

NorthWestcopper

Consolidated Financial Statements
For the Years Ended December 31, 2025, and 2024
(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of NorthWest Copper Corp.:

Opinion

We have audited the consolidated financial statements of NorthWest Copper Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company is subject to significant risks and challenges similar to companies in a comparable stage of exploration and development and the Company will have to raise additional funds in order to continue its exploration and development efforts and there can be no assurance that it will be able to do so. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 3(n) to the consolidated financial statements, which explains that certain comparative information presented:

- For the year ended December 31, 2024 has been restated.
- As at January 1, 2024 has been derived from the consolidated statement of financial position as at December 31, 2023 (not presented herein).

Our opinion is not modified in respect of this matter.

The consolidated financial statements for the years ended December 31, 2024 and December 31, 2023 (not presented herein but from which the comparative information as at January 1, 2024 has been derived), excluding the adjustments that were applied to restate certain comparative information were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on April 28, 2025.

As part of our audit of the consolidated financial statements for the year ended December 31, 2025, we also audited the adjustments that were applied to restate certain comparative information for the years ended December 31, 2024 and December 31, 2023 (not presented herein but from which the comparative information as at January 1, 2024 has been derived). In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review, or apply any procedures to the consolidated financial statements:

- For the year ended December 31, 2024
- As at January 1, 2024

Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Brock Stroud.

Toronto, Ontario
April 29, 2026


Chartered Professional Accountants
Licensed Public Accountants

NorthWest Copper Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	December 31, 2025	December 31, 2024	January 1, 2024
			<i>Note 2n</i>	<i>Note 2n</i>
ASSETS				
Current assets				
Cash		\$ 811,989	\$ 280,174	\$ 231,037
Short term investments		30,000	30,000	30,000
Receivables	3	726,160	799,586	455,094
Share subscriptions receivable	7 (a)(ii)	17,000	-	1,170,225
Marketable securities		-	85,130	141,884
Prepaid expenses		55,085	69,659	85,932
		1,640,234	1,264,549	2,114,172
Non-current assets				
Property, plant and equipment	4	17,468	23,301	33,212
Deposits	6	503,878	510,638	482,638
		521,346	533,939	515,850
TOTAL ASSETS		\$ 2,161,580	\$ 1,798,488	\$ 2,630,022
LIABILITIES				
Current liabilities				
Trade payables and accrued liabilities	8	\$ 1,202,084	\$ 603,036	\$ 1,236,258
Flow through share premium liability	7 (f)	63,810	-	-
		1,265,894	603,036	1,236,258
Non-current liabilities				
Closure and reclamation	6	395,361	327,500	327,500
TOTAL LIABILITIES		1,661,255	930,536	1,563,758
SHAREHOLDERS' EQUITY				
Share capital	7	153,904,341	149,467,024	145,244,718
Share-based payment reserve	7	21,488,518	21,120,500	21,835,912
Other equity reserves		52,837	52,837	52,837
Deficit		(174,945,371)	(169,772,409)	(166,067,203)
TOTAL SHAREHOLDERS' EQUITY		500,325	867,952	1,066,264
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 2,161,580	\$ 1,798,488	\$ 2,630,022

Nature of operations and going concern (Note 1)
Subsequent events (Note 12)

Approved by the Board of Directors on April 28, 2026:

"Enrico De Pasquale", Director

"Maryantonett Flumian", Director

NorthWest Copper Corp.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		<u>For the years ended December 31,</u>	
	Notes	2025	2024
			<i>Note 2n</i>
Expenses			
Exploration and evaluation expenditures	5	3,832,134	1,694,899
Salaries and director fees	8	785,311	824,567
Professional fees		346,000	494,366
Office and miscellaneous		246,693	374,476
Transfer agent and filing fees		87,980	131,494
Investor relations		145,780	127,716
Depreciation	4	5,117	8,266
Share-based payments	7	114,797	3,865
		<u>(5,563,812)</u>	<u>(3,659,649)</u>
Other income (expense)			
Recognition of flow-through share premium	7	389,769	-
Impairment		-	-
Interest income		5,080	11,858
Loss on marketable securities		(1,130)	(56,754)
Finance expense		(2,869)	(661)
		<u>390,850</u>	<u>(45,557)</u>
Net loss and comprehensive loss for the period		\$ (5,172,962)	\$ (3,705,206)
Loss per share – basic and diluted		\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding		246,376,620	230,499,108

See accompanying notes to the consolidated financial statements.

NorthWest Copper Corp.
Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Notes	Share capital		Share-based payment reserve	Other equity reserves	Deficit <i>Note 2n</i>	Total Shareholders' Equity
		Number of shares	Amount				
Balance at December 31, 2023		207,152,859	145,244,718	21,835,912	52,837	(166,067,203)	1,066,264
Units issued for cash - financing	7 (a)(x)	4,600,000	1,150,000	-	-	-	1,150,000
Fair value of warrants issued - financing	7 (a)(x)	-	(250,620)	250,620	-	-	-
Shares issued for cash - financing	7 (a)(xi)	22,051,905	2,315,450	-	-	-	2,315,450
Share issuance costs	7 (a)(x) & 7 (a)(xi)	-	(74,921)	-	-	-	(74,921)
Shares issued on exercise of RSUs	7 (a)(vii)	1,557,814	969,897	(969,897)	-	-	-
Shares issued for acquisition of property	7 (a)(viii) & 7	452,880	112,500	-	-	-	112,500
Share-based payments	7 (c) & 7 (d)	-	-	3,865	-	-	3,865
Net loss for the period		-	-	-	-	(3,705,206)	(3,705,206)
Balance at December 31, 2024		235,815,458	\$ 149,467,024	\$ 21,120,500	\$ 52,837	\$(169,772,409)	\$ 867,952
Balance at December 31, 2024		235,815,458	149,467,024	21,120,500	52,837	(169,772,409)	867,952
Units issued for cash - financing	7 (a)(v)	5,150,000	1,030,000	-	-	-	1,030,000
Fair value of warrants issued - financing	7 (a)(v)	-	(165,473)	165,473	-	-	-
Share issuance costs-common shares	7 (a)(v)	9,319	1,677	-	-	-	1,677
Share issuance costs-broker warrants	7 (a)(v)	-	(4,198)	4,198	-	-	-
Share issuance costs	7 (a)(v)	-	(38,146)	-	-	-	(38,146)
Units issued for cash - flow through shares	7 (a)(vi)	18,143,178	4,082,215	-	-	-	4,082,215
Fair value of warrants issued -flow through	7 (a)(vi)	-	(528,172)	528,172	-	-	-
Flow Through premium liability	7 (a)(vi)	-	(453,579)	-	-	-	(453,579)
Share issuance costs-common shares	7 (a)(vi)	630,008	117,732	-	-	-	117,732
Share issuance costs-broker warrants	7 (a)(vi)	-	(32,180)	32,180	-	-	-
Share issuance costs	7 (a)(vi)	-	(288,521)	-	-	-	(288,521)
Shares issued for acquisition of property	7 (a)(iii)	245,648	87,500	-	-	-	87,500
Shares issued for debt	7 (a)(iv)	188,483	54,660	-	-	-	54,660
Shares issued on exercise of Stock Options	7 (a)(ii)	400,000	134,660	(54,660)	-	-	80,000
Shares issued on exercise of Warrants	7 (a)(ii)	50,000	19,973	(2,973)	-	-	17,000
Shares issued on exercise of RSUs	7 (a)(i)	591,666	419,169	(419,169)	-	-	-
Share-based payments	7 (c) & 7 (d)	-	-	114,797	-	-	114,797
Net loss for the year		-	-	-	-	(5,172,962)	(5,172,962)
Balance at December 31, 2025		261,223,760	\$ 153,904,341	\$ 21,488,518	\$ 52,837	\$(174,945,371)	\$ 500,325

