

FARSTARCAP INVESTMENT CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited - expressed in Canadian Dollars)
For the Three and Nine Months Ended June 30, 2025 and 2024

FARSTARCAP INVESTMENT CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company and all information contained in the report have been prepared by and are the responsibility of the Company's management.

The Audit Committee of the Board of Directors has reviewed the condensed interim financial statements and related financial reporting matters.

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

FARSTARCAP INVESTMENT CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025 and September 30, 2024
(Unaudited - expressed in Canadian Dollars)

	Notes	June 30, 2025 \$	September 30, 2024 \$
ASSETS			
Current assets			
Cash		10,027	59,881
Prepaid		3,876	2,417
Total assets		13,903	62,298
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		49,509	15,556
Advances payable	4	19,572	-
Loans payable	5	40,000	40,000
		109,081	55,556
SHAREHOLDERS' (DEFICIENCY) EQUITY			
Share capital	6	449,209	449,209
Share-based payment reserve	6	31,943	31,943
Deficit		(576,330)	(474,410)
Total shareholders' (deficiency) equity		(95,178)	6,742
Total liabilities and shareholders' (deficiency) equity		13,903	62,298

Organization and nature of operations and going concern (Note 1)
Proposed transaction (Note 9)

Approved by the Board of Directors

"Robert McMorran" Director

"Neil MacRae" Director

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

FARSTARCAP INVESTMENT CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS

For the Three and Nine Months Ended June 30, 2025 and 2024
(Unaudited - expressed in Canadian Dollars)

	Notes	Three months ended		Nine months ended	
		2025	June 30, 2024	2025	June 30, 2024
		\$	\$	\$	\$
Expenses					
Professional fees		25,645	2,674	66,909	45,887
Listing and filing fees		22,192	2,656	34,582	14,602
Office		116	117	429	395
Net and comprehensive loss for the period		(47,953)	(5,447)	(101,920)	(60,884)
Basic and diluted loss per share		(0.01)	(0.00)	(0.02)	(0.01)
Weighted average number of shares outstanding		6,710,001	5,610,001	6,710,001	5,610,001

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

FARSTARCAP INVESTMENT CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN
SHAREHOLDERS' (DEFICIENCY) EQUITY

For the Nine Months Ended June 30, 2025 and 2024
(Unaudited - expressed in Canadian Dollars)

	Number of shares #	Share Capital \$	Share subscriptions received \$	Share- based payment reserve \$	Deficit \$	Total \$
Balance, September 30, 2023	5,610,001	397,468	-	31,943	(407,095)	22,316
Share subscriptions received	-	-	20,000	-	-	20,000
Net and comprehensive loss for the period	-	-	-	-	(60,884)	(60,884)
Balance, June 30, 2024	5,610,001	397,468	20,000	31,943	(467,979)	(18,568)
Shares issued for cash	1,100,000	55,000	(20,000)	-	-	35,000
Share issuance costs	-	(3,259)	-	-	-	(3,259)
Net and comprehensive loss for the period	-	-	-	-	(6,431)	(6,431)
Balance, September 30, 2024	6,710,001	449,209	-	31,943	(474,410)	6,742
Net and comprehensive loss for the period	-	-	-	-	(101,920)	(101,920)
Balance, June 30, 2025	6,710,001	449,209	-	31,943	(576,330)	(95,178)

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

FARSTARCAP INVESTMENT CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Nine Months Ended June 30, 2025 and 2024

(Unaudited - expressed in Canadian Dollars)

	2025	2024
	\$	\$
Cash flow provided by (used in)		
Operating activities		
Net loss for the period	(101,920)	(60,884)
Changes in non-cash working capital items		
Prepaid	(1,459)	(1,443)
Accounts payable and accrued liabilities	33,953	39,244
	(69,426)	(23,083)
Financing activities		
Advances received	19,572	-
Share subscriptions received	-	20,000
	19,572	20,000
Change in cash during the period	(49,854)	(3,083)
Cash – beginning of the period	59,881	28,937
Cash – end of the period	10,027	25,854
Supplemental cash flow information		
Interest paid	-	-
Income taxes paid	-	-

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

FARSTARCAP INVESTMENT CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Nine Months Ended June 30, 2025 and 2024
(Unaudited - expressed in Canadian Dollars)

1. ORGANIZATION AND NATURE OF OPERATIONS AND GOING CONCERN

Farstarcap Investment Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on September 22, 2016. The Company was formed for the primary purpose of completing an Initial Public Offering (“IPO”) on the TSX Venture Exchange (the “Exchange”) as a Capital Pool Company (“CPC”) as defined in Policy 2.4 of the Exchange. The Company’s principal business is to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction (“Qualifying Transaction”) in accordance with Policy 2.4 of the Exchange. The Company’s head office is located at 1100-1199 West Hastings Street, Vancouver, BC V6E 3T5. On February 13, 2019, the Company completed its IPO and was listed on the Exchange.

