



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

(Expressed in US Dollars)

Three and Six Months Ended June 30, 2025 and 2024

Corporate Head Office

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INTERNATIONAL TOWER HILL MINES LTD.

June 30, 2025 and 2024

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PART 1

ITEM 1. FINANCIAL STATEMENTS

INTERNATIONAL TOWER HILL MINES LTD.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

As at June 30, 2025 and December 31, 2024

(Expressed in US Dollars - Unaudited)

	Note	June 30, 2025	December 31, 2024
ASSETS			
Current			
Cash and cash equivalents	1	\$ 2,845,065	\$ 992,487
Prepaid expenses and other		249,723	144,693
Total current assets		3,094,788	1,137,180
Property and equipment		7,465	7,465
Mineral property	4	55,375,124	55,375,124
Total assets		\$ 58,477,377	\$ 56,519,769
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable		\$ 57,857	\$ 38,374
Accrued liabilities	5	133,959	139,103
Total liabilities		191,816	177,477
Shareholders' equity			
Share capital, no par value; unlimited number of authorized shares; 207,885,473 and 199,693,442 shares issued and outstanding at June 30, 2025			
December 31, 2024, respectively	6	294,980,859	291,169,769
Contributed surplus	6	37,433,536	36,923,555
Accumulated other comprehensive income		1,629,470	1,413,118
Deficit		(275,758,304)	(273,164,150)
Total shareholders' equity		58,285,561	56,342,292
Total liabilities and shareholders' equity		\$ 58,477,377	\$ 56,519,769

General Information and Nature of Operations (Note 1)

Commitments (Note 8)

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

INTERNATIONAL TOWER HILL MINES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

For the Three and Six Months Ended June 30, 2025 and 2024

(Expressed in US Dollars - Unaudited)

		Three Months Ended		Six Months Ended	
	Note	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Operating expenses					
Consulting fees	6	\$ 439,354	\$ 355,048	\$ 549,398	\$ 412,611
Insurance		65,136	51,211	112,147	104,087
Investor relations	6	33,839	32,272	43,898	42,088
Mineral property exploration	4	801,909	628,951	950,396	759,055
Office		5,646	7,214	9,918	11,689
Other		4,182	4,171	7,179	8,335
Professional fees		56,572	76,637	88,814	118,896
Regulatory		32,966	26,689	94,697	94,139
Rent		33,792	33,794	67,582	67,590
Travel		2,305	10,583	10,104	12,697
Wages and benefits	6	287,833	259,553	491,656	467,845
Total operating expenses		(1,763,534)	(1,486,123)	(2,425,789)	(2,099,032)
Other income (expenses)					
Gain/(Loss) on foreign exchange		(190,324)	26,031	(208,431)	64,435
Interest income		28,772	28,177	40,066	57,374
Total other income (expenses)		(161,552)	54,208	(168,365)	121,809
Net loss for the period		(1,925,086)	(1,431,915)	(2,594,154)	(1,977,223)
Other comprehensive income (loss)					
Exchange difference on translating foreign operations		198,065	(43,638)	216,352	(69,680)
Total other comprehensive income (loss) for the period		198,065	(43,638)	216,352	(69,680)
Comprehensive loss for the period		\$ (1,727,021)	\$ (1,475,553)	\$ (2,377,802)	\$ (2,046,903)
Basic and diluted loss per share		\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of shares outstanding – basic and diluted		207,885,473	199,693,442	205,250,201	199,339,723

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

INTERNATIONAL TOWER HILL MINES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Three and Six Months Ended June 30, 2025 and 2024

(Expressed in US Dollars - Unaudited)