See accompanying notes to the consolidated financial statements.

NorthWest Copper Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Notes	For the Years ended December 31,	
		2025	2024
			<i>Note 2n</i>
Operating activities			
Net loss		\$ (5,172,962)	\$ (3,705,206)
Adjustments for non-cash items:			
Depreciation	4	5,833	9,911
Finance expense		2,869	661
Interest income		(5,080)	(11,858)
Recognition of flow-through share premium	7	(389,769)	-
Share-based payments	7	114,797	3,865
Change in estimate of provision for reclamation		67,861	-
Loss (gain) on marketable securities	5	1,130	56,754
Shares issued for acquisition of mineral property		87,500	112,500
Changes in			
Receivables		73,426	(344,492)
Prepaid expenses		14,574	16,273
Trade payables and accrued liabilities		578,848	(633,883)
Net cash flows used in operating activities		(4,620,973)	(4,495,475)
Investing activities			
Sale of Marketable Securities		84,000	-
Reclamation deposits		-	(28,000)
Interest received		5,080	11,858
Net cash flows provided by investing activities		89,080	(16,142)
Financing activities			
Proceeds on issuance of units	7	5,112,215	1,150,000
Proceeds on exercise of stock options	7	80,000	3,485,675
Share issuance costs	7	(128,507)	(74,921)
Net cash flows provided by financing activities		5,063,708	4,560,754
Net change in cash		531,815	49,137
Cash, beginning		280,174	231,037
Cash, ending		\$ 811,989	\$ 280,174

See accompanying notes to the consolidated financial statements.

1. Nature of operations and going concern

NorthWest Copper Corp. (the “Company” or “NorthWest”) was incorporated on March 5, 1973, under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. On March 5, 2021, the Company changed its name to NorthWest Copper Corp. and commenced trading on the TSX-V under the symbol “NWST”.

The principal address of the Company is 100 King Street West, Suite 5600, Toronto, Ontario, Canada M5X 1C9. The Company’s registered and records office address is #2200 – 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8.

Going concern

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. The Company had a net loss of \$5,172,962 for the year ended December 31, 2025 (year ended December 31, 2024 - \$3,705,206) and at December 31, 2025 had accumulated losses of \$174,945,371 (December 31, 2024 - \$169,772,409) since inception, all of which indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on its ability to raise sufficient funds through equity capital or borrowings to meet its expenditures and obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans or substantially reduce its operations. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Material accounting policies and basis of preparation

These consolidated financial statements were authorized for issue by the Board of Directors of the Company on April 28, 2026.

a. Statement of compliance

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

b. Basis of presentation

These consolidated financial statements of the Company have been prepared on a historical cost basis except for marketable securities which are recorded at fair value in accordance with measurement standards under IFRS. These consolidated financial statements are presented in Canadian dollars unless otherwise specified, which is the Company’s and its subsidiaries’ functional currency.

c. Consolidation

The consolidated financial statements include the accounts of the Company and its Canadian controlled entities. All intercompany transactions, balances and unrealized gains and losses are eliminated on consolidation. Details of controlled entities are as follows:

	Province of incorporation	Percentage owned	
		December 31, 2025	December 31, 2024
Tsayta Resources Corporation**	British Columbia	100%	100%
0790202 BC Ltd.**	British Columbia	100%	100%

**These entities were amalgamated with the parent NorthWest Copper Corp. on January 1, 2026.

d. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based payments and closure and reclamation liabilities.

Share-based payments

In order to compute the fair value of share-based payments, the Company uses the Black-Scholes option pricing model which inherently requires management to make various estimates and assumptions in relation to the expected life of the award, expected volatility, risk-free rate and forfeiture rates. Changes in any of these inputs could cause a significant change in the share-based compensation expense charged in the statement of loss and comprehensive loss, and to equity reserves in a given period. Key assumptions with respect to the valuation of share-based payments are disclosed in Note 7.

Closure and reclamation

Closure and reclamation liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of liabilities that may occur upon reclamation of the site. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. The cost estimates are updated annually and are subject to review at regular intervals.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

i) Going concern

The Company's assessment of its ability to continue as a going concern requires judgments about whether there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Management has determined that the use of the going concern basis of accounting is appropriate and has disclosed material uncertainties in Note 1 to the consolidated financial statements.

e. Exploration and Evaluation Expenditures

The Company's policy is to expense the fair value of all cash and non-cash consideration paid in relation to the acquisition of mineral property interests. The Company's policy is to expense, as incurred, exploration and evaluation expenditures until the mineral property reaches the development stage.

When it has been established that a mineral deposit is commercially viable and technically feasible, the costs subsequently incurred to develop a mine on the mineral property prior to the start of mining operations are capitalized and will be amortized against production when ready for use as intended by management, or derecognized if the property is sold, allowed to lapse or abandoned.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance of historical characteristics of many resource properties. To the best of the Company's knowledge, title to the Company's mineral project claims are in good standing.

Upon disposal or abandonment, any consideration received is credited against the carrying amount of the exploration and evaluation assets, with any difference from the carrying amount included as a gain or loss in the statement of loss and comprehensive loss.

f. Government Assistance

The Company recognizes resource tax credit amounts as a receivable and a reduction to exploration and evaluation expenditures when the Company's application for such credits is approved by the relevant jurisdiction or when the amount to be received can be reasonably estimated and collection is reasonably assured.

g. Financial Instruments

(i) Non-derivative financial assets

The Company initially recognizes receivables and deposits on the date that they originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost.

