



**CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE THREE AND NINE MONTHS ENDED FEBRUARY 28, 2023
AND 2022**

(Unaudited, Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

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 have been prepared by management and approved by the Audit Committee and Board of Directors.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

GRANITE CREEK COPPER LTD.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	February 28, 2023	May 31, 2022
		\$	\$
ASSETS			
Current			
Cash		22,570	949,655
Receivables		45,916	21,759
Prepaid expenses and deposits	4	77,668	267,134
		<u>146,154</u>	<u>1,238,548</u>
Non-current			
Reclamation bonds	5	90,300	90,300
Exploration and evaluation assets	5	8,514,696	8,361,256
		<u>8,751,150</u>	<u>9,690,104</u>
LIABILITIES			
Current			
Accounts payable and accrued liabilities		403,759	375,630
Due to related parties	10(b)	702,470	674,654
Flow-through share premium liability	7	-	145,334
		<u>1,106,229</u>	<u>1,195,618</u>
Non-current			
Severance liability	8	707,080	658,429
Due to related parties	10(b)	372,616	-
		<u>2,185,925</u>	<u>1,854,047</u>
SHAREHOLDERS' EQUITY			
Share capital	9	18,253,475	17,940,545
Share-based payment reserve	9(f)	1,756,008	1,771,498
Foreign currency translation reserve		(3,586)	(3,586)
Deficit		(13,440,672)	(11,872,400)
		<u>6,565,225</u>	<u>7,836,057</u>
		<u>8,751,150</u>	<u>9,690,104</u>

Nature of Operations and Going Concern – Note 1
Commitments – Note 13
Subsequent event – Notes 9 and 14

Approved on behalf of the Board:

“Timothy A. Johnson”, Director

“Michael Rowley”, Director

GRANITE CREEK COPPER LTD.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended		Nine months ended	
		2023	February 28, 2022	2023	February 28, 2022
		\$	\$	\$	\$
EXPENSES					
Consulting and management fees	10(a)	55,343	65,210	187,731	187,201
Corporate advisory fees		30,853	66,466	82,119	162,414
Exploration expenditures	6,10(a)	78,055	433,936	1,311,573	3,672,463
Investor relations		20,830	31,579	95,332	195,141
Office and administration		10,727	12,620	27,755	29,576
Professional fees		34,164	27,891	65,950	55,964
Property evaluation		-	-	14,879	-
Share-based payment expense	9(f),10(a)	63,930	61,946	197,376	304,836
Transfer agent, regulatory and filing fees		12,634	11,942	38,749	23,785
Travel and accommodation		3,919	3,291	13,603	6,708
		(310,455)	(714,881)	(2,035,067)	(4,638,088)
Other Items					
Other income	7	26,000	24,626	229,756	270,751
Interest expense		(1,808)	(1,349)	(5,127)	(24,001)
Severance liability accretion expense	8	(16,424)	(14,931)	(48,651)	(44,230)
Loss on settlement of debt		-	(16,349)	-	(16,349)
NET LOSS AND COMPREHENSIVE LOSS		(302,687)	(722,884)	(1,859,089)	(4,451,917)
Basic and diluted loss per share		(0.00)	(0.01)	(0.01)	(0.02)
Weighted average number of shares outstanding		140,165,514	121,997,657	137,741,309	121,657,300

GRANITE CREEK COPPER LTD.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Unaudited - Expressed in Canadian Dollars)

