



COPPER LAKE
RESOURCES LTD

Condensed Interim Financial Statements

**For the Three Months Ended
January 31, 2024**

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

Copper Lake Resources Ltd.

The accompanying unaudited condensed interim financial statements of Copper Lake Resources Ltd. for the three months ended January 31, 2024, have been prepared by management, reviewed by the Audit Committee, and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that these unaudited condensed interim financial statements have not been reviewed by its auditor.

Copper Lake Resources Ltd.
Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)
(Expressed in Canadian dollars)

**For the three months ended
January 31,
2024 2023**

	2024	2023
Expenses		
Exploration and evaluation expenditures (note 4)	\$ 231,788	\$ 343,780
Foreign exchange	561	-
General and administration	10,928	1,278
Interest and bank charges	(1,379)	(9,373)
Investor relations	59,487	15,352
Management fees (note 6)	53,925	53,925
Professional fees	10,868	2,465
Transfer agent and listing fees	13,240	6,614
Total expenses	379,418	414,041
Flow-through share premium recovery	(39,569)	(28,558)
Net loss and comprehensive loss for the period	\$ 339,849	\$ 385,483
Basic and diluted loss per share	\$ 0.001	\$ 0.002
Weighted average number of common shares outstanding – Basic and diluted	241,161,885	228,238,667

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited)
(Expressed in Canadian dollars)

	Capital stock		Reserves	Deficit	Total
	Shares	Amount			
		\$	\$	\$	\$
Balance, October 31, 2023	236,635,770	21,557,089	1,394,730	(20,876,996)	2,074,823
Private placement of units	18,840,000	471,000	-	-	471,000
Flow-through units	14,720,000	368,000	-	-	368,000
Broker shares	308,000	7,700	-	-	7,700
Share issue costs	-	(27,650)	-	-	(21,700)
Flow through share premium	-	(94,200)	-	-	(47,100)
Issuance of finders warrants	-	(29,089)	29,089	-	-
Issuance of warrants	-	(120,700)	120,700	-	-
Issuance of finders warrants	-	-	-	-	-
Net loss and comprehensive loss for the period	-	-	-	(339,849)	(339,849)
Balance, January 31, 2024	270,503,770	22,132,150	1,544,519	(21,216,845)	2,512,874
Balance, October 31, 2022	219,987,416	20,403,076	1,377,538	(18,675,513)	3,105,101
Exercise of warrants	15,098,354	1,283,360	-	-	1,283,360
Share issue costs	-	(82,662)	-	-	(82,662)
Flow-through premium	-	(122,318)	-	-	(122,318)
Issuance of finders warrants	-	(70,322)	70,322	-	-
Exercise of options	1,550,000	77,500	(68,455)	68,455	77,500
Net loss and comprehensive loss for the period	-	-	-	(385,483)	(385,483)
Balance, January 31, 2023	236,635,770	21,488,634	1,379,405	(18,992,541)	3,875,498

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Condensed Interim Statements of Cash Flows

(Unaudited)
(Expressed in Canadian dollars)

	For the three months ended January 31,	
	2024	2023
Cash flows from operating activities:		
Loss for the period	\$ (339,849)	\$ (385,483)
Items not affecting cash:		
Flow-through share premium recovery	(39,569)	(28,558)
Change in non-cash working capital items:		
Accounts receivable	1,353	-
HST receivable	(21,254)	(7,977)
Prepaid expenses and deposit	(101,348)	(50,000)
Accounts payable and accrued liabilities	(16,513)	298,317
Net cash used in operating activities	(517,180)	(173,701)
Cash flows provided by (used in) financing activities:		
Advances from (repayments to) shareholder	-	1,429
Private placement of units	839,000	1,283,360
Share issuance costs	(19,950)	(82,662)
Proceeds from exercise of options	-	77,500
Net cash provided by financing activities	819,050	1,279,627
Increase (decrease) in during the period	301,870	1,105,926
Cash, beginning of period	84,275	668,333
Cash, end of period	\$ 386,145	\$ 1,774,259

Supplemental cash flow information

	January 31, 2024	January 31, 2023
Cash received during the periods for:		
Interest income	\$ -	\$ -
Income tax	-	-

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024
(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

Copper Lake Resources Ltd. (the “Company” or “Copper Lake”) was incorporated under the laws of the Province of British Columbia on October 17, 1984, and was Continued under the Business Corporations Act of Ontario on January 20, 2022. The Company is in the business of exploration and development of mineral resource properties. The address of the Company’s head office is 1 King Street West, Suite 4800, Toronto, Ontario. The Company’s shares are listed on the TSX-V under the trading symbol CPL and on the OTC under the trading symbol WTCZF.