Management determines the classification of its financial assets at initial recognition. The classification depends on the purpose for which the financial assets were acquired. A financial asset is measured at amortized cost, if it is not designated at FVTPL, and it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument by-instrument basis) on the day of acquisition to designate them as at FVTOCI.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following derecognition of the investment.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as

FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

The Company's non-derivative financial assets are its cash, short term investments, amounts receivables, share subscriptions receivable, marketable securities and reclamation and other deposits, all of which are classified as financial assets at amortized cost, other than marketable securities, which is a financial asset measured at fair value through profit and loss.

(ii) Impairment of Financial Assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases, and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's financial instrument assets the Company has no material loss allowance as at December 31, 2025, or December 31, 2024.

(iii) Non-derivative financial liabilities

All financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or they expire.

Such financial liabilities are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to their initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

The Company's non-derivative financial liabilities are its trades payable and accrued liabilities.

h. Share-based payments

The Company grants stock options, restricted share units ("RSUs"), and deferred share units ("DSUs") to directors, officers, employees and consultants from time to time. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees for goods or services received are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The offset to the recorded cost is to share-based payment reserve. The Company determines the fair value of share-based payments in consideration of the quoted market price of the Company's common shares for direct share awards, RSUs and DSUs, or by using the Black-Scholes option pricing model for options or warrants issued.

Consideration received on the exercise of stock options or warrants is recorded as share capital and the related equity reserve amount is transferred to share capital. Where awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognized is proportionately reversed in the period the forfeiture occurs.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at banks, and short-term highly liquid investments and bank overdrafts.

j. Loss per Share

Loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Under this method, the weighted average number of common shares used to calculate the dilutive effect in the statement of loss and comprehensive loss assumes that the proceeds that could be obtained upon exercise of stock options, warrants and similar instruments would be used to purchase common shares at the average market price during the period.

In periods where a net loss is incurred, basic and diluted loss per share is the same as the effect of outstanding stock options and warrants would be anti-dilutive.

k. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount has been reasonably estimated. Provisions are not recognized for future operating losses.

The amount recorded as a provision is the best estimate of the consideration required to settle the obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

The Company records provisions for closure and reclamation on the best estimate of costs for site closure and reclamation activities that the Company is legally or constructively required to remediate and the liability is recognized at the time environmental disturbance occurs. The resulting costs are capitalized to the corresponding asset. The provision for closure and reclamation is estimated using expected cash flows and discounted, if material and the timing of such expenditure is known, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The capitalized amount is depreciated on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation, the offset of which is charged to the statement of loss and comprehensive loss, and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation costs.

Changes in closure and reclamation estimates are accounted for as a change in the corresponding capitalized cost, being the applicable exploration and evaluation asset. Expenditures of rehabilitation projects for which a provision has been recorded are recorded directly against the provision as incurred, most of which are incurred at the end of the life of a mineral property project.

l. Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that the tax relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. Deferred tax is not recognized for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination, that affects neither accounting nor taxable profit or loss, and that at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be

utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is not probable that the related tax benefit will be realized.

m. Flow through Shares

The Company will from time to time, issue flow-through common shares to finance a portion of its Canadian exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into: i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. The Company derecognizes the flow-through share premium liability to the extent the qualifying resource expenditures have been made as of the reporting date and records such amount in determining in other income in the consolidated statement of loss and comprehensive loss.

Proceeds received from the issuance of flow-through shares are to be used only for Canadian resource property exploration expenditures within a set period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through expenditure commitments. The Company is also subject to Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a finance expense until paid.

n. Change in Accounting Policies

During the year ended December 31, 2025, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes that expensing such costs as incurred provides more reliable and relevant financial information. It is more relevant and reliable because this policy eliminates the use of estimates and judgments regarding the valuation of exploration and evaluation assets and aligns the analysis to when the mineral property is considered economically and commercially viable. The cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable. Previously, the Company capitalized the fair value of all cash and non-cash consideration paid in relation to the acquisition of mineral property. The consolidated financial statements for the year ended December 31, 2024 and as of January 1, 2024 have been restated to reflect adjustments made as a result of this change in accounting policy.

The following is a reconciliation of the Company's financial statements as at December 31, 2024 and January 1, 2024.

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

	December 31, 2024 As previously reported	Adjustment	December 31, 2024 As Restated
ASSETS			
Current assets			
Cash	\$ 280,174	\$ -	\$ 280,174
Short term investments	30,000	-	30,000
Receivables	799,586	-	799,586
Marketable securities	85,130	-	85,130
Prepaid expenses	69,659	-	69,659
	1,264,549	-	1,264,549
Non-current assets			
Property, plant and equipment	23,301	-	23,301
Exploration and evaluation assets	78,460,098	(78,460,098)	-
Deposits	510,638	-	510,638
	78,994,037	(78,460,098)	533,939
TOTAL ASSETS	\$ 80,258,586	\$(78,460,098)	\$ 1,798,488
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	\$ 603,036	\$ -	\$ 603,036
Non-current liabilities			
Closure and reclamation	327,500	-	327,500
TOTAL LIABILITIES	930,536	-	930,536
SHAREHOLDERS' EQUITY			
Share capital	149,467,024	-	149,467,024
Share-based payment reserve	21,120,500	-	21,120,500
Other equity reserves	52,837	-	52,837
Deficit	(91,312,311)	(78,460,098)	(169,772,409)
TOTAL SHAREHOLDERS' EQUITY	79,328,050	(78,460,098)	867,952
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 80,258,586	\$(78,460,098)	\$ 1,798,488

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

	January 1, 2024 As previously reported	Adjustment	January 1, 2024 As Restated
ASSETS			
Current assets			
Cash	\$ 231,037	\$ -	\$ 231,037
Short term investments	30,000	-	30,000
Receivables	455,094	-	455,094
Share subscription receivable	1,170,225	-	1,170,225
Marketable securities	141,884	-	141,884
Prepaid expenses	85,932	-	85,932
	2,114,172	-	2,114,172
Non-current assets			
Property, plant and equipment	33,212	-	33,212
Exploration and evaluation assets	78,446,173	(78,446,173)	-
Deposits	482,638	-	482,638
	78,962,023	(78,446,173)	515,850
TOTAL ASSETS	\$81,076,195	\$(78,446,173)	\$ 2,630,022
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	\$ 1,236,258	\$ -	\$ 1,236,258
Non-current liabilities			
Closure and reclamation	327,500	-	327,500
TOTAL LIABILITIES	1,563,758	-	1,563,758
SHAREHOLDERS' EQUITY			
Share capital	145,244,718	-	145,244,718
Share-based payment reserve	21,835,912	-	21,835,912
Other equity reserves	52,837	-	52,837
Deficit	(87,621,030)	(78,446,173)	(166,067,203)
TOTAL SHAREHOLDERS' EQUITY	79,512,437	(78,446,173)	1,066,264
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$81,076,195	\$(78,446,173)	\$ 2,630,022

