
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 333-150028

BUNKER HILL MINING CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

32-0196442

(I.R.S. Employer
Identification No.)

**1009 McKinley Ave
Kellogg, Idaho, U.S.A.**

(Address of principal executive offices)

83837

(Zip Code)

(604) 417-7952

(Registrant's Telephone Number, including area code)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2025, the aggregate market value of the voting and non-voting shares of common stock of the registrant issued and outstanding on such date, excluding shares held by affiliates of the registrant as a group, was \$78,398,964.

Number of shares of common stock outstanding as of March 5, 2026: 45,618,400

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Bunker Hill Mining Corp. (“Bunker Hill,” “BHMC,” “we,” “us,” “our” or the “Company”) is a U.S. domestic issuer for U.S. Securities and Exchange Commission (the “SEC”) purposes, it is required to report its financial results under U.S. Generally Accepted Accounting Principles (“U.S. GAAP”), and its shares of common stock trade on the TSX Venture Exchange (the “TSXV”) and the OTCQB Venture Market.

This Annual Report on Form 10-K (this “Annual Report”), including “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” in Item 7 of this report, contains “forward-looking statements” within the meaning of the Securities Act (as defined below) and the Exchange Act (as defined below), and “forward-looking information” within the meaning of Canadian securities laws (collectively, “forward-looking statements”). Any statements that express or involve discussions with respect to business prospects, predictions, expectations, beliefs, plans, intentions, projections, objectives, strategies, assumptions, future events, performance or exploration and development efforts using words or phrases (including negative and grammatical variations) such as, but not limited to, “expects,” “anticipates,” “plans,” “estimates,” “intends,” “forecasts,” “likely,” “projects,” “believes,” “seeks,” or stating that certain actions, events or results “may,” “could,” “would,” “should,” “might” or “will” be taken, occur or be achieved, are not statements of historical fact and may be forward-looking statements. Although we believe that our plans, intentions, and expectations reflected in these forward-looking statements are reasonable, we cannot be certain that these plans, intentions, and expectations will be achieved. Actual results, performance, or achievements

could differ materially from those contemplated, expressed or implied by the forward-looking statements contained in this Annual Report. Forward-looking statements in this Annual Report include, but are not limited to, statements regarding the following:

- our business, prospects, and overall strategy;
- our progress in the development of our Bunker Hill Mine mining operation and the timing of that progress;
- our ability to commence the restart of the Bunker Hill Mine on our planned timeline;
- planned or estimated expenses and capital expenditures, including the Bunker Hill Mine's expected costs of construction, commissioning, and operation and the sources of funds to pay for such costs;
- our ability to secure required capital, to complete the development of the Bunker Hill Mine and support corporate needs;
- our ability to complete an uplist to a national stock exchange if so determined to be in the best interest of our shareholders; and the timing of any uplisting, if so applied for;
- our ability to advance and complete our planned mineral resource update and the potential that those results will create additional mineral resource; and
- any further initiatives or advancements that may be undertaken relating to the Bunker Hill Mine.

Forward-looking statements are based on our current expectations and assumptions that are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied by the forward-looking statements, including, but not limited to, the following:

- the sufficiency of existing cash resources to enable us to continue operations for the next 12 months as a going concern;
- we may not be able to achieve our targeted production timeline for the Bunker Hill Mine which would increase the Company's required capital needs through the completion of the project;
- we may not be able to secure additional funding, to support operations of the Bunker Hill Mine;
- payment bonds securing the U.S. Environmental Protection Agency (the "EPA") cost recovery costs may not be renewed or not be renewable on acceptable terms;
- the Company has a history of losses and may continue to incur losses in the future;
- commodity price volatility could have dramatic effects on the results of our planned operations and the Company's ability to execute its business plan;
- the impact of existing or new and/or increased tariffs and other trade restrictions on the global trade industry;
- the Company's development and production plans, metal recoveries and cost estimates, in its reserve and resource estimates may vary and/or not be achieved;
- the Idaho Department of Environmental Quality ("IDEQ") wastewater treatment costs payable by the Company are not controlled by the Company;
- estimates of mineral reserves and resources are subject to evaluation uncertainties that could materially impact the Bunker Hill Mine project;
- we are subject to changing governmental regulations that can affect current and planned operations;
- our ability to maintain required permits and licenses to advance our Bunker Hill Mine into production;
- our activities are subject to environmental laws and regulations that may change and increase the cost of doing business and restrict our operations;
- social and environmental activism may have an adverse effect on the reputation and financial condition of the Company or our relationship with the communities in which we operate;
- a shortage of equipment and supplies could adversely affect our ability to operate our business after commencement of operations;
- Our partnerships, including offtake arrangements, may expose the Company to overly burdensome costs or business risks;

- the Company may experience difficulty attracting and retaining qualified personnel to meet the needs of our anticipated growth;

- title to the Company's properties may be subject to other claims that could affect our property rights and mineral claims;
- the Company may be unable to secure or purchase additional required surface rights;
- the Company's properties and operations are subject to litigation claims, including the Crescent Mine litigation, which may impact our business or operations;
- the Company's operations are dependent on information technology systems that may be subject to network disruptions or cyber-attacks;
- the Company's common stock price can be volatile and subject to short interest activity, and as a result, investors could lose all or part of their investment;
- investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per share of common stock if the Company issues additional employee, director, or consultant stock options or other stock-based compensation;
- the Company has a history of issuance of additional shares of common stock and warrants to raise capital, or acquire other business, and further equity raises will dilute investors interest;
- the issuance of additional shares of common stock may negatively impact the trading price of the Company's securities;
- risk factors discussed in this Annual Report; and
- other factors, many of which are beyond our control.

This list is not exhaustive of all the risk factors that may affect our forward-looking statements.

Although we have attempted to identify important factors that could cause actual results, performance, or achievements to differ materially from those described in forward-looking statements, there may be other factors that could cause results, performance, or achievements not to be as anticipated, estimated, intended, or expected. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance, or achievements may vary, possibly materially, from those anticipated, estimated, intended, or expected. We caution readers not to place undue reliance on any such forward-looking statements. Except as required by law, we disclaim any obligation to revise or update any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. **We qualify all of the forward-looking statements contained in this Annual Report by the foregoing cautionary statements.** We advise you to carefully review the reports and documents we file from time to time with the SEC and with the Canadian securities regulatory authorities. The reports and documents filed by us with the SEC are available at www.sec.gov and with the Canadian securities regulatory authorities under the Company's profile at www.sedarplus.ca.

Certain statements in this report, including statements in the following discussion, are what are known as "forward looking statements", which are basically statements about the future. For that reason, these statements involve risk and uncertainty since no one can accurately predict the future. Words such as "plans," "intends," "will," "hopes," "seeks," "anticipates," "expects" and the like often identify such forward looking statements, but are not the only indication that a statement is a forward-looking statement. Such forward looking statements include statements concerning the Company's plans and objectives with respect to the present and future operations of the Company, and statements which express or imply that such present and future operations will or may produce revenues, income or profits. Numerous factors and future events could cause the Company to change such plans and objectives or fail to successfully implement such plans or achieve such objectives, or cause such present and future operations to fail to produce revenues, income or profits. Therefore, the reader is advised that the following discussion should be considered in light of the discussion of risks and other factors contained in this report and in the Company's other filings with the SEC. No statements contained in the following discussion should be construed as a guarantee or assurance of future performance or future results.

Certain prior regulatory filings made in Canada contain or incorporate by reference therein certain disclosure that satisfies the additional requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. Prior resource estimates included in those Canadian filings, and in the documents incorporated by reference therein, had been prepared in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) and the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) classification system. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian standards, including NI 43-101, may differ from the requirements of subpart 1300 of Regulation S-K (“S-K 1300”). Thus, resource information contained, or incorporated by reference, in the Company’s Canadian filings, and in the documents incorporated by reference therein, may not be comparable to similar information disclosed by companies reporting mineral reserve and mineral resource information under S-K 1300.

The terms “mineral reserve,” “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms as defined in accordance with NI 43-101 and CIM standards. Pursuant to S-K 1300, the SEC now recognizes estimates of “measured mineral resources,” “indicated mineral resources” and “inferred mineral resources.” In addition, the SEC has amended its definitions of “proven mineral reserves” and “probable mineral reserves” to be substantially similar to the corresponding standards of the CIM.

Investors are cautioned that while terms are substantially similar to CIM standards, there are differences in the definitions and standards under S-K 1300 and the CIM standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as “proven reserves,” “probable reserves,” “measured mineral resources,” “indicated mineral resources” and “inferred mineral resources” under NI 43-101 will be the same as the reserve or resource estimates prepared under the standards adopted under S-K 1300.

Investors are also cautioned that while the SEC now recognizes “measured mineral resources,” “indicated mineral resources” and “inferred mineral resources,” investors should not assume that any part or all of mineral deposits in these categories will ever be converted into mineral reserves.

