



*Unaudited Interim Condensed Consolidated Financial Statements*

**For the Three Months Ended January 31, 2025**

(Expressed in Canadian Dollars)

(Unaudited)

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## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

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

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

The Company's independent auditors have not performed a review of these unaudited interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditors.

**COPPER FOX METALS INC.**

Interim Condensed Consolidated Statements of Financial Position (Unaudited)

**As at January 31**

*(Expressed in Canadian Dollars)*

	Note	January 31, 2025	October 31, 2024
<b>Assets</b>			
<i>Current assets:</i>			
Cash and cash equivalents		\$ 158,394	\$ 785,184
Trade and other receivables		6,063	6,537
Prepaid expenses and deposits		58,636	58,636
<b>Total Current Assets</b>		<b>223,093</b>	<b>850,357</b>
<i>Non-current assets:</i>			
Office lease deposit		3,014	3,014
Investments	4	273,241	273,241
Reclamation bonds	5	233,696	232,911
Exploration & evaluation assets	5	84,317,133	83,209,668
Property and equipment	6	33,580	34,811
Right-of-use asset	8	23,231	25,316
<b>Total Assets</b>		<b>\$ 85,106,988</b>	<b>\$ 84,629,318</b>
<b>Liabilities and Shareholders' Equity</b>			
<i>Current liabilities:</i>			
Trade and other payables		\$ 188,457	\$ 169,793
Office lease liability - current	8	9,482	9,482
<b>Total Current Liabilities</b>		<b>197,939</b>	<b>179,275</b>
<i>Non-current liabilities:</i>			
Decommissioning liabilities	9	421,000	421,000
Deferred tax liabilities	13	172,347	172,347
Office lease liability - long term	8	73,563	75,802
<b>Total Liabilities</b>		<b>864,849</b>	<b>848,424</b>
<i>Shareholders' Equity:</i>			
Share capital	10	90,610,527	90,610,527
Share purchase warrants	10	3,646,719	3,646,719
Accumulated other comprehensive income		3,500,840	2,802,633
Reserves		15,823,771	15,823,771
Deficit		(29,339,718)	(29,102,756)
<b>Total Shareholders' Equity</b>		<b>84,242,139</b>	<b>83,780,894</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>\$ 85,106,988</b>	<b>\$ 84,629,318</b>
Reporting entity and nature of operations (Note 1)			
Commitment (Note 12)			
Subsequent event (Note 16)			

Approved on behalf of the Board of Directors on March 19, 2025

"Manuel Gomez"

Manuel Gomez, Director

"Elmer B. Stewart"

Elmer B. Stewart, Director

*See Accompanying Notes to the Unaudited Interim Condensed Consolidated Financial Statements.*

**COPPER FOX METALS INC.**  
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss (Unaudited)  
**Three months ended January 31**  
*(Expressed in Canadian Dollars)*

	Note	Three months Ended	
		January 31, 2025	January 31, 2024
<u>Expenses:</u>			
Administration	11	\$ 230,255	\$ 233,309
Depreciation and amortization	6, 8	3,316	4,241
Professional fees	11	5,671	11,148
Interest and other income		(2,280)	(17,821)
<b>Net Loss</b>		<b>236,962</b>	230,877
<u>Other Comprehensive Loss:</u>			
Foreign currency translation (gain) loss		(698,207)	624,643
Fair value adjustment of investment	4	-	49,925
<b>(Income) loss and comprehensive (income) loss</b>		<b>\$ (461,245)</b>	\$ 905,445
(Earnings) loss per share – basic and diluted		\$ (0.00)	\$ 0.00
Weighted average number of shares		567,808,238	558,692,213

*See Accompanying Notes to the Unaudited Interim Condensed Consolidated Financial Statements.*

**COPPER FOX METALS INC.**  
Interim Condensed Consolidated Statements of Changes in Equity (Unaudited)  
**Three months ended January 31, 2025**  
*(Expressed in Canadian Dollars)*

	Number of Shares	Share Capital	Share Purchase Warrants	AOCI	Reserves	Deficit	Total Shareholders' Equity
<u>Balance as at October 31, 2023</u>	558,692,213	\$ 88,789,430	\$ 3,365,339	\$ 2,730,226	\$ 15,823,771	\$ (28,495,453)	\$ 82,213,313
Currency translation adjustment	-	-	-	(624,644)	-	-	(624,644)
Fair value adjustment of investment	-	-	-	(49,925)	-	-	(49,925)
Net loss for the period	-	-	-	-	-	(230,877)	(230,877)
<b>Balance as at January 31, 2024</b>	<b>558,692,213</b>	<b>88,789,430</b>	<b>3,365,339</b>	<b>2,055,657</b>	<b>15,823,771</b>	<b>(28,726,330)</b>	<b>81,307,867</b>
Warrants exercised	4,000,025	1,000,006	-	-	-	-	1,000,006
Shares issued for cash	5,116,000	1,125,520	-	-	-	-	1,125,520
Share issuance cost	-	(23,049)	-	-	-	-	(23,049)
Warrants granted	-	(281,380)	281,380	-	-	-	-
Currency translation adjustment	-	-	-	730,335	-	-	730,335
Fair value adjustment of investment	-	-	-	16,641	-	-	16,641
Net loss for the period	-	-	-	-	-	(376,426)	(376,426)
<b>Balance as at October 31, 2024</b>	<b>567,808,238</b>	<b>90,610,527</b>	<b>3,646,719</b>	<b>2,802,633</b>	<b>15,823,771</b>	<b>(29,102,756)</b>	<b>83,780,894</b>
Currency translation adjustment	-	-	-	698,207	-	-	698,207
Net loss for the period	-	-	-	-	-	(236,962)	(236,962)
<b>Balance as at January 31, 2025</b>	<b>567,808,238</b>	<b>\$ 90,610,527</b>	<b>\$ 3,646,719</b>	<b>\$ 3,500,840</b>	<b>\$ 15,823,771</b>	<b>\$ (29,339,718)</b>	<b>\$ 84,242,139</b>