	Note	Common Shares number	Share Capital \$	Share-based Payments Reserve \$	Foreign Currency Translation Reserve \$	Deficit \$	Total \$
Balance, May 31, 2021		121,504,800	15,832,383	1,451,736	(3,586)	(7,309,495)	9,971,038
Private placements, net of issue costs	9(b)	8,333,337	1,378,622	20,039	-	-	1,398,661
Flow-through share premium liability	9(b)	-	(208,333)	-	-	-	(208,333)
Shares issued for debt	9(b)	344,648	49,974	-	-	-	49,974
Shares issued on exercise of options	9(b)	420,588	103,903	(48,903)	-	-	55,000
Shares issued on exercise of warrants	9(b)	4,728,366	776,923	-	-	-	776,923
Share-based payment expense	9(f)	-	-	304,836	-	-	304,836
Re-class of expired options and warrants	9(f)	-	-	(63,267)	-	63,267	-
Net loss and comprehensive loss		-	-	-	-	(4,451,917)	(4,451,917)
Balance, February 28, 2022		135,331,739	17,933,472	1,664,441	(3,586)	(11,698,145)	7,896,182
Shares issued on exercise of options		21,429	2,678	(2,678)	-	-	-
Shares issued on exercise of warrants		57,640	4,395	(72)	-	-	4,323
Share-based payment expense		-	-	111,080	-	-	111,080
Re-class of cancelled/expired options and warrants		-	-	(1,273)	-	1,273	-
Net loss and comprehensive loss		-	-	-	-	(175,528)	(175,528)
Balance, May 31, 2022		135,410,808	17,940,545	1,771,498	(3,586)	(11,872,400)	7,836,057
Private placements, net of issue costs		4,517,272	357,352	31,451	-	-	388,803
Flow-through share premium liability		-	(84,422)	-	-	-	(84,422)
Funds received in advance	9(c)(d)	-	-	46,500	-	-	46,500
Shares issued pursuant to acquisition of Star property	9(b)	500,000	40,000	-	-	-	40,000
Share-based payment expense	9(f)	-	-	197,376	-	-	197,376
Reclass of expired options		-	-	(43,040)	-	43,040	-
Reclass of expired warrants		-	-	(247,777)	-	247,777	-
Net loss and comprehensive loss		-	-	-	-	(1,859,089)	(1,859,089)
Balance, February 28, 2023		140,428,080	18,253,475	1,756,008	(3,586)	(13,440,672)	6,565,225

GRANITE CREEK COPPER LTD.

Condensed Interim Consolidated Statements of Cash Flows

For the Three and Nine Months Ended February 28, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended February 28,		Nine months ended February 28,	
		2023	2022	2023	2022
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Net income (loss) for the period		(302,687)	(722,884)	(1,859,089)	(4,451,917)
Items not involving cash:					
Other income	7	(26,000)	(24,626)	(229,756)	(270,751)
Interest expense	6	1,233	1,233	3,740	12,373
Share-based payment expense	9(f)	63,930	61,946	197,376	304,836
Severance liability accretion expense	8	16,424	14,931	48,651	44,230
Loss on settlement of debt	9(b)	-	16,349	-	16,349
		(247,100)	(653,051)	(1,839,078)	(4,344,880)
Net change in non-cash working capital items	11	110,463	(590,429)	590,130	(451,573)
Cash used in operating activities		(136,637)	(1,243,480)	(1,248,948)	(4,796,453)
INVESTING ACTIVITIES					
Acquisition of exploration and evaluation assets	5	(100,000)	(30,000)	(113,440)	(41,450)
FINANCING ACTIVITIES					
Proceeds received from private placements	9(b)	90,050	1,500,001	406,460	1,500,001
Share issue costs	9(b)	(3,880)	(101,340)	(17,657)	(101,340)
Proceeds received in advance	9(c)(d)	46,500	-	46,500	-
Repayment of loan	9(b)	-	(90,000)	-	(90,000)
Proceeds from exercise of warrants	6	-	508,666	-	776,923
Proceeds from exercise of options	9(b)	-	55,000	-	55,000
Cash provided by financing activities		132,670	1,872,327	435,303	2,140,584
CHANGE IN CASH		(103,967)	598,847	(927,085)	(2,697,319)
Cash, beginning of period		126,537	641,280	949,655	3,937,446
CASH, END OF PERIOD		22,570	1,240,127	22,570	1,240,127

Supplemental cash flow information (Note 11)

GRANITE CREEK COPPER LTD.