Mineralization described using these terms has a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of a “measured mineral resource,” “indicated mineral resource” or “inferred mineral resource” will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

PART I

ITEM 1. BUSINESS

Our Business

Bunker Hill Mining Corp. was incorporated under the laws of Nevada in 2007 under its former name Lincoln Mining Corp. We have one wholly owned subsidiary, Silver Valley Metals Corp. Our business address is 1009 McKinley Ave, Kellogg, ID 83837, USA. The telephone number for our office is +1 604 417 7952. We maintain a corporate website at <https://bunkerhillmining.com>.

The Company's focus is the development and restart of its 100% owned flagship asset, the Bunker Hill mine (the "Bunker Hill Mine" or the "Mine") in Idaho, USA. The Mine remains the largest single producing mine by tonnage in the Silver Valley region of northwest Idaho, historically producing over 165 million ounces of silver and 5 million tons of base metals between 1885 and 1981. The Bunker Hill Mine is located within Operable Unit 2 of the Bunker Hill Superfund site (EPA National Priorities Listing IDD048340921), where cleanup activities have been completed.

The Company was incorporated for the purpose of mineral exploration at the Bunker Hill Mine. The Company has moved into the development stage concurrent with (i) purchasing the mine and a process plant, (ii) completing successive technical and economic studies, including a Prefeasibility Study, (iii) delineating mineral reserves, and (iv) advancing the construction of the facilities, with planned operations to commence in 2026.

2025 Key Developments

During 2025, the Company completed a major restructuring of its balance sheet, including the conversion of certain outstanding debt into equity, and the modification of certain existing royalty and stream financing arrangements with Sprott Streaming and Royalty Corp. (together with its affiliates, "Sprott") and also the issuance of 19,527,594 common shares in two private placements for net proceeds of \$61,803,983 (the "2025 Private Placements"). The 2025 Private Placements proceeds included the net proceeds from the settlement of certain amounts owing to creditors, insiders and contractors through the issuance of common shares. Teck Resources Limited (together with its affiliates, "Teck") participated in the 2025 Private Placements and, as a result, became a related party alongside Sprott, holding more than 10% of the Company's common stock. Concurrent with the balance sheet restructuring in 2025, the Company focused on the execution of its mine restart plan, prioritizing safety, environmental stewardship, infrastructure readiness, technical de-risking, and organizational development. Key milestones met during =2025 included:

Safety Leadership, Environmental Management and Community Engagement

- Closed 2025 with zero Lost Time Injuries (LTIs), marking the third consecutive year without an LTI.
- Continued 100% compliance with all environmental permits, a critical standard in all jurisdictions and particularly imperative within a U.S. Superfund site.
- Secured necessary permits from state and federal regulators for operations to restart.
- Welcomed local stakeholders and investors to the site through community days and on-site tours, reinforcing transparency, engagement, and confidence in the Company's development strategy.

Geology, Engineering, and Mine Planning - Optimizing the restart plan, increasing the silver content

- Collaborated with VRIFY AI-Assisted Mineral Discovery Platform to target higher-grade silver mineralization. The collaboration leverages AI-driven integration of extensive historical and modern datasets to refine geological models, identify structural and grade controls, and prioritize drill targets with potential to add higher-grade silver ounces near existing infrastructure.
- Updated Mine plan to prioritize improved operating margins by targeting higher silver extraction rates.
- Completed metallurgical test work focused on ensuring marketable concentrate grades while maximizing payable recoveries of silver, lead, and zinc. Overall recoveries estimate confirmed at 89% for silver, 87% for lead, and 92% for zinc.
- Accelerated Bunker Hill Mine's Operational Readiness program with multiple critical workstreams advancing in parallel to support a disciplined transition into operations. The program is focused on strengthening organizational capability, finalizing operating and maintenance systems, and embedding safety and reliability ahead of start-up, with the objective of reducing execution risk and positioning the operation for a stable and efficient ramp-up.

Underground Mine – Preparation for Mining

- Continued underground rehabilitation and access development, ensuring connectivity between Russell Portal, mining areas and historic workings.
- Completed significant advancements in ventilation, ground support, communications, and water management systems have been achieved, including ramp access to the Russell Portal at the 8-3 level, ensuring access to the first three years of ore.

- Continued ongoing refurbishment and readiness work at the surface infrastructure at Wardner in preparation for commissioning activities.
- Accelerated of ramp development to 9-Level to access additional silver exploration opportunities
- Executed a lease-to-own contract with Caterpillar to upgrade the underground mining equipment fleet.

Surface Facilities – Final construction and start of commissioning

- Advanced the processing plant construction and commissioning to 88% completion at year end 2025, with phased commissioning starting in January 2026: on track to support an expected mine restart in H1|26.
- Advanced Tailings Filter Press construction and commissioning to 56% complete at year end 2025, and on track to support a planned mine restart in H1|26. Superstructure in place, ready to have Metso install the Filter Press in the first quarter of 2026.

Debt Facility

On January 17, 2025, the Company drew \$5,000,000 on the Sprott debt facility. As consideration for Sprott advancing the facility, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas.

On January 31, 2025, the Company drew \$6,000,000 on the Sprott debt facility.

June 2025 Equity Raise and Debt Restructuring

On June 5, 2025, the Company completed the first of the 2025 private placements with a brokered private placement (the "Brokered Offering") for aggregate cash consideration of approximately \$6,200,000, which included participation by Sprott, and concurrent non-brokered private placement (the "Non-Brokered Offering" and together with the Brokered Offering, collectively, the "Equity Offerings") with Teck for approximately \$20,500,000. As part of the Equity Offerings, we issued an aggregate of our 7,206,165 units ("Units") at a price of C\$5.25 (or the U.S. Dollar equivalent thereof) per Unit (the "Offering Price"). Each Unit issued under the Equity Offerings consisted of one share of our common stock and one-half of one share of common stock purchase warrant (a "Warrant"). Each whole Warrant will be exercisable to acquire one additional share of our common stock (a "Warrant Share") at a price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, subject to customary adjustments.

In the Brokered Offering, 1,626,318 Units were sold at the Offering Price by a syndicate of agents led by BMO Capital Markets, CIBC Capital Markets and Red Cloud Securities Inc., as joint bookrunners, and including National Bank Financial Inc. (collectively, the "Agents"), of which Sprott acquired 285,715 Units (the "Sprott Subscription"). In the Non-Brokered Offering, Teck acquired 5,579,848 Units (the "Teck Units") at the Offering Price. The net proceeds of the Equity Offerings have been and will primarily be used to support the construction, start-up and ramp-up of the Bunker Hill Mine.

The 2025 private placements, including both the brokered and non-brokered components, were conducted on a private placement basis pursuant to applicable exemptions from the requirements of securities laws under National Instrument 45-106 – *Prospectus Exemptions* and the United States Securities Act of 1933, as amended (the "Securities Act"), in such other jurisdictions outside of Canada and the United States pursuant to applicable exemptions from the prospectus, registration or other similar requirements in such other jurisdictions.

Brokered Offering

On June 5, 2025, in connection with the Brokered Offering, the Company and the Agents entered into an agency agreement (the "Agency Agreement"), pursuant to which the Agents conducted a "best efforts" marketed private

placement of Units at the Offering Price for aggregate cash consideration of approximately \$6,200,000. Pursuant to the Agency Agreement, the Agents received cash commissions of C\$461,061.

On June 5, 2025, pursuant to the Agency Agreement, the Company entered into subscription agreements (collectively, the “Brokered Subscription Agreements”) with certain investors, pursuant to which such investors acquired Units at the Offering Price. The Brokered Subscription Agreements contain customary representations and warranties by us and the investors. The representations, warranties and covenants contained in the Brokered Subscription Agreements were made solely for purposes of such agreements and as of a specific date, were solely for the benefit of the parties to such agreements and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to security holders. Security holders should not rely on the representations, warranties, and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of us.

In connection with the issuance of the Warrants, on June 5, 2025, the Company entered a warrant indenture (the “Warrant Indenture”) with Computershare Trust Company of Canada, as warrant agent, to govern the issuance and management of the Warrants.

Non-Brokered Offering

On March 5, 2025, under the Non-Brokered Offering, we entered into a subscription agreement, as amended by an amending agreement, dated March 24, 2025 with Teck, pursuant to which Teck (i) contributed \$2.00 for every \$1.00 raised in the Brokered Offering and pursuant to the Debt Settlements and Equity Payment Agreement (each as defined herein and further described below) and (ii) acquired the Teck Units at the Offering Price, for aggregate consideration of approximately \$20,500,000.

Immediately prior to the closing of the Non-Brokered Offering, Teck beneficially owned, directly or indirectly, or exercised control or direction over, 679,564 shares of our common stock and warrants to purchase an additional 84,326 shares of our common stock, representing approximately 6.6% of the issued and outstanding shares of our common stock on a non-diluted basis and approximately 7.4% on a partially diluted basis. Upon closing of the Non-Brokered Offering, Teck now beneficially owns, directly or indirectly, or exercises control or direction over 6,259,411 shares of our common stock and warrants to purchase an additional 2,874,250 shares of our common stock, representing approximately 23.9% of the issued and outstanding shares of our common stock (on a non-diluted basis and, assuming the exercise of all warrants now held by Teck, approximately 31.4% on a partially diluted basis) and is considered a “Control Person” of us (as such term is defined in the policies of the TSX-V). We obtained written consents of our disinterested stockholders holding a majority of our voting shares (collectively, the “Stockholder Consent”) for, among other things, the Non-Brokered Offering, including the creation of Teck as a Control Person of us, in satisfaction of the applicable shareholder approval requirements of the TSX-V.

