

**SHERPA II HOLDINGS CORP.**

Condensed Interim Financial Statements

September 30, 2025

Presented in Canadian dollars - Unaudited

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

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**SHERPA II HOLDINGS CORP.**

## Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	September 30, 2025 (unaudited)	June 30, 2025
<b>Assets</b>			
<b>Current assets</b>			
Cash		\$ 37,617	\$ 62,175
GST receivable		1,180	1,044
Prepaid expenses		5,072	7,737
<b>Total current assets</b>		<b>43,869</b>	70,956
Exploration and evaluation asset	3	728,800	728,800
<b>Total assets</b>		<b>\$ 772,669</b>	\$ 799,756
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 29,411	\$ 25,785
Loan payable	4, 6	50,000	50,000
<b>Total liabilities</b>		<b>79,411</b>	75,785
<b>Shareholders' equity</b>			
Share capital	5	1,432,358	1,439,288
Share-based payment reserve	5	98,605	98,605
Deficit		(837,705)	(813,922)
<b>Total shareholders' equity</b>		<b>693,258</b>	723,971
<b>Total liabilities and shareholders' equity</b>		<b>\$ 772,669</b>	\$ 799,756

Nature and continuance of operations and going concern (Note 1)

Subsequent events (Note 9)

These financial statements were authorized for issue by the Board of Directors on December 1, 2025.

They are signed on behalf of the Board of Directors by:

"Thomas O'Neill"

Thomas O'Neill, CEO and Director

"Robert Scott"

Robert Scott, Director

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

**SHERPA II HOLDINGS CORP.**

Condensed Interim Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars - Unaudited)

		<b>Three Months Ended</b>	
	Note	<b>September 30, 2025</b>	September 30, 2024
<b>Expenses</b>			
General and administrative		\$ 13,090	\$ 12,998
Consulting fees	6	4,500	4,500
Transfer agent and filing fees		2,303	2,503
Professional fees		2,630	-
Interest expense	4	1,260	-
Stock-based compensation	5	-	25,701
<b>Net and comprehensive loss</b>		<b>\$ (23,783)</b>	<b>\$ (45,702)</b>
<b>Weighted average number of common shares</b>		<b>21,223,500</b>	20,236,000
<b>Basic and diluted loss per share</b>		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

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

**SHERPA II HOLDINGS CORP.**

## Condensed Interim Statement of Changes in Shareholders' Equity

(Expressed in Canadian Dollars - Unaudited)

		Share capital		Share-based payment reserve	Deficit	Total shareholders' equity
	Note	Number	Amount			
<b>Balance, June 30, 2024</b>		<b>20,236,000</b>	<b>\$ 1,389,913</b>	<b>\$ 68,870</b>	<b>\$ (670,707)</b>	<b>\$ 788,076</b>
Stock-based compensation	5	-	-	25,701	-	25,701
Net and comprehensive loss		-	-	-	(45,702)	(45,702)
<b>Balance, September 30, 2024</b>		<b>20,236,000</b>	<b>1,389,913</b>	<b>94,571</b>	<b>(716,409)</b>	<b>768,075</b>
<b>Balance, June 30, 2025</b>		<b>21,223,500</b>	<b>1,439,288</b>	<b>98,605</b>	<b>(813,922)</b>	<b>723,971</b>
Share issuance costs	5	-	(6,930)	-	-	(6,930)
Net and comprehensive loss		-	-	-	(23,783)	(23,783)
<b>Balance, September 30, 2025</b>		<b>21,223,500</b>	<b>\$ 1,432,358</b>	<b>\$ 98,605</b>	<b>\$ (837,705)</b>	<b>\$ 693,258</b>

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

**SHERPA II HOLDINGS CORP.**

Condensed Interim Statements of Cash Flows  
(Expressed in Canadian Dollars - Unaudited)

	<b>Three Months Ended</b>	
	<b>September 30, 2025</b>	September 30,2024
<b>Cash provided by (used in):</b>		
<b>Operating activities:</b>		
Net loss	\$ (23,783)	\$ (45,702)
Items not effecting cash		
Interest expense	1,260	-
Stock-based compensation	-	25,701
Changes in non-cash working capital item:		
Receivables and prepaids expenses	2,529	2,376
Accounts payable and accrued liabilities	(4,564)	(13,642)
<b>Cash used in operating activities</b>	<b>(24,558)</b>	<b>(31,267)</b>
Change in cash	(24,558)	(31,267)
Cash, beginning	62,175	59,904
Cash, ending	\$ 37,617	\$ 28,637
<b>Supplemental cash flow information</b>		
Taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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

