

BITTERROOT RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
July 31, 2025 and 2024
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

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 consolidated 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.

BITTERROOT RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Note	July 31, 2025	October 31, 2024
ASSETS			
Current assets			
Cash		\$ 28,627	\$ 16,101
Accounts receivable		18,203	2,441
Total current assets		46,830	18,542
Non-current assets			
Investment	4	1,013,600	861,068
Reclamation deposits		24,650	5,567
Exploration and evaluation assets	6	4,333,631	4,972,495
Total non-current assets		5,371,881	5,839,130
TOTAL ASSETS		\$ 5,418,711	\$ 5,857,672
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 37,402	\$ 32,353
Due to related party	9	379,370	258,705
Loans from related party	5	255,688	216,041
Total current liabilities		672,460	507,099
Total liabilities		672,460	507,099
SHAREHOLDERS' EQUITY			
Share capital	7	30,763,591	30,688,591
Equity reserves	7	5,003,378	4,949,878
Shares subscribed	7	50,000	-
Accumulated other comprehensive income (loss)		(457,666)	95,674
Deficit		(30,613,052)	(30,383,570)
Total shareholders' equity		4,746,251	5,350,573
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 5,418,711	\$ 5,857,672

Nature of operations (Note 1)

"Michael S. Carr"
Michael S. Carr, Director

"George W. Sanders"
George W. Sanders, Director

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

BITTERROOT RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the periods ended July 31, 2025 and 2024
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Notes	Three months ended July 31,		Nine months ended July 31,	
		2025	2024	2025	2024
EXPENSES					
Foreign exchange (gain) loss		\$ 4,382	\$ 2,378	\$ 4,500	\$ (1,336)
Interest expense	5	3,530	2,484	10,730	6,541
Management fees	9	30,000	30,000	90,000	90,000
Office and miscellaneous		8,115	915	10,205	6,076
Professional fees	9	13,463	3,540	36,133	35,034
Share-based payments	7,9	46,400	-	53,500	6,700
Shareholder information		963	1,057	8,269	3,835
Transfer agent and filing fees		5,375	4,185	16,145	13,862
Net loss for the period		\$ (112,228)	\$ (44,559)	\$ (229,482)	\$ (160,712)
Other comprehensive loss					
Unrealized loss on investment	4	-	-	(553,340)	-
Comprehensive loss for the period		\$ (112,228)	\$ (44,559)	\$ (782,822)	\$ (160,712)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding – basic and diluted		105,037,904	100,961,817	104,670,369	96,127,352

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

BITTERROOT RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
For the periods ended July 31, 2025 and 2024
(Unaudited – Prepared by Management)
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	2025	2024
Cash flows used in operating activities		
Net loss for the period	\$ (229,482)	\$ (160,712)
Items not involving cash:		
Foreign exchange loss (gain)	(166)	(2,943)
Interest expense	10,730	6,541
Share-based payments	53,500	6,700
Changes in non-cash working capital items:		
Receivables	(15,762)	(5,584)
Accounts payable and accrued liabilities	(4,231)	(90,195)
Due to related party	120,665	84,761
	(64,746)	(161,432)
Cash flows used in investing activities		
Exploration and evaluation asset expenditures	(64,245)	(169,493)
Reclamation deposit	-	33,935
Cost recoveries for exploration and evaluation assets	6,517	26,808
	(57,728)	(108,750)
Cash flows from financing activities		
Shares subscribed	50,000	-
Warrants exercised	75,000	-
Loans from related party	10,000	70,000
Private placements	-	270,000
Share issuance costs	-	(8,124)
	135,000	331,876
Change in cash	12,526	61,694
Cash, beginning	16,101	5,845
Cash, ending	\$ 28,627	\$ 67,539

Supplemental disclosure with respect to cash flows (Note 8).