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

	For the year ended December 31, 2024		
	As previously reported	Adjustment	As Restated
Expenses			
Exploration and evaluation expenditures	1,422,399	272,500	1,694,899
Salaries and director fees	824,567	-	824,567
Professional fees	494,366	-	494,366
Office and miscellaneous	374,476	-	374,476
Transfer agent and filing fees	131,494	-	131,494
Investor relations	127,716	-	127,716
Depreciation	8,266	-	8,266
Share-based payments	3,865	-	3,865
	(3,387,149)	(272,500)	(3,659,649)
Other income (expense)			
Impairment	(258,575)	258,575	-
Interest income	11,858	-	11,858
Gain (loss) on marketable securities	(56,754)	-	(56,754)
Finance expense	(661)	-	(661)
	(304,132)	258,575	-
	\$ (3,691,281)	\$ (13,925)	\$ (3,705,206)
Net loss and comprehensive loss for the period			
	\$ (0.02)	\$ -	\$ (0.02)
Loss per share – basic and diluted			
Weighted average number of common shares outstanding	230,499,108	-	230,499,108

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

	For the year ended December 31, 2024		
	As previously reported	Adjustment	As Restated
Operating activities			
Net loss	\$(3,691,281)	\$ (13,925)	\$(3,705,206)
Adjustments for non-cash items:			
Depreciation	9,911	-	9,911
Finance expense	661	-	661
Interest income	(11,858)	-	(11,858)
Impairment	258,575	(258,575)	-
Share-based payments	3,865	-	3,865
Loss (gain) on marketable securities	56,754	-	56,754
Shares issued for acquisition of mineral property	-	112,500	112,500
Changes in		-	-
Receivables	(344,492)	-	(344,492)
Prepaid expenses	16,273	-	16,273
Trade payables and accrued liabilities	(573,883)	(60,000)	(633,883)
Net cash flows used in operating activities	(4,275,475)	(220,000)	(4,495,475)
Investing activities			
Exploration and evaluation assets	(220,000)	220,000	-
Reclamation deposits	(28,000)	-	(28,000)
Interest received	11,858	-	11,858
Net cash flows provided by investing activities	(236,142)	220,000	(16,142)
Financing activities			
Proceeds on issuance of units	1,150,000	-	1,150,000
Proceeds on issuance of shares	3,485,675	-	3,485,675
Share issuance costs	(74,921)	-	(74,921)
Net cash flows provided by financing activities	4,560,754	-	4,560,754
Net change in cash	49,137	-	49,137
Cash, beginning	231,037	-	231,037
Cash, ending	\$ 280,174	\$ -	\$ 280,174

o. New standards, interpretations, amendments and policies:

There are no new standards or interpretations that were effective and adopted by the Company as of January 1, 2025 that had a material impact on the Company's financial statements.

New relevant IFRS Accounting Policies pronouncements that have been issued but are not yet effective are listed below. We plan to apply the new standard or interpretation in the annual period for which it is first required.

a) IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1– Presentation of Financial Statements. The new standard aims to improve the quality of financial reporting by: (i) requiring defined subtotals in the statement of profit or loss; (ii) requiring disclosure about management defined performance measures; and (iii) adding new principles for aggregation and disaggregation of information. The new standard will be effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. The Company is currently assessing the impact of the new standard on the consolidated financial statements.

b) Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)- linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. Based on the Company’s current financial instruments the Company does not anticipate a material impact from adopting these amendments however will continue to monitor and assess the effect of these amendments on the consolidated financial statements.

3. **Receivables**

	December 31,	December 31,
	2025	2024
Goods and services tax receivable	\$ 102,638	\$ 15,104
BC METC receivable	546,560	775,594
Other receivables	76,962	8,888
	\$ 726,160	\$ 799,586

During the year ended December 31, 2025, the Company accrued \$68,764 in BC Mineral Exploration Tax Credits (“BCMETS”) receivable (year ended December 31, 2024 - \$515,242). During the year ended December 31, 2025, the Company received a BCMETS refund of \$296,475 (December 31, 2024 - \$141,831). Subsequent to the year-end, the Company received a refund of \$484,188 for the year ended December 31, 2024, net of adjustments related to the years ended December 31, 2023 and 2022.

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

4. Property, plant and equipment

	Leased Office	Furniture and Equipment	Total
<u>Cost</u>			
Balance December 31, 2023	\$ 223,437	\$ 112,093	\$ 335,530
Adjustment	(223,437)	-	(223,437)
Balance December 31, 2024	\$ -	\$ 112,093	\$ 112,093
Addition	-	-	-
Balance December 31, 2025	\$ -	\$ 112,093	\$ 112,093
<u>Accumulated depreciation</u>			
Balance December 31, 2023	\$ 223,437	\$ 78,881	\$ 302,318
Depreciation	-	9,911	9,911
Adjustment	(223,437)	-	(223,437)
Balance December 31, 2024	\$ -	\$ 88,792	\$ 88,792
Depreciation	-	5,833	5,833
Balance December 31, 2025	\$ -	\$ 94,625	\$ 94,625
<u>Net book value</u>			
Balance December 31, 2024	\$ -	\$ 23,301	\$ 23,301
Balance December 31, 2025	\$ -	\$ 17,468	\$ 17,468

5. Exploration and evaluation expenditures

a) *Exploration and Evaluation Expenditures*

The nature of exploration expenditures during the years ended December 31, 2025 and December 31, 2024, are as follows:

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Drilling and assaying	\$ 1,599,151	\$ 287,646
Camp and operations	759,395	192,187
Geophysics	396,674	90,000
ESG	395,902	275,410
Salaries	194,488	573,181
Metallurgy	134,815	-
Contractors	128,132	214,909
Acquisition costs	125,000	272,500
Equipment Rental	92,493	89,266
Software, storage and admin	61,301	139,802
Travel and accommodation	3,336	57,539
Aircraft	-	17,701
Government Assistance	(58,553)	(515,242)
Total	\$ 3,832,134	\$ 1,694,899

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

Details of the Company's exploration and evaluation expenditures, by exploration project, which have been cumulatively expensed in the statements of loss and comprehensive loss from the date of acquisition, are as follows:

	East Niv	Kwanika- Stardust	Lorraine- Top Cat	Milligan West	Other	Total
Balance - December 31, 2024	\$ 8,913,766	\$ 89,068,229	\$11,633,426	\$633,263	\$1,410,166	\$ 111,658,850
Costs incurred during year:						
Drilling and assaying	-	1,599,151	-	-	-	1,599,151
Camp and operations	-	759,395	-	-	-	759,395
Geophysics	-	396,674	-	-	-	396,674
ESG	12,523	335,810	35,046	-	12,523	395,902
Salaries	-	127,108	67,380	-	-	194,488
Metallurgy	-	134,815	-	-	-	134,815
Contractors	-	128,132	-	-	-	128,132
Acquisition costs	-	-	-	-	125,000	125,000
Equipment Rental	-	87,693	4,800	-	-	92,493
Software, storage and admin	6,626	34,797	13,252	-	6,626	61,301
Travel and accommodation	-	3,336	-	-	-	3,336
Government Assistance	(5,745)	(31,134)	(15,929)	-	(5,745)	(58,553)
	13,404	3,575,777	104,549	-	138,404	3,832,134
Balance - December 31, 2025	\$ 8,927,170	\$ 92,644,006	\$11,737,975	\$633,263	\$1,548,570	\$ 115,490,984

	As restated					Total
	East Niv	Kwanika- Stardust	Lorraine- Top Cat	Milligan West	Other	Total
Balance - December 31, 2023	\$ 8,849,267	\$ 88,809,712	\$10,391,284	\$633,263	\$1,280,425	\$ 109,963,951
Costs incurred during period:						
Drilling and assaying	-	-	287,646	-	-	287,646
Camp and operations	-	-	192,187	-	-	192,187
Geophysics	-	8,098	81,902	-	-	90,000
ESG	55,287	62,126	92,664	-	65,333	275,410
Salaries	2,662	221,435	347,931	-	1,153	573,181
Contractors	-	-	214,909	-	-	214,909
Acquisition costs	-	-	217,500	-	55,000	272,500
Equipment Rental	-	-	89,266	-	-	89,266
Software, storage and admin	23,321	46,518	46,642	-	23,321	139,802
Travel and accommodation	1,354	7,195	47,636	-	1,354	57,539
Aircraft	-	-	12,082	-	5,619	17,701
Government Assistance	(18,125)	(86,855)	(388,223)	-	(22,039)	(515,242)
	64,499	258,517	1,242,142	-	129,741	1,694,899
Balance - December 31, 2024	\$ 8,913,766	\$ 89,068,229	\$11,633,426	\$633,263	\$1,410,166	\$ 111,658,850

b) Exploration projects

(i) Kwanika-Stardust Project

The Company owns 100% of the copper-gold Kwanika-Stardust project, located in north-central British Columbia. The Kwanika-Stardust project is comprised of the adjacent Stardust and Kwanika properties. The Company acquired the Stardust property following completion of the arrangement

agreement with Sun Metals Corp. in 2021, and the Company purchased POSCO's remaining interest in the entity which owned the Kwanika property in 2022.

(ii) East Niv

The Company acquired East Niv, located in British Columbia, by staking in 2018. In 2021, the Company staked an additional 16 claims.

(iii) Lorraine Project

The Lorraine project comprises two contiguous properties in British Columbia, the Lorraine-Jajay and the Tam-Misty properties. The Company owns 100% of the Lorraine-Jajay property, and owns 90% of the adjacent Tam-Misty property, with Commander Resources holding a 10% carried interest. The Tam-Misty property is subject to a 3% NSR royalty, which can be reduced to 1% NSR royalty by paying \$1,000,000 per each 1% for a total of \$2,000,000. In addition, a 2% NSR royalty exists relating to certain claims known as the Lorraine and Dorothy claims and 2% NSR royalties exist in relation to certain claims known as the Steelhead and Steele claims. The NSR royalty on the Steelhead and Steele claims can be reduced to 1% NSR royalty by paying \$1,000,000.

Pursuant to the terms of an agreement between the Company and Teck Resources Limited ("Teck" and the "Teck Agreement" respectively), dated November 26, 2020, the Company acquired Teck's 51% joint venture interest in the Lorraine Project in exchange for \$1,500,000 that was paid in common shares over a two-year period.

The Company may also make the following contingent milestone payments to Teck in either cash or common shares of the Company:

- \$500,000 upon a Preliminary Economic Assessment;
- \$2,000,000 upon a Feasibility Study; and
- \$5,000,000 upon a construction decision.

Such contingent amounts are not accrued at December 31, 2025, and will be recorded only at such date that meeting the associated milestone is reasonably certain.

Pursuant to the terms of the acquisition, Teck has also retained a 1.0% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to existing royalties. Additionally, during the 60-month period commencing on the date of the Teck Agreement, the Company was required to pay Teck 20% of any sale or option proceeds, net of post-closing exploration expenditures. This period has now expired.

(iv) Milligan West

The Company owns a 57.7% interest in the Milligan West property, an unincorporated joint venture with Fjordland Exploration Inc., an arm's-length company also listed on the TSX-V. The Company is entitled to act as Operator for so long as its interest is 50% or more.

(v) Top Cat

On July 12, 2019, the Company optioned the Top Cat claims, and earned 100% interest by making:

- Cash payments: staged payments totaling \$340,000 over 5 years were completed by July 2022;
- Share issuances: 750,000 common shares in stages over a 5-year period was completed by July 2024;
- Incurring a total of \$1,250,000 in exploration expenditures over a 5-year period with a minimum of \$100,000 to be spent before the first anniversary of the agreement, which minimum was made prior to the first anniversary;

- Granting the optionors a 3% NSR on the property, subject to the Company's right to purchase a 2% NSR for \$2,000,000 at any time prior to the first anniversary of commercial production.

The Company entered into an amendment to the Top Cat option agreement dated July 19, 2023, to amend certain terms related to the fourth tranche cash payment. As a result of the amendment, the Company paid \$25,000 in July 2023, \$60,000 in January 2024.

The Company entered into a second amendment to the Top Cat option agreement dated July 24, 2024, to amend certain terms related to the fifth and final tranche cash payment. As a result of the amendment, the Company paid \$130,000.

As at October 1, 2024, the Company had completed all required cash payments, issued all required common share payments, incurred the required exploration expenditures and has acquired 100% ownership of the Top Cat claims, subject to the 3% NSR.

(vi) Net Smelter Return Royalties ("NSRs") – Thor Marmot and Deer Lake Properties

During the year ended February 28, 2019, the Company acquired NSRs of 0.75% on each of the Thor Marmot and Deer Lake Properties located in the Kemess and Kamloops Mining Districts from Electrum.