Six Months Ended June 30, 2024						
	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, December 31, 2023	195,885,531	\$288,866,139	\$36,309,865	\$1,528,828	\$(269,564,778)	\$57,140,054
Share issuance	3,807,911	2,528,453	-	-	-	2,528,453
Share issuance costs	-	(224,823)	-	-	-	(224,823)
Stock-based compensation-options	-	-	66,091	-	-	66,091
Stock-based compensation-DSUs	-	-	293,242	-	-	293,242
Exchange difference on translating foreign operations	-	-	-	(69,680)	-	(69,680)
Net loss	-	-	-	-	(1,977,223)	(1,977,223)
Balance, June 30, 2024	199,693,442	\$291,169,769	\$36,669,198	\$1,459,148	\$(271,542,001)	\$57,756,114

Three Months Ended June 30, 2024						
	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, March 31, 2024	199,693,442	\$291,179,336	\$36,323,675	\$1,502,786	\$(270,110,086)	\$58,895,711
Share issuance costs	-	(9,567)	-	-	-	(9,567)
Stock-based compensation-options	-	-	52,281	-	-	52,281
Stock-based compensation-DSUs	-	-	293,242	-	-	293,242
Exchange difference on translating foreign operations	-	-	-	(43,638)	-	(43,638)
Net loss	-	-	-	-	(1,431,915)	(1,431,915)
Balance, June 30, 2024	199,693,442	\$291,169,769	\$36,669,198	\$1,459,148	\$(271,542,001)	\$57,756,114

Six Months Ended June 30, 2025						
	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, December 31, 2024	199,693,442	\$291,169,769	\$36,923,555	\$1,413,118	\$(273,164,150)	\$56,342,292
Share issuance	8,192,031	3,932,994	-	-	-	3,932,994
Share issuance costs	-	(121,904)	-	-	-	(121,904)
Stock-based compensation-options	-	-	172,547	-	-	172,547
Stock-based compensation-DSUs	-	-	337,434	-	-	337,434
Exchange difference on translating foreign operations	-	-	-	216,352	-	216,352
Net loss	-	-	-	-	(2,594,154)	(2,594,154)
Balance, June 30, 2025	207,885,473	\$294,980,859	\$37,433,536	\$1,629,470	\$(275,758,304)	\$58,285,561

Three Months Ended June 30, 2025						
	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, March 31, 2025	207,885,473	\$294,983,309	\$36,987,136	\$1,431,405	\$(273,833,218)	\$59,568,632
Share issuance costs	-	(2,450)	-	-	-	(2,450)
Stock-based compensation-options	-	-	108,966	-	-	108,966
Stock-based compensation-DSUs	-	-	337,434	-	-	337,434
Exchange difference on translating foreign operations	-	-	-	198,065	-	198,065
Net loss	-	-	-	-	(1,925,086)	(1,925,086)
Balance, June 30, 2025	207,885,473	\$294,980,859	\$37,433,536	\$1,629,470	\$(275,758,304)	\$58,285,561

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

INTERNATIONAL TOWER HILL MINES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
For the Six Months Ended June 30, 2025 and 2024
(Expressed in US Dollars - Unaudited)

	Six Months Ended	
	June 30, 2025	June 30, 2024
Operating Activities		
Loss for the period	\$ (2,594,154)	\$ (1,977,223)
Add items not affecting cash:		
Stock-based compensation-options	172,547	66,091
Stock-based compensation-DSUs	337,434	293,242
Changes in non-cash items:		
Accounts receivable	(8,809)	(12,400)
Prepaid expenses and other	(89,917)	32,245
Accounts payable and accrued liabilities	8,816	(58,002)
Cash and cash equivalents used in operating activities	(2,174,083)	(1,656,047)
Financing Activities		
Issuance of shares	3,932,994	2,528,453
Share issuance costs	(118,879)	(224,823)
Cash and cash equivalents provided by financing activities	3,814,115	2,303,630
Effect of foreign exchange on cash	212,546	(65,333)
Change in cash and cash equivalents	1,852,578	582,250
Cash and cash equivalents, beginning of the period	992,487	1,687,690
Cash and cash equivalents, end of the period	\$ 2,845,065	\$ 2,269,940
Supplementary Disclosures:		
Non-cash financing and investing transactions		
Share issuance costs in accounts payable	\$ 3,025	\$ -

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

INTERNATIONAL TOWER HILL MINES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Three and Six Months Ended June 30, 2025 and 2024
(Expressed in US dollars – Unaudited)

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

International Tower Hill Mines Ltd. (“ITH” or the “Company”) is incorporated under the laws of British Columbia, Canada. The Company’s head office address is 1570 – 200 Burrard Street, Vancouver, British Columbia, Canada.