*See Accompanying Notes to the Unaudited Interim Condensed Consolidated Financial Statements.*

**COPPER FOX METALS INC.**  
Interim Condensed Consolidated Statements of Cash Flows (Unaudited)  
**Three months ended January 31**  
*(Expressed in Canadian Dollars)*

	Three months Ended	
	January 31, 2025	January 31, 2024
<b>Operations:</b>		
Net Loss	\$ (236,962)	\$ (230,877)
<u>Items not affecting cash and cash equivalents</u>		
Depreciation, amortization	3,316	4,241
Interest expense	3,170	4,743
<u>Changes in non-cash working capital:</u>		
Trade and other receivables	474	7,303
Trade and other payables	80,439	(70,355)
Prepaid expenses and deposits	-	(50,000)
<b>Cash and Cash Equivalents Used In Operating Activities</b>	<b>(149,563)</b>	<b>(334,945)</b>
<b>Investing:</b>		
Mineral property expenditures	(475,709)	(503,344)
Eaglehead BC METC Refund	-	163,617
<b>Cash and Cash Equivalents Used In Investing Activities</b>	<b>(475,709)</b>	<b>(339,727)</b>
<b>Financing:</b>		
Office lease payments	(5,409)	(8,094)
<b>Cash and Cash Equivalents Used In Financing Activities</b>	<b>(5,409)</b>	<b>(8,094)</b>
Change in cash and cash equivalents during the period	(630,681)	(682,766)
Translation effect of foreign currency	3,891	247,921
Cash and cash equivalents, beginning of period	785,184	1,368,852
<b>Cash and Cash Equivalents, End of period</b>	<b>\$ 158,394</b>	<b>\$ 934,007</b>

Supplemental non-cash investing and financing activities for the three months ended January 31, 2025 and 2024 included:

- Exploration and evaluation in account payable \$61,775 (January 31, 2024 – \$26,926)

*See Accompanying Notes to the Unaudited Interim Condensed Consolidated Financial Statements.*

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **1. Reporting Entity and Nature of Operations**

Copper Fox Metals Inc. (“**Copper Fox**” or the “**Company**”) was incorporated on February 27, 2004 under the Business Corporations Act of Alberta. On July 14, 2010 the Company transferred its registration from Alberta and became incorporated under the Business Corporations Act of British Columbia. The Company is engaged in the exploration for and development of copper mineral properties in Canada and the United States. Copper Fox’s shares trade on the TSX Venture Exchange (TSXV) under the trading symbol “CUU”, on the OTCQX under the symbol “CPFXF” and the Frankfurt Stock Exchange (FSE) under the symbol “HPU”. To date, the Company has not earned any revenue from these operations and is in the exploration and evaluation stage.

The Company maintains its head office at 340 – 12 Avenue SW, Suite 650, Calgary, Alberta. These consolidated financial statements include the accounts of the Company and the accounts of its subsidiaries. Copper Fox’s subsidiaries include:

- 100% ownership of Desert Fox Copper Inc., which was incorporated under the laws of British Columbia, Canada
  - 100% ownership of Desert Fox Minerals Co., which was incorporated under the laws of Arizona, USA.
    - 100% ownership of Desert Fox Sombrero Butte Co., which was incorporated under the laws of Arizona, USA
    - 100% ownership of Desert Fox Van Dyke Co., which was incorporated under the laws of Arizona, USA
    - 100% ownership of Desert Fox Mineral Mountain Co., which was incorporated under the laws of Arizona, USA
- 100% ownership of Northern Fox Copper Inc., which was incorporated under the laws of British Columbia, Canada

#### **Going Concern**

The recoverability of amounts shown for resource properties and related exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

The Company is currently exploring its mineral properties and managing its investment in the joint venture interest in the Schaft Creek project. During the three months ended January 31, 2025, the Company incurred a net loss of \$236,962 (January 31, 2024 - \$ 230,877); the Company’s cash position at January 31, 2025 was \$158,394 (October 31, 2024 - \$785,184) and its working capital was \$25,154 (October 31, 2024 – \$671,082). Exploration expenditures may need additional funding and management would look to raise the funds through the exercising of warrants. Should management be unable to raise sufficient funds solely through the exercising of warrants, then the Company would conduct a private placement. If management were still unsuccessful in raising the additional funds necessary, they would sell one or more of the Company’s properties.