Investor Rights Agreement

On June 5, 2025, in connection with the Non-Brokered Offering, we entered into a customary investor rights agreement (the “Teck IRA”) with Teck pursuant to which, among other things, for as long as Teck holds 10% or more of the issued and outstanding shares of our common stock (on a fully diluted basis), Teck will have certain pre-emptive and information rights, including the right to appoint one nominee to the our Board of Directors (the “Board”). In addition, in accordance with the terms of the Teck IRA, we will not be permitted to incur any additional indebtedness or grant any additional liens (other than certain permitted indebtedness and liens) nor grant any additional royalties, enter into any streaming arrangements or conduct any non-equity financings without the prior written consent of Teck.

Capital Restructuring Transactions

Concurrently with the closing of the Equity Offerings, we closed capital restructuring transactions, including the conversion into equity of certain outstanding debt, and the modification of certain existing royalty and stream financing arrangements with Sprott, as set forth in the recapitalization agreement, dated as of June 5, 2025, by and

among us, our wholly-owned subsidiary Silver Valley Metals Corp. (formerly American Zinc Corp.) (“Silver Valley”), Sprott Streaming, Teck, and Monetary Metals (the “Recapitalization Agreement”) and as further discussed below.

All securities issued pursuant to restructuring transactions described below (i) are subject to a four months plus one day holding period in accordance with applicable Canadian securities laws and, if applicable, the policies of the TSX-V and (ii) have not been registered under the Securities Act or any U.S. state securities laws and may not be offered or sold in the United States without registration under the Securities Act and all applicable state securities laws or compliance with requirements of an applicable exemption therefrom.

Standby Facility

On June 5, 2025, we and Teck agreed that the uncommitted revolving standby prepayment facility of up to \$10,000,000 (the “SP Facility”) will bear interest at a rate of 13.5% per annum until June 30, 2027, and a rate equal to 15.0% per annum thereafter, calculated and capitalized quarterly. The SP Facility will be available to us until the earlier of (i) June 30, 2028, and (ii) the date on which the Bunker Hill Mine hits 90% of name plate capacity or on the date on which we are cash flow positive for a quarter, unless terminated earlier by Teck. The SP Facility is secured by a security interest over all our assets, properties and undertakings and Silver Valley in form and scope similar to the security held by Sprott Streaming, with certain security held on a first priority basis. No bonus securities of ours were issued to Teck in connection with the SP Facility, nor is the SP Facility convertible into our securities.

Offtake Amendments

We have agreed to amend certain zinc and lead offtake agreements previously entered into with respect to the Bunker Hill Mine (the “Zinc and Lead Offtake Agreements”). On June 5, 2025, in connection with the Non-Brokered Offering, we and Teck amended the existing zinc offtake agreement (with an effective date of November 10, 2023) (the “Zinc Offtake Amendment”) and the lead concentrate offtake agreement (with an effective date of November 20, 2023) (the “Lead Offtake Amendment”), in each case between Teck and Silver Valley, pursuant to which, among other amendments, the offtake under each respective agreement will apply to life-of-mine production rather than the current five-year term.

Amendment of Existing Convertible Debentures

We completed an amendment of the Series 1 CDs and Series 2 CDs (each as defined below), as further described below:

- (a) On June 5, 2025, we and Sprott entered into the amended and restated series 1 secured convertible debentures (the “Series 1 CDs”), which amended and restated the Series 1 convertible debentures previously issued to Sprott and certain creditors, maturing on March 31, 2028, pursuant to which, among other things, (i) the rate of interest of the Series 1 convertible debentures has been reduced from 7.5% to 5.0% per annum, (ii) the current conversion price, being the U.S. dollar equivalent of C\$10.50 per shares of our common stock, has been reduced to equal the Offering Price, and (iii) certain prepayment and conversion terms were amended.
- (b) On June 5, 2025, we and Sprott entered into the amended and restated series 2 secured convertible debentures (the “Series 2 CDs”), which amended and restated the Series 2 convertible debentures previously issued to Sprott and certain creditors, maturing on March 31, 2029, pursuant to which, among other things, (i) the rate of interest of the Series 2 CDs have been reduced from 10.5% to 5.0% per annum, (ii) the current conversion price, being the U.S. dollar equivalent of C\$10.5 per share of our common stock, have reduced to equal the Offering Price, and (iii) certain prepayment and conversion terms were amended.

Amendments of Existing Royalty

On June 5, 2025, in addition to the amendment of the Second Royalty (as defined below), we amended certain existing royalty interests (collectively, the “First Royalty”) previously granted to Sprott, which applies to certain primary, residual and other claims comprising the Bunker Hill Mine. As a result of such amendment, the First Royalty has been consolidated into one 1.85% life-of-mine gross revenue royalty applying to both primary and secondary claims comprising the Bunker Hill Mine.

Amendment to the Debt Facility

On June 5, 2025, in connection with the capital restructuring transactions (the “Capital Restructuring Transactions” and, together with the Equity Offerings, the “Transactions”), the Company and Sprott amended and restated the senior secured loan agreement in the aggregate principal amount of \$21,000,000 (the “Debt Facility”) to (i) reduce the outstanding principal amount under the Debt Facility from \$21,000,000 to \$15,000,000, (ii) increase the secondary claims percentage under the additional royalty (the “Second Royalty”), which amendment is also reflected in an amending agreement to the Second Royalty, and (iii) cancel the royalty buyback option granted to us thereunder, which amendment is also reflected in the amending agreement to the Second Royalty. In addition, the Debt Facility was amended to include an option, at the Company’s election, to settle any accrued and unpaid interest through the issuance of shares of our common stock, subject to the prior approval of the TSX-V.

Sprott Stream Conversion

On June 5, 2025, the existing metals purchase agreement (the “Metals Purchase Agreement”) dated June 23, 2023, by and among us, Silver Valley, and Sprott, pursuant to which Sprott previously advanced a \$46,000,000 deposit to Silver Valley, was terminated and exchanged (the “Exchange Agreement”) for (i) 5,714,286 shares of our common stock; (ii) senior secured Series 3 convertible debentures in the aggregate principal amount of \$4,000,000 and with a maturity date of June 5, 2030 (the “Series 3 CDs”); and (iii) an additional 1.65% life-of-mine gross revenue royalty (the “New Royalty”) on primary and secondary claims comprising the Bunker Hill Mine.

Sprott Debt Settlements

On June 5, 2025, we and Silver Valley entered into the debt settlement agreements with Sprott (collectively, the “Sprott Debt Settlement Agreements”), pursuant to which an aggregate of 1,819,728 shares of our common stock were issued to Sprott at the Offering Price in full satisfaction of (i) \$487,500 of unpaid interest under the secured convertible debentures held by Sprott, and (ii) \$6,200,000, consisting of the principal amount of \$6,000,000 previously advanced to us under the Debt Facility, together with an aggregate of \$200,000 of interest accrued thereon.

Amendments to the Monetary Metals Silver Loan

On June 5, 2025, in connection with the Transactions, we and Silver Valley entered into (i) an amendment to the secured promissory note purchase agreement dated August 8, 2024, as previously amended by a first amendment to secured promissory note purchase agreement dated November 11, 2024 (the “MM NPA”), and (ii) an amendment to the secured promissory note dated August 8, 2024 (the “MM Note”), each with Monetary Metals Bond III LLC (“Monetary Metals”) to, amongst other things, (A) reduce the rate at which advances under the MM NPA bear interest from 15% to 13.5% per annum, (B) clarify the calculation of the cash flow sweep, (C) extend the availability date for advances thereunder from January 31, 2025 to June 30, 2025, and (D) in connection with any further advances, provide for the issuance of bonus warrants in such number and on such terms as to be agreed upon between the parties before issuance and subject to prior approval of the TSX-V. In any event, the number of bonus warrants issued or issuable to Monetary Metals will not exceed, in the aggregate, the maximum of 85,715 allowable under the MM NPA. The MM NPA and the MM Note are secured by security interests over all our and Silver Valley’s assets, properties and undertakings, in form and scope similar to the security held by Sprott and the security held by Teck.

Amendments to Existing Security and Intercreditor Arrangements

Pursuant to existing security arrangements, we have granted security interests to Sprott, Monetary Metals, and MineWater LLC (“MineWater,” and together with Sprott and Monetary Metals, the “Original Intercreditor Parties”) over all our and Silver Valley’s the assets, properties and undertakings. On June 5, 2025, in connection with the existing security and intercreditor arrangements among the Original Intercreditor Parties and us, the parties amended and restated such arrangements to, among other things, (i) reflect the termination of the Metals Purchase Agreement and other applicable Capital Restructuring Transactions; (ii) defer certain royalty payments and restrict early principal prepayments on certain outstanding debt obligations of ours for so long as amounts are outstanding under the SP Facility, as described above; (iii) allow for the first priority security in favor of Teck over certain inventory and accounts receivable in connection with the SP Facility; and (iv) account for Teck under such arrangements (collectively, the “A&R Intercreditor and Subordination Agreement”).

