



Lion Copper and Gold Corp.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Expressed in thousands of U.S. Dollars except for shares and per share amounts)

(Unaudited)

Lion Copper and Gold Corp.

Condensed Interim Consolidated Balance Sheets

As at September 30, 2025, and December 31, 2024

(Unaudited - In thousands of U.S. Dollars)

	Note	September 30, 2025	Audited December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents		\$ 7,047	\$ 7,999
Other receivables		14	31
Prepaid and deposit		280	57
		7,341	8,087
Mineral properties	4,12	8,127	7,902
Reclamation bonds		9	9
Investment in associate	5	696	1,102
Right of use asset		8	40
Total assets		\$ 16,181	\$ 17,140
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 461	\$ 510
Nuton LLC deposit	4	887	6,645
Derivative liabilities	7	2,912	289
Convertible debentures	7,8,11	4,347	257
Lease liabilities		8	40
Total liabilities		8,615	7,741
Stockholders' equity			
Share capital, no par value, unlimited common shares authorized; 413,234,899 issued and outstanding (2024 - 411,011,264)	9	110,702	110,459
Additional paid-in capital	10	27,637	25,877
Deficit		(137,087)	(130,597)
Non-controlling interest	6	6,314	3,660
Total stockholders' equity		7,566	9,399
Total liabilities and stockholders' equity		\$ 16,181	\$ 17,140

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

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)**COMMITMENTS** (Note 13)**SUBSEQUENT EVENTS** (Note 15)

Approved on behalf of the Board of Directors on November 14, 2025:

/s/ "Thomas Patton"
Director

/s/ "Tony Alford"
Director

Lion Copper and Gold Corp.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars, except for shares and per share amounts)

		Three months ended September 30,		Nine months ended September 30,	
	Note	2025	2024	2025	2024
Operating expenses					
Exploration and evaluation	4	\$ 1,033	\$ 1,591	\$ 3,183	\$ 6,640
General and administrative		240	177	457	558
Investor relations and corporate development		37	71	114	94
Professional fees	4(a)	1,852	563	3,210	1,681
Salaries and benefits	4(a),11	607	452	1,642	1,331
Share-based payments	10,11	3,583	129	4,840	789
Transfer agent and regulatory		27	38	83	98
Travel		124	72	186	130
Nuton LLC deposit	4	(1,474)	(2,336)	(5,627)	(8,656)
Operating loss		(6,029)	(757)	(8,088)	(2,665)
Non-operating Income/(expenses)					
Fair value (loss) gain on derivative liabilities	7	261	439	(1,521)	692
Foreign exchange loss		(21)	(4)	(32)	(12)
Accretion expense	8	(446)	(31)	(446)	(171)
Share of loss in associate	5	(89)	(105)	(406)	(417)
Interest and other income		62	95	231	333
Financing costs	8	(57)	-	(57)	-
Loss on convertible debentures	8	-	-	-	(1,750)
		(290)	394	(2,231)	(1,325)
Net loss and comprehensive loss for the period		\$ (6,319)	\$ (363)	\$ (10,319)	\$ (3,990)
Net loss and comprehensive loss attributed to:					
Stockholders of the Company		\$ (3,600)	\$ (34)	\$ (6,490)	\$ (3,252)
Non-controlling interest	6	\$ (2,719)	\$ (329)	\$ (3,829)	\$ (738)
Loss per share, basic and diluted		\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.01)
Weighted average number of shares outstanding - basic and diluted					
		412,475,983	385,855,710	411,545,345	366,463,027

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

Lion Copper and Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars, except for shares)

	Notes	Common shares	Share capital	Additional paid-in capital	Deficit	Non-controlling interest	Total stockholders' equity
Balance at December 31, 2023		309,667,975	\$ 105,396	\$ 24,168	\$ (126,663)	\$ 3,117	\$ 6,018
Private placement		23,809,522	654	-	-	-	654
Private placement - share issuance cost		-	(27)	-	-	-	(27)
Conversion of convertible debentures - original	8	3,500,000	234	-	-	-	234
Conversion of convertible debentures - induced	8	45,815,213	2,723	-	-	-	2,723
Exercise of options	10	3,063,000	354	(173)	-	-	181
Issuance of warrants	8	-	-	359	-	-	359
Share-based payments	10	-	-	789	-	-	789
Issuance of common shares of FCC	6	-	-	-	-	1,350	1,350
Net loss for the period		-	-	-	(3,252)	(738)	(3,990)
Balance at September 30, 2024		385,855,710	\$ 109,334	\$ 25,143	\$ (129,915)	\$ 3,729	\$ 8,291
Balance at December 31, 2024		411,011,264	\$ 110,459	\$ 25,877	\$ (130,597)	\$ 3,660	\$ 9,399
Share-based payments	6,10	-	-	1,876	-	2,964	4,840
Issuance of common shares of FCC	6	-	-	-	-	3,045	3,045
Issuance of preferred shares of FCC	6	-	-	-	-	474	474
Exercise of options	9	2,223,635	243	(116)	-	-	127
Net loss for the period		-	-	-	(6,490)	(3,829)	(10,319)
Balance at September 30, 2025		413,234,899	\$ 110,702	\$ 27,637	\$ (137,087)	\$ 6,314	\$ 7,566

Lion Copper and Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity

For the three months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars, except for shares)

	Notes	Common shares	Share capital	Additional paid-in capital	Deficit	Non-controlling interest	Total stockholders' equity
Balance at June 30, 2024		385,855,710	\$ 109,334	\$ 24,655	\$ (129,881)	\$ 4,058	\$ 8,166
Share-based payments	10	-	-	129	-	-	129
Issuance of warrants	8	-	-	359	-	-	359
Net loss for the period		-	-	-	(34)	(329)	(363)
Balance at September 30, 2024		385,855,710	\$ 109,334	\$ 25,143	\$ (129,915)	\$ 3,729	\$ 8,291
Balance at June 30, 2025		411,761,264	\$ 110,543	\$ 25,954	\$ (133,487)	\$ 4,172	\$ 7,182
Share-based payments	6,10	-	-	1,759	-	1,824	3,583
Issuance of common shares of FCC	6	-	-	-	-	2,563	2,563
Issuance of preferred shares of FCC	6	-	-	-	-	474	474
Exercise of options	9	1,473,635	159	(76)	-	-	83
Net loss for the period		-	-	-	(3,600)	(2,719)	(6,319)
Balance at September 30, 2025		413,234,899	\$ 110,702	\$ 27,637	\$ (137,087)	\$ 6,314	\$ 7,566

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

Lion Copper and Gold Corp.

Condensed Interim Consolidated Statements of Cash Flow

For the nine months ended September 30, 2025, and 2024

(Unaudited - In thousands of U.S. Dollars)

	Nine months ended September 30,	
	2025	2024
Cash flows (used in) provided by operating activities		
Loss for the period	\$ (10,319)	\$ (3,990)
Non-cash transactions:		
Interest expense	20	189
Accretion expense	446	171
Financing costs	57	-
Fair value loss (gain) on derivative liabilities	1,521	(692)
Share of loss of investment in associate	406	417
Share-based payments	4,840	789
Loss on convertible debentures	-	1,750
Amortization of ROU asset	32	13
Changes in operating assets and liabilities:		
Other receivables	17	(6)
Accounts payable and accrued liabilities	(48)	502
Prepaid and deposit	(223)	(48)
Lease liability	(32)	(13)
Nuton LLC deposit	(5,758)	2,632
Net cash (used in) provided by operating activities	(9,041)	1,714
Cash flows used in investing activities		
Capitalized expenditures on mineral properties	(225)	(210)
Net cash used in investing activities	(225)	(210)
Cash flows provided by (used in) financing activities		
Proceeds from convertible debentures of FCC	5,148	-
Proceeds for issuance of common shares of FCC	3,045	1,350
Proceeds from exercise of options	127	181
Proceeds from private placement	-	1,000
Share issuance costs	-	(27)
Repayment of convertible debentures	(6)	(831)
Net cash provided by financing activities	8,314	1,673
(Decrease) increase in cash and cash equivalents	(952)	3,177
Cash and cash equivalents, beginning of period	7,999	2,310
Cash and cash equivalents, end of period	\$ 7,047	\$ 5,487
Supplemental cash flow information		
Shares issued for convertible debentures	\$ -	\$ 2,957