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **1. Reporting Entity and Nature of Operations (continued)**

#### **Going Concern (continued)**

The conditions described above indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining the required financing for these or other purposes, including for general working capital. These consolidated financial statements do not contain any adjustments to the amounts that may be required should the Company be unable to continue as a going concern. Such adjustments could be material.

### **2. Basis of Presentation and Material Accounting Policy Information**

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards (IFRS) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on obtaining additional financing through the issuance of common shares or obtaining joint venture or property sale agreements for one or more properties.

#### **Statement of Compliance**

These interim condensed consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

#### **Basis of Preparation**

These interim condensed consolidated financial statements have been prepared on a historical cost basis, except for certain financial statements, which are measured at fair value. In addition, these interim condensed consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These interim condensed consolidated financial statements do not include all of the information required for full annual financial statements.

These interim condensed consolidated financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.



## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **3. Changes in Accounting Policies**

#### **New accounting standards issued but not yet effective**

The following new accounting standards, amendments to standards and interpretations have been issued but are not effective during the three months ended January 31, 2025:

On April 9, 2024, the IASB issued a new standard – IFRS 18, “Presentation and Disclosure in Financial Statements” with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. Adoption of IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its ‘operating profit or loss’.

The Company is currently assessing the impact the new standard will have on its consolidated financial statements.

### **4. Investments**

#### **Liard Copper Mines Ltd.**

Copper Fox directly owns 29,342 shares of Liard Copper Mines Ltd. (“**Liard**”), a private company incorporated in British Columbia, which represents approximately 1.55% of the issued and outstanding shares of Liard. These shares were originally recorded at a cost value of \$759,305 upon acquisition in two separate 2011 transactions.

During the year ended October 31, 2016, pursuant to a purchase of Liard shares by the Schaft Creek Joint Venture (SCJV), the Company determined that the value of the Liard shares purchased in 2011 were impaired by \$652,480 and were subsequently written down to the Fair Market Value (FMV) of \$106,825, which was referenced to a private sale of Liard shares in 2016 (Level 3 of the financial instruments – see Note 13). There were no similar transactions in 2017 - 2024, therefore the Company determined that the 2016 private sale is the best reference of the FMV of the Liard shares as of January 31, 2025. As such, there was no effect on other comprehensive loss for the three months ended January 31, 2025 or the year ended October 31, 2024.

Copper Fox indirectly owns an additional 21.35% of the Liard shares owned by the SCJV with Teck Resources Limited (Teck). As these Liard shares are held within a trust account that the Company does not control, the 21.35% ownership of Liard is not reflected in the consolidated financial statements.

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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**4. Investments (continued)**

Liard holds a 30% Net Proceeds Interest in the Schaft Creek project, subject to certain terms and conditions.

**District Copper Corporation**

Effective November 1, 2021, the Company ceased to have significant influence over District Copper and therefore the Company's 3,328,326 shares of District Copper are measured and presented at the observable market share price as at the date of the statements of financial position. As of January 31, 2025, these District Copper shares were valued at \$166,416 with a fair value adjustment of \$nil loss (three months ended January 31, 2024 – \$49,925 loss) included in other comprehensive loss for the period ended January 31, 2025.

	October 31, 2024	January 31, 2025
Liard	\$ 106,825	\$ 106,825
District Copper	166,416	166,416
<b>Total Investments:</b>	\$ 273,241	\$ 273,241

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****5. Exploration and Evaluation Assets**

	<b>Balance October 31, 2024</b>	<b>Additions</b>	<b>Balance January 31, 2025</b>
<i>Arizona Properties:</i>			
<u>Van Dyke Project</u>			
Acquisition of property rights	\$ 2,585,093	\$ -	\$ 2,585,093
Technical analysis	8,021,128	122,988	8,144,116
Licenses and permits	56,029	-	56,029
Foreign exchange	2,137,341	482,868	2,620,209
<b>Total Van Dyke Project</b>	<b>12,799,591</b>	<b>605,856</b>	<b>13,405,447</b>
<u>Sombrero Butte Project</u>			
Acquisition of property rights	1,006,239	-	1,006,239
Technical analysis	1,787,670	211,293	1,998,963
Licenses and permits	71,294	3,085	74,379
Foreign exchange	487,133	132,889	620,022
<b>Total Sombrero Butte Project</b>	<b>3,352,336</b>	<b>347,267</b>	<b>3,699,603</b>
<u>Mineral Mountain Project</u>			
Technical analysis	1,877,515	37,593	1,915,108
Licenses and permits	71,037	31,193	102,230
Foreign exchange	89,560	77,774	167,334
<b>Total Mineral Mountain Project</b>	<b>2,038,112</b>	<b>146,560</b>	<b>2,184,672</b>
<b>Total Arizona Properties</b>	<b>18,190,039</b>	<b>1,099,683</b>	<b>19,289,722</b>
<i>British Columbia Properties:</i>			
<u>Schaft Creek</u>			
Acquisition of property rights	3,053,755	-	3,053,755
Technical analysis	62,242,489	27	62,242,516
Licenses and permits	106,623	-	106,623
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
<b>Total Schaft Creek</b>	<b>61,827,362</b>	<b>27</b>	<b>61,827,389</b>
<u>Eaglehead</u>			
Property acquisition	1,131,694	-	1,131,694
Technical analysis	2,139,831	7,755	2,147,586
Reclamation obligation	241,000	-	241,000
BC Mineral Exploration Tax Credit	(320,258)	-	(320,258)
<b>Total Eaglehead</b>	<b>3,192,267</b>	<b>7,755</b>	<b>3,200,022</b>
<b>Total British Columbia Properties</b>	<b>65,019,629</b>	<b>7,782</b>	<b>65,027,411</b>
<b>Total Mineral Properties</b>	<b>\$ 83,209,668</b>	<b>\$ 1,107,465</b>	<b>\$ 84,317,133</b>