The Company is a mineral exploration company focused on acquiring, exploring, and developing exploration and evaluation assets in Canada. The Company has not yet determined whether these properties contain mineral reserves that are economically recoverable.

These financial statements have been prepared on the basis of generally accepted accounting principles applicable to a going concern, which assume 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 has no source of operating cash flows, has not yet achieved profitable operations, has limited working capital, has accumulated losses since its inception, expects to incur further losses in the development of its business and has no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. These material uncertainties cast significant doubt about the Company’s ability to continue as a going concern and, accordingly, the appropriateness of the use of generally accepted accounting principles applicable to a going concern.

In the future, the Company may raise additional financing through the issuance of share capital or shareholder loans, however, there can be no assurance that it will be successful in its efforts to do so and that the terms will be favorable to the Company (See note 7 – Subsequent Events). These financial statements do not include any adjustments to the carrying values of assets and liabilities, the reported expenses and statement of financial position classifications that might be necessary should the Company be unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Management is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance that the management’s plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements (the “financial statements”) have been prepared in accordance with IAS 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the IFRS Interpretations Committee.

The preparation of these unaudited condensed interim financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expense. In the management’s opinion, all adjustments considered necessary for a fair presentation have been included in these unaudited condensed interim financial statements. Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The significant judgements made by management applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended October 31, 2023. For a description of the Company’s critical accounting estimates and assumptions, please refer to the Company’s audited financial statements and related notes for the year ended October 31, 2023.

These unaudited condensed interim financial statements were authorized by the Board of Directors on April 1, 2024.

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024

(Expressed in Canadian dollars)

Significant accounting estimates and judgments

The policies applied in these condensed interim financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, they should be read in conjunction with our audited financial statements for the year ended October 31, 2023.

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended October 31, 2023.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

3. MINERAL PROPERTY INTERESTS

Marshall Lake Property

On June 6, 2021, the Company exercised its option to acquire a 75% undivided interest in the Marshall Lake Joint Venture Agreement ("JV Agreement"). Rainy Mountain Royalty Corp. ("Rainy Mountain") retains the remaining 25% interest. Each party is responsible for funding its proportionate share of expenditures of the project. Should Rainy Mountain choose not to contribute its pro rata share, then its interest in the project would be diluted. Once Rainy Mountain's interest is reduced to 10%, it is automatically converted into a 1% Net Smelter Returns Royalty ("NSR"), and Copper Lake would have the right to acquire the NSR at any time for \$1 million. The Company has recorded acquisition costs of \$2,548,862 for its interest in the Marshall Lake Property.

During 2022, Rainy Mountain did not meet its payment obligations under the JV Agreement for expenditures to April 30, 2022. As a result, Rainy Mountain's interest was diluted to 20.55% and Copper Lake's interest in the property was 79.45% at April 30, 2022. Rainy Mountain's pro rata share of exploration expenditures for the period from May 1, 2022, to October 31, 2023, was \$632,928. The Company received \$400,000 from Rainy Mountain, leaving an amount owing of \$232,098. Rainy Mountain indicated they do not plan to contribute this additional amount, and, as a result, their interest was further diluted to 18.84%, and Copper Lake's interest increased to 81.16% as of October 31, 2023. During the quarter ended January 31, 2024, the Company incurred exploration expenditures of \$231,788, of which Rainy Mountain's share is \$43,667. Should Rainy Mountain not contribute their share by April 30, 2024 their interest will be further diluted to 17.76%.

Norton Lake Property

The Norton Lake property is subject to a joint venture agreement between the Company and Rainy Mountain, which was originally set up in 2009. The property is located north of Thunder Bay, Ontario and the Company is the operator.

The Company continues to hold a 69.79% interest and Rainy Mountain holds a 30.21% interest. Certain of the claim units are subject to a 2% NSR (the Company may purchase 1% of the NSR for \$1,000,000 and has a right of first refusal on the remaining 1% NSR). Should Rainy Mountain's interest be reduced to 5%, it is automatically converted into a 2% NSR.

