



FARADAY COPPER

Faraday Copper Corp.

Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2025 and 2024

(Unaudited - expressed in Canadian dollars)

FARADAY COPPER CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - expressed in Canadian dollars)

	Note	June 30, 2025	December 31, 2024
		\$	\$
ASSETS			
Current			
Cash and cash equivalents	10	2,393,384	17,003,895
Other receivables		56,684	92,632
Prepaid expenses and deposits		269,897	347,238
Current assets		2,719,965	17,443,765
Property and equipment	4	17,224,640	18,037,072
Resource properties	5	4,955,328	4,955,328
Other long-term assets		134,657	142,020
Total assets		25,034,590	40,578,185
LIABILITIES			
Current			
Accounts payable and accrued liabilities	7	1,520,379	3,441,524
Due to related parties	9	515,626	873,036
Total liabilities		2,036,005	4,314,560
SHAREHOLDERS' EQUITY			
Share capital	8	117,118,307	117,059,415
Reserves	8	14,919,091	14,095,979
Accumulated other comprehensive income		4,204,877	5,117,110
Deficit		(113,243,690)	(100,008,879)
Total shareholders' equity		22,998,585	36,263,625
Total liabilities and shareholders' equity		25,034,590	40,578,185

Nature of operations and going concern (Note 1)

Commitments (Note 11)

Subsequent events (Note 12)

Approved and authorized for issue on behalf of the Board of Directors:

<u>/s/ Russell Ball</u>	<u>/s/ Paul Harbidge</u>
Director	Director

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

FARADAY COPPER CORP.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited - expressed in Canadian dollars, except for per share amounts and number of shares)

		Three months ended June 30,		Six months ended June 30,	
	Note	2025	2024	2025	2024
		\$	\$	\$	\$
Operating expenses					
Amortization	4	66,546	51,337	130,845	101,034
Consulting and management fees	9	-	15,790	-	43,792
Exploration and evaluation expenses	6	4,146,179	4,332,148	10,630,687	8,796,358
General and administration		585,980	569,467	1,267,652	1,265,009
Professional fees		105,301	146,288	196,679	224,885
Shareholder costs and investor relations		166,912	110,154	253,475	141,083
Share-based compensation	8, 9	462,678	323,042	846,804	592,659
Travel		26,867	28,315	79,220	48,014
Total operating expenses		5,560,463	5,576,541	13,405,362	11,212,834
Foreign exchange loss (gain)		49,672	(2,359)	172,723	(67,361)
Interest income	10	(195,755)	(147,682)	(247,568)	(219,138)
Other income	9	-	-	(95,706)	-
Net loss		5,414,380	5,426,500	13,234,811	10,926,335
Other comprehensive loss (income)					
Items that may be reclassified subsequently to profit or loss:					
Foreign exchange differences on translation of foreign operations		884,492	(220,684)	912,233	(649,312)
Net loss and comprehensive loss		6,298,872	5,205,816	14,147,044	10,277,023
Net loss per share:					
Basic and diluted		0.03	0.03	0.06	0.06
Weighted average number of common shares:					
Basic and diluted		205,515,575	186,379,531	205,505,851	181,482,450

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

FARADAY COPPER CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - expressed in Canadian dollars, except number of shares)

		Share capital		Reserves		Accumulated other comprehensive income	Deficit	Total shareholders' equity
	Note	Number #	Amount \$	Warrants \$	Options \$			
Balance, December 31, 2023		176,566,975	94,798,827	2,776,475	10,308,172	3,682,085	(77,460,170)	34,105,389
Share-based compensation		-	-	-	592,659	-	-	592,659
Shares issued for equity placement, net of issuance costs	8(b)	28,750,000	22,138,253	-	-	-	-	22,138,253
Shares issued from RSUs settled	8(b), 8(e)	18,600	13,392	-	(28,800)	-	-	(15,408)
Foreign exchange differences on translation of foreign operations		-	-	-	-	649,312	-	649,312
Net loss		-	-	-	-	-	(10,926,335)	(10,926,335)
Balance, June 30, 2024		205,335,575	116,950,472	2,776,475	10,872,031	4,331,397	(88,386,505)	46,543,870
Share-based compensation		-	-	-	516,416	-	-	516,416
Shares issued from options exercised	8(b), 8(d)	100,000	108,943	-	(68,943)	-	-	40,000
Foreign exchange differences on translation of foreign operations		-	-	-	-	785,713	-	785,713
Net loss		-	-	-	-	-	(11,622,374)	(11,622,374)
Balance, December 31, 2024		205,435,575	117,059,415	2,776,475	11,319,504	5,117,110	(100,008,879)	36,263,625
Share-based compensation		-	-	-	846,804	-	-	846,804
Shares issued for options exercised	8(b), 8(d)	80,000	58,892	-	(23,692)	-	-	35,200
Foreign exchange differences on translation of foreign operations		-	-	-	-	(912,233)	-	(912,233)
Net loss		-	-	-	-	-	(13,234,811)	(13,234,811)
Balance, June 30, 2025		205,515,575	117,118,307	2,776,475	12,142,616	4,204,877	(113,243,690)	22,998,585