Sprott Investor Rights Agreement

On June 5, 2025, we entered into a customary investor rights agreement (the “Sprott IRA”) with Sprott pursuant to which, among other things, Sprott has the right to appoint one nominee (or an observer) to the Board, subject to certain customary exceptions.

In connection with the transactions described herein (including the Sprott Subscription), Sprott was issued an aggregate of 742,294 shares of our common stock, 142,858 Warrants and convertible debentures of which the principal amount is convertible into up to 1,094,858 shares of our common stock. As a result, Sprott now owns or exercises control over approximately 29.6% of the issued and outstanding shares of our common stock (or, assuming the exercise of all warrants and the conversion of the full principal amount of the convertible debentures now held by Sprott, approximately 39.1% on a partially diluted basis) and is considered a “Control Person” of us. We obtained the Stockholder Consent for, among other things, the restructuring transactions with Sprott and the Sprott Subscription, including the creation of Sprott as a Control Person of us, in satisfaction of the applicable shareholder approval requirements of the TSX-V.

Given that Sprott is a “Non-Arm’s Length Party” (as such term is defined in the policies of the TSX-V), the amendment and restatement of the Debt Facility and the granting of the Second Royalty each constituted a “Reviewable Disposition” under TSX-V Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* and were therefore subject to the TSX-V requirement to provide evidence of value. We satisfied this requirement by way of the Stockholder Consent.

Additional Debt Settlements

The Company and Silver Valley have agreed to settle outstanding receivables and other amounts owing (including, where applicable, accrued and unpaid interest thereon) in aggregate amounts of approximately \$80,000, \$3,072,254 and C\$195,000 with certain creditors, contractors, and directors, respectively, of ours or Silver Valley through the issuance of equity securities at the Offering Price. On June 5, 2025, concurrently with the closing of the Equity Offerings, we entered into debt settlement agreements (collectively, the “Debt Settlement Agreements”) with such creditors, contractors, and directors (collectively, the “Debt Settlements”) in order to preserve cash for the potential restart and ongoing development of the Bunker Hill Mine.

In connection with the Debt Settlements, the Company issued:

- (a) 21,769 Units to MineWater, as further described herein;
- (b) 7,354 shares of our common stock to four of our directors (the “Participating Directors”) for their services for the period beginning on March 1, 2025, and ending on April 30, 2025 (collectively, the “Director Services”) in lieu of the director cash compensation. Given that the amounts owed for the Director Services exceed the limits under the TSX-V policies in respect of debt settlements to non-

arm's length parties (being a maximum of C\$5,000 per person and, in the aggregate, C\$10,000 per issuer), we obtained shareholder approval under the Stockholder Consent for the issuance of shares of our common stock to the Participating Directors prior to issuance; and

- (c) 865,777 Units to certain other arm's length creditors or contractors to settle certain other outstanding receivables and other amounts owing in the aggregate amount of approximately \$3,072,254.

Each Unit issued pursuant to the Debt Settlements consisted of one share of our common stock and one-half of Warrant, with each whole Warrant exercisable for one additional Warrant Share at an exercise price of C\$8.75 per Warrant Share for a period of three years following the date of issuance. The Participating Directors, each being a Non-Arm's Length Party (as such term is defined in the policies of the TSX-V), received share, but no warrant of our common stock in lieu of Units. We satisfied the shareholder approval requirements of the TSX-V applicable to the issuance of the shares of our common stock to the Participating Directors, as Non-Arm's Length Parties, by way of the Stockholder Consent.

Equity Payment for Land Purchase Option Agreement

Silver Valley and C & E Tree Farm, L.L.C. ("C&E") previously entered into an option agreement dated March 3, 2023 (the "Option Agreement"), pursuant to which Silver Valley has an option to purchase certain real property in Idaho, USA, from C&E upon making a cash payment of \$3,129,500, subject to adjustment for lease payments made pursuant to a commercial lease agreement between the parties. We wanted to satisfy a portion of the purchase price payable under the Option Agreement through the issuance of equity securities. Accordingly, on June 5, 2025, we, Silver Valley and C&E entered into an equity payment agreement (the "Equity Payment Agreement"), pursuant to which we issued 136,055 Units to C&E at a deemed price equal to the Offering Price to satisfy \$500,000 of the purchase price payable under the Option Agreement. Each Unit issued pursuant to the Equity Payment Agreement consists of one share of our common stock and one-half of one Warrant, with each whole Warrant exercisable for one additional Warrant Share at an exercise price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, being June 5, 2028.

Amended and Restated Articles of Incorporation

On June 5, 2025, in connection with the June 2025 equity raise and debt restructuring, we amended and restated the Company's articles of incorporation (the "A&R Articles") to, among other things, increase the total number of shares of capital stock that the Company is authorized to issue from 43,142,858 shares to 71,714,286 shares and make certain other non-substantive amendments. The Company obtained shareholder approval of the A&R Articles pursuant to the Stockholder Consent.

September 2025 Equity Raise

On September 29, 2025, the Company completed a "bought deal" private placement (the "September 2025 Offering") for aggregate cash consideration of \$37,378,645, which included participation by Teck for \$19,494,060.

As part of the September 2025 Offering, we issued an aggregate of 12,321,429 units ("Units") at a price of \$3.05 per Unit. Each Unit consists of one share of our common stock and one common stock purchase warrant of the Company (a "Warrant"). Each Warrant entitled the holder thereof to purchase one share of our common stock (a "Warrant Share") at an exercise price of C\$5.95 per Warrant Share for 60 months after issuance. In connection with the closing of the September 2025 Offering, the Company paid a syndicate of underwriters (the "Underwriters") aggregate cash fees in the amounts of C\$1,437,808 and \$1,175,985 and issued to the Underwriters an aggregate of 713,191 non-transferrable compensation options (the "Compensation Options"), representing (i) 6% of the gross proceeds of the September 2025 Offering, other than the gross proceeds raised from certain sales pursuant to a president's list (the "President's List Sales"); and (ii) 3.0% of the gross proceeds raised from President's List Sales. Each Compensation Option is exercisable to acquire one share of common stock of the Company at a price of C\$4.20 per share at any time

on or before September 29, 2027, less any amount of cash fees and Compensation Options paid and issued to a finder. In addition, the Company paid a finder a cash fee of C\$52,005, representing 3.333% of the gross proceeds of the Canadian dollar-denominated portion of the September 2025 Offering from subscribers introduced by such finder to the Company (the “Introduced Subscribers”), and issued to certain principals of such finder an aggregate of 520,052 Compensation Options, representing 4.0% of the Units sold under the September 2025 Offering to the Introduced Subscribers.

Silver Loan

On November 10, 2025, the Company closed the sixth tranche of the Silver Loan in the principal amount of \$2,521,215, being the number of US dollars equal to 50,384 ounces of silver. After deduction of financing costs and the three months ending November 8, 2025 interest payment on 1,098,399 ounces, the Company received \$nil.

Ranger Page Property Purchase

On December 12, 2025, we entered into an asset purchase agreement with Silver Dollar Resources (Idaho) Inc., a subsidiary of Silver Dollar Resources Inc. (“Silver Dollar”), to acquire the Ranger Page property which includes, six past-producing underground high-grade silver-lead-zinc mines located immediately adjacent to and to the west of the Bunker Hill Mine in the prolific Silver Valley mining district of Idaho, USA. The Company acquired the properties for total consideration of approximately \$4,200,000 comprised of 666,667 shares of Bunker Hill’s common stock, subject to the below contractual escrow.

<u>Release Date</u>	<u>Payment Shares Release to Vendor Parent from Contractual Escrow</u>
6-month anniversary from December 11, 2025	66,667 Payment Shares
9-month anniversary December 11, 2025	66,667 Payment Shares
12-month anniversary of December 11, 2025	Balance of the Payment Shares (533,334 Payment Shares)

Reverse Stock Split

In January 2026, we received the written approval of the majority of the Company’s stockholders, by way of the Stockholder Consent, to proceed with authority to implement a reverse stock split based on a one-for-thirty five (1-for-35) consolidation. On March 5, 2026, we filed an amendment to our Certificate of Incorporation to implement the reverse stock split based on a one-for-thirty five (1-for-35) consolidation ratio on March 6, 2026. Our common shares began trading on the TSXV and OTCQB on a reverse split-adjusted basis under our existing trade symbol “BNKR” and “BHLL” respectively at the opening of the market on March 6, 2026. All shares and per share amounts have been presented in our financial statements on a post consolidation basis.

Company History

In early 2020, a management team comprised of former executives from Barrick Gold Corp. assumed leadership of the Company. Since that time, the Company conducted multiple exploration campaigns, economic studies and mineral resource estimates, and advanced the rehabilitation and development of the Bunker Hill Mine. In December 2021, the Company announced a project finance package with Sprott, an amended Settlement Agreement (“Amended Settlement Agreement”) with the EPA, and the planned purchase of the Bunker Hill Mine, setting the stage for a restart of the Mine. The Company had established the foundation for planned restart of the historic Bunker Hill Mine.

