



Core Nickel Corp.

Condensed Interim Financial Statements
For the three months ended July 31, 2025

(Unaudited)

(Expressed in Canadian dollars, except where indicated)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Core Nickel Corp.

Condensed Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	July 31 2025 \$	April 30 2025 \$
Assets		
Current assets		
Cash and cash equivalents (note 4)	960,282	1,660,760
Receivables	19,336	239,597
Prepaid and deposits	93,268	13,077
Total current assets	<u>1,072,886</u>	<u>1,913,434</u>
Non-current assets		
Mineral bonds	11,893	11,893
Mineral property interests (note 5)	1,153,804	1,153,804
Total assets	<u>2,238,583</u>	<u>3,079,131</u>
Liabilities		
Current liabilities		
Trade and other payables	81,534	678,483
Total current liabilities	<u>81,534</u>	<u>678,483</u>
Equity		
Common shares (note 6)	4,296,278	4,133,705
Equity reserve	1,416,329	1,457,678
Accumulated deficit	(3,555,558)	(3,190,735)
	<u>2,157,049</u>	<u>2,400,648</u>
	<u>2,238,583</u>	<u>3,079,131</u>

Subsequent Events (note 10)

Approved by the Board of Directors

"Marc Pais"

Director

"Paul Reid"

Director

Core Nickel Corp.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Three months ended July 31 2025 \$	Three months ended July 31 2024 \$
EXPLORATION COSTS		
Mineral property expenditures	171,660	99,129
	<u>171,660</u>	<u>99,129</u>
OTHER EXPENSES (INCOME)		
Insurance	5,170	7,859
Interest expense	-	33
Interest income	(8,560)	(6,771)
Legal, audit and accounting	79,007	17,822
Management fees	55,500	56,480
Office and miscellaneous	16,204	13,792
Regulatory and transfer agent fees	10,732	7,695
Rent	5,758	1,365
Share-based compensation	-	51,133
Investor relations and presentations	10,098	36,354
Travel and accommodations	4,392	5,686
Wages and benefits	14,862	11,451
	<u>193,163</u>	<u>202,899</u>
Loss and comprehensive loss for the period	(364,823)	(302,028)
Basic and diluted loss per share (\$ per share)	(0.01)	(0.01)
Basic and diluted weighted average common shares outstanding	52,809,256	30,057,874

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

Core Nickel Corp.

Condensed Interim Statements of Changes in Equity

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Common Shares		Equity Reserve	Accumulated Deficit	Total Equity
	Shares	Amount \$	\$	\$	\$
Balance-April 30, 2024	30,054,708	2,485,296	89,895	(700,802)	1,874,389
Issued on exercise of warrants	20,806	3,644	-	-	3,644
Share-based compensation	-	-	51,133	-	51,133
Loss for the period	-	-	-	(302,028)	(302,028)
Balance-July 31, 2024	30,075,514	2,488,940	141,028	(1,002,830)	1,627,138
Issued on private placement for cash	20,253,572	3,481,875	-	-	3,481,875
Warrants issued on private placement	-	(944,670)	944,670	-	-
Issued on exercise of stock options	1,321,326	67,617	-	-	67,617
Issued on exercise of warrants	23,595	2,339	-	-	2,339
Share-based compensation	-	-	383,054	-	383,054
Reserves transferred on exercised options	-	9,785	(9,785)	-	-
Reserves transferred on exercised warrants	-	1,289	(1,289)	-	-
Flow through premium	-	(937,500)	-	-	(937,500)
Share issuance costs	-	(35,970)	-	-	(35,970)
Loss for the year	-	-	-	(2,187,905)	(2,187,905)
Balance - April 30, 2025	51,674,007	4,133,705	1,457,678	(3,190,735)	2,400,648
Issued on exercise of options	1,539,849	124,892	(41,349)	-	83,543
Issued on exercise of warrants	167,358	37,681	-	-	37,681
Loss for the period	-	-	-	(364,823)	(364,823)
Balance-July 31, 2025	53,381,214	4,296,278	1,416,329	(3,555,558)	2,157,049

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

Core Nickel Corp.

Condensed Interim Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Three months ended July 31 2025 \$	Three months ended July 31 2024 \$
Cash flows used in operating activities		
Loss for the period	(364,823)	(302,028)
Recoveries on mineral exploration expenditures	-	(69,100)
Share-based compensation	-	51,133
Interest income	(8,560)	(6,771)
Interest received	7,106	4,763
Change in non-cash operating working capital		
Decrease in receivables	221,716	25,689
(Increase) decrease in prepaid and deposits	(80,191)	7,387
(Decrease) in trade and other payables	(596,950)	(92,376)
	<u>(821,702)</u>	<u>(381,303)</u>
Cash flows from financing activities		
Cash received from government grant	-	69,100
Proceeds on exercise of stock options	83,543	-
Proceeds on exercise of share purchase warrants	37,681	3,644
	<u>121,234</u>	<u>72,744</u>
Decrease in cash and cash equivalents	(700,478)	(308,559)
Cash and cash equivalents - beginning of period (note 4)	1,660,760	845,093
Cash and cash equivalents - end of period (note 4)	<u>960,282</u>	<u>536,534</u>

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

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

1 Nature of Operations

Core Nickel Corp. (the “Company” or “Core Nickel”) was incorporated on May 5 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement (the “Arrangement”) to reorganize CanAlaska Uranium Ltd. (“CanAlaska”). The Company’s intended business activity is the acquisition and exploration of exploration and evaluation properties in Canada. The Company’s shares trade on the TSX Venture Exchange under the symbol “CNCO”. The Company’s head office is located at unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan, S7K 0K3, Canada.