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****5. Exploration and Evaluation Assets (continued)**

	Balance October 31, 2023	Additions	Balance October 31, 2024
<i>Arizona Properties:</i>			
<u>Van Dyke Project</u>			
Acquisition of property rights	\$ 2,585,093	\$ -	\$ 2,585,093
Technical analysis	7,540,429	480,699	8,021,128
Licenses and permits	56,029	-	56,029
Foreign exchange	2,074,502	62,839	2,137,341
<b>Total Van Dyke Project</b>	<b>12,256,053</b>	<b>543,538</b>	<b>12,799,591</b>
<u>Sombrero Butte Project</u>			
Acquisition of property rights	1,006,239	-	1,006,239
Technical analysis	1,307,643	480,027	1,787,670
Licenses and permits	66,502	4,792	71,294
Reclamation obligation			
Foreign exchange	458,686	28,447	487,133
<b>Total Sombrero Butte Project</b>	<b>2,839,070</b>	<b>513,266</b>	<b>3,352,336</b>
<u>Mineral Mountain Project</u>			
Technical analysis	1,613,913	263,602	1,877,515
Reclamation obligation			
Licenses and permits	58,246	12,791	71,037
Foreign exchange	75,600	13,960	89,560
<b>Total Mineral Mountain Project</b>	<b>1,747,759</b>	<b>290,353</b>	<b>2,038,112</b>
<b>Total Arizona Properties</b>	<b>16,842,882</b>	<b>1,347,157</b>	<b>18,190,039</b>
<i>British Columbia Properties:</i>			
<u>Schaft Creek</u>			
Acquisition of property rights	3,053,755	-	3,053,755
Technical analysis	62,229,240	13,249	62,242,489
Licenses and permits	106,623	-	106,623
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
<b>Total Schaft Creek</b>	<b>61,814,113</b>	<b>13,249</b>	<b>61,827,362</b>
<u>Eaglehead</u>			
Property acquisition	1,131,694	-	1,131,694
Technical analysis	2,024,145	115,686	2,139,831
Reclamation obligation	241,000	-	241,000
BC Mineral Exploration Tax Credit	(156,641)	(163,617)	(320,258)
<b>Total Eaglehead</b>	<b>3,240,198</b>	<b>(47,931)</b>	<b>3,192,267</b>
<b>Total British Columbia Properties</b>	<b>65,054,311</b>	<b>(34,682)</b>	<b>65,019,629</b>
<b>Total Mineral Properties</b>	<b>\$ 81,897,193</b>	<b>\$ 1,312,475</b>	<b>\$ 83,209,668</b>

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **5. Exploration and Evaluation Assets (continued)**

#### **Schaft Creek Joint Venture**

Copper Fox's primary asset is a 25% direct and indirect working interest in the Schaft Creek Joint Venture (SCJV). The SCJV holds two main assets: i) the Schaft Creek copper-gold-molybdenum-silver project located in northwestern British Columbia and ii) an 85.41% equity interest in Liard Copper Mines Ltd. Liard holds a 30% Net Proceeds Interest in the Schaft Creek project subject to certain terms and conditions. Royal Gold, Inc. holds a 3.5% Net Profits Interest in certain mineral claims which are part of the SCJV.

Teck is the operator of the SCJV and is responsible for, in addition to other obligations, \$60 million in milestone payments (\$20 million received in cash) ("Milestone Payments") and funding of the first \$60 million in Pre-Production Costs. Teck reports that the first \$60 million in Pre-Production Costs threshold was met in July 2024, at this time Copper Fox has not completed a review of the Pre-Production Costs.

As of January 31, 2025, Teck reports it has funded approximately \$74 million in Pre-Production Costs towards the Schaft Creek project since mid-2013. After the first \$60 million is funded by Teck, the Pre-Production Costs will be split based on the ownership percentage. Teck reports they have funded approximately \$14 million above the first \$60 million in Pre-Production Costs, with approximately \$3.5 million being the Company's pro-rata share. The pro-rata share of these Pre-Production Costs will be offset against the remaining two Milestone Payments. If Pre-Production Costs exhaust the two cash Milestone Payments, (Pre-Production Costs funded by Teck would need to exceed \$220 million to exhaust these payments), Teck will further assist the Company by providing loans, as necessary, without dilution to the Company's 25% joint venture interest (Note 12).