## **SHERPA II HOLDINGS CORP.**

Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian Dollars - Unaudited)

### **1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN**

Sherpa II Holdings Corp. (the “Company”) was incorporated under the British Columbia Business Corporations Act on January 18, 2018. The Company was formed for the primary purpose of completing an Initial Public Offering (“IPO”) on the TSX Venture Exchange (“Exchange” or “TSX-V”) as a Capital Pool Company (“CPC”) as defined in Policy 2.4 of the Exchange. On December 15, 2020, the Company completed its Qualify Transaction (the “Transaction”). Subsequently, the Company is engaged in the business of mineral exploration. The head office of the Company is located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3 and the registered and records office of the Company is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8. The Company is listed on the TSX-V and trades under the symbol “SHRP”.

The Company incurred a loss of \$23,783 for the three months ended September 30, 2025 (2024 - \$45,702). As at September 30, 2025, the Company had an accumulated deficit of \$837,705 (June 30, 2025 - \$813,922). Consequently, continuing business as a going concern is dependent upon the ability of the Company to carry on its exploration projects, generation of positive cash flows, and obtain additional debt or equity financing, all of which are uncertain. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

For significant expenditures, the Company depends almost exclusively on external capital. Such external capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company’s operating commitments and development plans. The issuance of additional equity securities by the Company will result in dilution to the equity interests of current shareholders. The Company’s future capital requirements will depend on many factors, including the operating costs, the current capital market environment and global market conditions. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, and ultimately generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected. These factors indicate a material uncertainty in the Company’s ability to continue operating as a going concern.

### **2. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICIES**

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these interim financial statements should be read in conjunction with the Company’s June 30, 2025 and 2024 audited annual financial statements and the notes to such financial statements.

These condensed interim financial statements were authorized for issuance by the Company’s Board of Directors and follow the same accounting policies and methods of computation as the most recent annual financial statements.

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended June 30, 2025 and have been consistently followed in the preparation of these condensed interim financial statements.

## **SHERPA II HOLDINGS CORP.**

### Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian Dollars - Unaudited)

#### *New accounting pronouncements*

#### IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

### **3. EXPLORATION AND EVALUATION ASSETS**

By agreement dated August 17, 2020, and amended on September 23, 2020, the Company entered into a purchase agreement (the “Bakar Purchase Agreement”) with District Metals Corp. (“District”) to acquire an 80% undivided interest in five mineral claims (the “Bakar Claims”) located in northwestern Vancouver Island, British Columbia, and a 100% undivided interest in all technical data relating to the Bakar Claims (the “Transaction”). The Transaction closed on December 15, 2020. The Company acquired the Bakar Claims and all technical data for total consideration of:

- \$50,000 cash payment (paid);
- 1,000,000 common shares of the Company (issued with a fair value of \$80,000);
- \$200,000 in work expenditures within six months of closing (the “Required Expenditures”) (incurred); and
- Carry over of the 2.0% net smelter royalty (“NSR”) from the royalty agreement dated July 12, 2019 between District and Longford Capital Corp. on one of the eight mineral claims that comprises the Bakar Claims. The 2.0% NSR may be repurchased entirely for \$6,500,000 cash.

In connection with the Transaction, the Company entered into an unincorporated joint operation with District with respect to their respective joint ownership of the Bakar Claims. During the year ended June 30, 2022, the Company incurred the Required Expenditures pursuant to the Bakar Purchase Agreement, and therefore, pursuant to the Joint Operation, all additional expenditures are to be split on the basis of the relative ownership in the Bakar claims.

On November 10, 2022, the Company ratified an Exploration Management Agreement (the “Agreement”) between the Company and District effective August 31, 2021, whereby District will conduct the exploration on the Bakar property. Pursuant to the Agreement, District will charge the Company a management fee of 10%, based off eligible flow-through expenditures incurred at the Bakar property.

Effective January 1, 2023, the Company amended the joint operation agreement whereby District would fund 100% of the next phase of expenditures to a maximum of \$330,000 to earn back pro-rata ownership in the property, along with application of the 10% management fee of \$33,000, to a maximum of 54%.

