

PACIFIC IMPERIAL MINES INC.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the Three Months Ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instruments 51-102, Part 4, subsection 4.3(3)(a) continuous disclosure requirement, if any auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Pacific Imperial Mines Inc. (the "Company") have been prepared by management and approved by the Board of Directors of the Company. These condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

PACIFIC IMPERIAL MINES INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Unaudited, Expressed in Canadian dollars)

		September 30, 2025	June 30, 2024
	Note	\$	\$
ASSETS			
Current assets			
Cash		23,878	13,098
GST receivable		18,953	18,373
Total assets		42,831	31,471
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4	77,567	68,585
Due to related parties	4	76,838	74,338
Related party promissory notes	5	269,700	255,700
Total liabilities		424,105	398,623
DEFICIENCY			
Share capital	6	4,705,278	4,705,278
Contributed surplus		2,661,144	2,661,144
Deficit		(7,747,696)	(7,733,574)
Total Deficiency		(381,274)	(367,152)
Total liabilities and deficiency		42,831	31,471

Nature of business and going concern (Note 1)

Subsequent event (Note 3 and 10)

Approved on behalf of the Board of Directors:

"Chris McLeod"Chris McLeod,
Director**"Peter Holbek"**Peter Holbek,
Director

(The accompanying notes are an integral part of these consolidated financial statements)

PACIFIC IMPERIAL MINES INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS (INCOME) AND COMPREHENSIVE LOSS (INCOME)**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian dollars)

	Note	Three months ended September 30,	
		2025 \$	2024 \$
Exploration costs	3	-	26,800
General and administrative expenses			
Accounting and audit		12,500	8,233
Legal		1,604	2,403
Office and miscellaneous		18	3,743
Loss before other items		14,122	41,179
Other items			
Interest income		-	(8)
Gain on settlement of debt	6	-	(73,658)
Net loss (income) and comprehensive loss		14,122	(32,487)
Loss (Income) per share, basic and diluted		-	-
Weighted average shares outstanding		82,760,374	80,998,984

(The accompanying notes are an integral part of these consolidated financial statements)

PACIFIC IMPERIAL MINES INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars, except number of shares)

	Share Capital		Contributed Surplus	Deficit	Total
	Number of Shares	Amount \$			
Balance, June 30, 2024	79,077,468	4,668,449	2,661,144	(7,690,041)	(360,488)
Shares issued for debt settlement	3,682,906	36,829	-	-	36,829
Net loss for the year	-	-	-	(43,533)	(43,533)
Balance, June 30, 2025	82,760,374	4,705,278	2,661,144	(7,733,574)	(367,152)
Net loss for the period	-	-	-	(14,122)	(14,122)
Balance, September 30, 2025	82,760,374	4,705,278	2,661,144	(7,747,696)	(381,274)

(The accompanying notes are integral part of these consolidated financial statements)

PACIFIC IMPERIAL MINES INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited in Canadian dollars)

	Three months ended September 30,	
	2025	2024
	\$	\$
OPERATING ACTIVITIES		
(Loss) income for the period	(14,122)	32,487
Adjustments for non-cash items:		
Shares issued for debt	-	36,829
	(14,122)	69,316
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	8,982	(91,893)
GST receivable	(580)	(369)
Due to related parties	2,500	3,182
Prepaid expenses	-	3,725
Net cash used in operating activities	(3,220)	(16,039)
FINANCING ACTIVITIES		
Related party promissory notes	5	14,000
Net cash provided by financing activities	14,000	-
Change in cash	10,780	(16,039)
Cash, beginning of year	13,098	19,259
Cash, end of period	23,878	3,220
Supplemental disclosure of cash flow information:		
Interest paid in cash	-	-
Income tax paid in cash	-	-

(The accompanying notes are an integral part of these consolidated financial statements)

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

1. Nature of Business and Going Concern

Pacific Imperial Mines Inc. ("the Company") was incorporated under the British Columbia Business Corporations Act since September 18, 1987. The Company's shares are listed on the TSX Venture Exchange. The Company's principal office is located at Suite 400, 1681 Chestnut Street, Vancouver, B.C. Canada V6J 4M6. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired.

