



**Unaudited Condensed Consolidated Interim Financial Statements**

**Nine Months ended September 30, 2025 and 2024**

**(Expressed in Canadian dollars)**

**Notice of disclosure of non-auditor review of condensed consolidated interim financial statements pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.**

**The accompanying condensed consolidated interim financial statements of the Company for the period ended September 30, 2025, have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management. The Company's independent auditors have not performed an audit or a review of these condensed consolidated interim financial statements.**

## ZEPHYR MINERALS LTD.

### Unaudited Condensed Consolidated Statements of Financial Position As at September 30, 2025 and December 31, 2024

	September 30, 2025	December 31, 2024
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 79,899	\$ 95,729
Accounts receivable (note 3)	7,934	8,315
Prepaid expenses and deposits	-	7,500
	87,833	111,544
Reclamation bonds (notes 4, 8)	138,898	105,671
Exploration and evaluation assets (note 5)	5,287,285	5,118,727
	\$ 5,514,016	\$ 5,335,942
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (notes 6,10)	\$ 86,452	\$ 70,370
<b>Long Term</b>		
Reclamation obligation (notes 4, 8)	138,898	105,671
Promissory note (notes 7, 10)	25,605	25,605
	\$ 250,955	\$ 201,646
<b>Equity</b>		
Share Capital (note 9)	\$ 10,785,327	\$ 10,618,600
Share-based payments reserve	2,977,227	2,793,505
Deficit	(8,499,493)	(8,277,809)
	5,263,061	5,134,296
	\$ 5,514,016	\$ 5,335,942

Basis of presentation and going concern – Note 2

### Approved by the Board of Directors

Signed "Loren Komperdo", Director

Signed "David Felderhof", Director

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

## ZEPHYR MINERALS LTD.

### Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss For the Nine Months Ended September 30

	2025		2024	
	3	9	3	9
	<u>Months</u>	<u>Months</u>	<u>Months</u>	<u>Months</u>
<b>Operating Expenses</b>				
Exploration and evaluation assets impairment	\$ 21,397	21,397	\$ -	-
Exploration expenses	-	-	-	1,994
Filing fees	712	14,387	350	14,497
Foreign exchange loss (gain) net	914	3,190	409	62
Investor relations	124	6,480	9,125	27,389
Professional fees	10,242	26,279	4,354	22,181
General and administrative	3,359	12,381	(176)	6,139
Rent	3,255	9,765	3,573	8,591
Travel	-	1,466	-	8,862
Transfer agent	2,271	12,339	2,031	13,403
Wages consulting fees	6,000	18,000	-	28,835
Share based payments	-	96,000	-	-
<b>Net Loss and Comprehensive Loss for the period</b>	(48,274)	(221,684)	(19,666)	(131,953)
<b>Weighted Average Number of Common Shares Outstanding</b>	83,891,333	80,706,033	79,086,985	74,207,864
<b>Loss Per Share – Basic</b>	\$ (0.001)	\$ (0.003)	\$ (0.000)	\$ (0.002)

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

## ZEPHYR MINERALS LTD.

### Unaudited Condensed Consolidated Interim Statements of Cash Flows For the Nine Months Ended September 30

	2025	2024
<b>Operating Activities</b>		
Net loss	\$ (221,684)	\$ (131,953)
Items not requiring an outlay of cash		
Share based payments	96,000	-
Impairment on exploration and evaluation assets	21,397	-
Net changes in non-cash working capital items		
Accounts receivable	381	6,864
Prepaid expenses	7,500	5,986
Accounts payable and accrued liabilities	16,082	4,127
Promissory note	-	25,605
<b>Cash Used in Operating Activities</b>	<b>(80,324)</b>	<b>(89,371)</b>
<b>Investing Activities</b>		
Expenditures on exploration and evaluation assets	(172,473)	(28,525)
Reclamation bonds	(33,227)	-
Proceeds from sale of exploration and evaluation assets	15,745	-
<b>Cash Used for Investing Activities</b>	<b>(189,955)</b>	<b>(28,525)</b>
<b>Financing Activities</b>		
Issue of common shares net of share issue costs	254,449	189,602
<b>Cash Provided by Financing Activities</b>	<b>254,449</b>	<b>189,602</b>
<b>Net Change in Cash and Cash Equivalents for the Period</b>	<b>(15,830)</b>	<b>71,706</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>95,729</b>	<b>116,800</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 79,899</b>	<b>\$ 188,506</b>
<b>Non-cash investing and financing activities:</b>		
Relative fair value allocation of warrants issued	\$ 87,722	\$ 71,026
Exploration and evaluation assets included in accounts payable	32,970	864