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

FARADAY COPPER CORP.**Condensed Interim Consolidated Statements of Cash Flows**
(Unaudited - expressed in Canadian dollars, except where noted)

	Six months ended June 30,	
	2025	2024
	\$	\$
Operating activities		
Net loss for the period	(13,234,811)	(10,926,335)
Adjustments for:		
Amortization	130,845	101,034
Share-based compensation	846,804	592,659
Changes in non-cash working capital:		
Other receivables	35,948	92,286
Prepaid expenses and deposits	77,341	96,868
Accounts payable and accrued liabilities	(1,921,145)	(415,336)
Due to related parties	(357,410)	(293,865)
Cash used in operating activities	(14,422,428)	(10,752,689)
Investing activities		
Purchases of other long-term assets	-	(91,559)
Purchases of property and equipment	(259,507)	(437,903)
Cash used in investing activities	(259,507)	(529,462)
Financing activities		
Proceeds from equity placements	-	22,138,253
Proceeds from exercise of options	35,200	-
Cash provided by financing activities	35,200	22,138,253
Effect of foreign exchange on cash and cash equivalents	36,224	66,494
Changes in cash and cash equivalents	(14,610,511)	10,922,596
Cash and cash equivalents, beginning of the period	17,003,895	14,901,206
Cash and cash equivalents, end of the period	2,393,384	25,823,802
Supplemental cash flow information:		
Cash received from interest included in operating activities	247,568	219,138

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

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Faraday Copper Corp. (the "Company") was incorporated on October 21, 2014 under the Business Corporations Act (British Columbia). The Company's registered office is located at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 0C5. The Company's head office and principal address is located at 2800 - 1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1L2. The Company's shares are traded on the Toronto Stock Exchange and OTCQX under the symbol "FDY" and "CPPKF", respectively, and its principal business is the acquisition and development of resource properties.

Going concern

These unaudited condensed interim consolidated financial statements (the "Interim Financial Statements") for the three and six months ended June 30, 2025 and 2024 have been prepared based on accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company is a resource exploration stage company, which does not generate any revenue and has been relying mainly on equity-based financing to fund its operations. For the three and six months ended June 30, 2025, the Company incurred a net loss of \$5,414,380 and \$13,234,811, respectively (2024 - \$5,426,500 and \$10,926,335, respectively). The Company will require additional financing either through equity or debt financing, sale of assets, joint venture arrangements, or a combination thereof to meet its administrative costs and to continue to explore and develop its resource properties. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. As such, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These Interim Financial Statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern, and any such adjustments may be material.

2. BASIS OF PREPARATION**a) Statement of compliance**

These Interim Financial Statements were approved by the Board of Directors and authorized for issue on August 11, 2025.

These Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 ("IAS"), *Interim Financial Reporting*. Certain disclosures included in the Company's audited consolidated financial statements for the years ended December 31, 2024 and 2023 ("Annual Financial Statements") prepared in accordance with IFRS® Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB") have been condensed or omitted, and accordingly, these Interim Financial Statements should be read in conjunction with the Company's Annual Financial Statements.

b) Basis of presentation

These Interim Financial Statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards for each type of asset, liability, income, and expense as set out in the accounting policies below.

c) Functional and presentation currency

These Interim Financial Statements are presented in Canadian dollars ("Canadian dollar" or "CAD"), which is also the functional currency, except as otherwise noted. The functional currency is the currency of the primary economic environment in which an entity operates. References to "USD" or "US\$" are to United States dollars.

d) Basis of consolidation

These Interim Financial Statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Subsidiaries are included in the financial statements from the date control commences until the date control ceases. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