International Tower Hill Mines Ltd. consists of ITH and its wholly-owned subsidiaries Tower Hill Mines, Inc. (“TH Alaska”) (an Alaska corporation), Tower Hill Mines (US) LLC (“TH US”) (a Colorado limited liability company), and Livengood Placers, Inc. (“LPI”) (a Nevada corporation). The Company is in the business of acquiring, exploring and evaluating mineral properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. At June 30, 2025, the Company has a 100% interest in its Livengood Gold Project in Alaska, U.S.A (the “Livengood Gold Project”).

These unaudited condensed consolidated interim financial statements have been prepared on a going-concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

As at June 30, 2025, the Company had cash and cash equivalents of \$2,845,065 compared to \$992,487 at December 31, 2024. The Company has no revenue generating operations from which it can internally generate funds.

The Company will require significant additional financing to continue its operations (including general and administrative expenses) in connection with advancing activities at the Livengood Gold Project and the development of any mine that may be built at the Livengood Gold Project. There is no assurance that the Company will make a decision to build a mine at the Livengood Gold Project and, if so, that it will be able to obtain the additional financing required on acceptable terms, if at all. In addition, any significant delays in the issuance of required permits for the ongoing work at the Livengood Gold Project, or unexpected results in connection with the ongoing work, could result in the Company being required to raise additional funds to advance permitting efforts. The Company’s review of its financing options includes considering a future strategic alliance to assist in further development, permitting and future construction costs, although there can be no assurance that any such strategic alliance will, in fact, be pursued or realized.

Despite the Company’s success to date in raising significant equity financing to fund its operations, there is significant uncertainty that the Company will be able to secure any additional financing in the current or future equity markets. The amount of funds to be raised and the terms of any proposed equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Specific plans related to the use of proceeds will be devised once financing has been completed and management knows what funds will be available for these purposes. As at August 7, 2025, management believes that the Company has sufficient financial resources to maintain its operations for the next twelve months.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X under the Securities Exchange Act of 1934, as amended. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for annual financial statements. These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024 as filed in our Annual Report on Form 10-K. In the opinion of the Company’s management, these financial statements reflect all adjustments, consisting of normal recurring adjustments, necessary to present fairly the Company’s financial position at June 30, 2025 and the results of its operations for the six months then ended. Operating results for the six months ended June 30, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

The preparation of financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three and Six Months Ended June 30, 2025 and 2024

(Expressed in US dollars – Unaudited)

period. These judgments, estimates and assumptions are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. While management believes the estimates to be reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

On August 7, 2025, the Board of Directors of the Company (the "Board") approved these unaudited condensed consolidated interim financial statements.

All currency amounts are stated in U.S. dollars unless noted otherwise. References to C\$ refer to Canadian currency.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of ITH and its wholly-owned subsidiaries TH Alaska, TH US, and LPI. All intercompany transactions and balances have been eliminated.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the significance of the inputs used in making the measurement. The three levels of the fair value hierarchy are as follows:

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

There were no financial instruments measured at fair value.