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

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

1. NATURE OF OPERATIONS AND GOING CONCERN

Lion Copper and Gold Corp. (together with its subsidiaries, "**Lion CG**" or the "**Company**") is a copper explorer advancing its flagship copper assets at Yerington, Nevada, through an option to earn-in agreement with Rio Tinto America Inc. ("**Rio Tinto**"), subsequently assigned to Nuton LLC, a Rio Tinto venture. The Company was incorporated in British Columbia, Canada, on May 11, 1993. Its registered and records offices are located at 1200 - 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8. On September 19, 2024, the Company voluntarily delisted its common shares from the TSX Venture Exchange ("**TSXV**"), which were subsequently listed on the Canadian Securities Exchange ("**CSE**") under the same symbol "LEO" and quoted for trading on the OTCQB Market under the symbol "LCGMF".

The Company acquires its mineral properties through option or lease agreements and capitalizes acquisition costs related to the properties. The underlying value of the amounts recorded as mineral properties does not reflect current or future values. The Company's continued existence depends on discovering economically recoverable mineral reserves and obtaining the necessary funding to advance these properties.

These condensed interim consolidated financial statements ("**Interim Financial Statements**") are prepared on a going concern basis, which contemplates that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for at least twelve months from the date of approval of these Interim Financial Statements from the Board of Directors. During the nine months ended September 30, 2025, the Company incurred a loss of \$10,319 (2024 - \$3,990). As of September 30, 2025, the Company had an accumulated deficit of \$137,087 (December 31, 2024 - \$130,597), cash and cash equivalents of \$7,047 (December 31, 2024 - \$7,999), and a working capital deficit of \$1,274 (December 31, 2024 - surplus of \$346).

The Company has no source of revenue and has specific requirements to maintain its mineral property interests and meet its obligations as they come due. Although the Company has raised funds in the past and recently through debt, equity and strategic investors, there is no assurance that such financing will be available. During the nine months ended September 30, 2025, the United States and Canadian governments announced new tariffs on imported goods. This caused uncertainty to raise financing for properties outside of Nuton LLC. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration programs, or relinquish its rights under the existing option and acquisition agreements. The above factors represent material uncertainties that cast substantial doubt on the Company's ability to continue as a going concern.

If the going concern assumptions were not appropriate for these Interim Financial Statements, adjustments would be necessary to the carrying values of assets, liabilities, the reported expenses, and the consolidated balance sheet classifications used. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

The Interim Financial Statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("**U.S. GAAP**") including the accounts of the Company and its subsidiaries. All intercompany accounts and transactions were eliminated upon consolidation.

These Interim Financial Statements have been prepared on a historical cost and accrual basis except for certain financial instruments measured at fair value and the cash flow, respectively.

The Company consolidates an entity when it has power over that entity, is exposed, or has rights, to variable returns from its involvement with that entity and can affect those returns through its control over that entity.

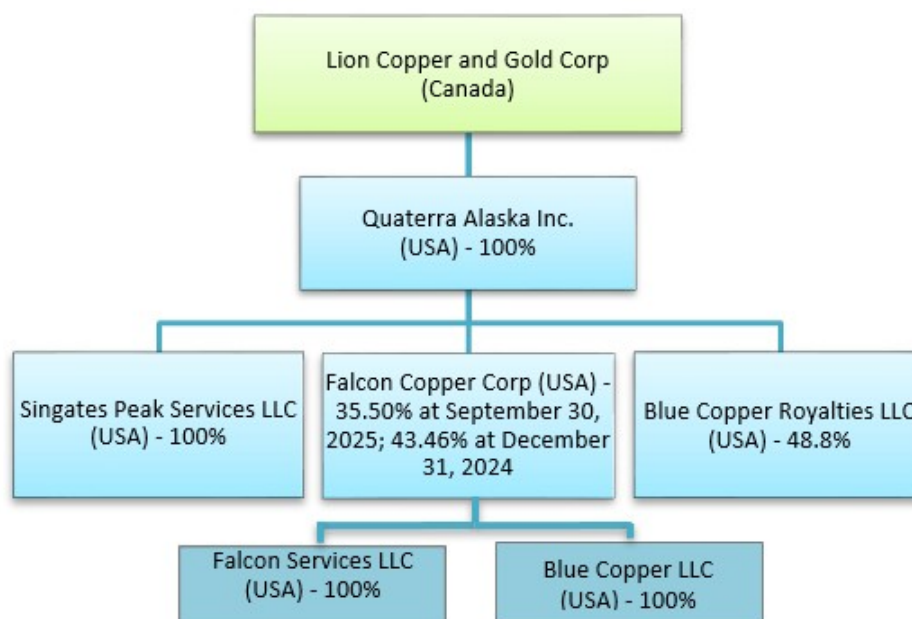
Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

These Interim Financial Statements include the Interim financial statements of Lion CG and its subsidiaries:



On October 4, 2021, Blue Copper LLC was incorporated in Montana, USA and acquired Blue Copper Prospect in Powell County and Lewis & Clark County in Montana.

On April 5, 2022, Quaterra Alaska Inc. ("Quaterra Alaska") sold its two options to acquire the Butte Valley property to Falcon Butte Minerals Corp. ("**Falcon Butte**"), formerly 1301666 B.C. Ltd., for \$500 cash and 16,049,444 shares in Falcon Butte represented 25.54% of shares outstanding (Note 5).

On December 13, 2022, Quaterra Alaska transferred its 100% interest in Blue Copper LLC, a 90% interest in the Groundhog property in Alaska, a 5% net profit interest associated with the Nieves silver property in Mexico, and Butte Valley royalty to Falcon Copper Corp., ("**FCC**") formerly, Blue Copper Resources Corp. in exchange for 57,513,764 common shares of FCC, represented 79.3% of the FCC's then-issued and outstanding shares (Note 6).

On August 25, 2023, Blue Copper Royalties LLC was incorporated in Wyoming for the purpose of holding certain royalties and on September 6, 2023, FCC transferred the Butte Valley royalty and interest in Nieves to Blue Copper Royalties.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these Interim Financial Statements are consistent with the accounting policies disclosed in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2024 except for the following:

Finder's Fees and Issuance Costs Related to Convertible Debentures

Finder's fees and other transaction costs incurred in connection with the issuance of convertible debentures are allocated among the financial instrument components based on their relative fair values at the date of issuance.

- **Debt Host Component:**

The portion of issuance costs allocated to the debt host are recorded as a direct deduction from the carrying amount of the debt liability and are amortized to accretion expense over the contractual term of the debt using the effective interest method.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

- **Derivative Liability Component:**

The portion of issuance costs allocated to any derivative liability component is expensed immediately in earnings upon issuance. Such costs are recorded within financing expenses in the statement of operations and comprehensive loss.

- **Equity Component:**

The portion of issuance costs allocated to an equity component is recorded as a reduction to equity. These costs are not amortized.

If the finder's fees or other issuance costs cannot be directly attributed to a specific component, they are allocated to each component based on the relative fair values of the components at issuance.

In preparing these Interim Financial Statements, management has made judgements, estimates and assumptions that affect the applicability of the Company's accounting policies. In preparing these Interim Financial Statements, the significant estimates and critical judgments were the same as those applied to the audited consolidated financial statements as at and for the year ended December 31, 2024.