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

## ZEPHYR MINERALS LTD.

### Unaudited Condensed Consolidated Interim Statement of Changes in Shareholders' Equity For the Nine Months Ended September 30, 2025

	Number of shares	Share capital \$	Reserves \$	Deficit \$	Total \$
<b>January 1, 2024</b>	<u>75,086,985</u>	<u>10,500,024</u>	<u>2,716,079</u>	<u>(8,102,521)</u>	<u>5,113,582</u>
Share based payments			6,400		6,400
Shares issued in private placement	4,000,000	127,551	72,449		200,000
Share issue costs		(8,975)	(1,423)		(10,398)
Loss for year				(175,288)	(175,288)
<b>December 31, 2024</b>	<u>79,086,985</u>	<u>10,618,600</u>	<u>2,793,505</u>	<u>(8,277,809)</u>	<u>5,134,296</u>
Share based payments			96,000		96,000
Shares issued in private placement	6,500,000	171,053	88,947		260,000
Share issue costs		(4,326)	(1,225)		(5,551)
Loss for period				(221,684)	(221,684)
<b>September 30, 2025</b>	<u>85,586,985</u>	<u>10,785,327</u>	<u>2,977,227</u>	<u>(8,499,493)</u>	<u>5,263,061</u>

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

# **ZEPHYR MINERALS LTD.**

## **Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025**

---

### **1. NATURE OF OPERATIONS**

Zephyr Minerals Ltd. and its wholly owned subsidiaries, Zephyr Gold USA Ltd., and Sutter Mining (Private) Limited (collectively, the "Company") is an exploration stage mining company. The Company is incorporated in Canada and is based in Nova Scotia, Canada. The Company's head office is located at 653 – 1475 Lower Water St, Halifax, Nova Scotia Canada B3J 3Z2.

The Company is a publicly listed company continued under the Canada Business Companies Act with limited liability under the laws of Canada. The Company's shares trade on the Toronto Stock Venture Exchange ("TSX-V").

### **2. BASIS OF PRESENTATION & GOING CONCERN**

#### **Statement of Compliance**

These condensed consolidated financial statements, including comparatives, have been prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2024. These condensed consolidated financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements have been set out in the Company's consolidated financial statements for the year ended December 31, 2024. These condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2024 which are filed at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **Approval of the financial statements**

These consolidated financial statements were approved and authorized for issue by the Audit Committee and Board of Directors of the Company on November 26, 2025.

#### **Basis of presentation**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

---

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed in Note 3(i) of the Company's December 31, 2024 financial statements.

#### Going Concern

As at September 30, 2025, the Company has cash of \$79,899, working capital of \$1,381, shareholders' equity of \$5,263,062 and an accumulated deficit of \$8,499,493. The Company's financial statements as at September 30, 2025 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

The Company incurred a loss of \$221,684 for the 9 month period ended September 30, 2025, and has no operations at this time which will generate revenue. The Company does not have sufficient working capital to fund all of the company's planned expenditures. In order to alleviate the situation, the Company intends to raise additional capital. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. If the Company is unable to raise additional capital in the future, the Company may need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These material uncertainties may cast significant doubt on the company's ability to continue as a going concern.

#### 3. ACCOUNTS RECEIVABLE

	September 30, 2025	December 31, 2024
HST receivable	\$ 7,934	\$ 8,315

#### 4. RECLAMATION BONDS

The Colorado Division of Reclamation, Mining and Safety, and the Colorado Bureau of Land Management hold bonds for estimated rehabilitation costs. The funds are restricted for use as indicated in Note 8. In the second quarter, the Company provided additional financial warranty of US\$26,337 as required to undertake the Dawson groundwater monitoring program.