Notes to the Interim Condensed Consolidated Financial Statements
For the Three and Nine Months Ended February 28, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Granite Creek Copper Ltd. (the “Company”) was incorporated on June 23, 2010 under the British Columbia Business Corporations Act. The Company’s principal business activities include the acquisition, exploration and development of mineral properties. The address of the Company’s corporate office and its principal place of business is Suite 904, 409 Granville Street, Vancouver, BC, V6C 1T2. The Company is a reporting issuer and trades on the TSX Venture Exchange in Canada under the symbol “GCX”.

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve profitable operations. The Company has sustained losses from operations and has an ongoing requirement for capital investment to acquire and explore its mineral properties.

The Company incurred a net loss of \$1,859,089 during the nine months ended February 28, 2023, and as of that date, had an accumulated deficit of \$13,440,672 (May 31, 2022: \$11,872,400) and working capital deficit of \$960,075 (May 31, 2022 working capital of \$42,930). At February 28, 2023, the Company had a total of \$146,154 (May 31, 2022: \$1,238,548) in current assets and \$1,079,696 (May 31, 2022: \$658,429) in long term debt.

While the Company has been successful in obtaining the necessary financing to cover its corporate operating costs and advance the development of its projects through the issuance of common shares and the exercise of warrants in the past, there is no assurance it will be able to raise funds in this manner in the future. There remain material uncertainties that may cast significant doubt as to the Company’s ability to continue as a going concern. These condensed interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

Statement of compliance

The Company’s condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended May 31, 2022, which have been prepared in accordance with IFRS. These condensed interim consolidated financial statements were prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information.

The Board of Directors approved these condensed interim consolidated financial statements on May 1, 2023.

Basis of Consolidation

The condensed interim consolidated financial statements include the results or financial information of Granite Creek Copper Ltd. and its wholly-owned subsidiaries listed in the following table:

Name	Country of incorporation
Copper North Mining Corp.	Canada
Carmacks Mining Corp.	Canada
Granite Creek (Barbados) Limited (inactive)	Barbados
Granite Creek (Mali) Sarl (inactive)	Mali
838232 Yukon Inc.	Canada

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Notes to the Interim Condensed Consolidated Financial Statements
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(Unaudited - Expressed in Canadian Dollars)

A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns and the ability to affect those returns through power over the investee. The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. All intercompany balances and transactions have been eliminated upon consolidation.

3. USE OF ESTIMATES, ASSUMPTIONS AND JUDGMENTS

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended May 31, 2022.

4. PREPAID EXPENSES AND DEPOSITS

	February 28, 2023	May 31, 2022
	\$	\$
Prepaid expenses	77,668	259,134
Deposits	-	8,000
	77,668	267,134

The Company has made total prepaid and deposits of \$222,000 for work to be completed on the Carmacks property and as of February 28, 2023 invoices of \$222,000 were drawn down on the advance. The Company prepaid the advance royalty of \$30,000 due prior to May 31, 2023.

5. EXPLORATION AND EVALUATION ASSETS

A summary of the changes in exploration and evaluation acquisition costs is presented below:

	Carmacks North	Carmacks	Star	Total
	\$	\$		\$
Balance, May 31, 2021	249,078	7,970,728	-	8,219,806
Advance royalty payments	30,000	100,000	-	130,000
Licensing & maintenance	-	11,450	-	11,450
Balance, May 31, 2022	279,078	8,082,178	-	8,361,256
Acquisition costs – cash	-	-	10,000	10,000
Acquisition costs – shares	-	-	40,000	40,000
Advance royalty payments	-	100,000	-	100,000
Licensing & maintenance	-	-	3,440	3,440
Balance, February 28, 2023	279,078	8,182,178	53,440	8,514,696

Carmacks North (previously named Stu Project)