As at December 31, 2024, the Company's ownership in FCC dropped below 50%, with ownership being 43.46% as at December 31, 2024 and 35.50% as at September 30, 2025. Management assessed control still exists and thus continues to consolidate FCC. In the absence of majority holdings, the Company will continue to consolidate FCC as the Company has majority representation on the board of directors.

The Company clarifies that all exploration and development expenditures incurred by FCC are funded independently by FCC and its investors. Lion Copper does not provide either direct financial support or intercompany funding for FCC's exploration activities.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

4. MINERAL PROPERTIES

Total mineral property acquisition costs are listed in the table below:

	Singatse Peak Services ("SPS")					Falcon Copper Corp. ("FCC")		
	MacArthur	Yerington	Bear	Wassuk	Copper Canyon	Blue Copper	Muncy	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance December 31, 2023	2,489	1,195	1,575	1,405	10	878	95	7,647
Acquisition costs	-	-	231	-	-	150	105	486
Paid by Nuton LLC	-	-	(231)	-	-	-	-	(231)
Total additions for the year	-	-	-	-	-	150	105	255
Balance December 31, 2024	2,489	1,195	1,575	1,405	10	1,028	200	7,902
Acquisition costs	-	-	131	-	-	225	-	356
Paid by Nuton LLC	-	-	(131)	-	-	-	-	(131)
Total additions for the period	-	-	-	-	-	225	-	225
Balance September 30, 2025	2,489	1,195	1,575	1,405	10	1,253	200	8,127

The Company owns a 100% interest in the MacArthur, Yerington and Wassuk properties and has an option to earn a 100% interest in the Bear property in Nevada.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

Total exploration expenditures recorded on the condensed interim consolidated statements of operations and comprehensive loss are listed in the tables below:

Exploration expenditures incurred for the nine months ended September 30, 2025

	Singatse Peak Services				Falcon Copper Corp			
	MacArthur	Yerington	Bear	Wassuk	Blue Copper	Muncy	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Property maintenance	207	73	-	81	136	-	214	711
Assay & Labs	-	24	29	-	-	-	-	53
Drilling	-	119	-	-	-	-	-	119
Environmental	1	308	-	-	-	-	-	309
Geophysical surveys	-	-	-	-	-	18	-	18
Technical study	54	1,783	7	-	-	-	-	1,844
Field support	-	14	2	-	113	-	-	129
Total expenses incurred	262	2,321	38	81	249	18	214	3,183
Total Expenditures funded by Nuton LLC	(262)	(2,321)	(38)	(81)	-	-	-	(2,702)
Total Expenditures not funded by Nuton LLC	-	-	-	-	249	18	214	481

Exploration expenditures incurred for the three months ended September 30, 2025

	Singatse Peak Services				Falcon Copper Corp			
	MacArthur	Yerington	Bear	Wassuk	Blue Copper	Muncy	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Property maintenance	201	73	-	80	98	-	192	644
Assay & Labs	-	14	9	-	-	-	-	23
Environmental	-	70	-	-	-	-	-	70
Geophysical surveys	-	-	-	-	-	7	-	7
Technical study	1	203	-	-	-	-	-	204
Field support	-	-	-	-	85	-	-	85
Total expenses incurred	202	360	9	80	183	7	192	1,033
Total Expenditures funded by Nuton LLC	(202)	(360)	(9)	(80)	-	-	-	(651)
Total Expenditures not funded by Nuton LLC	-	-	-	-	183	7	192	382

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

Exploration expenditures incurred for the nine months ended September 30, 2024

	Singatse Peak Services				Falcon Copper Corp			
	MacArthur	Yerington	Bear	Wassuk	Muncy	Blue Copper	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Property maintenance	197	710	-	80	62	165	82	1,296
Assay & Labs	180	90	49	-	-	-	-	319
Drilling	366	1,284	1,466	-	-	-	-	3,116
Environmental	42	572	-	-	-	-	-	614
Geological & mapping	-	-	-	-	3	-	-	3
Geophysical surveys	-	45	-	-	29	-	-	74
Technical study	-	1,149	-	-	-	-	-	1,149
Field support	-	1	18	-	-	43	7	69
Total expenses incurred	785	3,851	1,533	80	94	208	89	6,640
Total Expenditures funded by Nuton LLC	(785)	(3,851)	(1,533)	(80)	-	-	-	(6,249)
Total Expenditures not funded by Nuton LLC	-	-	-	-	94	208	89	391

Exploration expenditures incurred for the three months ended September 30, 2024

	Singatse Peak Services				Falcon Copper Corp			
	MacArthur	Yerington	Bear	Wassuk	Muncy	Blue Copper	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Property maintenance	193	305	-	80	62	105	82	827
Assay & Labs	71	1	5	-	-	-	-	77
Drilling	-	105	1	-	-	-	-	106
Environmental	2	112	-	-	-	-	-	114
Geological & mapping	-	-	-	-	3	-	-	3
Technical study	-	444	-	-	-	-	-	444
Field support	-	-	-	-	-	15	5	20
Total expenses incurred	266	967	6	80	65	120	87	1,591
Total Expenditures funded by Nuton LLC	(266)	(967)	(6)	(80)	-	-	-	(1,319)
Total Expenditures not funded by Nuton LLC	-	-	-	-	65	120	87	272

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Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

a) Option Agreement with Nuton LLC

On March 18, 2022, the Company entered into an Option Agreement, as amended, with Nuton LLC whereby Nuton LLC has the exclusive option to earn an initial 65% interest in the assets comprising Yerington, MacArthur, Wassuk, Bear, and associated water rights (the "**Mining Assets**"). The option is exercisable through a three-stage work program, including a fully funded feasibility study not to exceed \$50,000 in Stage 3 (the "**Option Agreement**").

Such initial interest may be further increased upon the terms and conditions set forth in the Option Agreement.

In addition, Nuton LLC will evaluate the potential commercial deployment of its Nuton™ technologies at the Company's project site.

The Option Agreement was effective on April 27, 2022, when TSXV approved it.

On May 16, 2022, the Stage 1 work program for the MacArthur project commenced, focusing on metallurgical testing, engineering scoping studies, and a 6,500- foot drill program. Nuton LLC provided \$4,000 in funding for Stage 1, which was completed on December 22, 2022.

On January 5, 2023, a 12-month Stage 2 work program was approved, including Yerington Site engineering studies and a 17,000-foot drill program targeting high priority exploration areas. On January 13, 2023, Nuton LLC funded Stage 2 with \$5,000, along with an additional \$2,500 advanced from the Stage 3 earn-in amount.

On October 5, 2023, the Option Agreement was amended to modify Stage 2 work program. Under the amendment, Stage 2 was extended and divided into two phases: Stage 2 (work completed through January 12, 2024) and Stage 2b (extending the term to September 12, 2024), allowing for continued testing and evaluation of the Nuton™ technologies. On January 4, 2024, Nuton LLC approved and advanced \$11,500 of the Stage 3 earn-in amount to fund the Stage 2b work program.

On November 15, 2024, the Option Agreement was amended further to extend the term of Stage 2 until June 30, 2025. Stage 2b was mutually agreed to conclude on September 30, 2024, and a new Stage 2c was established to complete a pre-feasibility study (**PFS**) from October 1, 2024, through June 30, 2025. The Company announced the PFS results on August 5, 2025, and subsequently filed the report on September 18, 2025.

To fund Stage 2c, Nuton LLC advanced an additional \$5,000 of the Stage 3 earn-in amount and agreed to carry over the unspent Stage 2b funding of \$3,160 to support the Stage 2c work program.