4. MINERAL PROPERTY

The Company did not incur any acquisition costs in respect of the Livengood Gold Project during the three months ended June 30, 2025:

Mineral property costs	Amount
Balance, December 31, 2024	\$ 55,375,124
Acquisition costs	-
Balance, June 30, 2025	\$ 55,375,124

The following table presents costs incurred for mineral property activities for the six months ended June 30, 2025 and 2024:

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Three and Six Months Ended June 30, 2025 and 2024

(Expressed in US dollars – Unaudited)

	June 30, 2025	June 30, 2024
Mineral property costs:		
Aircraft	\$ 11,400	\$ 10,790
Environmental	111,385	108,649
Equipment rental	11,647	17,863
Field costs	90,201	66,938
Geological/geophysical	3,542	-
Land maintenance and tenure	690,950	540,226
Legal	35,918	9,125
Transportation and travel	(4,647)	5,464
Total expenditures for the period	\$ 950,396	\$ 759,055

Livengood Gold Project Property

The Livengood property is located in the Tintina gold belt approximately 70 miles (113 kilometers) northwest of Fairbanks, Alaska. The property consists of land leased from the Alaska Mental Health Trust, a number of smaller private mineral leases, Alaska state mining claims purchased or located by the Company and patented ground held by the Company.

Details of the leases are as follows:

- a) A lease of the Alaska Mental Health Trust mineral rights having a term commencing July 1, 2004 and extending 29 years until June 30, 2033, subject to further extensions beyond June 30, 2033 by either (1) commercial production or (2) payment of an annual advance minimum royalty and diligent pursuit of development. The lease requires minimum work expenditures and advance minimum royalties (all of which minimum royalties are recoverable from production royalties) which escalate annually with inflation. A net smelter return (“NSR”) production royalty of between 2.5% and 5.0% (depending upon the price of gold) is payable to the lessor with respect to the lands subject to this lease. In addition, an NSR production royalty of 1% is payable to the lessor with respect to the unpatented federal mining claims subject to the lease described in b) below and an NSR production royalty of between 0.5% and 1.0% (depending upon the price of gold) is payable to the lessor with respect to the lands acquired by the Company as a result of the purchase of LPI in December 2011. During the six months ended June 30, 2025 and from the inception of this lease, the Company has paid \$610,457 and \$5,953,438, respectively.
- b) A lease of federal unpatented lode mining claims having an initial term of ten years commencing on April 21, 2003 and continuing for so long thereafter as advance minimum royalties are paid and mining related activities, including exploration, continue on the property or on adjacent properties controlled by the Company. The lease requires an advance minimum royalty of \$50,000 on or before each anniversary date for the duration of the lease (all of which minimum royalties are recoverable from production royalties). An NSR production royalty of between 2% and 3% (depending on the price of gold) is payable to the lessors. The Company may purchase 1% of the royalty for \$1,000,000. During the six months ended June 30, 2025 and from the inception of this lease, the Company has paid \$50,000 and \$1,080,000, respectively.
- c) A lease of patented lode claims having an initial term of ten years commencing January 18, 2007, and continuing for so long thereafter as minimum royalties are paid. In 2019, the Company acquired a 40% interest in the mining claims subject to the lease, providing the Company with a 40% interest in the lease. The lease requires a minimum royalty of \$15,000 payable to the remaining third-party lessors on or before each anniversary date subsequent to January 18, 2017 (all of which minimum royalties are recoverable from production royalties). As of June 30, 2025, the Company has paid \$315,000 to the remaining third-party lessors in minimum royalties from the inception of this lease. A production royalty of 1.8% NSR is payable to the remaining third-party lessors. At any time during the term of the lease, the Company may exercise its option to purchase all interests of the remaining third-party lessors in the patented lode claims subject to the lease (including the production royalty) for \$600,000 (less all minimum and production royalties paid to said

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lessors prior to the date the option is exercised), of which 10% of the purchase price is payable upon exercise, 40% is payable in equal installments over the subsequent four years following the exercise, and 50% is payable by way of the 1.8% NSR production royalty. Upon commencement of commercial production, the option must be exercised.

- d) A lease of unpatented federal lode mining and federal unpatented placer claims having an initial term of ten years commencing on March 28, 2007, and continuing for so long thereafter as advance minimum royalties are paid and mining related activities, including exploration, continue on the property or on adjacent properties controlled by the Company. The lease requires an advance minimum royalty of \$15,000 on or before each anniversary date for the duration of the lease (all of which minimum royalties are recoverable from production royalties). The Company is required to pay the lessor an additional sum of \$250,000 upon making a positive production decision, of which \$125,000 is payable within 120 days of the decision and \$125,000 is payable within a year of the decision (all of which are recoverable from production royalties). An NSR production royalty of 2% is payable to the lessor. The Company may purchase all of the interest of the lessor in the leased property (including the production royalty) for \$1,000,000. The Company paid \$15,000 of royalties during the six months ended June 30, 2025, for a total of \$248,000 from the inception of this lease.