Lease and Purchase of the Bunker Hill Mine

Prior to completing the purchase of the Mine in January 2022, the Company had entered into a series of agreements with Placer Mining Corporation (“Placer Mining”), the prior owner, for the lease and option to purchase the Mine. The first of these agreements was dated August 28, 2017, with subsequent amendments and/or extensions announced on November 1, 2019, July 7, 2020, and November 20, 2020.

Under the terms of the November 20, 2020 amended agreement (the “Amended Placer Mining Agreement”), a purchase price of \$7,700,000 was agreed, with \$5,700,000 payable in cash (with an aggregate of \$300,000 to be credited toward the purchase price of the Mine as having been previously paid by the Company) and \$2,000,000 in shares of common stock of the Company. The Company agreed to make an advance payment of \$2,000,000, credited toward the purchase price of the Mine, which had the effect of decreasing the remaining amount to an aggregate of \$3,400,000 payable in cash and \$2,000,000 in common stock of the Company.

The Amended Placer Mining Agreement also required the Company to make payments pursuant to an agreement between the Company and the EPA whereby for so long as the Company leases, owns and/or occupies the Mine, the Company would make payments to the EPA on behalf of Placer Mining in satisfaction of the EPA’s claim for historical water treatment cost recovery in accordance with a Settlement Agreement reached with the EPA in 2018. Immediately prior to the purchase of the Mine, the Company’s liability to the EPA totaled \$11,000,000.

The Company completed the purchase of the Bunker Hill Mine on January 7, 2022. The terms of the purchase price were modified to \$5,400,000 in cash, from \$3,400,000 of cash and \$2,000,000 of common stock of the Company. Concurrent with the purchase of the Mine, the Company assumed incremental liabilities of \$8,000,000 to the EPA, consistent with the terms of the Amended Settlement Agreement between the Company and the EPA that was executed in December 2021 (see “EPA 2018 Settlement Agreement & 2021 Amended Settlement Agreement” section below).

EPA 2018 Settlement Agreement & 2021 Amended Settlement Agreement

The Company entered into a Settlement Agreement and Order of Consent with the EPA on May 15, 2018. This agreement set forth the Company’s obligations and rights relating to the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) liability for past environmental damage to the mine site and surrounding area to obligations that included, but were not limited to:

- Payment of \$20,000,000 for historical water treatment cost recovery for amounts paid by the EPA from 1995 to 2017; and
- Payment for water treatment services provided by the EPA at the Central Treatment Plant (“CTP”) in Kellogg, Idaho until such time that Bunker Hill either purchases or leases the CTP or builds a separate EPA-approved water treatment facility; and
- Conducting a work program as set forth in the Settlement Agreement

In December 2021, the Company entered into an Amended Settlement Agreement between the Company, Idaho Department of Environmental Quality, U.S. Department of Justice (the “DOJ”) and the EPA modifying the payment schedule and terms for recovery of historical environmental response costs at Bunker Hill Mine incurred by the EPA. With the purchase of the Mine, the remaining payments of the EPA cost recovery liability were assumed by the Company, resulting in a total of \$19,000,000 liability to the Company, an increase of \$8,000,000. The new payment schedule included a \$2,000,000 payment to the EPA within 30 days of execution of the amendment, which was made.

Pursuant to the December 2021 Amended Settlement Agreement, the remaining \$17,000,000 would be paid on the following dates:

Date	Amount
November 1, 2024	\$ 3,000,000
November 1, 2025	\$ 3,000,000
November 1, 2026	\$ 3,000,000
November 1, 2027	\$ 3,000,000
November 1, 2028	\$ 3,000,000
November 1, 2029	\$ 2,000,000 plus accrued interest

The changes in payment terms and schedule were contingent upon the Company securing financial assurance in the form of performance bonds or letters of credit deemed acceptable to the EPA totaling \$17,000,000, corresponding to the Company's cost recovery obligations as outlined above. In June 2022, the Company was successful in obtaining financial assurance. The amount of the bonds or letters of credit will decrease over time as individual payments are made.

In December 2024, the Company made the second payment under the 2021 Amended Settlement Agreement for \$3,000,000. As a result, the remainder of the payment obligation was \$14,000,000. As of December 31, 2024, the Company had two payment bonds of \$9,999,000 and \$4,001,000 in place to secure this liability. As of December 31, 2025 the collateral for the payment bonds are comprised of \$2,975,000 of restricted cash and land pledged by third parties, with whom the Company has entered into an agreement that contemplates a monthly fee of \$20,000 (payable in cash or common stock of the Company, at the Company's election) the "Financing Cooperation Agreement". In the fourth quarter of 2025 the EPA agreed to forebear enforcement of any late payments pursuant to the first amendment of the Amended Settlement Agreement to facilitate ongoing discussion of a potential second amendment to the Amended Settlement Agreement, including the payment due in November 2025. The EPA reserved all rights to resume collection of late payments in the event a Second Amendment of the 2021 Amended Settlement Agreement is not finalized.

2024 Financings

On August 8, 2024, the Company and its subsidiary Silver Valley Metals Corp. (formerly American Zinc Corp.) ("Silver Valley") entered into a secured promissory note purchase agreement with Monetary Metals Bond III LLC ("Monetary Metals"), a Delaware limited liability company established by Monetary Metals & Co., pursuant to which Monetary Metals agreed to purchase, and Silver Valley agreed to issue and sell to Monetary Metals, a secured promissory note (the "Note") in a private placement. Pursuant to the Note, Monetary Metals agreed to loan to Silver Valley, in one or more tranches, up to an aggregate principal amount of U.S. dollars equal to 1.2 million ounces of silver (the "Silver Loan"). On August 8, 2024, the Company closed the first tranche of the Silver Loan in the principal amount of \$16,422,039, being the number of U.S. dollars equal to 609,805 ounces of silver. After deduction of financing costs and the first-year interest, the Company received \$13,225,005. The Silver Loan is for a term of three years, secured against the Company's assets and repayable in cash or silver ounces. The Silver Loan bears interest at the rate of 15% per annum, payable in cash or silver ounces on the last day of each quarterly interest period. On September 25, 2024, the Company closed the second tranche Silver Loan in the principal amount of \$6,369,000, being the number of U.S. dollars equal to 200,000 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$5,352,438. On November 6, 2024, the Company closed the third tranche Silver Loan in the principal amount of \$6,321,112, being the number of U.S. dollars equal to 198,777 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$5,422,474. On November 8, 2024, the Company closed the fourth tranche Silver Loan in the principal amount of \$1,250,000, being the number of U.S. dollars equal to 39,620 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$1,076,563. On December 30, 2024, the Company closed the fifth tranche Silver Loan in the principal amount of \$1,478,847, being the number of U.S. dollars equal to 50,198 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$1,201,781.

A series of related transactions also took place concurrently with closing of the Silver Loan in August 2024 to amend certain terms of the existing financing package with Sprott. Firstly, the maturity dates of the series 1 convertible debentures and series 2 convertible debentures (together, the "Debentures") previously issued by the Company to Sprott were extended from March 31, 2026 to March 31, 2028 and March 31, 2029, respectively. Additionally, the termination date of the royalty put option (the "Royalty Put Option") previously granted by the Company to Sprott was amended from the later of the payment in full of the Debentures and the exercise of the Royalty Put Option, to the later of the payment in full of the Debentures and March 31, 2029. The Company also amended certain terms of the existing loan agreement (the "Sprott Loan") dated as of June 23, 2023, by and among (i) the Company, (ii) Silver Valley, and (iii) Sprott Private Resource Streaming and Royalty (US Collector), LP and Sprott Private Resources

Streaming and Royalty Annex (US Collector), LP (collectively, the “Sprott Lenders”) to extend the maturity date of the Sprott Loan from June 30, 2027 to June 30, 2030 and increase the interest payable from June 30, 2027 onwards from 10% to 15%.

As consideration for advancing the Silver Loan, the Company agreed to issue to Monetary Metals, subject to prior TSXV approval, non-transferable bonus share purchase warrants (the “Bonus Warrants”) in one or more tranches. The number of Bonus Warrants issued in each tranche will be equal to (a) in connection with the first tranche, two times the number of ounces of silver advanced by Monetary Metals under the first tranche (the “Base Warrants”) and a bonus ratchet of (i) 2.5% of the Base Warrants if at least 500,000 and up to 599,999 silver ounces are advanced, (ii) 5.0% of the Base Warrants if up at least 600,000 and up to 699,999 silver ounces are advanced, (iii) 10.0% of the Base Warrants if at least 700,000 and up to 799,999 silver ounces are advanced, and (iv) 15.0% of the Base Warrants if at least 800,000 silver ounces are advanced; and (b) in connection with any additional tranches, two times the number of ounces of silver advanced under such tranche. In any event, the number of Bonus Warrants issuable to Monetary Metals is subject to a cap of 85,715 Bonus Warrants.

On December 12, 2024, the Company drew \$5,000,000 on the Sprott debt facility. As consideration for Sprott advancing the facility, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company’s 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas.

On December 19, 2024, the Company drew \$5,000,000 on the Sprott debt facility. As consideration for Sprott advancing the facility, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company’s 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas.