2 Going Concern

These condensed interim financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. There is no assurance that the Company will be successful in raising additional financing or that financing will be available to the Company on acceptable terms. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

Given that the Company does not generate any revenues from operations and other factors as noted, a material uncertainty exists which may cast significant doubt regarding the Company’s ability to continue as a going concern. Management believes that the cash on hand is sufficient to meet corporate, administrative and selected exploration activities for at least the next twelve months. At July 31, 2025, the Company had cash and cash equivalents of \$960,282 (note 4). The Company’s current assets exceeds its current liabilities by \$991,352 at July 31, 2025, which is sufficient to advance the development of its exploration projects in the near term. Management may either need to dilute its ownership in its properties or secure additional financing to continue to advance the development of its exploration projects.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

3 Summary of Material Accounting Policies

a) Statement of Compliance

These condensed interim financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards 34 Interim Financial Reporting ("IAS 34") using the accounting policies consistent with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The interim condensed financial statements do not include all disclosures required by the IFRS Accounting Standards for annual statements and should be read in conjunction with the Company's financial statements for the year ended April 30, 2025.

These interim unaudited financial statements were approved by the Board of Directors of the Company on September 26, 2025.

b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars and is the functional currency of the Company. The financial statements are prepared on the historical cost basis.

c) Significant estimates and judgements

The accounting policies, judgements and estimates applied in these condensed interim financial statements are consistent with those set out in Note 3 of the Company's annual financial statements for the year ended April 30, 2025.

d) Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In April 2024, the IASB issued IFRS Accounting Standards 18, Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1. IFRS 18 introduces two newly required subtotals on the face of the income statement, which includes operating profit and profit or loss before financing and income tax, and three new income statement classifications, which are operating, investing, and financing. In addition, IFRS 18 requires non-IFRS Accounting Standards management performance measures that are subtotals of income and expenses to be disclosed on financial statement. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

4 Cash and Cash Equivalents

	July 31, 2025	April 30, 2025
	\$	\$
Cash	232,786	240,369
Cash equivalents	727,496	1,420,391
Total	960,282	1,660,760

5 Mineral Property Interests

The Company holds 26,764 hectares of mining claims in the Thompson Nickel Belt located in the province of Manitoba in Canada. The holdings are comprised of 5 projects which are in various stages of exploration and discovery.

Details of acquisition costs for the twelve and three months ended April 30, 2025 and July 31, 2025 are as follows:

Project	April 30, 2024	Additions	April 30, 2025	Additions/write-offs/recoveries	July 31, 2025
	\$	\$	\$	\$	\$
Thompson Nickel Belt					
Mel	979,309	18,000	997,309	-	997,309
Halfway Lake	104,998	-	104,998	-	104,998
Hunter	28,885	-	28,885	-	28,885
Resting Lake	17,505	-	17,505	-	17,505
Odei River	5,107	-	5,107	-	5,107
Total	1,135,804	18,000	1,153,804	-	1,153,804

There were no additions to the mineral property interest for the three months ended July 31, 2025.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

5 Mineral Property Interests (continued)

During the period ended July 31, 2025, the Company incurred exploration expenditures as follows:

Project	Geology & Geophysics \$	Drilling \$	Travel & Transport \$	Data Analysis \$	Field Supplies \$	Personnel \$	Recoveries \$	Total \$
Halfway Lake	6,024	4,018	133	50,079	10,040	35,123	-	105,417
Hunter	3,128	-	-	-	-	5,944	-	9,072
Mel	17,031	-	859	-	162	10,494	-	28,546
Odei River	25,502	-	-	-	-	3,123	-	28,625
Resting Lake	-	-	-	-	-	-	-	-
MMDF Grant	-	-	-	-	-	-	-	-
Total	51,685	4,018	992	50,079	10,202	54,684	-	171,660

During the period ended July 31, 2024, the Company incurred exploration expenditures as follows:

Project	Geology & Geophysics \$	Drilling \$	Travel & Transport \$	Data Analysis \$	Field Supplies \$	Personnel \$	Recoveries \$	Total \$
Halfway Lake	62,481	7,415	1,526	7,642	6,033	32,581	-	117,678
Hunter	-	-	-	-	-	-	-	-
Mel	9,000	-	-	-	-	-	-	9,000
Odei River	-	-	-	-	-	-	-	-
Resting Lake	41,551	-	-	-	-	-	-	41,551
MMDF Grant	-	-	-	-	-	-	(69,100)	(69,100)
Total	113,032	7,415	1,526	7,642	6,033	32,581	(69,100)	99,129

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

6 Share Capital

The Company has authorized capital consisting of an unlimited number of common shares without par value.