These consolidated financial statements of the Company have been prepared on a going-concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has not generated cash flows from operations and has a working capital deficiency of \$381,274 (June 30, 2025 - \$367,152) and an accumulated deficit of \$7,747,696 (June 30, 2025 - \$7,733,574) as at September 30, 2025. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing or generating revenues sufficient to cover its operating costs. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the consolidated financial statements.

2. Summary of Significant Accounting Policies**(a) Basis of presentation**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for annual financial statements under International Financial Reporting Standards ("IFRS") as issued by the IASB and should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2024. These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments carried at fair value and are presented in Canadian dollars.

These condensed consolidated interim financial statements were approved by the Company's Board of Directors on December 1, 2025.

(b) Recent accounting pronouncementsAccounting standard issued but not yet applied

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

3. Mineral InterestsBabine Property, British Columbia

On March 31, 2023, the Company entered into a Binding Letter agreement with Galambos, Keefe, Turford, and Anderson ("Optionor") whereby the Company can earn up to an 100% interest in the three mineral claims located 1.5 km north of the Granisle Mine, British Columbia. The Babine property is subject to a 2% net smelter returns royalty held by the Optionor.

The terms of the agreement require the Company to incur the following exploration expenditures, make the following cash payments and issuance of shares to the Optionor as follows:

Time	Aggregate Exploration Expenditures \$	Cash \$	Share Issuance \$
On or before the Closing Date (Subject to TSX approval)*	49,500	-	7,500
On or before the first anniversary of the Closing Date	100,000	7,500	7,500
On or before the second anniversary of the Closing Date	250,000	20,000	20,000
On or before the third anniversary of the Closing Date	500,000	37,500	37,500
On or before the fourth anniversary of the Closing Date	1,455,000	96,250	96,250
TOTAL	2,354,500	161,250	168,750

**Conditions not met as of September 30, 2025.*

On October 23, 2025, the Company entered into a revised agreement with the optionor, amending the original agreement dated March 21, 2023. Under the original agreement, five mineral claims were included, of which two were subsequently forfeited. The revised agreement applies to the remaining three mineral claims. Under the amendment, both parties agreed to revise the total consideration and the required exploration expenditures, including the timelines for payment of the consideration and completion of the exploration work.

The terms of the amendment agreement require the Company to incur the following exploration expenditures, make the following cash payments and issuance of shares to the Optionor as follows:

Time	Aggregate Exploration Expenditures \$	Cash \$	Share Issuance (Number of Shares)
On or before the December 31, 2025(Subject to TSX approval)	6,000	-	300,000
On or before July 31, 2026	50,000	-	150,000
On or before December 31, 2026	-	-	150,000
On or before December 31, 2027	200,000	-	150,000
On or before December 31, 2028	500,000	45,000	-
On or before December 31, 2029	1,000,000	75,000	-
TOTAL	1,756,000	120,000	750,000

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

3. Mineral Interests (continued)

The Option Agreements are subject to the Company obtaining the approval of the TSX Venture Exchange. The Common Shares issued under the Option Agreement will be subject to a hold period ending four months and one day after the date of issuance in accordance with applicable securities laws.

Brownell Lake Property, Saskatchewan

On March 21, 2023, the Company entered into an Option Agreement with Eagle Plains Resources Ltd. ("Eagle Plains") whereby the Company can acquire 60% interest in the Brownell Lake property consisting of the three mineral dispositions located approximately 17 km northwest of Deschambault Lake, Saskatchewan.

Upon the exercise of the option, the Company will own a 60% interest and Eagle Plains will own a 40% interest in the Property, and the parties will enter into a joint venture agreement to further explore and develop the Property to bring it into commercial production. The Property is subject to a 2% net smelter returns royalty owing to Eagle Royalties Ltd.