Business Operations

The Bunker Hill Mine is a zinc-lead-silver mine. The Company intends to mine and mill polymetallic mineralization on-site to produce both zinc and lead-silver concentrates which is planned to be transported to Teck’s Trail smelter for processing pursuant to an off-take agreement.

Infrastructure

The Bunker Hill Mine includes all, surface rights, fee parcels, mineral claims, easements, existing infrastructure at Milo Gulch, and the majority of equipment, machinery, and building Structures at the Kellogg Tunnel portal level, as well as all equipment and infrastructure underground at the Bunker Hill Mine Complex. The Mine also includes all current and historic data and technical information relating to the Bunker Hill Mine Complex, such as drill logs, reports, maps, and similar information located at the Mine site or any other location. For further detail, please refer to the “Project Infrastructure” section in Item 2 below.

Government Regulation and Approval

Exploration and development activities, and any future mining operations, are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine construction, and protection of endangered and protected species. The Company has made, and expects to make in the future, significant expenditures to comply with such laws and regulations. Future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have an adverse impact on the Company’s financial condition or results of operations.

It will be necessary to obtain one additional operations permit, the air quality permit, from the IDEQ prior to commencement of mine operations. As the air quality permit is required for operations, there can be no assurance that

the Company will be able to obtain it in a timely manner or at all. For further detail, please refer to the “Environmental Studies and Permitting” section of the “Technical Report Summary” in Item 2 below.

Property Description

The Company has mineral rights to 440 patented mining claims covering over 5,700 acres. Of these claims, 35 include surface ownership of approximately 259 acres. It also has certain parcels of fee property that include mineral and surface rights but not patented mining claims. Mining claims and fee properties are located in Townships 47, 48 North, Range 2 East, Townships 47, 48 North, Range 3 East, Boise Meridian, Shoshone County, Idaho.

Patented mining claims in the State of Idaho do not require permits for underground mining activities to commence on private lands. Other permits associated with underground mining may be required, such as water discharge and site disturbance permits. The water discharge is the responsibility of the EPA at the existing CTP. The Company expects to be responsible for water treatment in the future and obtain an appropriate discharge permit.

For further detail, please refer to the “Property Description and Ownership” section of the “Technical Report Summary” in Item 2 below.

Competition

The Company competes with other mining and exploration companies in connection with the acquisition of mining claims and leases on zinc and other base and precious metals prospects as well as in connection with the recruitment and retention of qualified employees. Many of these companies are much larger than the Company, have greater financial resources and have been in the mining business for much longer than it has. As such, these competitors may be in a better position through size, finances and experience to acquire suitable exploration and development properties. The Company may not be able to compete against these companies in acquiring new properties and/or qualified people to work on its current project, or any other properties that may be acquired in the future.

Given the size of the world market for base precious metals such as silver, lead and zinc, relative to the number of individual producers and consumers, it is believed that no single company has sufficient market influence to significantly affect the price or supply of these metals in the world market.

Employees

The Company had forty full time employees as of December 31, 2025. The balance of the Company’s operations is comprised of contracted labor and consultants.

Available Information

We make available, free of charge, on or through our Internet website, at www.bunkerhillmining.com, our annual reports on Form 10-K, our quarterly reports on Form 10-Q and our current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. Our website and the information contained therein or connected thereto are not intended to be, and are not, incorporated into this Annual Report.

Our reports and other information are available on the SEC’s website at www.sec.gov. The Company also files reports under Canadian regulatory requirements on the System for Electronic Document Analysis and Retrieval (“SEDAR+”). The Company’s reports are filed on SEDAR+ can be found under the Company’s SEDAR+ profile at www.sedarplus.ca.

ITEM 1A. RISK FACTORS

Our business activities and the value of our securities are subject to significant hazards and risks, including those described below. If any of such events should occur, our business, financial condition, liquidity, and/or results of operations could be materially harmed, and holders and purchasers of our securities could lose part or all of their investments. Our risk factors are grouped into the following categories:

- General Risk Factors;
- Risks Related to Mining and Exploration; and
- Risks Related to the Company's Common Stock.

General Risk Factors

The Bunker Hill Mine restart is targeted for HY1 2026. Further changes to this timeline, or other factors impacting the restart, including project budget increases or delays in equipment or construction activities, would impact the Company's ability to restart timely or require additional capital, which would adversely affect the Company's ability to successfully restart the Mine and ultimately impact the Company's ability to secure additional funding after restart, thereby adversely affecting our financial condition.

The estimated timing and budget estimates of the Bunker Hill Mine restart is subject to change further based on factors beyond the Company's control. Any further increase in the Company's pre-production budget estimates could have a materially adverse impact on the Company's ability to secure additional financing. This could have a material adverse effect on the Company's financial condition, results of operations, or prospects. Sales of substantial amounts of securities will have a highly dilutive effect on the Company's ownership or share structure. Sales of a large number of shares of Company common stock in the public markets, or the potential for such sales, could decrease the trading price of the common stock and could impair the Company's ability to raise capital through future sales of common stock. The Company is a pre-production development company, and has not yet commenced commercial production and, therefore, has not generated positive cash flows and has no reasonable prospects of doing so unless successful commercial production can be achieved at the Mine. The Company expects to continue to incur negative investing and operating cash flows until such time as it enters into successful commercial production. This will require the Company to deploy its working capital to fund such negative cash flow and to possibly seek additional sources of capital. There is no assurance that additional capital will be available or sufficient to meet the Company's requirements, or if available, upon terms acceptable to the Company. There is no assurance that the Company will be able to continue to raise equity capital, secure additional debt financing, or secure other financing. As a result, the Company may not be able to timely continue its development plans or continue as a going concern.

Payment bonds securing \$14,000,000 due by the Company to the EPA for cost recovery may not be renewable or may only be renewable on terms that are unfavorable to the Company, which would adversely affect its financial condition or cause a default under the revised settlement agreement with the EPA and Sprott.

In 2022, the Company secured financial assurance in the form of payment bonds in accordance with the revised settlement agreement with the EPA, in relation to \$14,000,000 of payments due to the EPA for cost recovery between 2025 and 2029. These bonds are renewed annually, and as of December 31, 2025, require \$2,975,000 of collateral in the form of restricted cash. To the extent that the parties providing the payment bonds demand additional collateral beyond the current requirements, or other unfavorable terms or conditions, the Company may not be able to renew the payment bonds on favorable conditions, or at all. This could have a materially adverse impact on the Company, including a potential default under the revised settlement agreement with the EPA.

The Company has no recent operating history on which to base an evaluation of its business and prospects.

Since its inception, the Company has had no revenue from operations. The Company has no history of producing concentrates from the Bunker Hill Mine. The Mine is a historic, past producing mine with limited exploration work since its closure in 1981. Advancing the Mine through the development stage requires significant capital and time, and successful commercial production from the Mine will be subject to completing the requisite studies, permitting

and re-commissioning, constructing and completing a processing plant, and completing other related works and infrastructure. As a result, the Company is subject to all of the risks associated with developing and establishing new mining operations and business enterprises, including:

- completion of studies to upgrade resources to reserves and to identify new resources and to verify commercial viability;
- the timing and cost, which can be considerable, of further exploration and, preparing feasibility studies, and permitting;
- the availability and costs of drill equipment, exploration personnel, skilled labor, and mining and processing equipment, if required;
- compliance with stringent environmental and other governmental approval and permit requirements;
- the availability of funds to finance exploration, development, and construction activities, as warranted;
- potential opposition from non-governmental organizations, local groups or local inhabitants that may delay or prevent operating activities;
- potential increases in exploration, construction, and operating costs due to changes in the cost of fuel, power, materials, and supplies; and
- potential shortages of mineral processing, construction, and other facilities related supplies.

The costs, timing, and complexities of exploration, development, and construction activities may be increased by the location of the Company's properties and demand by other mineral exploration and mining companies. It is common in exploration programs to experience unexpected problems and delays during drill programs and, if commenced, development, construction, and mine start-up. In addition, the Company's management and workforce will need to be expanded, and support systems for its workforce will have to be established. This could result in delays in the commencement of mineral production and increased costs of production. Accordingly, the Company's activities may not result in profitable mining operations, and it may not succeed in establishing mining operations or profitably producing base metal concentrates at any of its current or future properties, including the Mine.

The Company has a history of losses and may to continue to incur losses in the future.

The Company has incurred losses since inception, has had negative cash flow from operating activities, and may to continue to incur losses in the future. The Company has incurred the following losses from operations during each of the following periods:

- \$13,595,412 for the year ended December 31, 2025;
- \$15,649,142 for the year ended December 31, 2024; and
- \$11,600,574 for the year ended December 31, 2023.

The Company expects to continue to incur losses until such time as the Mine enters into commercial production and generates sufficient revenues to fund continuing operations. The Company recognizes that if it is unable to generate significant revenues from mining operations and dispositions of its properties, the Company will not be able to earn profits or continue operations. At this early stage of its operation, the Company also expects to face the risks, uncertainties, expenses, and difficulties frequently encountered by smaller reporting companies. The Company cannot be sure that it will be successful in addressing these risks and uncertainties and its failure to do so could have a materially adverse effect on its financial condition.