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

BITTERROOT RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

	Number of shares	Share capital	Shares subscribed	Equity reserves	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance – October 31, 2023	93,683,556	\$ 30,437,605	\$ -	\$ 4,943,178	\$ -	\$ (30,157,918)	\$ 5,222,865
Private placements	10,800,000	270,000	-	-	-	-	270,000
Share issuance costs	-	(18,447)	-	-	-	-	(18,447)
Share-based payments	-	-	-	6,700	-	-	6,700
Net loss for the period	-	-	-	-	-	(160,712)	(160,712)
Balance – July 31, 2024	104,483,556	\$ 30,689,158	\$ -	\$ 4,949,878	\$ -	\$ (30,318,630)	\$ 5,320,406
Balance – October 31, 2024	104,483,556	\$ 30,688,591	\$ -	\$ 4,949,878	\$ 95,674	\$ (30,383,570)	\$ 5,350,573
Shares subscribed	-	-	50,000	-	-	-	50,000
Warrants exercised	1,500,000	75,000	-	-	-	-	75,000
Share-based payments	-	-	-	53,500	-	-	53,500
Comprehensive loss for the period	-	-	-	-	(553,340)	-	(553,340)
Net loss for the period	-	-	-	-	-	(229,482)	(229,482)
Balance – July 31, 2025	105,983,556	\$ 30,763,591	\$ 50,000	\$ 5,003,378	\$ (457,666)	\$ (30,613,052)	\$ 4,746,251

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

BITTERROOT RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the nine months ended July 31, 2025 and 2024
(Unaudited – Prepared by Management)
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1. NATURE OF OPERATIONS

Bitterroot Resources Ltd. (the “Company” or “Bitterroot”) is in the exploration stage and its principal business activity is the sourcing and exploration of resource properties.

The Company was incorporated on March 13, 1951 under the Laws of British Columbia, Canada. The Company’s address is PO Box 91878, West Vancouver, BC, V7V 4S4, Canada. The Company’s registered office address is Suite 2200 – 700 West Georgia Street, Vancouver, BC, V7Y 1K8, Canada. The Company is listed on the TSX Venture Exchange (“Exchange”) under the symbol “BTT”.

These condensed consolidated interim financial statements have been prepared assuming the Company will continue on a going concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going concern depends on its ability to raise adequate financing and to develop profitable operations. The Company had a working capital deficiency of \$625,630 at July 31, 2025 (October 31, 2024 – \$488,557). As of July 31, 2025, the Company had accumulated deficit of \$30,613,052.

Management is actively targeting sources of additional financing through alliances with financial, government, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur.

As the Company is in the exploration and evaluation stage, the Company has not identified a known body of commercial grade mineral on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints, which may hinder the successful development of the property. To date, the Company has not earned any revenues. The Company expects to incur further losses in the development of its business. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern.

The condensed consolidated interim financial statements of the Company are presented in Canadian dollars, which is the functional currency, unless otherwise indicated.

2. BASIS OF PREPARATION

Statement of compliance and basis of measurement

These condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with International Accounting Standards (“IAS”) 34, Interim Financial Reporting.

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed consolidated interim financial statements were approved for issuance by the Board of Directors on September 23, 2025.

Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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2. BASIS OF PREPARATION (cont'd)

Use of estimates and judgments (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Share based payments

The fair value of stock options issued are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Exploration and evaluation assets

Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

(ii) Critical accounting judgments

Going concern

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. These condensed consolidated interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed consolidated interim financial statements.

Impairment of exploration and evaluation assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The condensed consolidated interim financial statements include the accounts of the Company, and its wholly owned subsidiaries Trans Superior Resources, Inc. and Voyageur Lands Corporation, both of which are holding companies incorporated in Michigan, USA. All significant inter-company balances and transactions have been eliminated upon consolidation.

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited annual consolidated financial statements as at October 31, 2024. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2024.

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4. INVESTMENT

Perseverance Metals Inc.

The Company's investment in Perseverance Metals Inc. ("Perseverance"), is classified as FVTPL and measured at fair value. The Company acquired 956,742 shares of Perseverance on July 27, 2023 valued at \$765,394 pursuant to an option agreement (Note 6) and an additional 591,814 shares (451,036 "top-up" shares plus 140,778 "penalty" shares) on January 27, 2025 valued at \$621,405 and \$84,467, respectively. The penalty shares were issued due to Perseverance's failure to go public within 18 months of the Option Agreement, or January 27, 2025.

During the period ended July 31, 2025, the Option Agreement was amended to include the issuance to the Company of an additional 140,778 "penalty" shares (as noted above), remove the "go public" requirement, and extend the deadline for exploration expenditures to November 15, 2026, as detailed in Note 6. Bitterroot now owns a total of 1,689,334 Perseverance shares.