2. BASIS OF PRESENTATION (continued)

A summary of the Company's subsidiaries included in these Interim Financial Statements as at June 30, 2025 is as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Functional currency	Principal activity
CopperBank Royalties Corp.	Canada	100%	CAD	Holding
Enexco International Inc.	USA	100%	USD	Exploration
Redhawk Copper Inc.	USA	100%	USD	Exploration
Redhawk Ranch Land Holdings LLC	USA	100%	USD	Holding
Redhawk Resources, Inc. ("Redhawk")	Canada	100%	CAD	Holding

As at June 30, 2025, the Company has one operating segment, a mineral exploration group focused on projects located in the United States of America.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These Interim Financial Statements were prepared using accounting policies consistent with those described in the Annual Financial Statements.

New IFRS Accounting standards and interpretations not yet applied:**IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18")**

On April 9, 2024, the IASB issued *IFRS 18 Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

IFRS 9 Financial Instruments ("IFRS 9") and IFRS 7 Financial Instruments: Disclosures ("IFRS 7")

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 of financial assets 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. The Company is currently assessing the effect of these amendments on the financial statements.

The Company has not early adopted any new accounting standard, interpretation or amendment that has been issued but is not yet effective.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed in its Annual Financial Statements.

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

4. PROPERTY AND EQUIPMENT

A summary of the Company's property and equipment is as follows:

	Buildings	Land	Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Cost					
Balance, December 31, 2023	2,830,896	13,275,115	304,538	115,565	16,526,114
Additions	37,328	360,368	139,458	-	537,154
Foreign exchange	248,929	1,167,319	26,779	10,162	1,453,189
Balance, December 31, 2024	3,117,153	14,802,802	470,775	125,727	18,516,457
Additions	-	-	259,507	-	259,507
Disposal	-	-	-	(46,507)	(46,507)
Foreign exchange	(161,609)	(767,454)	(24,407)	(6,518)	(959,988)
Balance, June 30, 2025	2,955,544	14,035,348	705,875	72,702	17,769,469
Accumulated amortization					
Balance, December 31, 2023	147,370	-	88,315	11,557	247,242
Amortization	106,662	-	79,804	23,936	210,402
Foreign exchange	12,959	-	7,766	1,016	21,741
Balance, December 31, 2024	266,991	-	175,885	36,509	479,385
Amortization	55,242	-	65,290	10,313	130,845
Disposal	-	-	-	(15,502)	(15,502)
Foreign exchange	(27,684)	-	(18,396)	(3,819)	(49,899)
Balance, June 30, 2025	294,549	-	222,779	27,501	544,829
Net book value					
Balance, December 31, 2024	2,850,162	14,802,802	294,890	89,218	18,037,072
Balance, June 30, 2025	2,660,995	14,035,348	483,096	45,201	17,224,640

5. RESOURCE PROPERTIES**Copper Creek Project, Arizona**

The Company acquired 100% of the Copper Creek project through the acquisition of Redhawk for a value of \$4,955,328 in 2018. All permits of this resource property are in good standing. During the three and six months ended June 30, 2025, there have been no additions to acquisition costs (June 30, 2024 - \$nil).

- D & G Mining Agreement**

In November 2005, Redhawk entered into a lease-to-purchase agreement with a third party for additional property within the Copper Creek boundaries. Redhawk has the option to purchase the property for US\$3,000,000 until May 2033.

Redhawk paid US\$80,000 in both 2006 and 2007 and US\$100,000 annually from 2008 to 2017. Starting May 2018, Redhawk is required to make two payments per year of US\$25,000 due by May 31 and by November 30, until the end of May 2033.

Commencing January 1, 2022, 50% of the annual payments made prior to exercising the option to purchase will be applied against the purchase price in the event that Redhawk exercises its property purchase option. As of June 30, 2025, the purchase option has not been executed. All options payments to date have been made to keep the option in good standing.

- Freeport Mineral Corporation Agreement**

In April 2007, Redhawk entered into a purchase agreement with Freeport Mineral Corporation ("Freeport") to acquire additional mining claims within the Copper Creek boundaries. The additional mining claims are subject to a 1% net smelter return royalty.

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

5. RESOURCE PROPERTIES (continued)

On May 30, 2018, Redhawk entered into an amendment to the Fourth Workout Agreement with Freeport. The substance of the amended agreement is a conversion of interest and principal owing to Freeport into production decision royalty payments. The total will be US\$3,000,000 paid in six equal annual instalments of US\$500,000 per annum. The payments are contingent upon Redhawk or successors achieving a defined commercial production of minerals. As a result of this amendment, no liabilities in connection with this agreement have been recorded as of June 30, 2025 and December 31, 2024.