#### **Van Dyke Project**

In 2012, Copper Fox acquired 100% of the Van Dyke copper project located in Miami, Arizona. Acquisition costs were \$500,000 in cash to Bell Copper Corporation, \$1,499,400 (US\$1,500,000) to the Vendors (owners of the Van Dyke project) and assumption of obligations in respect of the Van Dyke project, subject to certain amended terms and conditions. The Vendors retained a 2.5% Net Smelter Return (NSR) production royalty from the Van Dyke deposit. As of January 31, 2025, Copper Fox has incurred \$13,405,447 (US\$9,268,196) in expenditures on the Van Dyke Project.

#### **Sombrero Butte Project**

In 2012, Copper Fox acquired the rights, provided all option payments are made when due, to 100% of Bell Copper's Sombrero Butte property located 44 miles northeast of Tucson, Arizona. Acquisition costs were \$500,000 in cash and an assumption of Bell Copper's remaining option obligation on the property of \$599,760 (US\$600,000). In 2016, Copper Fox re-negotiated the continuing obligation on the property to a US\$40,000 annual payment. In October 2021, the Company made its final US\$40,000 payment and now holds an undivided 100% interest in the Sombrero Butte property. As of January 31, 2025, Copper Fox has incurred \$3,699,603 (US\$ 2,557,814) in expenditures on the Sombrero Butte Project.

## COPPER FOX METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

Three months ended January 31, 2025 (Expressed in Canadian Dollars)

### 5. Exploration and Evaluation Assets (continued)

#### Mineral Mountain Project

In 2015, Copper Fox established the Mineral Mountain copper project which is located 20 miles east of Florence, Arizona and is 100% wholly owned. As of January 31, 2025, the Company has incurred \$2,184,672 (US\$1,510,429) in expenditures on the Mineral Mountain Project.

#### Eaglehead Project

In February 2020, Northern Fox, a wholly owned subsidiary of the Company, entered into an agreement with District Copper to purchase the Eaglehead project for \$1,200,000 (\$200,000 paid initially), the assumption by Northern Fox of reclamation bonds of \$212,000 and the reservation of a 0.5% NSR royalty for District Copper on any future production. Northern Fox has the option to purchase 50% of the 0.5% NSR from District Copper, exercisable from the date of the agreement and up to two years from the date of commencement of production of the project for \$1,000,000. In March 2021, the Company received the Mines Act Permit from the BC Ministry of Energy and Mines which allowed the Company to proceed with paying the \$212,000 reclamation bond and complete the purchase agreement to acquire the Eaglehead project. The remaining \$1 million was to be paid to District Copper in three annual instalments of \$340,000 (paid in April 2022), \$330,000 (paid in April 2023), and \$330,000 (paid in April 2024), respectively, on each anniversary following the closing on April 19, 2021 (see Note 7 Promissory Note). The Company also recorded \$241,000 as a decommissioning liability for the Eaglehead project as of January 31, 2025 (Note 9).

In addition to the NSR held by District Copper, certain claims under the Eaglehead project are subject to NSRs and a net milling royalty (the "Royalties"). Individually, the Royalties range from 2% to 2.5%. The Company has the right to purchase from 1% to 1.5% of each of the Royalties for purchase prices ranging from \$1,000,000 to \$2,000,000. As of January 31, 2025, the Company has incurred \$3,200,022 in expenditures on the Eaglehead Project.

A summary of the Company's reclamation bonds held for each property:

	Balance October 31, 2024	Balance January 31, 2025
<i>Arizona Properties:</i>		
Sombrero Butte Project	\$ 12,546	\$ 13,018
Mineral Mountain Project	8,365	8,678
<i>British Columbia Properties:</i>		
Eaglehead	212,000	212,000
Total Reclamation Bond	\$ 232,911	\$ 233,696

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****6. Property and Equipment**

	<b>Buildings</b>	<b>Computer Equipment</b>	<b>Furniture &amp; Equipment</b>	<b>Heavy Equipment</b>	<b>Amount</b>
<u>Cost</u>					
At October 31, 2023 and 2024	\$ 137,250	\$ 82,544	\$ 46,887	\$ 190,190	\$ 456,871
Additions for the period	-	-	-	-	-
<b>At January 31, 2025</b>	<b>\$ 137,250</b>	<b>\$ 82,544</b>	<b>\$ 46,887</b>	<b>\$ 190,190</b>	<b>\$ 456,871</b>
<u>Depreciation</u>					
At October 31, 2023	\$ 113,332	\$ 81,719	\$ 45,493	\$ 175,596	\$ 416,140
Additions for the year	2,392	248	279	3,001	5,920
At October 31, 2024	115,724	81,967	45,772	178,597	422,060
Additions for the period	537	43	56	595	1,231
<b>At January 31, 2025</b>	<b>\$ 116,261</b>	<b>\$ 82,010</b>	<b>\$ 45,828</b>	<b>\$ 179,192</b>	<b>\$ 423,291</b>
<u>Net Book Value</u>					
At October 31, 2024	\$ 21,526	\$ 577	\$ 1,115	\$ 11,593	\$ 34,811
<b>At January 31, 2025</b>	<b>\$ 20,989</b>	<b>\$ 534</b>	<b>\$ 1,059</b>	<b>\$ 10,998</b>	<b>\$ 33,580</b>