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024
(Expressed in Canadian dollars)

3. **MINERAL PROPERTY INTERESTS** *(Continued)*

Exploration and evaluation expenses

Details of the Company's exploration and evaluation expenditures, which have been cumulatively expensed in the statement of loss and comprehensive loss are as follows:

For the three months ended January 31, 2024

	Marshall Lake	Norton Lake	Total
Core trays	\$ 7,716	-	\$ 7,716
Drilling	87,029	-	87,029
Field exploration camp	77,031	-	77,031
Exploration office and management	24,375	-	24,375
Geotechnical	770	-	770
Line cutting	22,357	-	22,357
Roads and access	8,160	-	8,160
Storage and travel	1,350	-	1,350
Summit Lake	3,000	-	3,000
Expenditures for the year	231,788	-	231,788
Cumulative balance - October 31, 2023	8,782,831	917,582	9,722,770
Balance, January 31, 2024	\$ 9,014,819	\$ 917,582	\$ 9,954,558

For the three months ended January 31, 2023

	Marshall Lake	Norton Lake	Total
Assays	\$ 592	\$ -	\$ 592
Claims management	85	-	85
Core trays	19,849	-	19,849
Drilling	65,422	-	65,422
Equipment rental	3,780	-	3,780
Field exploration camp	63,314	-	63,314
Exploration office and management	24,716	-	24,716
Geotechnical	6,960	-	6,960
Line cutting	18,650	-	18,650
Roads and access	196,487	-	196,487
Storage	1,350	-	1,350
Travel	2,575	-	2,575
JEAP Grant	(60,000)	-	(60,000)
Expenditures for the period	343,780	-	343,780
Cumulative balance - October 31, 2022	7,044,554	837,685	7,882,239
Balance, January 31, 2023	\$ 7,388,334	\$ 837,685	\$ 8,822,019

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024

(Expressed in Canadian dollars)

4. CAPITAL STOCK

The common shares of the Company entitle the holder to one vote per share at meetings of the shareholders of the Company, and upon dissolution or any other distribution of assets, to receive pro rata such assets of the Company as are distributable to the holders of common shares.

The Company is authorized to issue unlimited common shares without par value.

During the three months ended January 31, 2024, the Company completed the following share transactions:

In December 2023, the Company closed two tranches of a private placement issuing of 18,840,000 flow-through units (“FT Units”) and 14,720,000 non-flow-through (“NFT Units”) at a price of \$0.025 per FT Unit and NFT Unit for total gross proceeds of \$839,000. Each FT Unit consisted of one flow-through common share and one-half of a common share purchase warrant (a “FT Warrant”), with each FT Warrant being exercisable at \$0.10 for 24 months. Each NFT Unit consists of one non-flow-through share and one common share purchase warrant (a “NFT Warrant”), with each NFT Warrant being exercisable at \$0.10 for 36 months. FT Warrants were valued at \$47,100 and NFT Warrants were valued at \$73,600 using the residual warrant valuation method. The Company recorded a flow-through share price premium of \$94,200 in connection with the closing of the private placement.

The Company paid total finders’ fees of \$19,950 actual in cash, issued 308,000 non-flow-through shares and 1,176,000 non-transferable finders’ warrants exercisable at \$0.10 for a period of 36 months from the closing date. The warrants were valued using the Black-Scholes valuation model and the following assumptions: risk free interest rate of 3.71%; expected life in years – 3; expected volatility of 140%; and expected forfeiture rate – 0%. Expected volatility was based on the historical volatility of the Company’s share price. The value allocated to the warrants was \$29,089.

The Warrants are subject to an accelerated expiry date clause whereby at any time following the expiry of the four-months and one day hold period, should the weighted average closing price of the Common Shares on the TSX Venture Exchange (the “TSX-V”) be more than \$0.20 for a period of 15 consecutive trading days, the Company shall be entitled to accelerate the expiry date of the warrants to a date which is 30 days following the date on which the Company announces the accelerated expiry of the Warrants by press release.

During the three months ended January 31, 2023, the Company completed the following share transactions:

In December 2022, the Company closed two tranches of a private placement and issued a total of 15,098,354 flow-through units (“FT Units”) at a price of \$0.085 per FT Unit for gross proceeds of \$1,283,360. Each FT Unit consisted of one flow-through common share and one-half of a common share purchase warrant (a “FT Warrant”), with each FT Warrant being exercisable at \$0.15 for 36 months. The Company recorded a flow-through share price premium of \$122,318 in connection with the closing of the private placement.

The Company paid total finders’ fees of \$82,662 in cash and issued 888,201 non-transferable finders’ warrants exercisable at \$0.10 for a period of 36 months from the closing date. The warrants were valued using the Black-Scholes valuation model and the following assumptions: risk free interest rate of 3.48% to 3.57%; expected life in years – 3; expected volatility of 205% to 207%; and expected forfeiture rate – 0%. Expected volatility was based on the historical volatility of the Company’s share price. The value allocated to the warrants was \$70,322. The Company received proceeds from the exercise of options totaling \$77,500 during the quarter.

The Warrants are subject to an accelerated expiry date clause whereby at any time following the expiry of the four-months and one day hold period, should the weighted average closing price of the Common Shares on the TSX Venture Exchange (the “TSX-V”) be more than \$0.25 for a period of 15 consecutive trading days, the Company shall be entitled to accelerate the expiry date of the warrants to a date which is 30 days following the date on which the Company announces the accelerated expiry of the Warrants by press release.