In January 2019, the Company acquired an undivided 100% interest in the Carmacks North (formerly Stu Project) in Yukon Territory, Canada from arms-length vendors (the "Vendors"). In consideration, the Company issued an aggregate of 3,000,000 units (each, a "Transaction Unit") valued at \$225,000 and granted a 3% net smelter return royalty to the Vendors on any future production on the Stu Property (the "Royalty"). The Company has the option to purchase up to two-thirds of the Royalty from the Vendors. The agreement also provides that the Company will make annual advance Royalty payments of \$30,000 to the Vendors beginning in May 2022, and in each subsequent year thereafter, until the commencement of any commercial production on Carmacks North. At February 28, 2023, \$60,000 has been paid in advance royalty payments relating to the May 31, 2022 and 2023 payments.

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Notes to the Interim Condensed Consolidated Financial Statements
For the Three and Nine Months Ended February 28, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

Carmacks Project

The Company acquired 100% of the Carmacks Project, an oxide copper, gold, and silver deposit located in Yukon, Canada, on November 27, 2020.

At February 28, 2023, \$2.0 million has been paid in advance royalty payments. The Company is required to make an advance royalty payment of \$100,000 in any year in which the average daily copper price reported by the London Metal Exchange is US\$1.10 per pound or greater. (Paid on January 17, 2022) Any production from the Carmacks Project is subject to either a 15% net profits interest or a 3% net smelter return royalty, at the Company's election. If the Company elects to pay the net smelter return royalty, it has the right to purchase the royalty for \$2.5 million, less any advance royalty payments made to that date.

Carmacks Mining Corp. holds a Guaranteed Investment Certificate in the amount of \$80,300 in safekeeping for the Yukon Government. This amount represents the estimated reclamation cost for the work performed to date on the property.

Star property

The Company acquired the Star Cu-Ni-Platinum Group Metal project, located in the Omineca mineral belt of northern British Columbia. The Company secured a 100% interest in the Star project, with no underlying royalty or further obligation, for a total consideration of \$10,000 in cash and the issuance of 500,000 common shares of the Company (valued at \$40,000).

Other

The Company's subsidiary, Copper North Mining Corp, has a deposit of \$10,000 held by the Government of British Columbia to cover reclamation costs for the work performed on a previously held property.

6. EXPLORATION EXPENDITURES

The Company incurred exploration expenses for the three months ended February 28, 2023 as follows:

	Carmacks North	Carmacks	Total
	\$	\$	\$
Analysis	-	25,330	25,330
Camp	33,800	2,501	36,301
Consulting	-	15,998	15,998
Transport	-	427	427
	33,800	44,256	78,056

The Company incurred exploration expenses for the three months ended February 28, 2022 as follows:

	Carmacks North	Carmacks	Total
	\$	\$	\$
Analysis	3,159	98,916	102,075
Camp	126,728	4,543	131,271
Consulting	20,814	136,862	157,676
Equipment and communication	-	33,504	33,504
Helicopter and fuel	-	186	186
Permitting	-	413	413
Transport	2,119	6,692	8,811
	152,820	281,116	433,936

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Notes to the Interim Condensed Consolidated Financial Statements
For the Three and Nine Months Ended February 28, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

The Company incurred exploration expenses for the nine months ended February 28, 2023 as follows:

	Carmacks North	Carmacks	Star	Total
	\$	\$		\$
Analysis	521	52,422	3,363	56,306
Camp	197,157	135,508	5,480	338,145
Consulting	41,628	726,461	12,693	780,782
Drilling	-	3,864	-	3,864
Equipment and communication	3,216	38,234	1,502	42,952
Helicopter and fuel	17,867	38,654	568	57,089
Permitting	-	1,033	-	1,033
Transport	-	25,944	5,458	31,403
	260,389	1,022,121	29,064	1,311,573

The Company incurred exploration expenses for the nine months ended February 28, 2022 as follows:

	Carmacks North	Carmacks	Total
	\$	\$	\$
Analysis	4,087	227,618	231,705
Camp	136,332	244,566	380,898
Consulting	325,578	805,235	1,130,813
Drilling	47,559	1,463,524	1,511,083
Equipment and communication	15,552	77,473	93,025
Geophysics	186,479	-	186,479
Helicopter and fuel	44,646	21,305	65,951
Permitting	-	413	413
Transport	2,535	69,561	72,096
	762,768	2,909,695	3,672,463

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company's flow-through share premium liability was as follows:

	\$
Balance, May 31, 2021	246,125
Flow-through share premium on the issuance of flow-through common shares	208,333
Settlement of flow-through share premium liability pursuant to incurring qualified expenditures	(309,124)
Balance, May 31, 2022	145,334
Flow-through share premium on the issuance of flow-through common shares	84,422
Settlement of flow-through share premium liability pursuant to incurring qualified expenditures	(229,756)
Balance, February 28, 2023	-

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Notes to the Interim Condensed Consolidated Financial Statements
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(Unaudited - Expressed in Canadian Dollars)

8. SEVERANCE LIABILITY

On June 16, 2020 the Company's subsidiary, Copper North Mining Corp, reached a Settlement Agreement with the departing CEO which resolves all his outstanding claims for unpaid wages, severance, and unpaid expenses. The settlement amount of \$880,957 will be due and payable in five years with provisions for earlier payment or shares-for-debt settlement under certain conditions and subject to approvals as may be required.

As the severance liability is non-current, it was discounted to its present value on inception of the liability, using a 10% interest rate. During the three and nine months ended February 28, 2023 accretion expense of \$16,424 and \$48,651 respectively was recorded. The balance as at February 28, 2023 was \$707,079.

9. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value

b) Share issuance details

Nine Months Ended February 28, 2023

On, December 15, 2022, the Company closed the second tranche of a private placement for aggregate gross proceeds of \$134,700 by issuing a total of 472,727 flow-through ("FT") shares at a price of \$0.11 per share and 1,102,667 non-FT units at a price of \$0.075 per unit. The 472,727 FT shares were issued at \$0.11 per share for total gross proceeds of \$52,000. The Company allocated \$26,000 to flow-through share premium liability using the residual method.

The 1,102,667 non-FT units were issued at \$0.075 per unit for gross proceeds of \$82,700. Each unit consists of one common share of the Company and one share purchase warrant. Each whole warrant will entitle the holder to acquire one common non-FT share of the Company at an exercise price of \$0.10 per share for a period of 24 months following the closing date. The Company allocated \$22,053 to warrant reserve using the residual value method.

In connection with the private placement the Company also incurred cash share issuance costs of \$3,880.

- On October 6, 2022, the Company closed the first tranche of a private placement for aggregate gross proceeds of \$271,760 by issuing a total of 1,460,546 FT shares and 1,481,332 non-FT units.

The 1,460,546 FT shares were issued at \$0.11 per share for total gross proceeds of \$160,660. The Company allocated \$58,422 to flow-through share premium liability using the residual method.

The 1,481,332 non-FT units were issued at \$0.075 per unit for gross proceeds of \$111,010. Each unit consists of one common share of the Company and one share purchase warrant. Each whole warrant will entitle the holder to acquire one common non-FT share of the Company at an exercise price of \$0.10 per share for a period of 24 months following the closing date. The Company allocated \$7,407 to warrant reserve using the residual value method.

In connection with the private placement the Company issued 115,678 brokers' warrants. Each brokers' warrant will entitle the holder to acquire one common non-flow-through share of the Company at an exercise price of \$0.10 per share for a period of 24 months following the closing date. The brokers' warrants were valued at \$1,991 using the Black-Scholes pricing model. The Company also incurred cash share issuance costs of \$13,777.

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Notes to the Interim Condensed Consolidated Financial Statements
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- During the nine months ended February 28, 2023, the Company issued 40,000 common shares valued at \$0.08 per share on the date of issuance, pursuant to the acquisition of the Star property.