Contact Copper Project, Nevada

The Company owns a 100% interest in the Contact Copper project located in Elko County, Nevada. All permits of this resource property are in good standing. During the three and six months ended June 30, 2025, there have been no additions to acquisition costs (June 30, 2024 - \$nil).

6. EXPLORATION AND EVALUATION EXPENSES

A summary of the Company's exploration and evaluation expenses by property is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Copper Creek Project				
Exploration, geological and laboratory	1,515,157	2,951,607	6,345,239	5,917,958
Engineering & studies	697,225	217,084	850,119	410,176
Environmental, social, and governance	706,740	295,159	1,091,628	649,935
Legal	50,509	37,169	86,005	59,733
Payroll	941,130	752,858	1,840,439	1,566,690
Permit maintenance and land access	38,894	33,376	46,200	43,031
Administration and other costs	174,794	27,941	320,257	114,194
	4,124,449	4,315,194	10,579,887	8,761,717
Contact Copper Project				
Administration and other costs	21,730	16,954	50,800	34,641
Total	4,146,179	4,332,148	10,630,687	8,796,358

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	June 30, 2025	December 31, 2024
	\$	\$
Exploration and evaluation expenses	1,127,491	3,023,701
General and administration	392,888	417,823
	1,520,379	3,441,524

8. SHARE CAPITAL**a) Authorized**

The Company is authorized to issue an unlimited number of common shares without par value. As at June 30, 2025, the Company had 205,515,575 common shares issued and outstanding (December 31, 2024 - 205,435,575).

FARADAY COPPER CORP.
Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Unaudited - expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL (continued)

b) Issued and outstanding

During the six months ended June 30, 2025, the Company had the following share capital transactions:

- The Company issued 80,000 common shares pursuant to the exercise of 80,000 stock options with an exercise price of \$0.44. The Company received gross proceeds of \$35,200 and transferred \$23,692 from the Company's options reserve into share capital.

During the year ended December 31, 2024, the Company had the following share capital transactions:

- The Company issued an aggregate of 18,600 common shares net of withholding tax, to settle 40,000 restricted share units ("RSU")s. The total grant date fair value of the vested RSUs was \$28,800. A total of 21,400 common shares were withheld in lieu of withholding taxes in the amount of \$10,486. The fair value of common shares issued was \$13,392.
- On May 30, 2024, the Company closed a bought deal financing and issued 28,750,000 common shares at a price of \$0.80 per share for net proceeds of \$22,138,253, which included share issuance costs of \$861,747.
- The Company issued 100,000 common shares pursuant to the exercise of 100,000 stock options with an exercise price of \$0.40. The Company received gross proceeds of \$40,000 and reallocated \$68,943 from the Company's options reserve into share capital.

c) Warrants

As at June 30, 2025, the Company had 12,500,000 warrants outstanding (December 31, 2024 - 12,500,000) all of which have an exercise price of \$0.60 and expire on September 16, 2026. As at June 30, 2025, the remaining life of these warrants is 1.21 years (December 31, 2024 - 1.71 years).

d) Options

The Company has a long-term incentive plan ("LTIP") which provides for the grant of deferred share units, RSU, performance share units, and stock options ("Options") which may be converted into a maximum of 10% of issued and outstanding common shares. As of June 30, 2025, the LTIP allows for a maximum of 20,551,557 common shares to be reserved for issuance under the LTIP.

Options have a maximum term of five years and terminate up to 90 days following the date on which an optionee ceases to be an employee, director, consultant, or officer and up to 30 days following the date on which an optionee who is engaged to provide investor relations activities ceases to be engaged to provide such services. In the case of death, the option terminates at the earlier of twelve months after the date of death and the expiration of the option period.