Title to mineral properties

The acquisition of title to mineral properties is a detailed and time-consuming process. The Company has taken steps to verify title to all mineral properties in which it has an interest. Although the Company has taken reasonable precautions to ensure that legal title to its properties is properly recorded in the name of the Company, there can be no assurance that such title will ultimately be secured.

5. ACCRUED LIABILITIES

The following table presents the Company's accrued liabilities balances at June 30, 2025 and December 31, 2024.

	June 30, 2025	December 31, 2024
Accrued liabilities	\$ 109,314	\$ 83,876
Accrued salaries and benefits	24,645	55,227
Total accrued liabilities	\$ 133,959	\$ 139,103

Accrued liabilities at June 30, 2025 include accruals for general corporate costs and project costs of \$63,216 and \$46,098, respectively. Accrued liabilities at December 31, 2024 include accruals for general corporate costs and project costs of \$44,831 and \$39,045, respectively.

6. SHARE CAPITAL**Authorized**

The Company's authorized share capital consists of an unlimited number of common shares, no par value. At December 31, 2024 and June 30, 2025, there were 199,693,442 and 207,885,473 shares issued and outstanding, respectively.

Share issuances

During the six months ended June 30, 2025, the Company issued 8,192,031 common shares pursuant to a \$3,932,994 non-brokered private placement at a price of \$0.4801 per common share to existing major shareholders of the Company.

Stock options

The Company adopted an incentive stock option plan in 2006, as amended September 19, 2012, and reapproved by the Company's shareholders on May 28, 2015, May 30, 2018, May 25, 2021, and May 29, 2024 (the "Stock Option

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Plan”). The essential elements of the Stock Option Plan provide that the aggregate number of common shares of the Company that may be issued pursuant to options granted under the Stock Option Plan and any other share-based compensation arrangements may not exceed 10% of the number of issued shares of the Company at the time of the granting of options. Options granted under the Stock Option Plan will have a maximum term of ten years. The exercise price of options granted under the Stock Option Plan shall be fixed in compliance with the applicable provisions of the Toronto Stock Exchange (“TSX”) Company Manual in force at the time of grant and, in any event, shall not be less than the closing price of the Company’s common shares on the TSX on the trading day immediately preceding the day on which the option is granted, or such other price as may be agreed to by the Company and accepted by the TSX. Options granted under the Stock Option Plan vest immediately, unless otherwise determined by the Board at the date of grant.

A summary of the options outstanding under the Stock Option Plan as of June 30, 2025 and December 31, 2024 is presented below:

	Six Months Ended June 30, 2025			Year Ended December 31, 2024		
	Number of Options	Weighted Average Exercise Price (C\$)	Aggregate Intrinsic Value (C\$)	Number of Options	Weighted Average Exercise Price (C\$)	Aggregate Intrinsic Value (C\$)
Balance, beginning of the period	4,152,232	\$ 0.78		1,787,049	\$ 0.92	
Granted	240,000	1.25		2,740,000	0.67	
Forfeited/cancelled	(500,000)	0.64		-	-	
Expired	(250,000)	1.35		(374,817)	0.61	
Balance, end of the period	3,642,232	\$ 0.79	\$ 1,428,464	4,152,232	\$ 0.78	\$ 2,400

The weighted average remaining life of options outstanding at June 30, 2025 was 2.1 years.