As of September 30, 2025, Nuton LLC had provided a total of \$28,000 under the Option Agreement, including \$19,000 advanced from Stage 3, which involves the completion of a feasibility study. If Nuton LLC elects to proceed with Stage 3, it will provide an additional \$31,000, bringing total Stage 3 funding to \$50,000 (net of the \$19,000 advance). If Nuton LLC chooses not to proceed, Lion Copper will retain 100% ownership of its Mining Assets and pursue alternative funding sources.

A continuity of the Company's Nuton LLC deposit is as follows:

Balance December 31, 2023	\$	1,357
Funds received		16,500
Funds applied to prepaids		(15)
Funds applied to capitalized acquisition costs		(231)
Funds applied to exploration expenditures		(7,797)
Funds applied to general operating expenditures		(3,169)
Balance December 31, 2024	\$	6,645
Funds applied to capitalized acquisition costs		(131)
Funds applied to exploration expenditures		(2,702)
Funds applied to general operating expenditures		(2,925)
Balance September 30, 2025	\$	887

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

General operating expenditures associated with exploration activities are comprised of salaries of \$920 (2024 - \$795), water rights related legal and other professional fees of \$937 (2024 - \$827), and general administration expenses of \$1,068 (2024 - \$784) for the nine months ended September 30, 2025.

b) MacArthur and Yerington Properties, Nevada

Located in the historic copper district of Yerington, Nevada, the Company's Yerington and MacArthur properties are 100% owned by SPS, a wholly owned subsidiary of Quaterra Alaska.

The MacArthur Project consists of unpatented lode claims and placer claims and covers lands administered by the U.S. Department of Interior - Bureau of Land Management ("**BLM**").

The MacArthur Project is subject to a 2% net smelter return royalty ("**NSR**") upon commencing commercial production, which can be reduced to a 1% NSR in consideration of \$1,000.

The Yerington Mine Property is centered on the former Anaconda open pit copper mine. This includes fee simple parcels and patented mining claims as well as unpatented lode and placer claims on lands administered by the BLM.

The Yerington Mine Property is subject to a 2% NSR upon commencing commercial production. The total lifetime royalty is capped at \$7,500.

On March 13, 2025, the Company announced the successful negotiation of a Settlement Agreement with the Nevada Division of Water Resources and the Nevada State Engineering (collectively, the "State") to reinstate 3,452.8 ac-ft of previously forfeited water rights essential for the development of the Yerington Copper project. As a result, the State has officially rescinded its notice of forfeiture, thus restoring all the Company's 6,014.5 ac-ft of water rights to good standing. This Settlement Agreement effectively terminates the legal proceedings initiated by the Company to defend its water rights.

c) Bear Deposit, Nevada

The Bear deposit consists of private land located to the northeast of the Yerington Mine Property, plus several hundred acres beneath the Yerington Mine property.

The Company has five option agreements, entered from March 2013 to May 2015, to acquire a 100% interest in private lands covering the Bear deposit. Under the terms of these option agreements, as amended, the Company is required to make \$6,318 in cash payments over 16 years (\$5,765 paid) to maintain the exclusive right to purchase the land, mineral rights, and certain water rights and to conduct mineral exploration on these properties. Two of the properties are subject to a 2% NSR upon commencing commercial production, which can be reduced to a 1% NSR in consideration of \$1,250 total.

The outstanding payments required to keep the option agreements in good standing are as follows: \$100 due in 2025, \$201 due in 2026, \$101 due in each of 2027 and 2028, and \$50 due in 2029 for a total of \$553.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

These five option agreements include purchase provisions for cash payments ranging from \$250 to \$22,770, with terms requiring varying written notices (from no notice to 12-month notice).

d) Wassuk, Nevada

The Wassuk property consists of unpatented lode claims on lands administered by the BLM.

The property is subject to a 3% NSR upon commencing commercial production, which can be reduced to a 2% NSR royalty in consideration of \$1,500.

e) Copper Canyon, Nevada

On August 21, 2023, the Company entered into a Purchase and Sale Agreement with Convergent Mining, LLC, whereby the Company purchased the title to the Copper Canyon claims from Convergent Mining, LLC upon closing of agreement. As consideration, the Company paid \$10 in necessary claim fees. Further, the Company is required to pay an exploration fee to Convergent Mining, LLC calculated as 5% of the first \$2,000 of qualifying exploration costs, not exceeding \$100.

f) Blue Copper Project, Montana

During the year ended December 31, 2021, Blue Copper LLC acquired and staked a district scale exploration opportunity (the "Blue Copper Project") in Powell County and Lewis & Clark County in Montana, USA. The area is prospective for high grade porphyry copper-gold mineralization. On December 13, 2022, 100% interest in Blue Copper LLC was transferred to the Company.

On May 12, 2023, FCC made a payment of \$60 for the Freedom and Cyclone claims in Montana which is capitalized in Blue Copper Project.

On April 18, 2023, FCC entered into a lease agreement for a Montana property and paid an initial cash payment of \$200 which is capitalized in Blue Copper project.

During the year ended December 31, 2024, the Company paid an advance rental payment of \$150 pursuant to the lease agreement.

A Plan of Operations for exploration of the Blue Copper Project is approved by the relevant agencies.

g) Cabin Property, Nevada

In 2023, FCC staked approximately 9,000 acres of federal mining claims in White Pine County, Nevada, the area of interest which is termed Cabin. The Cabin Property represents a potential major copper-moly porphyry discovery concealed beneath the Spring Valley pediment within a district-scale BLM land package, located immediately north of the Muncy Property.

h) Muncy Property, Nevada

On November 22, 2023, FCC entered into an Option to Joint Venture Agreement with Kennecott Exploration Company ("Kennecott"), a Rio Tinto subsidiary.

Pursuant to the agreement, Kennecott grants FCC the sole and exclusive right and option to acquire 100% interest in the Muncy Property. To exercise this option, FCC must satisfy the following:

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

- pay the payment commitment of \$95 to Kennecott on or before the effective date of November 22, 2023 (Paid);
- pay an additional payment commitment of \$105 by December 1, 2024 (Paid);
- pay an additional payment commitment of \$50 by December 1, 2025;
- pay an additional payment commitment of \$60 by December 1, 2026;
- incur expenditures of \$1,500 with respect to the Muncy Property and \$1,000 with respect to the Cabin Property on or before the expenditure commitment date of November 22, 2025;
- ensure that no less than 70% of the expenditure commitment for the Muncy Property consists of drilling expenses for the Muncy Property;
- ensure that no less than 70% of the expenditure commitment for the Cabin Property consists of drilling expenses for the Cabin Property.
- Kennecott has the one time right to opt in for a 40% minority interest at the asset level.

If FCC decides to terminate the option at any time, they will grant Kennecott a 2.0% net smelter royalty in the Cabin Property. After this is done, the agreement, except for specified sections, will terminate.

If Kennecott elects not to form a joint venture, Kennecott must transfer all their rights in the Muncy Property to the FCC. In return, FCC will grant the optionor a 2.0% NSR in the properties. Before FCC decides to develop a commercial mining operation on any portion of the properties, FCC has the right to reduce the net smelter royalty from 2.0% to 1.0% by paying the optionor \$10,000 in cash.

i) Recon, Nevada, Arizona, and other prospects

During the nine months ended September 30, 2025, FCC incurred \$214 (2024 - \$183) in evaluation expenditures on reconnaissance on targets in Nevada, Arizona and Montana in order to determine whether they warranted further pursuit.

5. INVESTMENT IN ASSOCIATE

On April 5, 2022, the Company received 16,049,444 shares in Falcon Butte, in connection with a property acquisition agreement to assign the Company's options to acquire the Butte Valley property. At the time of acquisition, the 16,049,444 shares represented 25.54% of shares outstanding and the initial balance of the investment was determined to be \$1,906 (\$2,374 CAD). As at December 31, 2024 and September 30, 2025, the Company's share ownership was 20.47% and 20.44%, respectively. The Company and Falcon Butte have one common director, as such, management has assessed that the Company has significant influence over Falcon Butte and that the investment should be accounted for using the equity method of accounting.