Nine Months Ended February 28, 2022

- On December 17, 2021, the Company closed a non-brokered private placement of 8,333,337 FT common shares of the Company at a price of \$0.18 per common share for gross proceeds of \$1,500,001. In connection with the private placement, the Company paid cash finders fees of \$91,000 and issued 505,554 finders' warrants, valued at \$20,039 using the Black-Scholes pricing model. Each common share purchase warrant will entitle the holder to purchase one common share of the Company at a price of \$0.17 per common share for a period of 24 months following the closing date. A total of \$208,333 was allocated to flow-through share premium liability using the residual value method. The Company also incurred cash share issuance costs of \$10,340.
- On December 23, 2021, the Company issued 344,648 common shares to settle debt of \$33,625. The shares were valued at \$49,974. Which resulted in loss on settlement of debt of \$16,349.
- The Company issued 400,000 common shares pursuant to the exercise of 400,000 options with a weighted average exercise price of \$0.1375 per share for total gross proceeds of \$55,000. The weighted average share price on the date of exercise was \$0.155. An additional total of 50,000 options exercised were using Share Appreciation Rights ("SAR") and 20,588 common shares were issued.
- During the nine months ended February 28, 2022, the Company issued 4,728,366 common shares pursuant to the exercise of share purchase warrants with a weighted average exercise price of \$0.16 per share. The weighted average share price on the date of exercise was \$0.16.

c) Stock options

A summary of the changes in stock options is presented below:

	Number of options	Weighted average exercise price
Balance, May 31, 2021	11,248,000	0.15
Granted	3,685,000	0.20
Exercised	(500,000)	0.13
Expired	(339,000)	0.24
Balance, May 31, 2022	14,094,000	0.16
Granted	3,925,000	0.20
Expired/Cancelled	(405,000)	0.24
Balance, February 28, 2023	17,614,000	0.13
Exercisable, February 28, 2023	13,222,333	0.15

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Notes to the Interim Condensed Consolidated Financial Statements
For the Three and Nine Months Ended February 28, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

The following stock options were outstanding as at February 28, 2023:

Outstanding	Exercisable	Weighted average exercise price	Expiry date	Weighted average remaining life (in years)
		\$		
2,649,000	2,649,000	0.15	February 1, 2024	0.93
600,000	600,000	0.15	May 15, 2024	1.21
2,900,000	2,900,000	0.10	June 19, 2025	2.31
1,420,000	1,420,000	0.14	August 21, 2025	2.48
2,435,000	2,435,000	0.22	March 17, 2026	3.05
125,000	125,000	0.22	May 15, 2026	3.21
300,000	200,000	0.16	October 6, 2026	3.61
3,260,000	2,173,333	0.20	February 14, 2027	3.96
360,000	120,000	0.10	August 2, 2027	4.43
3,565,000 ⁽¹⁾	600,000	0.08	January 10, 2028	4.87
17,614,000	13,222,333	0.15		3.08

⁽¹⁾ Subsequent to February 28, 2023 a total of 500,000 stock options at \$0.08 were exercised for proceeds of \$40,000. A total of \$24,000 funds were received during the three months ended February 28, 2023.

d) Share purchase warrants

A summary of the changes in warrants is presented below:

	Number of warrants	Weighted average exercise price
		\$
Balance, May 31, 2021	52,130,509	0.20
Issued	505,554	0.27
Exercised	(4,786,006)	0.16
Expired	(2,143,636)	0.23
Balance, May 31, 2022	45,706,421	0.21
Issued	2,699,677	0.10
Expired	(29,476,826)	0.20
Balance, February 28, 2023	18,929,272	0.19

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The following share purchase warrants were outstanding as at February 28, 2023:

Outstanding	Weighted average exercise price	Expiry date	Weighted average remaining life (in years)
	\$		
8,662,081 ⁽¹⁾	0.30	March 16, 2023	0.04
3,347,160 ⁽²⁾	0.075	June 5, 2023	0.27
2,914,800	0.075	June 18, 2023	0.30
800,000	0.125	August 7, 2023	0.44
505,554	0.27	December 17, 2023	0.80
115,678	0.10	October 6, 2024	1.61
1,481,332	0.10	October 6, 2024	1.61
1,102,667	0.10	December 15, 2024	1.80
18,929,272	0.19		0.39

(1) Subsequent to February 28, 2023, these warrants expired unexercised.