On June 3, 2025, the Company agreed to purchase the remaining ownership of the Bakar Claims from District for total consideration of 1,500,000 common shares (the “Agreement”). The Agreement closed on November 7, 2025, and the common shares were issued to District on that date (Note 9).

## SHERPA II HOLDINGS CORP.

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Costs incurred with respect to the property are summarized below:

	<b>Bakar Property</b>
<b>Acquisition Costs</b>	
Balance, June 30, 2024	\$ 130,000
Additions	-
Balance, June 30, 2025	130,000
Additions	-
<b>Balance, September 30, 2025</b>	<b>\$ 130,000</b>
<b>Deferred Exploration Costs</b>	
Balance, June 30, 2024	\$ 612,700
Additions	2,667
Charged back to District Metals Corp.	(1,567)
Bond refund	(15,000)
Balance, June 30, 2025	598,800
Additions	-
<b>Balance, September 30, 2025</b>	<b>\$ 598,800</b>
<b>Total</b>	
Balance, June 30, 2025	\$ 728,800
<b>Balance, September 30, 2025</b>	<b>\$ 728,800</b>

During the year ended June 30, 2025, the Company received a refund of \$15,000 from the BC Ministry of Mining and Critical Minerals related to the bond security it had posted for its permit application. The required bond amount was revised from \$33,000 to \$18,000 resulting in the refund and the permit remains open with the remaining bond in place.

#### 4. LOAN PAYABLE

As of September 30, 2025 and June 30, 2025, the Company had a loan payable to a related party of \$50,000 (Note 6). The loan carries interest at 10% per annum, is unsecured, and is due on demand. The loan, including accrued interest, was repaid in full on October 23, 2025 (Note 9).

During the three months ended September 30, 2025, the Company accrued interest on the loan of \$1,260 (2024 - \$Nil).

#### 5. SHARE CAPITAL

##### *Common shares*

As of September 30, 2025, the Company had an unlimited number of common shares authorized without par value and 21,223,500 (June 30, 2025 – 21,223,500) common shares outstanding.

##### *Issued*

##### Three months ended September 30, 2025

During the three months ended September 30, 2025, the Company incurred share issuance costs of \$6,930 related to an ongoing non-brokered private placement which closed on October 22, 2025 (Note 9). The Company did not issue any common shares during the period.

## SHERPA II HOLDINGS CORP.

### Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian Dollars - Unaudited)

#### Three months ended September 30, 2024:

The Company did not issue any common shares during the three months ended September 30, 2024.

#### *Warrants*

A continuity schedule of the Company's outstanding warrants for the three months ended September 30, 2025 and 2024 is as follows:

	September 30, 2025		September 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
<b>Outstanding, beginning</b>	5,657,000	\$ 0.13	6,645,000	\$ 0.12
Granted	-	-	-	-
<b>Outstanding, ending</b>	5,657,500	\$ 0.13	6,645,000	\$ 0.12

At September 30, 2025, the Company had outstanding warrants exercisable to acquire common shares of the Company as follows:

Expiry date	Warrants outstanding	Exercise price	Remaining contractual life (in years)
November 26, 2025	3,500,000	\$ 0.15	0.16
November 26, 2025	1,500,000	\$ 0.12	0.16
July 27, 2028	657,500	\$ 0.05	2.82

#### *Stock Options*

The Company adopted a stock option plan, pursuant to which the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and technical consultants to the Company, nontransferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years from the date the common shares are listed on the Exchange.

The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Options may vest immediately on grant, or over a period as determined by the Board of Directors.

During the three months ended September 30, 2025, the Company recognized stock-based compensation of \$Nil (2024 - \$25,701).