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024
(Expressed in Canadian dollars)

4. CAPITAL STOCK (Continued)

The following options were outstanding as at January 31, 2024, and October 31, 2023:

	January 31, 2024		October 31, 2023	
	Number of Options	Weighted Ave Exercise Price	Number of Options	Weighted Ave Exercise Price
Opening balance	22,350,000	\$0.064	20,800,000	\$0.067
Granted	-	-	5,850,000	0.050
Exercised	-	-	(1,550,000)	0.050
Expired	-	-	(2,750,000)	0.064
Ending balance	22,350,000	\$0.064	22,350,000	\$0.064
Options exercisable	22,350,000	\$0.064	22,350,000	\$0.064

The following options were outstanding as at January 31, 2024, and October 31, 2023.

Expiry Date	Number of Options		Exercise Price
	January 31, 2024	October 31, 2023	
February 11, 2024	100,000	100,000	0.050
August 7, 2024	1,000,000	1,000,000	0.050
December 2, 2024	1,750,000	1,750,000	0.050
August 26, 2026	2,050,000	2,050,000	0.050
October 18, 2026	6,400,000	6,400,000	0.080
October 25, 2027	5,200,000	5,200,000	0.075
August 21, 2028	500,000	500,000	0.050
October 23, 2028	5,350,000	5,350,000	0.050
Outstanding	22,350,000	22,350,000	
Weighted average remaining life	2.46 years		

Share-based compensation

During the period ended January 31, 2024, the Company recognized \$Nil (October 31, 2023 - \$158,799) as share-based compensation expense for options vested during the period.

Share Purchase Warrants

Share purchase warrant transactions are summarized as follows:

	Three months ended January 31, 2024		Year ended October 31, 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Opening balance	43,665,728	\$ 0.125	35,839,800	\$ 0.123
Issued	25,624,000	0.100	8,437,378	0.145
Exercised	-	-	-	-
Expired	-	-	(611,450)	0.100
Ending balance	69,289,728	\$ 0.119	43,665,728	\$ 0.125
Warrants exercisable	68,289,728	\$ 0.119	43,665,728	\$ 0.125

Copper Lake Resources Ltd.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended January 31, 2024

(Expressed in Canadian dollars)

4. CAPITAL STOCK (Continued)

As at January 31, 2024, and October 31, 2023, the following share purchase warrants were outstanding:

Expiry Date	Number of Warrants		Exercise Price
	2024	2023	
July 15, 2024 ¹	20,951,500	20,951,500	\$ 0.10
August 11, 2025	12,020,085	12,020,085	0.15
October 13, 2025	2,256,765	2,256,765	0.15
December 2, 2025	4,460,500	4,460,500	0.15
December 2, 2025	535,260	535,260	0.10
December 22, 2025	3,088,677	3,088,677	0.15
December 22, 2025	352,941	352,941	0.10
December 14, 2025	4,900,000	-	0.10
December 28, 2025	4,520,000	-	0.10
December 14, 2026	13,418,000	-	0.10
December 28, 2026	2,786,000	-	0.10
Outstanding and exercisable	69,289,728	43,665,728	

5. RELATED PARTY TRANSACTIONS

The following are related party transactions that have occurred during the three months ended January 31, 2024, and 2023 which have not yet otherwise been disclosed herein.

Key management compensation

Key management includes directors and other key personnel, including the CEO, President, and CFO, who have authority and responsibility for planning, directing, and controlling the activities of the Company. The compensation paid or accrued to these key management personnel for the years ended October 31, 2023, and 2022 is outlined below:

	2024	2023
Management fees	\$ 53,925	\$ 53,925

Included in accounts payable and accrued liabilities as at January 31, 2024, is \$69,658 (October 31, 2023, - \$76,662) owed to officers and directors.

6. CONTINGENCIES

On December 29, 2023, the Company closed a non-brokered private placement and received gross flow-through proceeds of \$471,000 through the issuance of 18,840,000 flow-through units. The Company is required to incur additional qualifying expenditures of \$471,000 by December 31, 2024. Subsequent to January 31, 2024, the Company has met its expenditure commitment.

In connection with the flow-through financings, the Company indemnifies the subscribers against certain tax related amounts that may become payable by the subscribers should the Company not meet its flow-through expenditure commitments.

7. SUBSEQUENT EVENTS

In December 2023, the Company was advised that it had been accepted into the Ontario Junior Exploration Program and is eligible to receive up to \$198,047 in funding under the program for exploration expenditures on the Marshall Lake property for expenditures incurred from April 1, 2023, to February 16, 2024.