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

	September 30, 2025	December 31, 2024
Long term bonds related to project reclamations		
Balance at beginning of period	\$ 105,671	\$ 99,121
Additions	35,932	-
Foreign currency movement	(2,705)	6,550
Balance at end of period	138,898	105,671
(as stated in US\$)	US\$ \$99,776	US\$ 73,439

#### 5. EXPLORATION AND EVALUATION ASSETS

	USA Dawson	Zimbabwe MAP Gold	Total
<b>As at December 31, 2023</b>	\$ 5,026,276	\$ 14,042	\$ 5,040,318
Additions	78,409	-	78,409
<b>As at December 31, 2024</b>	\$ 5,104,685	\$ 14,042	\$ 5,118,727
Additions	205,700	-	205,700
Impairment	(21,397)	-	(21,397)
Disposition	(15,745)		(15,745)
<b>As at September 30, 2025</b>	\$ 5,273,243	\$ 14,042	\$ 5,287,285

#### USA

##### Dawson

The Dawson property comprises 57 contiguous unpatented lode mining claims, eight patented lode mining claims and two patented placer claims located in Colorado. The Company holds a 100% interest in the unpatented claims, a 100% interest in the Judith Placer claim, 50% interest in the eight patented claims, and a 50% interest in one patented placer claim, which constitute Dawson.

The 50% of the eight patented lode mining claims not held by the Company is leased by the Company through a "Mining Lease and Agreement" which effectively gives the Company 100% control of these claims. Twenty-one of the 51 unpatented claims, the eight patented lode mining claims, and the 50% interest in the one patented placer claim are subject to a sliding scale Net Smelter Return ("NSR") whereby the Company agrees to pay up to a 3% NSR as contemplated in the Mining Lease and Agreement.

The Company is currently required to make annual advance royalty payments in terms of its Mining Lease and Agreement in the amount of US\$25,000 per year. These advance royalties can be applied in the future to reduce the actual production royalty expense incurred. The Company paid and recorded the 2025 obligation in fiscal 2024, and the



## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

2024 obligation in fiscal 2023. To date, advance royalty payments total US\$604,000 which can be so applied. The Company is also obliged to make a payment of US\$90,000 in the event of embarking on an underground program.

During the quarter, the Company sold a patented lode claim to a third party for gross proceeds of \$15,745 (US\$11,500). The claim was located west of the principal Dawson gold project and had no potential for gold mineralization, and as such was deemed a non-essential holding. The Company recognized an impairment of \$21,397 on exploration and evaluation assets related to the disposition.

#### Zimbabwe

In 2021 the Company launched a wholly owned subsidiary, Sutter Mining (Private) Limited ("Sutter"), in Zimbabwe, which is scouting out prospective gold properties in that country. In 2021 two applications for Exclusive Prospecting Orders ("EPO") over areas prospective for gold mineralization were lodged with the Zimbabwe Ministry of Mines and Mine Development and have been processed by that agency. Both applications remain outstanding as at the date of this report and are awaiting approval by the President of Zimbabwe.

On February 7, 2023, the Company entered into an option agreement to acquire up to an 80% interest in the MAP Gold property from an arm's length citizen of Zimbabwe. Under the terms of the option agreement, the Company can acquire 75% of MAP Gold by paying US\$165,000 over two years as well as certain cash payments based on the quantity of gold discovered. In addition, in the event a mine is built, the Company will pay the optionor US\$250,000 upon declaration of commercial production. At the Company's discretion, it has the right to buy 20% of the optionor's 25% interest, hereby increasing the Company's interest in the property to 80%. The optionor is permitted to continue small scale mining within prescribed parameters from areas currently being mined until the Company makes a decision to transfer the claims into a new operating company, owned as to the Company 75% (with option to go to 80%) and the optionor 25% (potentially decreased to 20%).

Certain conditions need to be met before exploration can begin including acquiring four additional claims which are included in the agreement. These conditions remain outstanding, and as a result no exploration work has been conducted on this property. Efforts continue to resolve this final issue prior to commencing exploration on the property.

#### **6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	September 30 2025	December 31 2024
Trade payables	\$ 59,883	\$ 39,632
Accrued liabilities	26,569	30,738
	<u>\$ 86,452</u>	<u>\$ 70,370</u>

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

---

#### 7. PROMISSORY NOTE

In 2024 the Chief Financial Officer ("CFO") agreed to a long-term deferral of fees in the amount of \$25,605 by way of a promissory note. The promissory note is non-interest bearing and unsecured with a repayment date of December 31, 2026, or such other date as agreed to by the CFO and the Company.