A summary of the Company's stock options activity is as follows:

	Number of options	Weighted average exercise price
	#	\$
Outstanding, December 31, 2023	11,439,000	0.46
Exercised	(100,000)	0.40
Outstanding, December 31, 2024	11,339,000	0.46
Exercised	(80,000)	0.44
Outstanding, June 30, 2025	11,259,000	0.46
Exercisable balance, June 30, 2025	11,229,000	0.46

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL (continued)

A summary of the Company's stock options outstanding at June 30, 2025, is as follows:

Expiry date	Number of outstanding options #	Number of exercisable options #	Weighted average exercise price \$	Weighted average life (years) #
July 24, 2025	100,000	100,000	0.23	0.07
June 8, 2026	325,000	325,000	0.60	0.94
September 2, 2026	9,550,000	9,550,000	0.40	1.18
February 1, 2027	120,000	120,000	0.80	1.59
February 16, 2027	224,000	224,000	0.94	1.63
April 1, 2027	500,000	500,000	0.86	1.75
April 25, 2027	350,000	350,000	0.91	1.82
August 16, 2027	90,000	60,000	0.49	2.13
	11,259,000	11,229,000	0.46	1.23

The weighted average remaining contractual life of the Company's options as at June 30, 2025, was 1.23 years (December 31, 2024 - 1.71 years). During the three and six months ended June 30, 2025, the Company incurred share-based compensation related to options of \$896 and \$1,793, respectively in connection with options vested (2024 - \$26,330 and \$58,405, respectively).

e) Restricted share units

When the Company issues RSUs, it records a share-based compensation expense in the year or period which the RSUs are granted and/or vested. The expense is measured using a deemed price that is based on the volume weighted average trading price of the Company's common shares for the five trading days immediately preceding the grant date as prescribed in the Company's Amended and Restated LTIP.

During the three and six months ended June 30, 2025, the Company incurred share-based compensation related to RSUs of \$461,782 and \$845,011, respectively, in connection with RSUs vested (2024 - \$264,637 and \$534,254, respectively).

	Number of non-vested RSUs #	Weighted average issue price \$
Non-vested balance, December 31, 2023	2,006,364	0.71
Granted	2,060,176	0.54
Vested and settled	(999,454)	0.79
Non-vested balance, December 31, 2024 ⁽¹⁾	3,067,086	0.60
Granted	3,318,630	0.71
Vested	(1,150,844)	0.62
Non-vested balance, June 30, 2025⁽¹⁾	5,234,872	0.66

(1) As at June 30, 2025, 8,257,168 RSUs are outstanding (December 31, 2024 - 4,938,538).

The fair values of the RSUs granted were determined based on the five-day volume weighted average trading price of the Company's common shares on the trading day prior to the date of grant.

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL (continued)

A summary of the Company's non-vested RSUs at June 30, 2025, is as follows:

Vesting date ⁽¹⁾	Weighted average issue price	Number of non-vested RSUs
	\$	#
November 9, 2025	0.46	78,667
January 31, 2026	0.62	1,150,845
February 6, 2026	0.70	1,066,205
April 14, 2026	0.75	40,000
January 31, 2027	0.54	686,730
February 6, 2027	0.70	1,066,212
April 14, 2027	0.75	40,000
February 6, 2028	0.70	1,066,213
April 14, 2028	0.75	40,000
	0.66	5,234,872

(1) RSUs vest over a period of two to three years. Vesting dates listed above represent the end of the two-year or three-year term.

9. RELATED PARTY TRANSACTIONS

During the three and six months ended June 30, 2025 and 2024, the Company incurred transactions with key management personnel, being the Chief Executive Officer, Chief Financial Officer, Vice President Projects & Evaluations, and Vice President of Exploration; as well as the directors of the Company.

A summary of the Company's key management personnel is as follows:

	Three months ended		Six months ended	
	2025	June 30, 2024	2025	June 30, 2024
	\$	\$	\$	\$
Consulting and management fees	-	1,215	-	4,588
Director fees	56,250	56,250	112,500	112,500
Salaries and other compensation	504,435	493,594	1,006,606	992,052
Share-based compensation	38,778	202,276	293,110	411,063
	599,463	753,335	1,412,216	1,520,203

On September 30, 2024, the Company entered into a management services agreement with Fireweed Metals Corp. ("Fireweed") which resulted in the Company and Fireweed becoming related parties due to overlapping composition of officers at each organization. The Company and Fireweed ceased to be related parties as of February 27, 2025, and the management services agreement was terminated on March 31, 2025. In connection with the management services agreement, during the three and six months ended June 30, 2025, the Company recorded other income of \$nil and \$95,706 (2024 - \$nil and \$nil, respectively). Of the \$95,706 earned in the six months ended June 30, 2025, \$64,082 was earned while Fireweed was a related party.