Government actions, such as tariffs, duties and/or foreign policy actions could adversely and unexpectedly impact the Company's business.

The U.S. federal government has imposed new and/or increased tariffs, duties and other trade restrictions on certain exports and/or imports to the U.S.. These tariffs have and are likely to continue to impact imports and exports to and from the United States. The extent of such measures and their impacts continue, there is a risk that they could have a significant effect on the Company's financial performance and/or business outlook.

Risks Related to Mining and Exploration

The Company is in the development stage.

The nature of mineral exploration and production activities involves a high degree of risk and the possibility of uninsured losses.

Exploration for and the production of minerals is highly speculative and involves much greater risk than many other businesses. Most exploration programs do not result in the discovery of mineralization, and any mineralization discovered may not be of sufficient quantity or quality to be profitably mined. The Company's operations are, and any future development or mining operations the Company may conduct will be, subject to all of the operating hazards and risks normally incidental to exploring for and development of mineral properties, including, but not limited to:

- economically insufficient mineralized material;
- fluctuation in production costs that make mining uneconomical;
- labor disputes;

- unanticipated variations in grade and other geologic uncertainties;
- environmental hazards;
- water conditions;
- difficult surface or underground conditions;
- industrial accidents;
- metallurgic and other processing problems;
- mechanical and equipment performance problems;
- failure of dams, stockpiles, wastewater transportation systems, or impoundments;
- unusual or unexpected rock formations; and
- personal injury, fire, flooding, cave-ins and landslides.

Any of these risks can materially and adversely affect, among other things, the development of properties, production quantities and rates, costs and expenditures, potential revenues, and production dates. If the Company determines that capitalized costs associated with any of its mineral interests are not likely to be recovered, the Company would incur a write-down of its investment in these interests. All these factors may result in losses in relation to amounts spent that are not recoverable, or that result in additional expenses.

Commodity price volatility could have dramatic effects on the results of operations and the Company's ability to execute its business plan.

The price of commodities varies on a daily basis. The Company's future revenues, if any, will be derived from the extraction and sale of base and precious metals. The Company's principal and interest payments on the Silver Loan with Monetary Metals are denominated in silver ounces. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control, including economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global and regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Company's business, could negatively affect its ability to secure financing, repay the contractual obligations under the Silver Loan, or the results of its operations.

The Company's development and production plans, and cost estimates, in the Technical Report Summary may vary and/or not be achieved.

There is no certainty that the results in the Technical Report Summary (as defined below) will be realized. The decision to implement the Mine restart scenario to be included in the Technical Report Summary was not based on a feasibility study of mineral reserves demonstrating economic and technical viability, and therefore there is increased risk that the Technical Report Summary results will not be realized. If the Company is unable to achieve the results in the Technical

Report Summary, it may have a material negative impact on the Company, and its capital investment to implement the restart scenario may be lost.

Costs charged to the Company by the Idaho Department of Environmental Quality (“IDEQ”) for treatment of wastewater fluctuate and are not within the Company’s control.

The Company is responsible for the cost of water treatment activities performed by the IDEQ on behalf of the EPA who is the owner of the water treatment plant. The water treatment costs that the Company pays are partially related to the EPA’s direct cost of treating the water emanating from the Bunker Hill Mine, which are comprised of lime and flocculant usage, electricity consumption, maintenance and repair, labor and some overhead. Rate of discharge of effluent from the Bunker Hill Mine is largely dependent on the level of precipitation within a given year and how close in the calendar year the Company is to the spring run-off. Increases in water infiltrations and gravity flows within the mine generally increase after winter and result in a peak discharge rate in May. Increases in gravity flow and consequently the rate of water discharged by the mine have a robust correlation with metals concentrations and consequently metal loads of effluent.

Hydraulic loads (quantities of water per unit of time) and metal loads (quantities of metals per unit of volume of effluent per unit of time) are the two main determinants of cost of water treatment by the EPA in the relationship with the Bunker Hill Mine because greater metal loads consume more lime, more flocculent and more electricity to remove the increased levels of metals and make the water clean. The scale of the treatment plant is determined by how much total water can be processed (hydraulic load) at any point in time. This determines how much labor is required to operate the plant and generally determines the amount of overhead required to run the IDEQ business.

The EPA has completed significant upgrades to the water treatment capabilities of the CTP and the plant is now capable of producing treated water that can meet a much higher discharge standard (which Bunker Hill has been satisfying since May 2023). While it was understood that improved performance capability would increase the cost of operating the plant, it was unclear to the EPA, and consequently to Bunker Hill, how much the costs would increase by.

These elements described above, and others, impact the direct costs of water treatment. A significant portion of the total amount invoiced by the EPA each year is indirect cost that is determined as a percentage of the direct cost. Each year the indirect costs percentage changes within each region of the EPA. Bunker Hill has no ability to impact the percentage of indirect cost that is set by the EPA regional office and has no advance notice of what the percentage of indirect cost will be until it receives an invoice in June of the year following the billing period. The Company remains unable to estimate EPA billings to a high degree of accuracy.

Estimates of mineral reserves and resources are subject to evaluation uncertainties that could result in project failure.

The Company’s exploration and future mining operations, if any, are and would be faced with risks associated with being able to accurately predict the quantity and quality of mineral resources/reserves within the earth using statistical sampling techniques. Estimates of any mineral resource/reserve on the Mine would be made using samples obtained from appropriately placed trenches, test pits, underground workings, and designed drilling. There is an inherent variability of assays between check and duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. Additionally, there also may be unknown geologic details that have not been identified or correctly appreciated at the current level of accumulated knowledge about the Mine. This could result in uncertainties that cannot be reasonably eliminated from the process of estimating mineral resources/reserves. If these estimates were to prove to be unreliable, the Company could implement an exploitation plan that may not lead to commercially viable operations in the future.

Any material changes in mineral resource/reserve estimates and grades of mineralization will affect the economic viability of placing a property into production and a property’s return on capital.

As the Company has not commenced actual production, mineral resource estimates may require adjustments or downward revisions. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by future feasibility studies and drill results. Minerals recovered in small-scale tests may not be duplicated in large-scale tests under on-site conditions or on a production scale.

The Company's exploration activities may not be commercially successful, which could lead the Company to abandon its plans to develop the Mine and its investments in exploration.

The Company's long-term success depends on its ability to expand the known mineralization and/or identify new mineral zones or deposits on the Mine and other properties the Company may acquire, if any, that the Company can then develop into commercially viable mining operations. Mineral exploration is highly speculative in nature, involves many risks, and is frequently non-productive. These risks include unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment, or labor. The success of commodity exploration is determined in part by the following factors:

- the identification of potential mineralization based on surficial analysis;
- availability of government-granted exploration permits;
- the quality of management and its geological and technical expertise; and
- the capital available for exploration and development work.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Whether a mineral deposit will be commercially viable depends on a number of factors that include, without limitation, the particular attributes of the deposit, such as size, grade, and proximity to infrastructure; commodity prices, which can fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The Company may invest significant capital and resources in exploration activities and may abandon such investments if the Company is unable to identify commercially exploitable mineral reserves. The decision to abandon a project may have an adverse effect on the market value of the Company's securities and the ability to raise future financing.

The Company is subject to significant governmental regulations that affect its operations and costs of conducting its business and may not be able to maintain all required permits and licenses to place its properties into production.

The Company's current and future operations, including exploration and development of the Mine, requires permits and licenses from certain governmental authorities and activities are governed by laws and regulations, including:

- laws and regulations governing mineral concession acquisition, prospecting, development, mining, and production;
- laws and regulations related to exports, taxes, and fees;
- labor standards and regulations related to occupational health and mine safety; and
- environmental standards and regulations related to waste disposal, toxic substances, land use reclamation, and environmental protection.

It may be necessary to obtain the following environmental permit or approved plan prior to commencement of mine operations:

- Reclamation and closure plan

If a reclamation and closure plan is required, there can be no assurance that the Company will be able to obtain it in a timely manner or at all.

Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations, and permits. Failure to comply with applicable laws, regulations, and permits may result in enforcement actions, including the forfeiture of mineral claims or other mineral tenures, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or costly remedial actions. The Company cannot predict if all permits that it may require for continued exploration, development, or construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms, if at all. Costs related to applying for and obtaining permits and licenses may be prohibitive and could delay its planned exploration and development activities. The Company may be required to compensate those suffering loss or damage by reason of the mineral exploration or its mining activities, if any, and may have civil or criminal fines or penalties imposed for violations of, or its failure to comply with, such laws, regulations, and permits.

Existing and possible future laws, regulations, and permits governing operations and activities of exploration companies, or more stringent implementation of such laws, regulations and permits, could have a material adverse impact on the Company's business and cause increases in capital expenditures or require abandonment or delays in exploration. The Mine is located in Northern Idaho and has numerous clearly defined regulations with respect to permitting mines, which could potentially impact the total time to market for the project.

The Company's activities are subject to environmental laws and regulations that may change and increase its costs of doing business and restrict its operations.