#### 8. RECLAMATION OBLIGATION

At Dawson, the Company recognizes a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. At September 30, 2025 the Company has recognized an environmental rehabilitation obligation in the amount of \$138,898 (US\$99,776) to rehabilitate work the Company has done to advance exploration on the Dawson property. This amount has been capitalized by increasing the carrying amount of its exploration and evaluation assets. At present the timing of the obligation is unknown and will depend primarily on the results of its future exploration program. As such the full amount of the estimated liability has been recognized and has not been discounted. Changes in the estimated timing of rehabilitation or changes to the estimated future costs will be dealt with prospectively by recognizing an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates. The Company assesses its rehabilitation provision on a quarterly basis. Actual reclamation costs, when incurred, will be charged against the provision. As noted in Note 4, the Company has \$138,898 (US\$99,776) in bonds held to cover the reclamation obligation.

#### 9. SHARE CAPITAL

Authorized capital consists of an unlimited number of common shares.

##### **Issuance of common shares issued in 2025**

On July 25, 2025, the Company completed a private placement through the issuance of 6,500,000 units at a price of \$0.04 per unit raising \$260,000. Each unit consists of one common share and one whole common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.08 per share for a period of thirty-six months from the closing date. The Company valued the warrants and apportioned the share issue expenses incurred between the warrants value and the share value on a pro rata basis. In determining the value of the warrants, the fair value of the warrants issued were estimated using a Black-Scholes pricing model with the following weighted average assumptions used.

Risk-free interest rate	2.81%
Expected dividend yield	0.00%
Expected stock price volatility	101.00%
Expected life of warrants	3.0 years
Grant date fair value of warrant	\$0.023

## **ZEPHYR MINERALS LTD.**

### **Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025**

---

The Company paid cash finder's fees of \$1,750 and issued 43,750 finder's fee warrants to finders acting on behalf of the Company in connection with the placement. Each finder's fee warrant is exercisable into one common share of the Company at \$0.08 per share for thirty-six months from the closing date. The finder's fee warrants were recorded at their fair value at time of issuance and shown as part of share issue costs netted against share capital. The terms and assumptions used were the same as those for the warrants above.

#### **Issuance of common shares in 2024**

On May 31, 2024, the Company completed a private placement through the issuance of 4,000,000 units at a price of \$0.05 per unit raising \$200,000. Each unit consists of one common share and one whole common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.08 per share for a period of thirty-six months from the closing date. The Company valued the warrants and apportioned the share issue expenses incurred between the warrants value and the share value on a pro rata basis. In determining the value of the warrants, the fair value of the warrants issued were estimated using a Black-Scholes pricing model with the following weighted average assumptions used.

Risk-free interest rate	4.04%
Expected dividend yield	0.00%
Expected stock price volatility	78.00%
Expected life of warrants	3.0 years
Grant date fair value of warrant	\$0.028

The Company paid cash finder's fees of \$6,563 and issued 131,250 finder's fee warrants to finders acting on behalf of the Company in connection with the placement. Each finder's fee warrant is exercisable into one common share of the Company at \$0.08 per share for thirty-six months from the closing date. The finder's fee warrants were recorded at their fair value at time of issuance and shown as part of share issue costs netted against share capital. The terms and assumptions used were the same as those for the warrants above.

#### **Warrant**

On July 25, 2025, the Company issued warrants as part of the private placement as described above. A summary of the change in warrants for the periods ended September 30, 2025 and December 31, 2024 is provided below:

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Years to Expiry
<b>At January 1, 2024</b>	4,189,700	0.13	0.60
Issued	4,131,250	0.08	
Expired	(4,189,700)	0.13	
<b>At December 31, 2024</b>	4,131,250	0.08	2.41
Issued	6,543,750	0.08	
<b>At September 30, 2025</b>	10,675,000	0.08	2.39

#### **Share-based compensation plan**

The Company has an incentive share-based compensation plan (the "Plan") which permits the Board of Directors to grant stock option to directors, officers, employees and consultants. The total number of options issued at any time cannot exceed 10% of the issued and outstanding common shares of the Company unless shareholder and regulatory approval are obtained. Options are granted at a price no lower than the market price of the common shares less any discounts allowed by the TSXV at the time of the grant. Options granted under the Plan have a maximum term of ten years.

On May 29, 2025 the Company granted an aggregate of 3,000,000 stock options to directors and officers to purchase 3,000,000 common shares of the Company. The exercise price of the stock options is \$0.05 per share and the options expire five years from the date of grant.