As a CPC, the Company is subject to certain cash restrictions. Proceeds raised from the issuance of common shares from the IPO may only be used to identify and evaluate assets or businesses for future investment, with the exception that no more than the lesser of 30% of the gross proceeds from the issuances of shares, or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative general expenses of the Company. The restrictions apply until completion of a Qualifying Transaction by the Company in accordance with Policy 2.4 of the Exchange. On February 19, 2021, the Company received final approval from the Exchange to remove the consequences of failing to complete a Qualifying Transaction within 24 months of listing, such as, requiring a transfer to the NEX Board and cancelling certain seed shares, and amended the escrow share release terms (Note 6).

As at June 30, 2025, the Company had no business operations and its only significant asset was cash. The ability of the Company to fund potential future operations and commitments is dependent upon its ability to obtain additional financing. There is no assurance that the Company will complete a Qualifying Transaction or be able to finance such an investment or acquisition. Furthermore, there is no assurance that the business will be profitable. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standards 34, Interim Financial Reporting. Certain information and disclosures required to be included in the notes to the annual consolidated financial statements have been condensed or omitted.

The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2024, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the audited consolidated financial statements for the year ended September 30, 2024. The Company’s material accounting policies are presented in note 3 of the audited annual consolidated financial statements for the year ended September 30, 2024.

FARSTARCAP INVESTMENT CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Nine Months Ended June 30, 2025 and 2024
(Unaudited - expressed in Canadian Dollars)

These condensed interim consolidated financial statements were approved by the Board of Directors on August 28, 2025.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company's critical accounting estimates and judgments are presented in note 4 of the audited annual consolidated financial statements for the year ended September 30, 2024. There have not been any changes to the Company's accounting estimates and judgments in the current period.

4. ADVANCES PAYABLE

	\$
Balance, September 30, 2023 and 2024	-
Advances received	19,572
Balance, June 30, 2025	19,572

During the nine months ended June 30, 2025, the Company received \$19,572 in advances from BP Exploration Corp. ("BPEX") to pay fees incurred in connection with the Proposed Transaction (Note 9). The advances do not bear interest and are due on demand.

5. LOANS PAYABLE

	\$
Balance, September 30, 2023	-
Loans received	40,000
Balance, September 30, 2024 and June 30, 2025	40,000

On September 26, 2024, the Company received \$40,000 in loans from lenders. The loans do not bear interest and are due on demand. \$30,000 in loans were received from related parties (Note 7).

6. SHARE CAPITAL

- a) **Authorized:** Unlimited common shares without par value.
Unlimited preferred shares issuable in series.

The Company did not complete any financings or issue any shares during the nine-month period ended June 30, 2025.

On August 27, 2024, the Company closed a non-brokered private placement and issued 1,100,000 common shares at a price of \$0.05 per share for gross proceeds of \$55,000. In connection with the private placement, the Company incurred cash share issuance cost of \$3,259. 1,100,000 common shares were placed in escrow. Two directors of the Company subscribed to the entire issue, equally.

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On February 20, 2018, the Company entered into an Escrow Agreement (the “Escrow Agreement”) in accordance with the Exchange CPC Policy 2.4, with certain shareholders and 2,000,001 common shares were placed in escrow. Subject to the said Policy, the escrowed common shares will be released from escrow as follows: 10% on the completion of Qualifying Transaction, and 15% on each of the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

On February 19, 2021, the Exchange approved an amendment to the escrowed share release terms to be as follows: 25% on the completion of Qualifying Transaction, and 25% on each of the dates 6 months, 12 months and 18 months following the initial release.

At June 30, 2025, 3,120,001 (September 30, 2024 – 3,120,001) commons shares were held in escrow.

b) Stock options

On December 1, 2017, the Company adopted a stock option plan (the “Stock Option Plan”), whereby the maximum number of non-transferable options to purchase common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Additionally, the maximum number of non-transferable options to purchase common shares reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a technical consultant. All options granted under the Stock Option plan will expire not later than the date that is ten years from the date that such options are granted. Options may be exercised the greater of 12 months after Completion of the Qualifying Transaction and 90 days following cessation of the optionee’s position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument pursuant to the laws of succession.