During the period ended July 31, 2025, the Company recognized an unrealized loss of \$553,340 (year ended October 31, 2024 – \$95,674) as fair value adjustment on the investment. This amount has been recorded under accumulated other comprehensive income.

The Company's shares of Perseverance have been pledged as security for the repayment of related party loans (Note 5).

5. LOANS PAYABLE TO RELATED PARTY

The Company received loan proceeds of \$60,000 during the year ended October 31, 2024 and \$10,000 during the period ended July 31, 2025 from a non-arm's length party, bearing interest of 6% per annum, with no stated terms of payment. During the period ended July 31, 2025, the Company accrued interest expense of \$3,536 (year ended October 31, 2024 - \$1,194) on the loans.

The Company received loan proceeds of \$60,000 during the year ended October 31, 2023 and \$50,000 during the year ended October 31, 2024 from a non-arm's length party. These amounts are interest bearing at 6% per annum with no stated terms of payment. During the period ended July 31, 2025, the Company accrued interest expense of \$4,937 (year ended October 31, 2024 - \$5,813) on the loans.

The Company received loan proceeds of \$33,405 (US\$25,000) during the year ended October 31, 2023 and \$19,867 (US\$13,812) during the period ended July 31, 2025 from a non-arm's length party. This amount is interest bearing at 6% per annum with no stated terms of payment. During the period ended July 31, 2025, the Company accrued interest expense of \$2,257 (US\$1,606) (year ended October 31, 2024 - \$2,037(US\$1,504)) and recorded a foreign exchange gain of \$950 (year ended October 31, 2024 – loss of \$165) on the loans.

The loans have been secured under an agreement whereby the Company's shares of Perseverance (Note 4) have been pledged as security for the repayment of the loans

See Note 9 for additional related party transactions including amounts due.

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6. EXPLORATION AND EVALUATION ASSETS

	Michigan Lands, Michigan, USA	Nighthawk, Nevada, USA	Total
Balance – October 31, 2023	\$ 4,526,405	\$ 235,327	\$ 4,761,732
Acquisition costs – cash	49,856	-	49,856
Claims, leases and permits	2,160	170,572	172,732
Consulting and professional	4,579	4,624	9,203
Field supplies	86	-	86
Geochemistry	-	191	191
Ground transportation	390	-	390
Other	3,421	-	3,421
Room and board	2,732	-	2,732
Storage	7,413	-	7,413
Travel and freight	5,090	-	5,090
Expenditures during the year	75,727	175,387	251,114
Recovery of costs	(40,351)	-	(40,351)
Balance – October 31, 2024	4,561,781	410,714	4,972,495
Acquisition costs – cash	10,890	-	10,890
Claims, leases and permits	179	62,292	62,471
Consulting and professional	2,235	3,400	5,635
Courier and postage	-	76	76
Field supplies	-	1,952	1,952
Geochemistry	-	10,459	10,459
Ground transportation	-	961	961
Other	-	37	37
Room and board	-	1,559	1,559
Storage	995	-	995
Travel and freight	89	-	89
Expenditures during the period	14,388	80,736	95,124
Recovery of costs	(733,988)	-	(733,988)
Balance – July 31, 2025	\$ 3,842,181	\$ 491,450	\$ 4,333,631

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6. EXPLORATION AND EVALUATION ASSETS (cont'd)

Title to exploration and evaluation assets involves certain inherent risks due to difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to its exploration and evaluation assets and to the best of its knowledge, title to its exploration and evaluation assets are in good standing.

Michigan Lands, Michigan, U.S.A.

During the year ended October 31, 2015, a subsidiary of Altius Minerals Corporation (“Altius”) acquired a 50.1% interest in the Company’s Michigan Lands by funding \$600,000 of exploration expenditures. Altius had the right to acquire an additional 19.9% of the properties by completing \$2,500,000 in exploration spending by September 29, 2021, plus the right to acquire an additional 10% of the properties by completing exploration spending of a further \$5,000,000 or completing an NI 43-101 compliant pre-feasibility study on a mineral resource on the properties, before September 29, 2025. Altius failed to complete the additional expenditures required prior to September 29, 2021 and both options have expired. The Company (49.9%) and Altius (50.1%) jointly contribute to the property based on their ownership interest. The Company also granted to Altius a 2% net smelter returns royalty (“NSR”) on the Voyageur Lands (covering approximately 250 square miles of mineral rights) and assigned to Altius its right to repurchase a 1% NSR held by a third party on the Copper Range Lands.