In determining the share-based payments expense the fair value of the options issued were estimated using a Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	2.82%
Expected dividend yield	0.00%
Expected stock price volatility	115.65%
Expected life of options	5 years
Fair value at grant date	\$0.032

A summary of the change in stock options for the periods ended September 30, 2025 and December 31, 2024 is provided below:

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

	Number of Options	Weighted Average Exercise Price	Weighted Average Years to Expiry
<b>At January 1, 2024</b>	6,900,000	0.19	2.3
Issued	400,000		
Expired	(1,600,000)	0.11	
<b>At December 31, 2024</b>	5,700,000	0.17	1.9
Issued	3,000,000	0.05	
Expired	875,000	0.28	
<b>At September 30, 2025</b>	7,825,000	0.11	2.6

#### 10. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the Board of Directors and corporate officers. Included in accounts payable and accrued liabilities is \$25,605 (2024 - \$24,202) due to parties related to officers and directors.

The remuneration of directors and other members of key management personnel during the periods ended September 30, 2025 and 2024 were as follows:

	2025	2024
Salaries and consulting fees	\$ 18,000	\$ 25,605
Share-based payments	96,000	-
	\$ 114,000	\$ 25,605

On June 18, 2025, a director provided the Company with a non-interest-bearing, unsecured loan of \$50,000. On July 29, 2025, the Company repaid the loan in full.

In 2024 the Chief Financial Officer ("CFO") agreed to a long-term deferral of fees in the amount of \$25,605 by way of a promissory note. The promissory note is non-interest bearing and unsecured with a repayment date of December 31, 2026, or such other date as agreed to by the CFO and the Company.

#### 11. FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalents as fair value through income or loss; accounts receivable and accounts payable and accrued liabilities are carried at amortized cost.

## **ZEPHYR MINERALS LTD.**

### **Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025**

---

#### *Management of capital risk*

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company considers capital to be cash and cash equivalents. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds will be required to finance the Company's Exploration and Evaluation Assets. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

#### *Fair value*

The book value of cash and cash equivalents and accounts payable and accrued liabilities all approximate their fair values at the balance sheet dates, due to the relative short-term maturity of the instruments.

#### *Credit risk*

The Company is exposed to credit risk with respect to its cash and accounts receivable. The credit risk associated with cash is minimal as cash has been placed with a major Canadian financial institution with strong investment-grade ratings by a primary ratings agency. The Company is not exposed to significant credit risk with respect to accounts receivable, as the entire amount due is from a government agency.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to arrange equity financings in a timely manner so as to ensure that it will have sufficient liquidity to meet liabilities when due. There is no guarantee that the Company will be able to arrange future financing or that the terms of any such financing will be advantageous. As at September 30, 2025, the Company had a cash balance of \$79,899 to settle current liabilities of \$86,452. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in the Company's liquidity or capital resources either materially increasing or decreasing at present or in the foreseeable future.

#### *Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate, foreign currency risk and other price risk.

- (a) Interest rate risk  
The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.
- (b) Foreign currency rate risk

## ZEPHYR MINERALS LTD.

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements Nine Months Ended September 30, 2025

---

Although the Company's principal exploration asset is based in the United States of America, the low annual maintenance costs have led the Company to conclude that it does not believe it is exposed to any significant foreign currency risk at the present time.

(c) Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

Financial instruments disclosure requires a statement of the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of fair value are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets and 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 has valued all of its financial instruments at Level 2.

## 12. SEGMENTED INFORMATION

The company operates in one segment being the exploration and evaluation of mineral properties. The company's non-current assets as at September 30, 2025 and December 31, 2024 were located in geographical regions as follows:

<b>September 30, 2025</b>	<b>USA</b>		<b>Zimbabwe</b>		<b>Total</b>
Exploration and Evaluation Assets	\$	5,273,243	\$	14,042	\$ 5,287,285
Reclamation Bond		138,898		-	138,898
Total	\$	5,412,141	\$	14,042	\$ 5,426,183

<b>December 31, 2024</b>	<b>USA</b>		<b>Zimbabwe</b>		<b>Total</b>
Exploration and Evaluation Assets	\$	5,104,685	\$	14,042	\$ 5,118,727
Reclamation Bond		105,671		-	105,671
Total	\$	5,210,356	\$	14,042	\$ 5,224,398

## 13. SUBSEQUENT EVENTS

On November 12, 2025, 1,325,000 warrants were exercised, generating gross proceeds to the Company of \$106,000.