**7. Promissory Note**

In connection with the Eaglehead project acquisition (see Note 5), the Company was required to make a \$1,000,000 payment to District Copper in three annual instalments of \$340,000 (paid in April 2022), \$330,000 (paid in April 2023) and \$330,000 (paid in April 2024), respectively, on each anniversary following closing on April 19, 2021. The Promissory Note was secured by a general security agreement and was registered against the Company's assets.

	<b>October 31, 2024</b>	<b>January 31, 2025</b>
Beginning balance	\$ 321,196	-
Promissory note	(330,000)	-
Accretion on promissory note	8,804	-
	-	-
Less current portion	-	-
<b>Non-current portion</b>	<b>\$ -</b>	<b>\$ -</b>

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****8. Right of Use Asset and Office Lease Liability**

The Company has a lease agreement for its headquarter office in Alberta. The Company recognized the following right-of-use asset and lease liability. The present value of the monthly base rent was \$93,146 using a financing rate of 15%. During the year ended October 31, 2024, the Company entered into a lease modification agreement, which had a modification impact of \$26,432.

**Right-of-Use Asset**

	<b>Office Lease</b>
<u>Cost</u>	
At October 31, 2023	\$ 98,779
Modification during the year	(26,432)
At October 31, 2024	72,347
Additions for the period	-
<b>At January 31, 2025</b>	<b>\$ 72,347</b>
<u>Depreciation</u>	
At October 31, 2023	\$ 39,498
Additions for the year	7,533
At October 31, 2024	47,031
Additions for the period	2,085
<b>At January 31, 2025</b>	<b>\$ 49,116</b>
<u>Net Book Value</u>	
At October 31, 2024	\$ 25,316
<b>At January 31, 2025</b>	<b>\$ 23,231</b>

Depreciation of right-of-use asset is calculated using the straight-line method over the remaining lease term.

**Office Lease Liability**

	<b>October 31, 2024</b>	<b>January 31, 2025</b>
Beginning balance - Adjustment on initial adoption of IFRS 16	\$ 127,595	\$ 85,284
Lease payments made	(32,376)	(5,409)
Interest expense on lease liability	16,497	3,170
Lease liability revaluation after lease renewal	(26,432)	-
	85,284	83,045
Less current portion	9,482	9,482
<b>Non-current portion</b>	<b>\$ 75,802</b>	<b>\$ 73,563</b>



**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****8. Right of Use Asset and Office Lease Liability (continued)**

The remaining minimum future lease payments, excluding estimated operating costs, for the term of the lease including assumed renewal periods are as follows:

	<b>Amount</b>
Less than one year	\$ 16,230
One to five years	108,200

**9. Decommissioning Liability**

The Company's decommissioning liabilities relate to its share of reclamation and closure costs for the Schaft Creek property and Eaglehead property. The total decommissioning liability for each property is based on the Company's proportion of estimated future costs necessary to reclaim the property and facilities.

The Company estimated the net present value of its share of the decommissioning liability of Schaft Creek to be \$180,000 as at January 31, 2025 (October 31, 2024 - \$180,000) based on an undiscounted and inflated future liability of \$180,000 (October 31, 2024 - \$180,000).

The Company estimated the decommissioning liability of Eaglehead to be \$241,000 as at January 31, 2025 (October 31, 2024 - \$241,000).

	<b>Schaft Creek</b>	<b>Eaglehead</b>	<b>Total</b>
<b>At October 31, 2023 and 2024</b>	\$ 180,000	\$ 241,000	\$ 421,000
Addition	-	-	-
Accretion	-	-	-
Revisions	-	-	-
<b>At January 31, 2025</b>	<b>\$ 180,000</b>	<b>\$ 241,000</b>	<b>\$ 421,000</b>

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **10. Share Capital**

#### **Authorized**

Authorized share capital consists of an unlimited number of common shares and an unlimited number of first and second preferred shares, without par value, of which no preferred shares have been issued.

During the period ended January 31, 2025, the Company did not issue any common shares.

During the year ended October 31, 2024, the Company incurred the following shares issuances:

- On July 31, 2024, the Company closed a non-brokered private placement, raising aggregate gross proceeds of \$1,125,520 through the sale of 5,116,000 units ("Unit") at a price of \$0.22 per Unit. Each Unit consisted of one common share in the capital of the Company and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share for a two-year term, for an exercise price of \$0.26 during the first 12-month period after the closing of the offering and \$0.32 during the subsequent 12-month period after the closing of the offering. In the event that the 15-day volume weighted average price of the common shares listed on the TSX.V is above \$0.30 in the first 12-month period after the closing of the offering or \$0.35 during the subsequent 12-month period, the expiry date of the warrants may be accelerated to any date or dates, as the case may be, that is 30 days after the first date such threshold is met.
- 4,000,025 warrants were exercised for net proceeds of \$1,000,006.