During the year ended October 31, 2023, the Company and Altius entered into an option agreement with Perseverance, whereby Perseverance can acquire a 100% interest in the Voyageur nickel-copper-PGM (platinum group metals) project.

The option agreement initially gave Perseverance the exclusive option until December 31, 2025, to earn a 100% interest in the Voyageur project from Altius Resources Michigan Inc., a wholly owned subsidiary of Altius, and from Trans Superior Resources, Inc. and Voyageur Lands Corporation, each a wholly owned subsidiary of the Company by:

- Initial equity: issuing to the Company and Altius a total of 20% ownership in the equity of Perseverance, to be distributed based on their pro rata ownership of the Voyageur project (956,742 shares received by the Company at a value of \$765,394) (Note 4);
- Exploration commitment: incurring \$2,000,000 in exploration expenditures on the Voyageur project before December 31, 2025, including \$250,000 within the first 12 months of the option;
- Financing commitment: raising aggregate gross proceeds of \$5,000,000 within 18 months, with the Company and Altius retaining a combined 20% free-carry interest on any common shares issued pursuant to the equity financings;
- Go-public commitment: Perseverance becoming a reporting issuer in Canada within 18 months, subject to a conditional six-month extension (591,814 shares received by the Company at a fair value of \$621,405 (451,036 “top-up” shares plus 140,778 “penalty shares) on January 27, 2025. The penalty shares were issued due to Perseverance’s failure to go public within 18 months of the Option Agreement, or January 27, 2025 (Note 4).
- The Company and Altius also retain Participation Rights in any future financings after Perseverance raises aggregate gross proceeds of \$5,000,000, whereby the Company and Altius can maintain their pro-rata interests or increase them to a maximum of 14.9% each, subject to retaining ownership of at least 5% of Perseverance.
- The Company and Altius also retain a Right of First Refusal on any royalties or metals streams generated within 10 years of the date of the exercise of the option agreement.

On April 11, 2025, the Company, Altius and Perseverance agreed to amend the terms of the option agreement, whereby Perseverance’s Go-public commitment was eliminated and the date for fulfilling the exploration commitment was extended to November 15, 2026. In return for these amendments, the Company received an additional 140,778 penalty shares, bringing its total holdings of Perseverance to 1,689,334 common shares. Perseverance’s financing commitment was fulfilled on January 24, 2025.

Mineral Rights Leased from the State of Michigan

During the year ended October 31, 2016, the Company (49.9%) and Altius (50.1%) acquired State of Michigan metallic minerals leases covering 3,051 acres. A cash bond of US\$30,000 was posted by a subsidiary of Altius. In the year ended October 31, 2023, the cash bond was refunded to Altius and replaced by an equivalent cash bond posted by Perseverance, under the terms of an option agreement.

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6. EXPLORATION AND EVALUATION ASSETS (cont'd)

LM Property

The Company's Michigan subsidiary, Trans Superior Resources, Inc., leases 40 acres of minerals rights in Baraga County, Michigan, known as the LM Property. The lessors have granted the Company the option to reduce the current 3% NSR to a 2% NSR by paying US\$1,000,000 prior to December 31, 2064. The 2024 advance royalty payment was US\$190/acre (paid). The advance royalty payments increase by \$10/acre/year. The LM Property is not subject to the joint venture with Altius.

During the year ended October 31, 2020, the Company, through its US subsidiary Trans Superior Resources, Inc., entered into an option/joint venture agreement whereby Below Exploration, Inc., ("Below") a private Michigan corporation, could earn a 49% joint venture interest in the LM Property. During the year ended October 31, 2020, Below funded \$370,061 (US\$285,000) of exploration expenditures prior to the first anniversary of the agreement and earned a 49% joint venture interest. The Company is the project operator, regardless of its ownership level, and retains a right of first refusal over Below's property interest.