Summarized financial information of Falcon Butte and a reconciliation of the carrying amount of the investment in the Interim Financial Statements are set out below:

Summarized balance sheet:

	September 30, 2025		December 31, 2024	
Assets				
Cash	\$	174	\$	381
Receivables		8		16
Financial asset - Convertible loan receivable		100		100
Prepays & deposits		15		9
Investment in associate		3,845		4,067
Total Assets	\$	4,142	\$	4,573
Liabilities				
Accounts payable & accrued liabilities	\$	21	\$	14
Derivative liabilities		1,998		881
Total Liabilities	\$	2,019	\$	895

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

Summarized statement of loss

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Operating expenses		
General and administrative expenses	\$ 1,140	\$ 2,800
Total operating expenses	1,140	2,800
Fair value (gain) loss on derivative liability	801	(440)
Other income	(104)	(244)
Foreign exchange loss (gain)	148	(83)
Net loss	1,985	2,033

A continuity of the Company's investment in associate is as follows:

Balance December 31, 2023	\$ 1,206
Company's share of net loss	(104)
Balance December 31, 2024	\$ 1,102
Company's share of net loss	(406)
Balance September 30, 2025	\$ 696

6. NON-CONTROLLING INTEREST

On December 13, 2022, Quaterra Alaska assigned and transferred all right, title and interest in the Groundhog property, Butte Valley Royalty, 100% of the outstanding membership interest held in Blue Copper LLC, and the interest in the Nieves project to FCC.

As consideration, Quaterra Alaska was issued 57,513,764 common shares of FCC which represented 79.3% of all issued and outstanding shares at December 13, 2022. This transaction was considered a transaction between entities under common control, and thus was recorded at carrying value.

On March 2, 2023, FCC completed a private placement financing of \$2,000 by issuing 23,809,524 units at a price of \$0.084. Each unit consists of one common share, and one common share purchase warrant exercisable at \$0.15 for a period of 1 year.

In addition, the private placement was considered a "triggering event" for SAFE Notes. FCC had previously raised \$868 in SAFE Notes and were converted into equity of FCC, resulting in FCC issuing an additional 21,629,382 common shares.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

On September 6, 2023, FCC carried out a re-organization of its assets and capital structure (the transaction described herein is referred to as the "Reorganization"). On August 25, 2023, a new entity, BCR LLC was organized in Wyoming. BCR LLC subsequently adopted an Operating Agreement that provided for issuance of LLC Interests to its Members in the same amounts as shares issued to Shareholders of FCC. On September 6, 2023, two of the mining assets, referred to as the Butte Valley Royalty and the Nieves Royalty, that had been held by FCC were assigned to BCR LLC in exchange for 100% of the issued and outstanding LLC Interests of BCR LLC. The Nieves Royalty may only be transferred with the written consent of a third party which was received October 23, 2023, resulting in the Nieves property transferring immediately. The same LLC interests were immediately distributed pro rata to the shareholders of FCC. Furthermore, FCC had previously issued Warrants to purchase 7,936,508 (total of 23,809,524 common share purchase warrants) shares of Common Stock of FCC at a Warrant Price of \$0.15 per Share. As part of the Reorganization, these Warrants were exchanged by the Warrant Holders for two new Warrants; one issued by FCC to purchase 7,936,508 Shares of FCC at a Warrant Price of \$0.1332 per Share, and the other issued by BCR LLC to purchase 7,936,508 LLC Units of BCR LLC at a Warrant Price of \$0.0168 per LLC Unit. The exchange transaction was accounted for under ASC 815 whereby the effect of the exchange was measured as the excess of the fair value of the exchanged warrant over the fair value of the warrant immediately before it is exchanged. Using this method, the effect of the exchange was calculated to be \$Nil. As a result of the Reorganization and the issuance and distribution of these LLC Interests, each shareholder of FCC holds the same percentage interest in FCC as the shareholders holds in BCR LLC. Additionally, the Warrant Holders now holds two Warrants, one issued by each of FCC and BCR LLC, with the aggregate value of the two warrants equal to the aggregate value of the Warrant that they held prior to the exchange. The net effect is that the capital structure of BCR LLC matches the capital structure of FCC, including the issuance of new Warrants, and the Butte Valley Royalty and Nieves Royalty are now held by BCR LLC rather than FCC.

On October 17, 2023, FCC issued 2,750,000 common shares at a price of \$0.10 per common share for total proceeds of \$275.

From February to May 2024, FCC issued a total of 11,637,931 common shares at \$0.116 per common share for gross proceeds of \$1,350.

During the nine months ended September 30, 2025, FCC issued a total of 4,150,000 common shares at \$0.116 per common share for gross proceeds of \$483, 1,700,000 common shares pursuant to the exercise of 1,200,000 options at \$0.10 and 500,000 options at \$0.12 for proceeds of \$180, and 23,809,524 common shares pursuant to the exercise of 23,809,524 warrants at \$0.10 for proceeds of \$2,382. FCC also granted 12,680,000 stock options to certain officers, directors, employees and consultants, and 25,000,000 performance options to certain officers, directors, and employees, exercisable into one common share of FCC with exercise prices ranging from \$0.10 - \$0.12 for five years from the dates of grant.

The 25,000,000 performance options granted are subject to certain vesting milestones:

- a. 18,000,000 upon engagement by FCC of a government relations and advisory firm (met);
- b. 1,500,000 upon completion of the Blue Copper Phase 1 drill program (met);
- c. 1,000,000 upon the early execution of the entirety of the warrants existing as of March 31, 2025 (met);
- d. 3,000,000 upon the completion of a specified future equity financing (not met); and
- e. 1,500,000 upon completion of Cabin and Muncy phase 1 drill programs (not met).

The stock options and performance options were valued at \$2,964 using the Black-Scholes model with the following estimates:

	January 5, 2025	April 14, 2025	May 28, 2025	July 15, 2025
Risk-free interest rate	2.96%	2.74%	2.85%	3.13%
Expected life (years)	5.00	5.00	5.00	5.00
Annualized volatility	109.67%	104.29%	99.79%	101.34%
Forfeiture rate	0%	0%	0%	0%
Dividend yield	0%	0%	0%	0%

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

As a result of the above, the Company's ownership in FCC is reduced to 35.50% as of September 30, 2025 (December 31, 2024 - 43.46%), with the changes in NCI listed below:

Balance December 31, 2023	\$	3,117
Issuance of common shares		1,350
Net loss and comprehensive loss attributable to NCI		(807)
Balance December 31, 2024	\$	3,660
Issuance of common shares		3,045
Issuance of preferred shares		474
Grant of options and warrants		2,964
Net loss and comprehensive loss attributable to NCI		(3,829)
Balance September 30, 2025		6,314

7. DERIVATIVE LIABILITIES

During the year ended December 31, 2024, the Company issued certain share purchase warrants and convertible debt that can be exercised and converted in USD or CAD (Note 8). During the nine months ended September 30, 2025, the Company issued certain convertible debt with a variable conversion price (Note 8). The warrants and the conversion feature were classified as derivative liabilities, carried at fair value and revalued at each reporting date.