## SHERPA II HOLDINGS CORP.

### Notes to the Condensed Interim Financial Statements

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A continuity schedule of the Company's outstanding stock options for the three months ended September 30, 2025 and 2024 is as follows:

	September 30, 2025		September 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
<b>Outstanding, beginning</b>	2,115,000	\$ 0.07	1,385,000	\$ 0.08
Granted	-	-	630,000	0.05
<b>Outstanding and exercisable, ending</b>	2,115,000	\$ 0.07	2,015,000	\$ 0.07

At September 30, 2025, the Company had stock options outstanding to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Remaining contractual life (in years)
December 8, 2026	474,600	474,600	\$ 0.15	1.19
July 27, 2028	485,000	485,000	\$ 0.05	2.82
September 21, 2028	425,400	425,400	\$ 0.05	2.98
July 9, 2029	630,000	630,000	\$ 0.05	3.78
February 10, 2029	100,000	100,000	\$ 0.05	4.37

#### *Share-based payment reserve*

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

## 6. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include the Company's officers and directors. During the three months ended September 30, 2025, the Company paid an officer \$4,500 (2024 - \$4,500) for consulting fees, and incurred stock-based compensation expenses of \$Nil (2024 - \$24,069) related to stock options granted to related parties.

During the year ended June 30, 2025 the Company received a loan of \$50,000 from an officer of the Company (Note 4). The loan carries interest at 10% per annum, is unsecured, and is due on demand. The Company accrued interest on the loan of \$1,260 during the three months ended September 30, 2025. The loan, including accrued interest, was repaid in full on October 23, 2025 (Note 9).

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Notes to the Condensed Interim Financial Statements  
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### 7. FINANCIAL INSTRUMENTS

#### *Categories of financial instruments and fair value measurements*

The Company's financial assets and liabilities are classified as follows:

	September 30, 2025	June 30, 2025
<b>Financial assets:</b>		
<b><i>Fair value through profit and loss</i></b>		
Cash	\$ 37,617	\$ 62,175
<b>Financial liabilities:</b>		
<b><i>Other financial liabilities</i></b>		
Accounts payable	\$ 20,454	\$ 7,648
Loan payable	\$ 50,000	\$ 50,000

The fair values of the Company's cash, accounts payable and loan payable approximate their carrying amounts due to the short-term nature of these instruments.

#### *Management of financial risks*

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

#### **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. At September 30, 2025, the Company was exposed to credit risk on its cash. The Company's cash is held with a high credit quality financial institution in Canada and as at September 30, 2025, management considers its exposure to credit risk to be low.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures. At September 30, 2025, the Company had cash of \$37,617 (June 30, 2025 - \$62,175), accounts payable and accrued liabilities of \$29,411 (June 30, 2025 - \$25,785) and a loan payable of \$50,000 (June 30, 2025 - \$50,000) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at September 30, 2025 as management will need additional financing to continue its operations. To address this, the Company completed a non-brokered private placement on October 22, 2025 (Note 9).

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at September 30, 2025.

#### **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies. As at September 30, 2025, the Company is not exposed to foreign currency risk, as it does not have cash or payables denominated in a foreign currency.

## **SHERPA II HOLDINGS CORP.**

Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian Dollars - Unaudited)

### **8. MANAGEMENT OF CAPITAL**

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to complete a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to external capital requirements.

### **9. SUBSEQUENT EVENTS**

On October 22, 2025, the Company completed a non-brokered private placement (the "Offering") for aggregate gross proceeds of \$623,737, through the sale of 1,568,386 units ("Units") at a price of \$0.135 per Unit and 2,746,699 flow-through units ("FT Units") at a price of \$0.15 per FT Unit. Each Unit consists of one common share in the capital of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each FT Unit consists of one flow-through common share in the capital of the Company (a "FT Share") and one-half of one Warrant. Each Warrant entitles the holder thereof to purchase one additional Common Share (each, a "Warrant Share") at an exercise price of \$0.25 until October 22, 2027. The FT Shares qualify as "flow-through shares" as defined in the Income Tax Act (Canada).

In connection with closing the Offering, the Company paid finders' fees of \$21,479 and issued 148,103 share purchase warrants ("Finders' Warrants") to certain arms-length parties who assisted in introducing subscribers to the Offering. Each Finders' Warrant is exercisable on the same terms as the Warrants.

On October 23, 2025, the Company settled its outstanding loan payable, including accrued interest.

On November 7, 2025, the Company completed the purchase of the remaining ownership of the Bakar Property (Note 3) from District and issued District 1,500,000 common shares.

On November 13, 2025, 120,000 warrants were exercised at an exercise price of \$0.12, for gross proceeds of \$14,400.

On November 26, 2025, 1,380,000 warrants that were exercisable at \$0.12 and 3,500,000 warrants that were exercisable at \$0.15 expired unexercised.