As at June 30, 2025, the Company had \$515,626 (December 31, 2024 - \$873,036) due to related parties which comprised of amounts owing to key management personnel for services rendered. Amounts due to related parties are unsecured and non-interest-bearing with no specified terms of repayment.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to several financial and market risks, including credit, interest rate and liquidity risks. The Company may, or may not, establish from time-to-time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Fair value of financial instruments

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value described 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 assets or liabilities either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The fair values of the Company's cash and cash equivalents, accounts payable and accrued liabilities and due to related parties are equivalent to their carrying values due to their short-term nature.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through its cash and cash equivalents. The Company mitigates its exposure to credit loss associated with cash and cash equivalents by placing its cash and cash equivalents in major financial institutions.

As at June 30, 2025, the Company had cash equivalents of \$1,713,466 in term deposits (December 31, 2024 - \$14,201,500) that are cashable in no more than 90 days and bear interest up to 2.90% (December 31, 2024 - 5.05%). Interest income on term deposits during the three and six months ended June 30, 2025 was \$195,755 and \$247,568, respectively (2024 - \$147,682 and \$219,138, respectively). Given the high credit quality of the financial institutions and the short-term, highly liquid nature of the term deposits, the Company assesses its exposure to credit risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due or that it will be required to meet them at excessive cost. To mitigate the risk, the Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash and cash equivalents are maintained in business accounts and invested in term deposits that are cashable in no more than 90 days and bear interest up to 2.90% (December 31, 2024 - 5.05%). The Company manages its liquidity risk mainly through raising funds from private placements. The Company's accounts payable and accrued liabilities are due within 90 days of June 30, 2025 and due to related parties has no specific terms of repayment. Given the Company's proactive management of working capital, the high liquidity of its term deposits, and its ability to access funds through private placements, the Company assesses its liquidity risk to be low.

The Company's operating cash requirements are continuously monitored and adjusted as input variables change. As these variables change, liquidity risks may necessitate the need for the Company to pursue equity issuances, obtain project or debt financing, or enter into joint arrangements. There is no assurance that the necessary financing will be available in a timely manner.

Interest rate risk

Interest rate risk is the risk that the Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As at June 30, 2025, the Company did not have debt instruments exposed to variable interest rate.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of the Company's assets and liabilities will fluctuate due to changes in foreign exchange rates.

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools.

FARADAY COPPER CORP.**Notes to the Condensed Interim Consolidated Financial Statements****For the three and six months ended June 30, 2025 and 2024**

(Unaudited - expressed in Canadian dollars, except where noted)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

A summary of the Company's financial assets and liabilities that are denominated in US dollars and are presented in the Company's functional currency is as follows:

	June 30, 2025		December 31, 2024	
	US\$	\$	US\$	\$
Cash	709,947	968,581	2,132,694	3,068,733
Accounts payable and accrued liabilities	(819,812)	(1,118,470)	(2,067,113)	(2,974,369)
	(109,865)	(149,889)	65,581	94,364

As at June 30, 2025, a 5% change in the US dollar against the Canadian dollar would result in a \$7,494 impact on the net loss to the Company.

11. COMMITMENTS

On May 1, 2024, the Company entered into a management services agreement (the "Agreement") with a management services company for the use of certain shared office facilities and related services. As part of the terms of the Agreement, the Company is required to pay a basic fee per month, plus applicable taxes. Effective January 1, 2025, the basic fee was \$33,000 per month and is subject to adjustment. The Agreement expires on April 30, 2029. The Company is required to make a one-time termination payment as determined by the Agreement and the management services company, if the Company were to terminate the agreement prior to its expiry.

12. SUBSEQUENT EVENTS

On July 17, 2025, the Company issued 625,000 common shares at a price of \$0.60 per share pursuant to the exercise of warrants, for total proceeds of \$375,000. As a result of this issuance, the total number of issued and outstanding common shares increased to 206,140,575.

On July 29, 2025, the Company announced a private placement financing for gross proceeds of \$48,773,450. The financing includes a brokered "bought deal" private placement involving the issuance of 26,139,500 common shares at a price of \$1.10 per share for gross proceeds of \$28,753,450, and a non-brokered private placement of 18,200,000 common shares at a price of \$1.10 per share for gross proceeds of \$20,020,000. The Company intends to use the proceeds from the financing to advance the Copper Creek Project and for general working capital purposes.

On August 7, 2025, the Company issued 70,000 common shares at a price of \$0.60 per share pursuant to the exercise of warrants for total proceeds of \$42,000. As a result of this issuance, the total number of issued and outstanding common shares increased to 250,550,075.