**COPPER FOX METALS INC.***Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)***Three months ended January 31, 2025 (Expressed in Canadian Dollars)****10. Share Capital (continued)****Warrants**

As of January 31, 2025, the warrants outstanding are as follows:

	<b>Number of Warrants</b>
At October 31, 2024	3,253,000
<b>Additions, exercises or expiries:</b>	
Warrants exercised	-
Warrants granted	-
<b>At January 31, 2025</b>	<b>3,253,000</b>

As of October 31, 2024, the warrants outstanding are as follows:

	<b>Number of Warrants</b>
At October 31, 2023	4,695,025
<b>Additions, exercises or expiries:</b>	
Warrants exercised	(4,000,025)
Warrants granted	2,558,000
<b>At October 31, 2024</b>	<b>3,253,000</b>

The value of the July 31, 2024 warrants granted was \$281,380 calculated using the Black-Scholes model with an exercise price of \$0.26, an expected life of two years, a volatility rate of 121.30% and a risk-free rate of 3.59%.

The breakdown of the warrants outstanding is as follows:

<b>Number of Warrants Outstanding</b>	<b>Warrant Exercise Price (\$)</b>	<b>Warrants Exercisable as of January 31, 2025</b>	<b>Warrant Expiry Date</b>
695,000	0.25 - 0.30	695,000	September 8, 2025
2,558,000	0.26 - 0.32	2,558,000	July 31, 2026
<b>3,253,000</b>		<b>3,253,000</b>	

**Stock Option Plan**

As of the September 16, 2021 Annual General Meeting ("AGM"), the Company no longer holds a stock option plan.

## COPPER FOX METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

Three months ended January 31, 2025 (Expressed in Canadian Dollars)

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### 11. Related Party Transactions

During the three months ended January 31, 2025, legal fees included in professional fees of \$nil (January 31, 2024 - \$268) were paid to Farris LLP (“Farris”). As at January 31, 2025, included in trade and other payables to Farris was \$nil (October 31, 2024 - \$316). One of the partners at Farris is a member of Copper Fox’s Board.

As of January 31, 2025, included in trade and other payables to Pacific Opportunity Capital Ltd. (“POC”) was \$6,353 (October 31, 2024 - \$6,353). The Chief Financial Officer of the Company is the president of POC.

### Key Management Compensation

The remuneration of the CEO, CFO, directors, and those persons having authority and responsibility for planning, directing and controlling activities of the Company for the period are as follows:

	January 31, 2024	January 31, 2025
Directors fees included in Administration	\$ 500	\$ 500
Salaries and consulting fees included in Administration and Exploration and evaluation assets	93,455	82,190
<b>Total</b>	<b>\$ 93,955</b>	<b>\$ 82,690</b>

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **12. Commitment**

#### **Schaft Creek Joint Venture**

Teck holds a 75% interest and the Company holds a 25% interest in the SCJV (Note 5), and Teck is the operator of the SCJV. Management of the SCJV is made up of two representatives from Teck and the Company with voting proportional to their equity interests.

Under the SCJV agreement, Teck is required to make three cash milestone payments (“Milestone Payments”) to the Company: (i) \$20 million upon entering into the agreement (received), (ii) \$20 million upon a production decision approving mine construction, and (iii) \$20 million upon completion of construction of mine facilities.

The SCJV agreement provides that Teck and the Company are each responsible for their pro-rata share of project costs in accordance with their interests, except that Teck is solely responsible for the first \$60 million in Pre-Production Costs. As of January 31, 2025, Teck has funded approximately \$14 million above the first \$60 million Pre-Production Costs, with approximately \$3.5 million being the Company’s pro-rata share. The pro-rata share of these costs will be offset against the remaining two Milestone Payments. If Pre-Production Costs exhaust the remaining two cash Milestone Payments, (Pre-Production Costs funded by Teck would need to exceed \$220 million to exhaust these payments), Teck will further assist the Company by providing loans, as necessary, without dilution to the Company’s 25% joint venture interest.

Once a production decision has been made, Teck will make an irrevocable offer to the Company:

- (i) to use all reasonable commercial efforts to arrange project equity and debt financing for at least 60% of project capital costs or such portion as Teck determines is commercially available on reasonable terms at the relevant time, and
- (ii) to fund by way of loans to the Company, the Company’s pro rata share of project capital costs not covered by project debt financing at the Prime Rate plus 2%, if requested by the Company, without dilution to the Company’s 25% joint venture interest.

The Company must notify Teck within 60 days after Teck’s offer as to whether it accepts Teck’s offer or whether it will arrange for its own financing.