The balance of stock options outstanding and exercisable as at June 30, 2025 and September 30, 2024 and the changes for the periods then ended are as follows:

	Number of Options #	Weighted Average Exercise Price \$	Weighted Average Life Remaining (years)
Balance, September 30, 2023	250,000	0.10	0.37
Expired during the year	(250,000)	0.10	-
Balance, September 30, 2024 and June 30, 2025	-	-	-

c) Loss per share

The calculation of basic and diluted loss per share for the three and nine months ended June 30, 2025, was based on the loss attributable to common shareholders of \$47,953 (2024 - \$5,447) and \$101,920

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(2024 - \$60,884) respectively, and the weighted average common shares outstanding of 6,710,001 (2024 - 5,610,001).

7. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors.

Compensation paid or accrued to key management or companies controlled by key management personnel during the three and nine months ended June 30, 2025 was \$nil (2024 - \$nil).

As at June 30, 2025, \$30,000 (September 30, 2024 - \$30,000) in loans payable was owed to related parties (Note 5).

In connection with the private placement that closed on August 27, 2024, two directors subscribed to the entire issue, equally, and purchased a total of 1,100,000 common shares for gross proceeds of \$55,000 (Note 6).

8. FINANCIAL INSTRUMENTS

Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' deficiency which totaled \$95,178 at June 30, 2025 (September 30, 2024 - shareholders' equity of \$6,742).

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt or acquire assets. The Company's strategy for managing capital did not change during the period ended June 30, 2025.

The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by its ability to compete for investors and associated financings.

The Company is not subject to any externally imposed capital requirements.

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Financial Instruments Hierarchy

The Company has categorized fair value measurements of its financial instruments using a fair value hierarchy that reflects the reliability of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs, other than Level 1 prices, in active markets for similar assets or liabilities, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, advances payable and loans payable. The Company classified and measured cash, accounts payable and accrued liabilities, advances payable and loans payable at amortized cost. The fair values of the Company's financial instruments approximate their carrying values due to their short-terms to maturity.

The risks associated with financial assets and liabilities are as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the Company's cash. The Company's cash is held with the Bank of Montreal. Accordingly, the Company believes it is not exposed to material credit risk. The Company's exposure to and management of credit risk has not changed materially from that of the year ended September 30, 2024.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. As at June 30, 2025, all of the Company's liabilities were short-term and due on demand. As at June 30, 2025, the Company had a working capital deficit of \$95,178 (September 30, 2024 – working capital of \$6,742). The Company's exposure to and management of liquidity risk has not changed materially from that of the year ended September 30, 2024.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The Company's exposure to and management of market risk has not changed materially from that of the year ended September 30, 2024.

- **Interest Rate Risk**
Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company believes it is not exposed to

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material interest rate risk as the Company's cash is earning interest at market rates, and the Company has no interest bearing financial liabilities.

- **Currency Risk**
Currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company believes it is not exposed to material currency risk.

- **Other Price Risk**
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer by factors affecting all similar financial instruments traded in the market. The Company believes it is not exposed to material other price risk.

9. PROPOSED TRANSACTION

On April 29, 2025, the Company entered into an amalgamation agreement to acquire all of the issued and outstanding securities of BP Exploration Corp. by way of a three-cornered amalgamation (the "Transaction"). The Company intends to complete the Transaction to constitute a Qualifying Transaction in accordance with Policy 2.4 of the Exchange.

Pursuant to the amalgamation agreement, the Company will acquire from the shareholders of BPEX all the issued and outstanding shares of BPEX ("BPEX Shares") in exchange for post-consolidated common shares of the Company on a one-for-one basis. The Company will also issue convertible securities in exchange for the convertible securities of BPEX, if unexercised prior to closing of the Transaction, on the same exchange ratio.

As a condition of closing of the Transaction, the Company will complete a consolidation of its common shares on the basis of four pre-consolidation shares for three post-consolidation shares ("Post-consolidation Farstarcap Share"). As consideration for the acquisition of all of the outstanding common shares of BPEX, the Company will issue one Post-consolidation Farstarcap Share for every BPEX share.

Prior to closing of the Transaction, BPEX will cancel one-third of 9,500,000 BPEX Shares issued at \$0.005 per share (the "BPEX Founder Shares") and one-half of 7,258,759 BPEX Shares issued at \$0.025 per share (the "BPEX Seed Shares"). Each cancelled BPEX Seed Share will be replaced with a common share purchase warrant of BPEX exercisable at \$0.10 per share for a period of five years from the date of issue.

On August 21, 2025, the Company announced that the Exchange has granted conditional approval for the Company's proposed Qualifying Transaction.

The closing of the Transaction will be conditional upon: (i) BPEX completing a concurrent private placement financing (the "Concurrent Financing") for minimum gross proceeds of \$1,350,000 and maximum gross proceeds of \$2,500,000; (ii) approval from the Exchange; and (iii) such other conditions that are customary for this type of transaction.

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BPEX is a private company existing under the laws of the British Columbia, Canada. BPEX has two silver projects in Bolivia, the Cosuño Project and Titiri Project.