(2) Subsequent to February 28, 2023, a total of 300,000 share purchase warrants at \$0.075 were exercised for proceeds of \$22,500. All the funds were received prior to February 28, 2023.

e) Compensation options

A total of 175,000 compensation options were issued pursuant to a private placement completed in March 2021 described in Note 10(b). Each compensation option entitles the holder to acquire one Unit at a price of \$0.20 until March 16, 2023. Each Unit consists of one common share and one-half of one warrant. The warrant entitles the holder to purchase an additional common share at a price of \$0.30 until March 16, 2023. Subsequent to February 28, 2023 all the compensation options expired unexercised.

f) Share-based payment expense and reserve

During the nine months ended February 28, 2023, the Company granted incentive stock options to Directors, Officers and consultants of the Company. The fair value of the stock options granted during the nine months ended February 28, 2023 was calculated using the Black Scholes option pricing model with the following weighted average assumptions:

Risk free interest rate	3.40%
Expected life in years	5.0
Expected volatility	60%
Expected dividends	Nil

During the nine months ended February 28, 2023, total share-based payment expense was \$197,376 (2022 - \$304,836) in respect of the vesting of previously granted stock options and newly granted options and was recorded in profit or loss.

Expected volatility is based on historical price volatility to the extent of the expected life of the option.

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The fair value of the 115,678 brokers' warrants, valued at \$1,991, that were issued during the nine months ended February 28, 2023 pursuant to the October 2022 private placement described in Note 9(b) was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk free interest rate	3.87%
Expected life in years	2.0
Expected volatility	61%
Expected dividends	Nil

During the nine months ended February 28, 2023, the Company reclassified \$43,040 (2022 - \$10,909) from share-based payment reserve to deficit with respect to options that expired during the period

During the nine months ended February 28, 2023, the Company reclassified \$247,777 (2022 - \$nil) from share-based payment reserve to deficit with respect to warrants that expired during the period

10. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the Directors and Executive Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and are reviewed and approved by the Company's Board. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

In addition to key management personnel, the Company transacted with the following related parties during the three and nine months ended February 28, 2023 and 2022:

- TruePoint Exploration Inc. ("TruePoint") is a privately held exploration service company that provides exploration and administrative services to the Company as well as to other exploration companies. Costs covered by TruePoint include exploration expenditures (technical work on the project such as drilling, sampling and geophysics), consulting, investor relations and corporate development costs and other admin costs. Timothy Johnson, President and CEO of the Company, and Michael Rowley director of the Company, are minority shareholders of TruePoint;
- 1111040 BC Ltd., a private company controlled by the President and CEO of the Company; and
- MVR Consulting Inc., a private company controlled by Michael Rowley, Director.

Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements, are described below.

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a) Related Party Transactions

The Company's related party transactions for the three and nine months ended February 28, 2023 and 2022 were as follows:

	Three months ended		Nine months ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	\$	\$	\$	\$
Consulting and management fees ⁽¹⁾	50,766	52,458	154,714	159,181
Share-based payments ⁽²⁾	63,930	16,321	197,376	72,228
Exploration and administrative support costs ⁽³⁾	144,570	273,410	2,265,421	3,486,590
	259,266	342,189	2,617,511	3,717,999

¹ Consulting fees for the three and nine months ended February 28, 2023 and 2022 consisted of fees earned by key management personnel including the CEO and CFO.

² Share-based payments expense is a non-cash item that consisted exclusively of the fair value of stock options that were granted to key management personnel.

