk management program of the Company, long-term strategic holdings, or are only convertible to cash over a longer time horizon if realizable values exceed management's assessment of fair value, respectively.

Cash balances on hand, the projected cash flow and the available credit facility, are expected to be sufficient to fund the Company's obligations as they come due. However, there are inherent risks related to the operation of the Company's mines which could require additional sources of financing.

Liquidity risk is also impacted by credit risk, although the Company considers this risk low.

Currency Risk

Financial instruments that impact the Company's net income (loss) and comprehensive income (loss) due to currency fluctuations include US dollar denominated cash, trade, and other accounts receivable, reclamation deposits, trade and other payables and debt. If the US Dollar had been 10% higher/lower and all other variables were held constant, net income (loss) and comprehensive income (loss) for the nine months ended September 30, 2025 would have been higher/lower by \$4,543.

Interest Rate Risk

The Company is exposed to interest rate risk on its credit facilities (Note 7). The Company monitors its exposure to interest rates and is comfortable with its current exposure. The Company has not entered into any derivative contracts to manage this risk. If interest rates had been 100 basis points higher/lower on the Company's floating rate debt and all other variables were held constant, the amount of interest expense during nine months ended September 30, 2025 would have increased/decreased by \$895.

Provisionally Priced Revenues

As a result of the provisional pricing terms in its sales contracts, the Company is exposed to commodity price risk until final pricing is determined. Therefore, revenues in subsequent periods will be adjusted for any changes to provisionally priced accounts receivables outstanding at period end. Final pricing is usually four to five months after the date of shipment and therefore changes in metal prices may have a material impact on the final revenue.

Provisionally priced revenues are comprised of the following:

	Nine Months Ended September 30, 2025		Nine Months Ended September 30, 2024	
	Provisional lb/oz	Provisional Price per lb/oz	Provisional lb/oz	Provisional Price per lb/oz
	000's	US\$	000's	US\$
Copper (lb)	12,384.0	\$4.68	1,306.5	\$4.47
Gold (oz)	7.1	\$3,841	0.9	\$2,648

The following tables summarize the realized and unrealized gains (losses) on provisionally priced sales:

	Nine Months Ended September 30, 2025			Nine Months Ended September 30, 2024		
	Copper	Gold & Silver	Total	Copper	Gold & Silver	Total
Realized	\$4,001	\$2,192	\$6,193	\$(646)	\$747	\$101
Unrealized	8,499	9,626	18,125	(268)	363	95
Total	\$12,500	\$11,818	\$24,318	\$(914)	\$1,110	\$196

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as marketable securities) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Company is the current bid price. The fair value of derivative instrument assets and liabilities are determined by the counterparties using standard valuation techniques for these derivative instruments. The carrying value less impairment provision, if necessary, of trade and other receivables and trade and other payables are assumed to approximate their fair values.

IFRS 13 *Fair Value Measurement* requires disclosures about the inputs to fair value measurement, including their classifications within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities; and

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 Company does not have any financial instruments measured at fair value through other comprehensive income (loss), no financial instruments, which would be measured as level 3 fair value hierarchy.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy at September 30, 2025 as follows:

	Carrying value at amortized cost	Fair Value Through Profit or Loss		Total
		Level 1	Level 2	
Financial Assets				
Cash and cash equivalents	\$ -	\$90,179	\$ -	\$90,179
Trade and other receivables	9,092	-	16,098	25,190
Future site reclamation deposits	-	416	-	416
	9,092	90,595	16,098	115,785
Financial Liabilities				
Trade and other payables	(123,644)	-	(322)	(123,966)
Short term debt	(102,552)	-	-	(102,552)
Long term debt	(140,812)	-	-	(140,812)
	(367,008)	-	(322)	(367,330)
	\$(357,916)	\$90,595	\$15,776	\$(251,545)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2025 and 2024

expressed in thousands of Canadian dollars, except share and per share amounts

20. COMMITMENTS AND PLEDGES

At September 30, 2025, the Company has pledged the following assets for settlement of future site reclamation provisions:

Letters of credit and reclamation surety bonds	\$100,184
Reclamation deposits	416
	<u>\$100,600</u>

21. CONTINGENT LIABILITIES

The Company is from time to time involved in various claims and legal proceedings arising in the conduct of its business. At the reporting date, none of such claims and legal proceedings are considered probable of resulting in a material loss or judgment against the Company.

On December 6, 2024, the Federal Crown preferred a direct indictment against the Company and others, including its subsidiary Mount Polley Mining Corporation. The indictment alleges 15 contraventions of the Fisheries Act from events that occurred more than 10 years ago arising from the alleged discharge of deleterious substances from the tailings storage facility at the Mount Polley Mine on August 4, 2014. No trial date has been set and interlocutory issues have been and continue to be argued before the court, with decisions under reserve. Accordingly, the Company is unable to reasonably assess the potential outcomes of this indictment.

In April 2025, the Xatśūll First Nation ("Xatśūll") commenced a petition for judicial review seeking to set aside two decisions (the "Decisions") granted by the Ministry of Mining and Critical Minerals and the Minister of Environment and Parks pertaining to the Mount Polley Mine. Shortly afterward, Xatśūll filed an application seeking to stop work under those decisions until the judicial review is heard (collectively, the "Application"). On August 6, 2025, the Supreme Court of British Columbia released its oral decision to dismiss the Application on the basis that the Decisions were reasonable and correct and the consultation was adequate and conducted fairly. Xatśūll has appealed, but is no longer seeking injunctive relief. An appeal hearing has not yet been scheduled, but is expected to occur mid-2026.

22. SUBSEQUENT EVENTS

On October 31, 2025 the Company repaid the principal amount of \$34,470 (Note 8 (c)) and the principal amount of \$45,000 (Note 8 (e)) of unsecured non-convertible debentures plus accrued interest. The two debentures carried an interest rate of 12% per annum.



Imperial Metals Corporation

900-580 Hornby Street
Vancouver, BC V6C 3B6

imperialmetals.com

604.669.8959 | inquiries@imperialmetals.com