Share Issuances

- a) During the period ended July 31, 2025, the Company issued 167,358 common shares from the exercise of share purchase warrants for total gross proceeds of \$37,681.

During the year ended April 30, 2025, the Company issued 44,401 common shares from the exercise of share purchase warrants for total gross proceeds of \$5,983.

- b) During the period ended July 31, 2025, the Company issued 1,539,849 common shares from the exercise of stock options for gross proceeds of \$83,543.

During the year ended April 30, 2025, the Company issued 1,321,326 common shares from the exercise of stock options for gross proceeds of \$67,617.

- c) On October 31, 2024, the Company completed a non-brokered private placement and issued 3,313,572 units at a price of \$0.175 per unit for gross proceeds of \$579,875. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.30.

On October 18, 2024, the Company completed two non-brokered private placements and issued 7,500,000 Flow-Through Unit ("FT Unit") at a price of \$0.30 per FT Unit for gross proceeds of \$2,250,000 and 1,440,000 non-flow-through units ("NFT Units") at a price of \$0.175 per NFT Unit for gross proceeds of \$252,000. Each FT Unit and NFT Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.30.

On September 20, 2024, the Company completed a non-brokered private placement and issued 8,000,000 flow-through units for gross proceeds of \$400,000. Each flow-through unit was sold at a price of \$0.05 and consists of one flow-through common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.06.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

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(Unaudited)

(Expressed in Canadian dollars except where indicated)

7 Share Stock Options and Warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined by management at the date of grant. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	Number of options	Weighted average exercise price \$
Outstanding – April 30, 2024	1,365,092	0.05
Granted	5,450,000	0.15
Exercised	(1,321,326)	0.05
Expired/Cancelled	(463,917)	0.16
Outstanding – April 30, 2025	5,029,849	0.15
Exercised	(1,539,849)	0.05
Outstanding – July 31, 2025	3,490,000	0.19

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

	Number of options outstanding	Exercisable price \$	Expiry date
	1,590,000	0.20	October 21, 2027
	1,900,000	0.175	January 30, 2028
Total	3,490,000		

Warrants

	Number of warrants	Weighted average exercise price \$
Outstanding – April 30, 2024	6,703,211	0.17
Granted	16,253,572	0.24
Exercised	(44,401)	0.13
Expired	(2,313,629)	0.18
Outstanding – April 30, 2025	20,598,753	0.23
Exercised	(167,358)	0.23
Outstanding – July 31, 2025	20,431,395	0.23

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

7 Share Stock Options and Warrants (continued)

At July 31, 2025, the following warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
1,598,783	0.225	November 1, 2025
206,174	0.15	November 1, 2025
2,177,200	0.14	December 28, 2025
195,666	0.09	December 28, 2025
4,000,000	0.06	September 20, 2027
7,500,000	0.30	October 18, 2027
1,440,000	0.30	October 18, 2027
3,313,572	0.30	October 31, 2027
Total	20,431,395	

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options and warrants. The Company's expected volatility is estimated using the historical volatility of CanAlaska Uranium Ltd.'s share price. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for the three and nine months ended July 31, 2025 and 2024:

Options	Three months ended July 31	
	2025	2024
Weighted average fair value	-	\$0.03
Forfeiture rate	-	0%
Risk-free interest rate	-	4.06%
Expected life	-	3.0 years
Expected volatility	-	86.6%
Expected dividend	-	0%

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

8 Related Party Transactions

Related parties include the Board of Directors and Officers of the Company and enterprises which are controlled by these individuals. The remuneration of directors and key management of the Company for the three months ended July 31, 2025 and 2024 were as follows.

	Three months ended July 31	
	2025	2024
	\$	\$
Employment benefits	83,709	76,500
Consulting fees	18,000	16,000
Share-based compensation	-	47,977

Amounts paid or payable to companies with officers and/or directors in common are as follows:

	Three months ended July 31	
	2025	2024
	\$	\$
Rent	5,758	6,443
Other expenses and exploration costs	729	3,484

Included in trade and other payables at July 31, 2025 is \$29,703 (April 30, 2025 - \$3,914) due to officers and directors and companies with directors and/or officers in common.

9 Management of Capital

The Company considers its capital to consist of common shares, stock options and warrants. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

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 and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company has no external restrictions on the management of capital. There was no change to the Company's approach to capital management during the period ended July 31, 2025.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three months ended July 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

10 Subsequent Event

- a) Subsequent to July 31, 2025, the Company issued 700,282 common shares from the exercise of share purchase warrants for gross proceeds of \$157,667.