In February 2021, the Company (51%) and Below (49%) entered into a minerals lease and purchase option with a privately-held corporation ("MPC") covering 80 acres of mineral rights adjacent to the LM Property. MPC leases the mineral rights exclusively to the Company for a term of forty years. Under the term of the agreement the Company is required to make the following payments and share issuances:

- (i) US\$15,000 (paid) and issuance of 100,000 common shares within 10 days of the TSX-V approval date, February 25, 2021 (the "Approval Date") (issued);
- (ii) US\$15,000 (paid) and issuance of 100,000 (issued at a fair value of \$9,500) common shares on the first anniversary of the Approval Date;
- (iii) US\$16,000 (paid) and issuance of 100,000 (issued at a fair value of \$4,500) common shares on the second anniversary of the Approval Date;
- (iv) an amount equal to the rental payment of the preceding year, plus an additional US\$20 per acre of the mineral rights, on or before each anniversary of the Approval Date commencing on the third anniversary and continuing so long as the agreement is in effect.

At any time while the agreement remains in effect, the Company has the exclusive right and option to purchase the mineral rights from MPC for US\$1,000/acre for the first five years of the agreement, US\$2,500/acre in years 6 through 10, and then escalating US\$2,500/acre for each subsequent five years for the first 20 years. MPC will retain a 2% net smelter royalty ("NSR") for products from the mineral rights generated from underground mining and a 3% NSR for products from the mineral rights generated from open-pit mining. The Company will have the option to purchase 1% of each of the NSRs from US\$1,000,000 and a further option to purchase an additional 1% of the NSR from open-pit mining for an additional US\$1,000,000.

Nighthawk Property, Nevada, U.S.A.

During the year ended October 31, 2023, the Company staked federal unpatented mining claims and during the current year renewed 66 of these claims, comprising the Nighthawk Property in Esmeralda County, Nevada. During the year ended October 31, 2024, the Company's contractor staked an additional 174 claims, expanding the Nighthawk Property to 240 claims.

7. SHARE CAPITAL AND EQUITY RESERVES

The authorized share capital consists of an unlimited number of common shares without par value.

As at July 31, 2025, the Company had 105,983,556 shares issued and outstanding.

During the period ended July 31, 2025, the Company:

- (i) issued 1,500,000 shares for warrants exercised for total proceeds of \$75,000.
- (ii) received \$50,000 in share subscriptions for a private placement completed subsequent to the period ended July 31, 2025.

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7. SHARE CAPITAL AND EQUITY RESERVES (cont'd...)

During the year ended October 31, 2024, the Company:

- (i) closed a private placement for a total of 10,800,000 units at \$0.025 per unit for gross proceeds of \$270,000. Each unit consists of one common share and one share purchase warrant, exercisable at \$0.05 for three years from the date of issuance. The Company incurred \$19,014 in cash share issuance costs in relation to the private placement, of which \$567 remained payable as at July 31, 2025.

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance – October 31, 2023	6,661,500	\$ 0.15
Issued	10,800,000	0.05
Expired	(4,161,500)	0.20
Balance – October 31, 2024	13,300,000	0.06
Exercised	(1,500,000)	0.05
Expired/cancelled	(2,500,000)	0.08
Balance – July 31, 2025	9,300,000	\$ 0.05

As at July 31, 2025, the following share purchase warrants were issued and outstanding:

Expiry Date	Number of Warrants	Exercise Price
May 29, 2027	9,300,000	\$ 0.05
	9,300,000	\$ 0.05

As at July 31, 2025, the weighted average remaining contractual life of the warrants was 1.83 (October 31, 2024 – 2.14).

Stock options

The Company, in accordance with the policies of the Exchange, has a stock option plan in place under which it is authorized to grant options to directors, employees, and consultants, to acquire up to 10% of the issued and outstanding common shares. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of five years. Pursuant to the stock option plan, vesting restrictions may be applied to certain other options grants, at the discretion of the directors.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance – October 31, 2023	7,500,000	\$ 0.11
Granted	300,000	0.03
Expired	(275,000)	0.12
Balance – October 31, 2024	7,525,000	0.11
Granted	1,600,000	0.05
Expired/cancelled	(1,875,000)	0.08
Balance – July 31, 2025	7,250,000	\$ 0.10

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7. SHARE CAPITAL AND EQUITY RESERVES (cont'd)

As at July 31, 2025, the following stock options were outstanding and exercisable:

Number of Options	Exercise Price (\$)	Expiry Date
1,650,000	0.16	January 4, 2026
1,200,000	0.17	June 1, 2026
950,000	0.10	April 21, 2027
1,600,000	0.05	March 5, 2028
300,000	0.03	March 12, 2029
200,000	0.05	January 29, 2030
1,050,000	0.05	May 24, 2030
300,000	0.05	July 14, 2030
7,250,000		

The weighted average fair value of each stock option granted during the period ended July 31, 2025 was \$0.03 (year ended October 31, 2024 - \$0.03), calculated using the Black-Scholes option-pricing model on the grant date using the following weighted average assumptions:

	Period ended July 31, 2025	Year ended October 31, 2024
Volatility	136.60%	142.82%
Risk-free interest rate	2.99%	3.50%
Expected life	5 years	5 years

As at July 31, 2025, the weighted average remaining contractual life of the options was 2.21 years (October 31, 2024 – 2.02).