Further details regarding stock options outstanding as at June 30, 2025 and December 31, 2024 are presented below:

Expiry Date	June 30, 2025			December 31, 2024		
	Exercise Price (C\$)	Number of Options	Exercisable	Exercise Price (C\$)	Number of Options	Exercisable
February 1, 2025	-	-	-	\$ 1.35	250,000	250,000
August 8, 2025*	\$ 0.85	187,232	187,232	\$ 0.85	187,232	187,232
May 27, 2026	\$ 0.92	255,000	255,000	\$ 0.92	255,000	255,000
May 25, 2027	\$ 1.31	240,000	240,000	\$ 1.31	240,000	240,000
May 24, 2028	\$ 0.92	240,000	240,000	\$ 0.92	240,000	240,000
May 23, 2029	\$ 0.63	240,000	240,000	\$ 0.63	240,000	160,000
May 29, 2030	\$ 0.94	240,000	160,000	\$ 0.94	240,000	80,000
December 2, 2026	\$ 0.64	2,000,000	1,000,000	\$ 0.64	2,500,000	1,000,000
June 4, 2031	\$ 1.25	240,000	80,000	-	-	-
		3,642,232	2,402,232		4,152,232	2,412,232

*Expiry date automatically extended to August 26, 2025, the tenth business day following the end of a normally scheduled quarterly blackout period imposed on the holders of the stock options, pursuant to the terms of the Stock Option Plan.

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three and Six Months Ended June 30, 2025 and 2024

(Expressed in US dollars – Unaudited)

A summary of the non-vested options as of June 30, 2025 and changes during the six months ended June 30, 2025 is as follows:

	Number of options	Weighted average grant-date fair value (C\$)
Non-vested options:		
Outstanding at December 31, 2024	1,740,000	\$0.28
Granted	240,000	0.87
Forfeited/cancelled	(500,000)	0.13
Vested	(240,000)	0.64
Outstanding at June 30, 2025	1,240,000	\$0.38

At June 30, 2025, there was unrecognized compensation expense of C\$350,024 related to non-vested options outstanding. The cost is expected to be recognized over a weighted-average remaining period of approximately 1.4 years.

Deferred Share Unit Incentive Plan

On April 4, 2017, the Company adopted a Deferred Share Unit Plan (the “DSU Plan”). The DSU Plan was approved by the Company’s shareholders on May 24, 2017 and reapproved by the Company’s shareholders on May 27, 2020, May 25, 2021, and May 29, 2024. The maximum aggregate number of common shares that may be issued under the DSU Plan and the Stock Option Plan is 10% of the number of issued and outstanding common shares (on a non-diluted basis).

During the six months ended June 30, 2025, in accordance with the DSU Plan, the Company granted each of the members of the Board (other than those directors nominated for election by Paulson & Co. Inc.) 66,400 DSUs for a total of 332,000 DSUs with a grant date fair value (defined as the weighted average of the prices at which the common shares traded on the exchange with the most volume for the five trading days immediately preceding the grant) of C\$1.25 per DSU, representing C\$83,000 per director or C\$415,000 in the aggregate.

Each DSU entitles the holder to receive one common share of the Company’s stock without the payment of any consideration. The DSUs vest immediately upon being granted, but the common shares underlying the DSUs are not deliverable to the grantee until the grantee is no longer serving on the Board.

DSUs outstanding as at June 30, 2025 and December 31, 2024 are as follows:

	Six Months Ended June 30, 2025		Year Ended December 31, 2024	
	Number of Units	Weighted Average Exercise Price (C\$)	Number of Units	Weighted Average Exercise Price (C\$)
Balance, beginning of the period	3,144,102	\$ 0.84	2,702,612	\$ 0.83
Issued	332,000	1.25	441,490	0.94
Balance, end of the period	3,476,102	\$ 0.88	3,144,102	\$ 0.84

Share-based payments

During the six months ended June 30, 2025, there were 240,000 stock options granted under the Stock Option Plan and 332,000 DSUs granted for common shares of the Company under the DSU Plan. Share-based payment compensation for the six months ended June 30, 2025 totalled \$509,981 (\$172,547 related to stock options and \$337,434 related to DSUs). Of the total expense for the period ended June 30, 2025, \$430,979 was included in consulting fees (\$93,545 related to stock options and \$337,434 related to DSUs), \$5,267 related to stock options was

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included in investor relations, and \$73,735 related to stock options was included in wages and benefits in the statement of operations and comprehensive loss.