(vii) Other Properties

The Company also holds a 100% interest in several other properties located in British Columbia, including the Arjay, UDS and Croy-Bloom properties.

The Croy-Bloom property is subject to a 2% NSR royalty, which can be reduced to 1.25% NSR royalty by paying \$2,000,000. In addition, the Croy-Bloom property is also subject to a 0.75% NSR royalty on Molybdenum production.

On September 13, 2022, the Company entered into an agreement to option the Asitka claims, that forms part of the Arjay property, and may earn a 100% interest, subject to a 1.5% NSR, by:

- Making staged cash payments totaling \$230,000 over 4 years; and
- Issuing common shares with a total fair value of \$200,000 in stages over a 4-year period.

The 1.5% NSR can be purchased by paying \$2,000,000.

The Company is under no obligation to issue any of the common shares or make any cash payments. The Company can decide not to proceed with the option at any time.

- Subsequent to the agreement receiving all required approvals, on October 18, 2022, the Company made the first option payments, comprised of \$10,000 and 46,568 common shares with a fair value of \$12,500.
- In July 2023, the Company made the second option payments, comprised of \$15,000 and 68,027 common shares with a fair value of \$12,500.
- In July 2024, the Company made the third option payments, comprised of \$30,000 and 102,880 common shares with a fair value of \$25,000.
- In September 2025, the Company made an amended fourth option payment of \$37,500 in cash, and issued common shares with a fair value of \$87,500 in November 2025.
- In July 2026, the Company may make the 4th and final anniversary option payment of \$100,000 cash and issue common shares with a fair value of \$100,000.

(viii) The Company is subject to various exploration agreements that may require the payment of certain agreement administration fees, land access fees, or other compensation in connection with exploration

activities on certain properties. Such payments are typically contingent upon the commencement and scope of exploration programs and may vary based on the nature and level of activity undertaken.

6. Reclamation deposits and closure and reclamation provision

The Company has posted bonds and investment certificates to provide for certain potential current and future reclamation liabilities as agreed with the Province of British Columbia – Ministry of Energy, Mines and Low Carbon Innovation. The deposits are considered long-term, regardless of their term, as the funds will remain on deposit until any potential obligation is extinguished.

	December 31, 2025	December 31, 2024
Balance, beginning	\$ 510,638	\$ 482,638
Additional reclamation deposits required	-	28,000
Adjustment	(6,760)	-
Balance	\$ 503,878	\$ 510,638

The Company has recorded a provision for closure and reclamation in the amount of \$395,361 (December 31, 2024 - \$327,500), being the best estimate of the costs required in relation to disturbances to date. The Company does not expect to incur any reclamation costs in the next year.

7. Share capital and reserves

Authorized share capital

An unlimited number of common shares without par value and 20,000,000 preferred shares.

a. Issued share capital

Year ended December 31, 2025

At December 31, 2025, there were 261,223,760 issued and fully paid common shares, and nil preferred shares.

- i) During the year ended December 31, 2025, 591,666 RSUs were exercised by employees and former employees and settled in common shares of the Company.
- ii) During the year ended December 31, 2025, 400,000 Stock Options were exercised by former employees for gross proceeds of \$80,000. Additionally, 50,000 Warrants were exercised for gross proceeds of \$17,000, which was in accounts receivable at the end of the year.
- iii) On October 14, 2025, the Company issued 245,648 shares with a fair value of \$87,500 pursuant to the option agreement on the Asitka claims (Note 5b(vii)).
- iv) On November 4, 2025, the Company issued 188,483 common shares with a fair value of \$54,660 to discharge certain liabilities of the Company.
- v) On July 3, 2025, the Company closed a non-brokered private placement financing for gross proceeds of \$555,000, consisting of 2,775,000 units at a price of \$0.20 per unit (a "Unit"). Each Unit consists of one common share of the Company (each, a "Common Share") and one-half-of-one non-transferable Common Share purchase warrant (each full warrant being a "Warrant"), with each Warrant exercisable to purchase one additional Common Share until July 3, 2027, at an exercise price of \$0.30.

On August 8, 2025, the Company closed an additional non-brokered private placement financing for gross proceeds of \$475,000, consisting of 2,375,000 units at a price of \$0.20 per Unit. Each Unit consists of one common share of the Company and one-half-of-one non-transferable Warrant, with each Warrant exercisable to purchase one additional Common Share until August 8, 2027, at an exercise price of \$0.30.

In connection with the private placements completed during the period, the Company incurred \$42,344 for cash commissions, issuance of compensation common shares and warrants, legal, and filing fees. The Company issued 9,319 common shares with a fair value of \$1,677, and 58,500 broker warrants with a fair value of \$4,198 as part of the compensation to agents.

- vi) The Company closed a non-brokered critical mineral flow through private placement financing in three tranches on July 29, August 8 and August 22 for total gross proceeds of \$4,082,215 consisting of 18,143,178 units at a price of \$0.225 per unit (a "FT Unit"). Each FT Unit consists of one flow through common share of the Company (each, a "FT Share") and one-half-of-one non-transferable Common Share purchase warrant (each whole warrant being a "FT Warrant"), with each FT Warrant exercisable to purchase one additional Common Share at an exercise price of \$0.34 on July 29, August 8 and August 22, 2027 respectively.

Flow-through premiums totaling \$453,579, being the difference between the flow-through common shares subscription prices and the market price of the Company's common shares on the date of issue, related to the sale of the associated tax benefits of the qualifying resource expenditures was recorded as a flow-through premium liability in the consolidated statement of financial position. During the year, flow through premium of \$389,769 was recognized in the statement of loss and comprehensive loss.

In connection with the non-brokered critical mineral flow through private placements completed during the period, the Company incurred \$320,701 for cash commissions, issuance of compensation common shares and warrants, legal, and filing fees, of which \$78,521 was in accounts payable for the year -ended December 31, 2025. The Company issued 630,008 common shares with a fair value of \$117,132, and 512,891 broker warrants with a fair value of \$32,180 as part of the compensation to agents.

Year ended December 31, 2024

At December 31, 2024, there were 235,815,458 issued and fully paid common shares, and nil preferred shares.