A continuity schedule of the Company's derivative liabilities is as follows:

Balance December 31, 2023	\$	176
Issuance of warrants for private placement (Note 10)		346
Issuance of warrants upon conversion of existing debentures (Note 8)		60
Issuance of contingent warrants upon conversion of existing debentures (Note 8)		649
Issuance of warrants and conversion feature for extinguishment of existing debentures (Note 8)		55
Modification of warrants upon restructuring of debentures (Note 8)		109
Modification of conversion feature upon restructuring of debentures (Note 8)		129
Issuance of warrants - equity (Note 8)		(359)
Fair value change on derivative liabilities		(876)
Balance December 31, 2024	\$	289
Issuance of convertible debentures with variable conversion price		1,102
Fair value change on derivative liabilities		1,521
Balance September 30, 2025	\$	2,912

8. CONVERTIBLE DEBENTURES

On June 17, 2022, July 8, 2022, and March 2, 2023, the Company closed its non-brokered private placement of unsecured convertible debentures for total gross proceeds of \$3,306. The debentures bear interest at a rate of 14% per annum and mature on February 17, 2024, March 8, 2024, and November 2, 2024, respectively. The debentures are convertible into shares of the Company at \$0.078 (\$0.10 CAD) per share for 2022 issued debentures and at \$0.070 (\$0.095 CAD) per share for 2023 issued debentures.

In conjunction with the three tranches of convertible debt financing, the Company issued 16,044,774, 13,805,964, and 18,461,015 warrants. The warrants are exercisable into one common share of the Company at \$0.067 (\$0.085 CAD) per share and expire on February 17, 2024, at \$0.067 (\$0.085 CAD) per share and expire on March 8, 2024, and at \$0.070 (\$0.095 CAD) per share and expire on November 2, 2024, respectively.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

On February 16, 2024, the Company issued 12-month convertible debentures of \$941, bearing an interest rate of 20% per annum. These debentures replaced previously issued debentures that were due in February 2024.

These debentures are convertible into common shares of the Company at a price of \$0.06 (\$0.08 CAD) per share, or at the holder's option.

15,696,882 warrants were also issued on February 16, 2024 exercisable at \$0.06 (\$0.08 CAD) until February 16, 2025. These warrants were determined to be liability classified as the warrants can be exercised in a currency other than its functional currency (Notes 7, 10).

The Company repaid a total of \$936 for the convertible debentures in December 2024 and the remaining \$5 in February 2025, along with accrued interest. Additionally, on March 8, 2024, and February 14, 2025, the Company repaid convertible debentures totaling \$831 and \$6, in cash, respectively, with a loss of \$5 and \$Nil recognized.

Based on the terms of the newly issued debentures, the convertible debentures were determined to be a financial instrument comprising a host debt component, and the conversion feature and warrants denominated in Canadian dollars are classified as a derivative liability. In this case, as the conversion option on the instrument is bifurcated both before and after the modification or exchange, the Company used the 10% cash flow test. As a result, the change in cash flows was considered not substantial for the convertible debentures issued on June 17, 2022, and July 8, 2022, and extinguishment accounting was not applied. A new effective interest rate was determined and there was no gain or loss recorded on the consolidated statements of operations and comprehensive loss. However, the convertible debentures issued on March 2, 2023, surpassed the 10% cash flow test and as a result, the debentures were considered extinguished. A new effective interest was determined and there was a loss on extinguishment recorded on the consolidated statements of operations and comprehensive loss.

Under ASC 815, for the convertible debentures that did not meet the 10% cash flow test, the amended conversion feature and the replacement warrants were valued using the Black Scholes model and the difference between the fair value of the original conversion feature and amended conversion feature were reflected on the consolidated statements of operations and comprehensive loss as a gain/loss on the revaluation of the derivative liabilities. The changes in fair value of the warrants associated with the prior debentures was recognized as a gain/loss and the fair value of the replacement warrants were deducted from the face value of the replacement debentures. For the convertible debentures that surpassed the 10% cash flow test, the fair value of the debentures at maturity were present valued using the new effective interest rate of 44.01% and the conversion feature and replacement warrants were valued using the Black Scholes model. The difference between the present value of the new debentures, conversion feature, replacement warrants and the carrying value of the prior debentures, fair value of the original conversion feature and warrants were recorded on the consolidated statements of operations and comprehensive loss as a loss on extinguishment of \$55.

On March 8, 2024, the Company completed a private placement of \$1,000 and issued 4,107,998 units and 41,707,215 common shares to settle \$1,924 of debenture debt. The fair value of the shares and warrants is \$2,723 and \$59, respectively. These warrants were determined to be liability classified as the warrants have an exercise price in a currency other than its functional currency (Notes 7, 10).

In conjunction with the Company's CSE listing on September 19, 2024, 41,707,215 warrants were issued to certain directors and individual who converted their debts into common shares of the Company on March 8, 2024. These warrants were treated as a contingency with their fair value being recorded as a derivative liability on March 8, 2024. On September 19, 2024, these warrants were revalued at \$359 and recorded as equity since all are exercisable in USD, the functional currency of the Company.

Under ASC 815, the conversion of debt with a bifurcated conversion option is accounted for under the debt extinguishment accounting model. Therefore, both the debt and the conversion option that is accounted for as a derivative was derecognized at their carrying amounts and the consideration transferred were measured at its then-current fair value, with any difference recorded as a gain or loss on the extinguishment of the two separate liabilities. The existing debenture settlement resulted in a loss on conversion of \$1,690.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

On November 14, 2024, February 3, 2025, March 11, 2025, May 19, 2025, and May 31, 2025, FCC entered into convertible loan agreements for \$250, \$200, \$20, \$75, and \$121 respectively. The loans bear interest at 5% per annum and have 12 months terms. The principal and accrued interest is convertible into common shares of FCC at the lower of the price per share in the lowest equity financing undertaken by FCC during the term of the loan or \$0.106.

Under ASC 815, the conversion feature does not require bifurcation. Therefore, both the debt and the conversion option is accounted for as a single liability carried at book value plus accrued interest.

On July 24, 2025 and August 20, 2025, FCC issued convertible debentures totaling \$5,065 (\$4,065 and \$1,000, respectively), at a 10% discount. The debentures mature nine months from the respective issue dates and are convertible into common shares of FCC in accordance with their terms, subject to the occurrence of a specified future equity financing and a corporate event.

In connection with the issuance of the debentures, each debenture holder received bonus preferred shares of FCC equal to 20% of the debenture proceeds. The bonus preferred shares are non-redeemable and are convertible into shares of FCC for a period of 24 months from the date of issuance.

Both the debentures and bonus preferred shares are convertible into FCC common shares at the lowest of the following prices:

- a) The price per share equal to a 20% discount to the price of the specified future equity financing;
- b) The price per share equal to the valuation cap (\$60,000) divided by the total number of common and preferred shares outstanding; or
- c) A 20% discount to the 5-day volume-weighted average price (VWAP) of the common shares upon the closing of a corporate event.

Based on the terms of the July 24 and August 20 debentures, the convertible debentures were determined to be a financial instrument comprising a host debt component, with a conversion feature with a variable conversion price classified as a derivative liability, and preferred shares classified as equity.