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended July 31, 2025 were as follows:

- Included in exploration and evaluation assets is \$14,579 which relates to accounts payable and accrued liabilities.
- Reclamation deposit of \$19,867 (US\$13,812) paid by a non-arm's length party on behalf of the Company.

Significant non-cash transactions during the period ended July 31, 2024 were as follows:

- Included in exploration and evaluation assets is \$6,148 which relates to accounts payable and accrued liabilities.
- Included in share issuance costs is \$10,323 which relates to accounts payable and accrued liabilities.

9. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

The following is a summary of related party transactions and balances during the period ended July 31, 2025, not disclosed elsewhere in the condensed consolidated interim financial statements:

- Management fees of \$90,000 (2024 - \$90,000) and professional fees of \$900 (2024 - \$1,800) were incurred from a company controlled by a director of the Company. As at July 31, 2025, \$379,370 (October 31, 2024 - \$258,705) was owing to this company for management fees, professional fees and reimbursable expenses. This amount is non-interest bearing with no stated terms of payment.
- Incurred interest expense on loans received from non-arm's length parties during the period ended July 31, 2025 and the years ended October 31, 2024 as described in Note 5.

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10. SEGMENTED INFORMATION

Industry information

The Company operates in one reportable operating segment, being the acquisition, exploration and development of exploration and evaluation assets.

Geographic information

The Company operates in both Canada and the United States. The Company's reclamation deposits are in the United States and the exploration and evaluation assets are also located in the United States.

11. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

Capital management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in share capital as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-term prospectuses and private placements or return capital to shareholders. As at July 31, 2025, the Company is not subject to externally imposed capital requirements.

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, currency risk, interest rate risk and price risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is considered to be in the exploration stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash consists of cash deposited in business accounts and redeemable guaranteed investment certificates held by high credit quality financial institutions. The Company is not invested in any asset backed commercial paper.

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's credit risk is primarily attributable to its cash, receivables and reclamation deposits. The Company limits exposure to credit risk by maintaining its cash and reclamation deposits with high-credit quality financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The receivables balance consists mainly of GST recoverable. There is ongoing review to evaluate the credit worthiness of these counterparties. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash, receivables and reclamation deposits.

Currency risk

The Company's operations are in Canada and the United States. The international nature of the Company's operations results in foreign exchange risk as transactions are denominated in a foreign currency. The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently, have an impact upon the reported results of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time. A strengthening (weakening) of the Canadian dollar against the US dollar of 10% would not have a significant effect on net loss.

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11. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT (cont'd)

Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. The Company's practice has been to invest cash at floating rates of interest in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. The Company does not have any variable interest-bearing debt.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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.

The estimated fair value of cash, reclamation deposits, accounts payable and accrued liabilities, due to related party and loans from related party are equal to their carrying values due to the short-term nature of these instruments. The fair value of lease liability is initially recorded at fair value and subsequently carried at amortized cost using rates comparable to market interest rates. The fair value of the investment is measured based on level 3 inputs of the fair value hierarchy. The investment is in a privately held company that is not currently quoted on an exchange. The Company utilized the most recent financing price of the underlying investment company to value the shares received.

12. SUBSEQUENT EVENTS

Subsequent to the period ended July 31, 2025, the Company:

- (i) Closed a non-brokered private placement for a total of 19,780,000 units at \$0.05 per unit for gross proceeds of \$989,000. Each unit consists of one common share and one-half share purchase warrant, exercisable at \$0.10 for two years from the date of issuance. In relation to the private placement, the Company Issued 273,300 finder's warrants with a fair value of \$11,620, exercisable at \$0.10 for two years from the date of issuance.
- (ii) Granted stock options to purchase 500,000 common shares under its stock option plan. The options are exercisable at a price of \$0.07 per share and expire on August 31, 2030.