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **13. Financial Instruments**

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, deposits, reclamation bonds, investments, trade and other payables, promissory note, and office lease liability. The estimated fair value of cash and cash equivalents, trade and other receivable, deposits and accounts payable approximate their carrying value due to the immediate or relatively short period to maturity. The Company's investment in District Copper shares is measured at fair value using Level 1 inputs while the Company's investment in Liard is measured at fair value using Level 3 inputs. The Company's investment in Liard consists of unlisted equity instruments (common shares of Liard). The determination of fair value by management was based on the most recent transaction of the underlying company (Note 4). The Company performed a sensitivity analysis on the carrying value of its Level 3 asset and noted that a 20% decrease would result in \$21,365 decrease in fair value. The fair values of office lease liability are initially recorded at fair value and subsequently carried at amortized cost using rates comparable to market interest rates.

#### **Determination of Fair Value**

The Company classifies the fair value of its financial instruments measured at fair value according to the following hierarchy, based on the number of observable inputs used to value the instrument:

- *Level 1* – observable inputs such as quoted prices in active markets.
- *Level 2* – inputs, other than the quoted market prices in active markets, which are observable, either directly and/or indirectly, and
- *Level 3* – unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The Company's direct investment in Liard is carried every year at fair value and is a Level 3 instrument.

The Company's activities expose it to a variety of financial risks, which arise because of its exploration, development, production, and financing activities. These include:

- Credit risk
- Market risk
- Liquidity risk

#### **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 and arises principally from the Company's receivables from partners and tax authorities. The maximum exposure to credit risk at January 31, 2025 is \$ 6,063 (October 31, 2024 - \$ 6,537).

## **COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025 (Expressed in Canadian Dollars)**

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### **13. Financial Instruments (continued)**

#### **Market Risk**

Market risk is the risk that changes in market conditions, such as commodity prices, foreign exchange rates and interest rates will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the Company's return.

#### Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate because of changes in foreign exchange rates. During the three months ended January 31, 2025 the Company was involved with preliminary exploration activities in the United States. As such, the Company is exposed to fluctuations in the United States dollar exchange rates compared to Canadian dollar exchange rates. A 5% strengthening or weakening of the US dollar would have significant impact on the total assets and the net losses of the Company.

Due to its US activities, the Company has an exposure to foreign currency exchange rates. The carrying values of US dollar denominated monetary assets and liabilities are subject to foreign exchange risk.

As at January 31, 2025, the Company had \$95,746 in US denominated cash balances.

#### Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates.

As of January 31, 2025, the Company is exposed only on its cash balances.

#### Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate because of changes in commodity prices.

Commodity prices for minerals are impacted by the relationship between the Canadian dollar and United States dollar as well as the global economic events that dictate levels of supply and demand.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's financial liabilities consist of trade and other payables and office lease liability (current portion). Trade and other payables consist of invoices payable to trade suppliers for office, field operating activities and capital expenditures. The Company processes invoices within a normal payment period of approximately 30 days. Office lease liability relates to the Company's office space in Calgary, Alberta. Lease payments are due on a monthly basis.

## COPPER FOX METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

Three months ended January 31, 2025 (Expressed in Canadian Dollars)

### 13. Financial Instruments (continued)

Trade and other payables have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash flow which is used to finance all operating and capital expenditures.

### 14. Capital Management

The Company considers its capital structure to consist of share capital and warrants. The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management.

The mineral properties in which the Company currently has an interest in are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. Additional sources of funding, which may not be available on favourable terms, if at all, include share equity and debt financings; equity, debt or property level joint ventures; and sale of interests in existing assets. To carry out the planned exploration and development and pay for operating expenses, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three months ended January 31, 2025. The Company is not subject to externally imposed capital requirements. The Company's investment policy is to invest its surplus cash in highly liquid short-term interest-bearing investments; all held within major Canadian financial institutions.

### 15. Geographic Segments

	Three months Ended	
	January 31, 2024	January 31, 2025
<i>Net Loss:</i>		
Canada	\$ 222,989	\$ 234,446
United States	7,888	2,516
<b>Totals</b>	<b>\$ 230,877</b>	<b>\$ 236,962</b>
	October 31, 2024	January 31, 2025
<i>Current Assets:</i>		
Canada	\$ 788,525	\$ 127,347
United States	61,832	95,746
<i>Non-Current Assets:</i>		
Canada	65,568,011	65,572,477
United States	18,210,950	19,311,418
<b>Totals Assets</b>	<b>\$ 84,629,318</b>	<b>\$ 85,106,988</b>



**COPPER FOX METALS INC.**

*Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)*

**Three months ended January 31, 2025** *(Expressed in Canadian Dollars)*

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**16. Subsequent Event**

On March 10, 2025, the Company announced the closing a non-brokered private placement for a total of 7,317,074 units at a price of \$0.205 per unit for aggregate gross proceeds of \$1.5 million. Each unit consists of one common share in the capital of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share for a two-year term at an exercise price of \$0.25 during the first 12-month period after the closing of the offering, and \$0.30 during the subsequent 12-month period after the closing of the offering. In the event that the weighted average price of the common shares is above \$0.30 in the first 12-month period after the issue date, or \$0.35 in the second 12-month period after the issue date, for a period of 15 consecutive days, the Expiry Date may be accelerated, in whole or in part at the sole discretion of the Company, to any date or dates, as the case may be, that is 30 calendar days following the date on which the Company disseminates a news release announcing the accelerated Expiry Date.