- vii) During the year ended December 31, 2024, 1,557,814 RSUs were exercised by employees and former employees and settled in common shares of the Company.
- viii) On July 31, 2024, the Company issued 350,000 shares with a fair value of \$87,500 pursuant to the option agreement on the Top Cat project (Note 5b(v)).
- ix) On July 31, 2024, the Company issued 102,880 shares with a fair value of \$25,000 pursuant to the option agreement on the Asitka claims (Note 5b(vii)).
- x) On September 20, 2024, the Company closed a non-brokered private placement financing for gross proceeds of \$1,150,000, consisting of 4,600,000 units at a price of \$0.25 per unit (a "2024 Unit"). Each Unit consists of one common share of the Company and one non-transferable Common Share purchase warrant (each a "2024 Warrant"), with each 2024 Warrant exercisable to purchase one additional Common Share until September 20, 2026, at an exercise price of \$0.30. In connection with the private placement the Company paid legal fees totaling \$32,164.

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

- xi) On January 24, 2024, the Company closed the fourth and final tranche of the private placement announced on November 27, 2023, for aggregate gross proceeds of \$2,315,450, consisting of 22,051,905 common shares of the Company. In connection with the final tranche of the private placement the Company paid legal fees totaling \$42,757.

b. Warrants

The changes in warrants during the years ended December 31, 2025, and December 31, 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Warrants outstanding, beginning	15,598,548	\$ 0.30	10,998,548	\$ 0.30
Warrants granted	12,217,980	0.33	4,600,000	0.30
Warrants exercised	(50,000)	0.34	-	-
Warrants expired	(10,998,548)	0.30	-	-
Warrants outstanding, ending	16,767,980	\$ 0.32	15,598,548	\$ 0.30

Warrants outstanding at December 31, 2025 are as follows:

Number of warrants	Exercise price	Expiry date
4,600,000	\$0.30	September 20, 2026
1,417,500	\$0.30	July 3, 2027
5,781,722	\$0.34	July 29, 2027
1,635,726	\$0.34	August 8, 2027
1,187,500	\$0.30	August 8, 2027
2,145,532	\$0.34	August 22, 2027
16,767,980	\$0.32	

The proceeds from the private placement of units in the years ended December 31, 2025, and December 31, 2024 were allocated on a relative fair value basis between the common shares and warrants that comprise each unit. The fair value of warrants granted during the years ended December 31, 2025, and December 31, 2024, and used in the relative fair value calculation, was determined using the Black-Scholes option pricing model. The assumed dividend yield and forfeiture rate were for the said periods. Other weighted average assumptions were as follows:

	December 31, 2025	December 31, 2024
Warrants Issued during the year		
Expected life of Warrants	2 years	2 years
Annualized Volatility ⁽¹⁾	90.7%-91.2%	75.6%
Risk-free interest rate	2.6%-2.8%	3.0%

¹ Volatility was determined using the average historic volatility of the Company's share price over the same period of time as the expected life of the warrant.

As a result of the relative fair value allocation, \$730,023 of the proceeds in relation to the warrants issued in the year ended December 31, 2025 were allocated to the value of the warrants and recorded in share-based payment reserve in the statement of equity (December 31, 2024- \$250,620).

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

Furthermore, the Company recognized share issuance costs of \$36,378 in relation to the warrants issued in the year ended December 31, 2025 (year ended December 31, 2024- nil).

During the year ended December 31, 2025, 50,000 warrants were exercised for gross proceeds of \$17,000.

c. Stock options

The Company has adopted an equity incentive plan (the "EIP"), which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V policies, grant to directors, officers, employees and consultants of the Company, non-transferable stock options to purchase common shares. On October 21, 2025, the Company's shareholders approved the EIP, which is a 10% rolling plan reaffirming the previous approval granted on July 25, 2024.

The changes in stock options during the years ended December 31 2025, and December 31, 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Options outstanding, beginning	6,764,909	\$ 0.59	12,006,967	\$ 0.67
Options granted	1,175,000	0.28	650,000	0.15
Options exercised	(400,000)	0.20	-	-
Options expired	(2,439,284)	0.81	(5,408,724)	0.61
Options forfeited	(940,625)	0.21	(483,334)	0.66
Options outstanding, ending	4,160,000	\$ 0.49	6,764,909	\$ 0.59
Options exercisable, ending	2,685,000	\$ 0.63	5,087,825	\$ 0.72

Details of options outstanding as at December 31, 2025 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
\$0.15 - \$0.60	3.80 years	2,375,000	900,000
\$0.77 - \$0.90	0.60 years	1,785,000	1,785,000
	2.43 years	4,160,000	2,685,000

The fair value of options granted during the years ended December 31, 2025 and December 31, 2024 was determined using the Black-Scholes option pricing model. The assumed dividend yield and forfeiture rate were nil during the periods. Other weighted average assumptions were as follows:

	December 31 2025	December 31 2024
Options Issued during the year		
Expected life of options	5 years	5 years
Annualized Volatility ⁽¹⁾	72.6%-73.8%	66.5%
Risk-free interest rate	2.70%	3.1%
Weighted average Black Scholes Fair value	\$0.13-\$0.19	\$0.09

¹ Volatility was determined using the average historic volatility of the Company's share price over the same period of time as the expected life of the option.

Stock options granted to employees are typically subject to vesting provisions whereby one third vest one year from the grant date, one third vest two years from the grant date, and one third vest three years from the grant date. The following option grants are subject to alternate vesting provisions.

- 700,000 Stock option granted to the non-executive directors on September 19, 2025 vest over two years with one third vesting immediately, one third after one year and one third after two years.

The Company recorded a share-based payment expense related to stock options for the years ended December 31, 2025, and December 31, 2024 of \$80,418 and \$13,084, respectively. The net expense related to stock options for the year ended December 31, 2025, reflects a reversal of expense recorded in prior periods of \$54,435, relating to the forfeiture of 940,625 unvested options, by departing employees and consultants (year ended December 31, 2024 - \$177,788).

d. Restricted Share Units (“RSU”)

Under the Company’s EIP, the board of directors may, from time to time, grant RSUs to employees, consultants or directors of the Company. The board of directors may determine the time during which the RSUs shall vest and the method of vesting, subject to TSX-V policies.

A summary of RSU activity during the year ended December 31, 2025 is as follows:

	December 31, 2025	December 31, 2024
Balance, beginning	758,333	2,382,813
Granted	125,000	250,000
Forfeited	-	(149,999)
Expired	-	(166,667)
Exercised	(591,667)	(1,557,814)
Balance, ending	291,666	758,333

RSUs granted are typically subject to vesting provisions whereby one third vest one year from the grant date, one third vest two years from the grant date, and one third vest three years from the grant date. The RSUs granted during the year ended December 31, 2025 and the year ended December 31, 2024, vest on this basis over three years.