³ Transactions with TruePoint for the nine months ended February 28, 2023 consisted of exploration expenditures (\$2,121,026), investor relations and corporate development fees (\$132,009) and other/office fees (\$12,386).

b) Related Party Balances

The Company's related party payable balances consisted of the following:

	February 28, 2023	May 31, 2022
	\$	\$
Current liabilities – Due to related parties		
TruePoint, net ⁽¹⁾	504,487	504,546
TruePoint, Promissory note	-	111,589
Tim Johnson	40,523	25,436
1111040 BC Ltd	68,250	15,750
Loy Chunpongong (Director) ⁽²⁾	17,333	17,333
	630,593	674,654

¹ This amount was the net of cash advances made to TruePoint, for future exploration offset by charges from TruePoint

² This amount is related to director fees payable by Copper North Mining Corp. for time Mr. Chunpongong served as a Copper North Mining Corp. director prior to its acquisition by the Company.

	February 28, 2023	May 31, 2022
	\$	\$
Long-term liabilities – Due to related parties		
TruePoint	265,833	-
TruePoint, Promissory note	115,329	-
	381,162	-

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The Company's subsidiary, Copper North Mining Corp, entered into a promissory note for \$100,000 on February 5, 2020. The promissory note bears interest at the rate of 5% per annum. The balance as at February 28, 2023 is \$115,329 including \$15,329 accrued interest and included in long term due to related parties. During the nine months ended February 28, 2023 Copper North Mining Corp entered into another loan agreement with TruePoint for \$257,287 of outstanding accounts payable from before the acquisition.

Current amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The net change in non-cash operating working capital balances for the three and nine months ended February 28, 2023 and 2022 consisted of the following:

	Three months ended February 28,		Nine months ended February 28,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Receivable	(25,836)	(30,836)	(24,157)	(109,195)
Due to / from related parties	115,747	(339,301)	27,816	(293,327)
Prepaid expenses	(5,459)	(232,726)	189,466	(51,165)
Accounts payable and accrued liabilities	26,011	12,434	397,005	2,114
	110,463	(590,429)	590,130	(451,573)

During the nine months ended February 28, 2023, the non-cash transactions consisted of the following:

- (i) issuing 500,000 common shares pursuant to the purchase of the Star property;
- (ii) issuing 115,678 brokers' warrants, valued at \$1,991 pursuant to the October 2022 private placement described in Note 9(b)

During the nine months ended February 28, 2022, the non-cash transactions consisted of the following:

- (iii) issuing 505,554 finders' warrants valued at \$20,039 pursuant to the December 2017 private placement noted in Note 9(b); and
- (iv) issuing 344,648 shares valued at \$49,974 to settle debt of \$33,625 noted in Note 9(b).

12. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and due to related parties. Cash, accounts receivable, accounts payable and accrued liabilities and due to related parties are classified as amortized cost.

As at February 28, 2023 the Company believes the carrying values of cash, receivables, accounts payable and accrued liabilities, due to related parties and short-term loans approximate their fair values due to the short period to maturity.

The Company's financial instruments are exposed to certain financial risks, including liquidity risk, currency risk, interest rate risk, credit risk, and other price risk. There have been no changes in any risk management policies since May 31, 2022.

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13. COMMITMENTS

As a result of the issuance of FT shares in December 2021, the Company had a commitment to incur \$1,500,001 on qualifying Canadian exploration expenditures. At February 28, 2023, the Company had incurred \$1,500,001 of those qualifying expenditures.

As a result of the issuance of FT shares in October 2022, the Company had a commitment to incur \$212,660 on qualifying Canadian exploration expenditures. At February 28, 2023, the Company had incurred \$212,660 of those qualifying expenditures.

14. SUBSEQUENT EVENT

The Company entered into an agreement to acquire a 100% interest in the LS (formerly Lucky Ship) molybdenum property. Under the terms of the agreement the Company has the option to acquire the 100% interest by issuing 3,750,000 common shares over a three-year period and completing exploration work equivalent to two years' worth of assessment credit during the first two years of the agreement and four years' worth of assessment credit in the third year of the agreement. The agreement has not yet received TSX-V approval.