The terms of the agreement require the Company to incur the following exploration expenditures, make the following cash payments and issuance of shares to Eagle Plains as follows:

Time	Aggregate Exploration Expenditures \$	Cash \$	Shares
Three business days following the TSX Approval**	-	-	130,000
May 1, 2023 *	100,000	-	-
December 31, 2023	-	***25,000	130,000
December 31, 2024	200,000	50,000	130,000
December 31, 2025	700,000	100,000	130,000
December 31, 2026	1,500,000	125,000	200,000
December 31, 2027	2,500,000	200,000	280,000
TOTAL	5,000,000	500,000	1,000,000

*Exploration expenditures completed as of June 30, 2023.

** Conditions not met as of June 30, 2025.

***Paid through issue of shares as per the debt settlement agreement (Note 6)

The Brownell Property Option Agreement covered three mineral claims was subject to the Company obtaining the approval of the TSX Venture Exchange. The common shares to be issued under the Option Agreement were to be subject to a hold period of four months and one day from the date of issuance, in accordance with applicable securities laws. The Company did not request the TSX approval and was also unable to meet the other conditions under the Option Agreement. In addition, one of the three mineral claims included in the agreement is no longer active as at June 30, 2025.

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

3. Mineral Interests (continued)PAM Property, British Columbia

On March 31, 2023, the Company entered into a Binding Letter agreement with Galambos, Keefe, and Turford, ("Optionor") whereby the Company can earn up to an 100% interest in the seven mineral claims located 25 km northeast of the Huckleberry Cu-Mo Mine, British Columbia. The PAM property is subject to a 2% net smelter returns royalty held by the Optionor.

The terms of the agreement require the Company to incur the following exploration expenditures, make the following cash payments and issuance of shares to the Optionor as follows:

Time	Aggregate Exploration Expenditures \$	Cash \$	Share Issuance (Number of Shares)
On or before the Closing Date (Subject to TSX approval)*	63,500	-	10,000
On or before the first anniversary of the Closing Date*	100,000	12,500	12,500
On or before the second anniversary of the Closing Date*	250,000	20,000	20,000
On or before the third anniversary of the Closing Date	500,000	37,500	37,500
On or before the fourth anniversary of the Closing Date	1,500,000	95,000	95,000
TOTAL	2,413,500	165,000	175,000

**Conditions not met till date of termination of agreement.*

On October 28, 2024, the Company terminated the PAM property option agreement with Optionors in accordance with the March 31, 2023 agreement. Further as per the termination agreement the optionor release the Company from any outstanding payments and obligation as per the option agreement.

During the three months ended September 30, 2025, and 2024, the Company incurred the following exploration costs:

	Three months ended September 30	
	2025	2024
	\$	\$
Brownell (BLP)		
Option payment	-	25,000
	-	25,000
PAM Project		
Claim fees	-	1,800
	-	1,800
Total	-	26,800

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

4. Related Party Balances and Transactions

During the three months ended September 30, 2025 and 2024, the Company had the following transactions with related parties:

Key management compensation

Key management consists of senior officers and directors of the Company, their compensation is as follows:

	Three months ended	
	September 30	
	2025	2024
	\$	\$
Consulting fees	2,500	3,500
Total	2,500	3,500

As at September 30, 2025 there was \$76,838 (June 30, 2025 - \$74,338) owing to officers of the Company for consulting fees.

Related party amounts are unsecured, non-interest bearing and due on demand. These transactions are measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

5. Related Party Promissory Notes

On July 21, 2022 and April 12, 2023, the Company received from its directors a total of \$120,000 interest free working capital loan which is unsecured and due on demand. On October 30, 2023, the Company received \$50,000 from its directors, interest free working capital loan, which is unsecured and due on demand.

On October 18, 2024, the Company received \$20,000 from its directors, interest free working capital loan, which is unsecured and due on demand.

On May 26, 2025, the Company received \$15,000 from its director, interest free working capital loan, which is unsecured and due on demand.