During the six months ended June 30, 2024, there were 240,000 stock options granted under the Stock Option Plan and 441,490 DSUs granted under the DSU Plan. Share-based payment compensation for the six months ended June 30, 2024 totaled \$359,333 (\$66,091 related to stock options and \$293,242 related to DSUs). Of the total expense for the period ended June 30, 2024, \$297,373 was included in consulting fees (\$4,131 related to stock options and \$293,242 related to DSUs), \$4,131 was included in investor relations, and \$57,829 was included in wages and benefits in the statement of operations and comprehensive loss.

	YTD June 30, 2025	YTD June 30, 2024
Expected life of options	6 years	6 years
Risk-free interest rate	2.90%	2.64%
Annualized volatility	78.48%	76.75%
Dividend rate	0.00%	0.00%
Exercise price (C\$)	\$1.25	\$0.92

7. SEGMENT AND GEOGRAPHIC INFORMATION

The Company operates in a single reportable segment, being the exploration and development of mineral properties. The following tables present selected financial information by geographic location:

	Canada	United States	Total
June 30, 2025			
Mineral property	\$ -	\$ 55,375,124	\$ 55,375,124
Property and equipment	7,465	-	7,465
Current assets	2,679,550	415,238	3,094,788
Total assets	\$ 2,687,015	\$ 55,790,362	\$ 58,477,377
December 31, 2024			
Mineral property	\$ -	\$ 55,375,124	\$ 55,375,124
Property and equipment	7,465	-	7,465
Current assets	652,473	484,707	1,137,180
Total assets	\$ 659,938	\$ 55,859,831	\$ 56,519,769
Three Months Ended	June 30, 2025	June 30, 2024	
Net loss for the period – Canada	\$ (813,280)	\$ (495,345)	
Net loss for the period – United States	(1,111,806)	(936,570)	
Net loss for the period	\$ (1,925,086)	\$ (1,431,915)	
Six Months Ended	June 30, 2025	June 30, 2024	
Net loss for the period – Canada	\$ (1,066,327)	\$ (628,435)	
Net loss for the period – United States	(1,527,827)	(1,348,788)	
Net loss for the period	\$ (2,594,154)	\$ (1,977,223)	

8. COMMITMENTS

The following table discloses the Company's contractual obligations as of June 30, 2025, including future anticipated mineral property payments. Under the terms of the Company's mineral property purchase agreements, mineral leases

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and unpatented mineral claims, the Company is required to make certain scheduled acquisition payments, incur certain levels of expenditures, make lease or advance royalty payments, make payments to government authorities and incur assessment work expenditures (as summarized in the table below) in order to maintain and preserve the Company's interests in the related mineral properties. If the Company is unable or unwilling to make any such payments or incur any such expenditure, it is likely that the Company would lose or forfeit its rights to acquire or hold the related mineral properties. The following table assumes that the Company retains the rights to all of its current mineral properties, but does not exercise any lease purchase or royalty buyout options:

	Payments Due by Year						Total
	2025	2026	2027	2028	2029	2030 and beyond	
Mineral Property							
Leases ⁽¹⁾	\$ -	\$ 698,088	\$ 705,814	\$ 713,637	\$ 721,557	\$ 729,576	\$ 3,568,672
Mining Claim							
Government Fees	214,790	214,790	214,790	214,790	214,790	214,790	1,288,740
Total	\$ 214,790	\$ 912,878	\$ 920,604	\$ 928,427	\$ 936,347	\$ 944,366	\$ 4,857,412

1. Does not include required work expenditures, as it is assumed that the required expenditure level is significantly below the level of work that will actually be carried out by the Company. Does not include potential royalties that may be payable (other than annual minimum royalty payments). See Note 4.