RSU expense for the years ended December 31, 2025 was \$34,385 (December 31, 2024 – recovery of \$9,219). The net recovery for the year ended December 31, 2024, reflects a reversal of expense recorded in prior periods of \$107,100, relating to the forfeiture of 149,999 unvested RSUs by former employees.

e. Deferred Share Units (“DSU”)

Under the Company’s EIP, the board of directors may, from time to time, grant DSUs to non-employee directors of the Company. The DSUs vest immediately and can be redeemed by the holder for no consideration during the period commencing immediately following a termination of the holders’ position as a director and ending on the 90th day following such termination date. There were nil DSUs outstanding at December 31, 2025, and December 31, 2024. DSU expense for the years ended December 31, 2025 and for December 31, 2024 was \$nil.

f. Flow-through premium liability

For the purposes of calculating any premium related to the issuances of the flow-through shares, the Company compares the market price of its shares to the subscription price of flow-through shares to determine if there was a premium paid on the flow-through shares. As at December 31, 2025, the Company has remaining flow-through expenditure commitments of \$574,046, which are required to be incurred on or before December 31, 2026. As a result, the Company’s flow-through liability on issuance of flow-through shares in connection with private placements is as follows:

NorthWest Copper Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)

	December 31, 2025	December 31, 2024
Balance, beginning	\$ -	\$ -
Additions	453,579	-
Recognition of flow-through share premium	(389,769)	-
Balance, ending	\$ 63,810	\$ -

Reserves

The share-based payment reserve comprises share-based payments and warrant payments. When stock options or warrants are exercised, the corresponding amount is transferred to share capital. When stock options and warrants expire, the corresponding amount remains in share-based payment reserve.

8. Related party transactions

In addition to balances and transactions disclosed in Notes 8 and 9 to these consolidated financial statements, the Company has the following related party balances and transactions as at December 31, 2025, and for the years ended December 31, 2025 and December 31, 2024. These transactions, occurring in the normal course of operations, are measured at the exchanged amount, which is the amount of consideration established and agreed to by the related parties.

Related party balances and transactions

During the year ended December 31, 2024, the Company reimbursed costs of \$179,988 incurred in regard to the proxy contest by a shareholder of the Company.

Key management personnel compensation – paid or accrued

Key management includes the members of the current Board of Directors, the Chief Executive Officer, the current and former Chief Financial Officer, and the current and former Vice President, Exploration. The aggregate total compensation paid or payable to key management for services is as follows:

	December 31, 2025	December 31, 2024
Salaries and Professional fees	\$ 660,445	\$ 679,175
Director fees	268,750	273,750
Non-cash share-based payments	136,212	124,652
	\$ 1,065,407	\$ 1,077,577

Trade payables and accrued liabilities at December 31, 2025 includes \$337,500 of accrued fees to the Board of directors, and deferred salaries of \$179,600. Accrued liability as at December 31, 2024 of \$145,883 to former directors was reversed during the period as Management considered it no longer payable.

9. Segmented information

The Company conducts its business in a single operating segment which is the mineral exploration business in Canada. The Company's exploration and evaluation assets are located in Canada.

10. Financial instruments

The Company's financial instruments consists of cash, short term investments, receivables, marketable securities, deposits, and trade payables, with the carrying amounts presented in the statement of financial

position approximating their respective fair values because of their relatively short-term nature of such instruments.

There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Company does not have any financial instrument assets or liabilities measured and recognized in the statement of financial position at fair value. At December 31, 2024, the Company had Second Star shares as financial instrument which were measured at fair value through profit and loss using Level 1 inputs as Star is listed on the Canadian Securities Exchange ("CSE") market. These shares were sold during 2025.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk is on its cash, short-term investments, receivables, share subscriptions receivable and deposits, the carrying value of such accounts in the statement of financial position represents the Company's maximum exposure to credit risk.

Cash and short-term investments are deposited in bank accounts at major banks in Canada for which there is low credit risk. As most of the Company's cash and cash equivalents are held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

The Company is also exposed to credit risk with respect to receivables and deposits. To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. The Company historically has not had difficulty collecting its amounts receivable and has no provision for credit loss recorded at December 31, 2025 or December 31, 2024. The Company's deposits are with the government or financial institutions for reclamation for which credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company 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. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise sufficient equity capital or borrowings and its holdings of cash and cash equivalents. See Note 1 Going Concern.

The Company's cash and short-term investments are liquid and available to meet the Company's ongoing obligations. The contractual maturities of the Company's trade payables and accrued liabilities are less than one year.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily exposed to interest rate risk with respect to interest earned on cash. A 1% change in the interest rate during the year ended December 31, 2025, or December 31, 2024, would not have had a material impact on the Company's financial results.

Capital Management

The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to explore its mineral property interests and continue its operations for the benefit of its shareholders. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

11. Income tax

A reconciliation of income taxes at the Company's statutory income tax rate of 27% with the reported income taxes is as follows:

	December 31, 2025	December 31, 2024
Net loss	\$ (5,172,962)	\$ (3,705,206)
Expected income tax recovery	(1,396,700)	(1,000,406)
Permanent differences	(82,658)	218,651
Prior year tune-up	(58,514)	(165,497)
Share issuance cost	(88,201)	(20,229)
Effect of flow-through share renunciations	940,033	-
Change in unrecognized deductible temporary differences	686,040	967,481
Income tax recovery	\$ -	\$ -

The significant components of the Company's deferred tax assets and liabilities are as follows:

	2025	2024
Deferred Tax assets		
Exploration and Evaluation activities	9,818,297	9,750,157
Investment tax credits	264,347	264,347
Equipment	121,624	120,050
Share issuance costs	105,307	192,387
Capital lease obligations	-	-
Non-capital losses	9,335,211	8,633,328
Capital losses	716,617	660,457
Reclamation obligation and other	106,747	174,121
Unrecognised	(20,468,150)	(19,794,847)

The Canadian non-capital losses carry forward at December 31, 2025, are \$34,574,857 and will expire between 2026 – 2045. The Canadian capital losses carryforward at December 31, 2024, are \$5,308,274 and do not expire.

12. Subsequent events

- a) Subsequent to the year-end, 41,667 RSU's were exercised, 400,000 stock options were exercised for gross proceeds of \$80,000, and 448,333 warrants were exercised for gross proceeds of \$152,433. Additionally, 1,585,000 stock options have expired as of the date of this report.
- b) Subsequent to the year-end, the Company announced a best-efforts private placement for aggregate gross proceeds of up to \$10 million, which was later upsized to \$12 million. The offering consists of any combination of Hard Dollar units ("HD Units) at a price of \$0.35 per unit, Charity flow through units ("CFT Units") of \$0.515 per unit, and Flow through units ("FT Units") of \$0.41 per unit. Each HD Unit, CFT Unit and FT Unit will consist of one common share ("Common Share") of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.45 for a period of 24 months following closing of the Offering.