6. Share Capital

(a) Authorized: unlimited common shares with no par value

(b) Issued and outstanding:

During the period ended September 30, 2025

The Company did not issue any common shares during the period ended September 30, 2025.

PACIFIC IMPERIAL MINES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the Three Months Ended September 30, 2025 and 2024
(Unaudited, Expressed in Canadian Dollars)

6. Share Capital (continued)

During the year ended June 30, 2025

On August 13, 2024, the Company completed a debt settlement through the issuance of 3,682,906 common shares at a deemed price of \$0.03 per share to settle debt owing for trade payables relating to exploration expenses by a non-related party for a total amount of \$110,487. Included in that amount, is \$25,000 for an option payment on the Brownell Property agreement. Gain on settlement of debt was \$73,658. The shares issued pursuant to the Debt Settlement are subject to the TSX Venture Exchange hold period, plus a hold period of four months and one day expiring on December 14, 2024.

(c) Options

The Company has adopted a stock option plan whereby the Company can grant stock options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding share capital of the Company from time to time.

The following table summarizes the continuity of the Company's stock options issued and outstanding at September 30, 2025:

	Number of options	Weighted average exercise price
Balance, June 30, 2024	6,000,000	\$0.05
Issued/Expired	1,150,000	\$0.05
Balance, June 30, 2025	4,850,000	\$0.05
Issued/Expired	2,200,000	\$0.05
Balance, September 30, 2025	2,650,000	\$0.05

The following table summarizes the number of stock options outstanding and exercisable at September 30, 2025:

Expiry Date	Exercise price	Options Outstanding		Options Exercisable	
		Number of options	Weighted average remaining contractual life in years	Number of options	Weighted average remaining contractual life in years
November 3, 2025	\$0.05	100,000	0.4	100,000	0.4
June 15, 2026	\$0.05	2,550,000	0.7	2,550,000	0.7
		2,650,000	0.7	2,650,000	0.7

For the three months ended September 30, 2025, the Company recognized a sharebased compensation expense of \$Nil (June 30, 2025 - \$Nil).

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

6. Share Capital (continued)

(d) Warrants

The following table summarizes the Company's warrants at September 30, 2025:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2024	3,800,000	\$0.10
Issued/Expired	(3,800,000)	\$0.10
Balance, June 30, 2025 and September 30, 2025	-	-

7. Management of Capital

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises of equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments with financial institutions with terms to maturity selected to match expected timing of expenditures from continuing operations.

8. Financial Instruments and Financial Risk

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's financial instruments consist of cash, accounts payable, amounts due to related parties and related party promissory notes. The following table summarizes information regarding the carrying values of the Company's financial instruments:

	September 30, 2025	June 30, 2025
	\$	\$
Assets as FVTPL (i)	23,878	13,098
Liabilities at amortized cost (ii)	424,105	398,623

(ii) Cash

(iii) Accounts payable, amounts due to related parties and related party promissory notes.

PACIFIC IMPERIAL MINES INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the Three Months Ended September 30, 2025 and 2024

(Unaudited, Expressed in Canadian Dollars)

8. Financial Instruments and Financial Risk (continued)*Fair Value*

For fair value estimates, the Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Significant unobservable inputs which are supported by little or no market activity.

Cash is measured at fair value on a recurring basis using Level 1 inputs. The estimated fair values of accounts payable and amounts due to related parties approximate their respective carrying values due to their short periods to maturity.

The Company's risk exposures and the related potential impact on the Company's financial instruments are summarized below:

Credit Risk

The Company is not exposed to significant credit risk. The Company limits exposure to credit risk by maintaining its cash with financial institutions.

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 and financial leverage as outlined above.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuances when required. All the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. See Note 1 that describe the material uncertainties that cast significant doubt over the Company's ability to continue as a going concern.

Foreign Exchange Risk

As at September 30, 2025 the Company is not exposed to significant foreign exchange risk. The Company does not actively manage this risk.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

10. Subsequent event

On October 14, 2025, the Company received \$14,000 from its director, as an interest-free working capital loan, which is unsecured and due on demand.