The fair value of the warrants and conversion features were determined using the Black-Scholes Option Pricing Model using the assumptions set out as follows, except for the July 24, 2025 and August 20, 2025 tranches which were instead used to determine if option (b) above would yield a higher payoff than the other options:

	Initial recognition in			
	2024	September 19, 2024	December 31, 2024	March 31, 2025
Risk-free interest rate	4.07 - 4.41%	2.72%	2.92%	2.57%
Expected volatility	10%	16.15%	21.76%	22.75%
Dividend yield	0%	0%	0%	0%
Expected life	1 - 5.56 years	5.00 years	0.13 - 4.18 years	3.94 years

	June 30, 2025	July 24, 2025	August 20, 2025	September 30, 2025
Risk-free interest rate	2.79%	3.98%	3.81%	2.47%
Expected volatility	22.57%	94.61 - 99.69%	95.23 - 95.50%	21.53 - 96.07%
Dividend yield	0%	0%	0%	0%
Expected life	3.69 years	0.75 - 2.00 years	0.75 - 2.00 years	0.56 - 3.44 years

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

For the July 2025 and August 2025 tranches, management determined the fair value of each component as follows:

Host Debt:

Instrument	Measurement Date	Principal Amount	Fair value	Effective Interest rate	Finder's fee allocation
July Tranche	24/07/2025	\$ 4,517	\$ 3,725	79.85%	\$ 175
August Tranche	20/08/2025	\$ 1,111	\$ 918	85.75%	\$ 65

Derivative Liability:

Instrument	Initial recognition	Principal Amount	Fair value	Finder's fee allocation
July Tranche	24/07/2025	\$ 4,517	\$ 813	\$ 42
August Tranche	20/08/2025	\$ 1,111	\$ 209	\$ 15

Instrument	Q3 period end	Principal Amount	Fair value	Finder's fee allocation
July Tranche	30/09/2025	\$ 4,517	\$ 813	\$ 42
August Tranche	30/09/2025	\$ 1,111	\$ 209	\$ 15

Preferred Share:

Instrument	Measurement Date	Principal Amount	Fair value	Finder's fee allocation
July Tranche	24/07/2025	\$ 903	\$ 549	\$ 26
August Tranche	20/08/2025	\$ 222	\$ 135	\$ 9

Finder's fees allocated to the host debt was accounted for as a direct reduction to the carrying amount of debt and amortized to accretion expense over the term of the debt, while finder's fees allocated to preferred shares were accounted for as a direct reduction to equity. The finder's fees allocated to the derivative liability were expensed immediately in financing costs in the statement of operations and comprehensive loss.

A continuity schedule of the Company's convertible debt is as follows:

Balance as at December 31, 2023	\$ 3,544
Issued	461
Extinguished debt - fair value of conversion feature	(30)
Extinguished debt - fair value of warrants	(30)
Modified debt - fair value of warrants	(93)
Accretion	220
Interest	228
Extinguished	(150)
Converted	(1,976)
Repayment	(1,922)
Loss on repayment	5
Balance as at December 31, 2024	\$ 257
Issued	3,630
Accretion	446
Interest	20
Repayment	(6)
Balance as at September 30, 2025	\$ 4,347

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

9. SHARE CAPITAL

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

Share transactions for the nine months ended September 30, 2025

In June and August 2025, the Company issued a total of 2,223,635 common shares pursuant to the exercises of stock options for total proceeds of \$127.

Share transactions for the year ended December 31, 2024

- a) On February 16, 2024 and March 8, 2024, the Company issued 3,500,000 and 45,815,213 common shares to settle existing debentures at a price of \$0.074 and \$0.042 per common share (Note 8), respectively.
- b) On March 8, 2024, the Company closed a private placement consisting of an aggregate of 23,809,522 units at a price of \$0.042 per unit for aggregate gross proceeds to the Company of \$1,000. Each unit consists of one common share and one common share purchase warrant of the Company (Note 7, 10).
- c) In June 2024, the Company issued 3,063,000 common shares in connection with stock options exercised for total proceeds of \$181.
- d) On November 8, 2024, the Company closed a private placement consisting of 25,155,554 units at a price of \$0.045 per unit for gross proceeds of \$1,132. Each unit consisted of one common share and one 5-year common share purchase warrant exercisable at \$0.06 (Note 10).

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

10. ADDITIONAL PAID-IN CAPITAL

a) Stock options

The Company has a stock option plan under which the Company is authorized to grant stock options up to 20% of the issued and outstanding common shares at the time of grant, subject to certain restrictions.

Under the stock option plan, all stock options are granted at the discretion of the Company's board of directors, including any vesting provisions if applicable. The term of any stock option grants may not exceed ten years, and the exercise price may not be lower than the closing price of the Company's share on the last trading day immediately preceding the date of grant. Typically, stock options granted have five-year terms and are vested either immediately or subject to certain milestone requirements.

During the nine months ended September 30, 2025, the Company granted the following stock options:

- 7,500,000 performance options with an exercise price of \$0.08, expiring on April 4, 2030, and vest as follows:
 - 3,750,000 vest upon either (a) the market capitalization of the Company's common shares reaches \$100,000 for any 30 consecutive trading days or (b) the Company closing a liquidity event having a fair market value of no less than \$100,000;
 - 3,750,000 vest upon either (a) the market capitalization of the Company's common shares reaches \$200,000 for any 30 consecutive trading days or (b) the Company closing a liquidity event having a fair market value of no less than \$200,000;

The performance options were valued using a Monte Carlo simulation model with the following inputs:

	April 4, 2025
Risk-free interest rate	2.52%
Expected volatility	125%
Dividend yield	0%
Market Cap	\$100M/\$200M
Exercise Price	\$0.08
Simulation Paths	10,000

- 20,000,000 options to directors of the Company with an exercise price of \$0.087, expiring on September 5, 2030, and vesting immediately.
- 1,500,000 options to certain officers, employees, and consultants with an exercise price of \$0.098, expiring on September 8, 2030. And vesting immediately

During the year ended December 31, 2024, the Company granted the following stock options:

- 14,295,000 on March 1, 2024 with an exercise price of \$0.07 CAD and expiring on March 1, 2029.
- 1,700,000 on July 10, 2024 with an exercise price of \$0.08 CAD and expiring on October 24, 2024.
- 7,500,000 on July 26, 2024 with an exercise price of \$0.08 CAD and expiring on July 26, 2029.
- 17,160,000 on December 10, 2024 with an exercise price of \$0.085 CAD and expiring on December 10, 2029.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

The continuity of the number of stock options issued and outstanding is as follows:

	September 30, 2025		December 31, 2024	
	Number of options	Weighted average exercise price (CAD)	Number of options	Weighted average exercise price (CAD)
Outstanding, beginning of period	63,735,248	0.09	49,239,020	0.10
Granted	29,000,000	0.12	40,655,000	0.08
Expired	(1,970,648)	0.08	(13,595,772)	0.09
Cancelled	-	-	(9,500,000)	0.11
Exercised	(2,223,635)	0.08	(3,063,000)	0.08
Outstanding, end of period	88,540,965	0.10	63,735,248	0.09

As of September 30, 2025, the number of stock options outstanding and exercisable were:

Expiry date	Exercise price	Number of options outstanding	Remaining contractual life in years	Number of options exercisable
June 18, 2026	0.25 CAD	2,550,000	0.72	2,550,000
October 21, 2026	0.09 CAD	900,000	1.06	900,000
May 25, 2027	0.085 CAD	2,000,000	1.65	2,000,000
March 2, 2028	0.095 CAD	350,000	2.42	350,000
July 21, 2028	0.08 CAD	16,215,965	2.81	16,215,965
March 1, 2029	0.07 CAD	12,865,000	3.42	12,865,000
July 26, 2029	0.08 CAD	7,500,000	3.82	4,500,000
December 10, 2029	0.085 CAD	17,160,000	4.20	17,160,000
April 4, 2030	0.08	7,500,000	4.51	-
September 5, 2030	0.087	20,000,000	4.93	20,000,000
September 8, 2030	0.098	1,500,000	4.94	1,500,000
Balance, September 30, 2025		88,540,965		78,040,965

As of December 31, 2024, the number of stock options outstanding and exercisable were:

Expiry date	Exercise price (CAD)	Number of options outstanding	Remaining contractual life in years	Number of options exercisable
June 20, 2025*	0.08	2,450,000	0.47	2,450,000
August 18, 2025	0.072	1,744,283	0.13	1,744,283
June 18, 2026	0.25	2,550,000	0.97	2,550,000
October 21, 2026	0.09	900,000	1.31	900,000
May 25, 2027	0.085	2,000,000	1.90	2,000,000
March 2, 2028	0.095	350,000	2.67	350,000
July 21, 2028	0.08	16,215,965	3.06	16,215,965
March 1, 2029	0.07	12,865,000	3.67	12,865,000
July 26, 2029	0.08	7,500,000	4.07	1,500,000
December 10, 2029	0.085	17,160,000	4.45	17,160,000
Balance, December 31, 2024		63,735,248		57,735,248

During the nine months ended September 30, 2025, an amount of \$1,876 (2024 - \$789) was expensed as share-based payments related to the grants and vesting of options. The following weighted average assumptions were applied using the Black-Scholes Option Pricing model used to estimate the fair value of stock options granted during the nine months ended September 30, 2025 and 2024.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Risk-free interest rate	2.77% - 2.82%	3.65%
Expected life (years)	5	4.83
Annualized volatility	135.78% - 139.95%	138%
Forfeiture rate	0%	0%
Dividend yield	0%	0%

b) Share purchase warrants

During the year ended December 31, 2024, the Company granted the following share purchase warrants:

- 15,696,882 on February 16, 2024 with an exercise price of \$0.06 (\$0.08 CAD) and expiring on February 16, 2025 (expired).
- 27,917,520 on March 8, 2024 with an exercise price of \$0.056 and expiring on March 8, 2029.
- 41,707,215 on September 19, 2024 with an exercise price of \$0.056 and expiring on September 19, 2029.
- 25,155,554 on November 8, 2024 with an exercise price of \$0.06 and expiring on November 8, 2029.

The continuity of the number of share purchase warrants outstanding as of September 30, 2025 and December 31, 2024 is as follows:

	September 30, 2025		December 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	110,477,171	0.06	119,626,027	\$ 0.09
Issued	-	-	110,477,171	0.06
Expired	(15,696,882)	0.06	(87,356,006)	0.10
Cancelled	-	-	(32,270,021)	0.07
Outstanding, end of period	94,780,289	0.06	110,477,171	0.06

The following table summarizes warrants outstanding as of September 30, 2025 and December 31, 2024:

Expiry date	Currency	Exercise price	September 30, 2025	December 31, 2024
February 16, 2025	USD	0.06	-	15,696,882
March 8, 2029	USD	0.056	23,809,522	23,809,522
March 8, 2029	USD	0.056	4,107,998	4,107,998
September 19, 2029	USD	0.056	41,707,215	41,707,215
November 8, 2029	USD	0.060	25,155,554	25,155,554
Outstanding at the end of the period			94,780,289	110,477,171

11. RELATED PARTY TRANSACTIONS

The Company's related parties include its directors and officers whose remuneration was as follows, subject to change of control provisions for officers:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Salaries	\$ 191	\$ 125	\$ 596	\$ 337
Share-based payments	2,722	100	3,441	381
Interest on convertible debenture	-	20	-	146
	\$ 2,913	\$ 245	\$ 4,037	\$ 864

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

All related party transactions are in the normal course of business and have been measured at the exchange amount.

As at September 30, 2025, the Company had \$5 (December 31, 2024 - \$Nil) in accounts payable and accrued liabilities to certain directors and officers of the Company.

Other transactions for the nine months ended September 30, 2024

- a) On February 16, 2024, the former CEO, former CFO and directors of the Company restructured \$407 of their existing convertible debentures into the new debentures (Note 8). The debentures bear interest at a rate of 20% per annum and mature on February 16, 2025, and are convertible into shares of the Company at \$0.06 (C\$0.08) per share. Additionally, certain directors converted \$259 of their existing convertible into 3,500,000 common shares at a price of \$0.074 (Notes 8, 9).
- b) On March 8, 2024, the former CFO and directors converted \$1,541 of their outstanding convertible debentures into 36,675,478 common shares at a price of US\$0.042 (Notes 8, 9).
- c) On March 8, 2024, the Company recognized 41,707,215 contingent warrants for the current CEO, former CFO, and one director who converted their existing debentures into units. The value of these warrants upon recognition was \$649 which was valued to be \$359, on September 19, 2024 (Note 8).
- d) On March 8, 2024, former CFO and directors subscribed for 12,202,380 common shares for total proceeds of \$513 in relation of a private placement (Note 9). Additionally, the directors received 12,202,380 warrants with a value of \$177 (Note 9).

12. SEGMENTED INFORMATION

The Company's operations constitute a single operating segment and therefore a single reportable segment, because the chief operating decision maker ("CODM"), the Company's board of directors, manages the business activities using information of the Company as a whole. The Company has determined that it operates as a single reportable segment, focused on the exploration of its mineral interest in the United States. The accounting policies used to measure the profit and loss of the segment are the same as those described in the summary of significant accounting policies. The measure of segment assets is reported on the consolidated balance sheet as total assets.

13. COMMITMENTS

To acquire certain mineral property interests as per Note 4, the Company must make optional acquisition expenditures to satisfy the terms of existing option agreements, failing which the rights to such mineral properties will revert to the property vendors.

14. FINANCIAL INSTRUMENT RISKS

The board of directors has overall responsibility for establishing and oversight of the Company's risk management framework. The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. Financial instruments consist of cash and cash equivalents, accounts payable, accrued liabilities, lease liabilities, Nuton LLC deposit, convertible debentures, derivative liabilities.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. 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 Company's activities expose it to financial risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and stockholder returns. The principal financial risks to which the Company is exposed are liquidity risk, currency risk, interest rate risk, credit risk and commodity price risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

The carrying values of cash, accounts payable, accrued liabilities, convertible debentures, lease liabilities, and Nuton LLC deposit approximate their fair values because of their immediate or short term to maturity.

The Company's derivative liabilities are measured at its fair value at the end of each reporting period and is categorized as Level 2 in the fair value hierarchy.

a) 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 manages liquidity risk through the management of its capital structure. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company ensures that sufficient funds are raised from equity offerings or debt financing to meet its operating requirements, after considering existing cash and expected exercise of stock options and share purchase warrants. See Note 1 for further discussion.

b) Currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates in the United States and Canada; and is exposed to currency risk from transactions denominated in CAD. Currently, the Company does not have any foreign exchange hedge programs and manages its operational CAD requirements through spot purchases in the foreign exchange markets. Based on CAD financial assets and liabilities' magnitude, the Company does not have material sensitivity to CAD to USD exchange rates.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to the interest rate risk on its liabilities through its outstanding borrowings and the interest earned on cash balances. The Company monitors its exposure to interest rates and maintains an investment policy that focuses primarily on the preservation of capital and liquidity.

Lion Copper and Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - In thousands of U.S. Dollars except for shares and per share amounts)

d) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through its cash and cash equivalents. Cash and cash equivalents are held in large Canadian and US financial institutions that have high credit ratings assigned by international credit rating agencies.

15. SUBSEQUENT EVENTS

On November 6, 2025, the Company closed an oversubscribed secured convertible debenture for gross proceeds of \$2,700. The debentures bear interest at 12% per annum and mature 12 months from the date of issuance. The principal amount is convertible into common shares of the Company at a price of \$0.0965 per share, and interest may be settled in common shares at the market price upon repayment or conversion, at the Company's discretion.

Proceeds from the debentures are intended to be used for the purchase of land and associated mineral rights related to the Company's projects in Nevada. Repayment of the debentures will be secured against the acquired assets. In connection with the offering, the Company issued 27,979,274 common share purchase warrants, each exercisable at \$0.0965 per share for a period of five years from the closing date.

On October 1, 2025, FCC issued 3,150,000 common shares pursuant to the exercise of 3,150,000 options for proceeds of \$315.

On October 3, 2025, FCC issued 5,539,792 common shares pursuant to the conversion of \$566 in convertible debentures and \$20 in accrued interest.

On October 30, 2025, FCC granted 75,000,000 performance stock options with an initial exercise price of \$1.12 per FCC common share till October 30, 2035, subject to vesting provisions.

On November 14, 2025, FCC completed an additional \$10,350 convertible debenture financing on terms consistent with the previous issuances, except that the valuation cap was increased to \$250,000.