Both mineral exploration and extraction require permits from various federal, state, and local governmental authorities and are governed by laws and regulations, including those with respect to prospecting, mine development, mineral production, transport, export, taxation, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that the Company will be able to obtain or maintain any of the permits required for the exploration of the mineral properties or for the construction and operation of the Mine at economically viable costs. If the Company cannot accomplish these objectives, its business could fail. The Company believes that it is in compliance with all material laws and regulations that currently apply to its activities but there can be no assurance that the Company can continue to remain in compliance. Current laws and regulations could be amended, and the Company might not be able to comply with them, as amended. Further, there can be no assurance that the Company will be able to obtain or maintain all permits necessary for its future operations, or that it will be able to obtain them on reasonable terms. To the extent such approvals are required and are not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of the mineral properties.

The Company's activities are subject to extensive laws and regulations governing environmental protection. The Company is also subject to various reclamation-related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulations. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

The legal framework governing this area is constantly developing; therefore, the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration company, may have an environmental impact that may result in unbudgeted delays, damage, loss and other costs and obligations, including, without limitation, rehabilitation and/or compensation. There is also a risk that the Company's operations and financial position may be adversely affected by the actions of

environmental groups or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within the state of Idaho and the United States.

Environmental hazards unknown to the Company, which have been caused by previous owners or operators of the Mine, may exist on the properties in which the Company holds an interest. Many of the properties in which the Company has ownership rights are located within the Coeur d'Alene Mining District, which is currently the site of a Federal Superfund cleanup project. It is possible that environmental cleanup or other environmental restoration procedures could remain to be completed or mandated by law, causing unpredictable and unexpected liabilities to arise.

Social and environmental activism may have an adverse effect on the reputation and financial condition of the Company or its relationship with the communities in which it operates.

There is an increasing level of public concern relating to the effects of mining on the nature landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") that oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors or activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The mineral exploration and mining industry is highly competitive.

The mining industry is intensely competitive in all of its phases. As a result of this competition, some of which is with large established mining companies with substantial capabilities and with greater financial and technical resources than those of the Company, the Company may be unable to acquire additional properties or obtain financing on terms it considers acceptable. The Company also competes with other mining companies in the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for qualified employees, its exploration and development programs may be slowed down or suspended. The Company competes for capital with other companies that produce its planned commercial products. If the Company is unable to raise sufficient capital, its exploration and development programs may be jeopardized or it may not be able to acquire, develop, or operate additional mining projects.

A shortage of equipment and supplies could adversely affect the Company's ability to operate its business.

The Company is dependent on various supplies and equipment to carry out its mining exploration and, if warranted, development operations. Any shortage of such supplies, equipment, and parts could have a material adverse effect on the Company's ability to carry out its operations and could therefore limit, or increase the cost of, production.

Joint ventures and other partnerships, including offtake arrangements, may expose the Company to risks.

The Company may enter into joint ventures, partnership arrangements, or offtake agreements with other parties in relation to the exploration, development, and production of the properties in which the Company has an interest. Specifically the Company has offtake and strategic relationships with Sprott, Teck, and Monetary Metals. Any failures of these or future other companies to meet their obligations to the Company or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the Company, the development and production at its properties, including the Mine, and on future joint ventures, if any, or their properties, and therefore could have a material adverse effect on its results of operations, financial performance, cash flows and the price of its common stock.

The Company may experience difficulty attracting and retaining qualified management to meet the needs of its anticipated growth.

The success of the Company is currently largely dependent on the performance of its officers and directors. The loss of the services of any of these people could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its officers, directors, or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. The Mine is located in an area active in mining activities, and we compete with other companies for personnel and talent. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for people with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

The Company is dependent on a relatively small number of key employees, including its Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO"). The loss of any officer could have an adverse effect on the Company. The Company has no life insurance on any individual, and the Company may be unable to hire a suitable replacement for them on favorable terms, should that become necessary.

The Company may be subject to potential conflicts of interest with its directors and/or officers.

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies, which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company's results of operations could be affected by currency fluctuations.

The Company's properties are currently all located in the U.S. and while most costs associated with these properties are paid in U.S. dollars, a significant amount of its administrative expenses are payable in Canadian dollars. There can be significant swings in the exchange rate between the U.S. dollar and the Canadian dollar. Recent developments in U.S. and Canadian trade and tariff discussions have created an environment that can and has affected the currency exchange. There are no plans at this time to hedge against any exchange rate fluctuations in currencies.

Title to the Company's properties may be subject to other claims that could affect its property rights and claims.

There are risks that title to the Company's properties may be challenged or impugned. The Mine is located in Northern Idaho a historic mining district and may be subject to prior unrecorded agreements or transfers and title may be affected by undetected defects.

The Company may be unable to secure or purchase additional required surface rights.

Although the Company obtains the rights to some or all of the minerals in the ground subject to the mineral tenures that the Company acquires, or has the right to acquire, in some cases the Company may not acquire any rights to, or ownership of, the surface to the areas covered by such mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities; however, the enforcement of such rights through the courts can be costly and time consuming. It is necessary to negotiate surface access or to purchase the surface rights if long-term access is required. There can be no guarantee that, despite having the right at law to access the surface and carry on mining activities, the Company will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore the Company may be unable to carry out planned mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, the outcomes of which cannot be predicted with any certainty. The Company's inability to secure surface access or purchase required surface rights could materially and adversely affect its timing, cost, or overall ability to develop any mineral deposits the Company may locate.

The Company's properties and operations may be subject to litigation or other claims.

From time to time the Company's properties or operations may be subject to disputes that may result in litigation or other legal claims. The Company may be required to take countermeasures or defend against these claims, which will divert resources and management time from operations. The costs of these claims or adverse filings may have a material effect on the Company's business and results of operations.

The Company is currently engaged in a legal dispute with Crescent Mining. See Item 3: Legal Proceedings for further information. It is uncertain the outcome or impact of the litigation on the Company's financial condition or ability to operate in the area of dispute.

Mineral exploration and development is subject to extraordinary operating risks. The Company currently insures against these risks on a limited basis. In the event of a cave-in or similar occurrence, the Company's liability may exceed its resources and insurance coverage, which would have an adverse impact on the Company.

Mineral exploration, development and production involve many risks. The Company's operations will be subject to all the hazards and risks inherent in the exploration for mineral resources and, if the Company discovers a mineral resource in commercially exploitable quantity, its operations could be subject to all of the hazards and risks inherent in the development and production of resources, including liability for pollution, cave-ins or similar hazards against which the Company cannot insure or against which the Company may elect not to insure. Any such event could result in work stoppages and damage to property, including damage to the environment. As of the date hereof, the Company currently maintains commercial general liability insurance and umbrella liability insurance against these operating hazards, in connection with its exploration program. The payment of any liabilities that arise from any such occurrence that would not otherwise be covered under the current insurance policies would have a material adverse impact on the Company.

Mineral exploration and development are dependent on adequate infrastructure.

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability of acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If

adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect the Company's operations.

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company may be unable to purchase additional mining properties.

If the Company loses or abandons its interests in its mineral properties, or plans further property acquisition as part of its business plan, there is no assurance that it will be able to acquire another mineral property of merit. There is also no guarantee that the Company will be able to obtain necessary capital to acquire any additional properties, whether by way of an option or otherwise, should the Company wish to acquire any additional properties.

The Company's operations are dependent on information technology systems that may be subject to network disruptions

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities. In late 2024, the Company retained a third party cyber assessment firm to complete an audit and make recommendations for updates to the Company's IT system and related policies and procedures.

The Company is a reporting issuer and reporting requirements under applicable securities laws may increase legal and financial compliance costs.

The Company is subject to reporting requirements under applicable securities law, the listing and other requirements of the TSXV, the OTCQB, the SEC and other applicable securities rules and regulations. Compliance with these requirements can increase legal and financial compliance costs, make some activities more difficult, time-consuming or costly, and increase demand on existing systems and resources. Among other things, the Company is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight is required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Risks Related to the Company's Common Stock

The Company's common stock price is historically volatile and trading volume changes rapidly, as a result, investors could lose all or part of their investment.

In addition to volatility associated with equity securities in general, the value of an investor's investment could decline due to the impact of any of the following factors upon the market price of the Company's common stock:

- disappointing results from the Company's exploration efforts;
- decline in demand for its common stock;
- downward revisions in securities analysts' estimates or changes in general market conditions;
- technological innovations by competitors or in competing technologies;
- investor perception of the Company's industry or its prospects; and
- general economic trends.

The Company's common stock price on the TSXV has experienced significant price and volume fluctuations. Stock markets in general have experienced extreme price and volume fluctuations, and the market prices of securities have been highly volatile. These fluctuations are often unrelated to operating performance and may adversely affect the market price of the common stock. As a result, an investor may be unable to sell any common stock such investor acquires at a desired price.

Potential future sales under Rule 144 may depress the market price for the Company's common stock.

In general, under Rule 144, a person who has satisfied a minimum holding period of between 6 months and one-year and any other applicable requirements of Rule 144 may thereafter sell such shares publicly. A significant number of the Company's currently issued and outstanding shares of common stock held by existing shareholders, including officers and directors and other principal shareholders, are currently eligible for resale pursuant to and in accordance with the provisions of Rule 144. The possible future sale of the Company's common stock by its existing shareholders, pursuant to and in accordance with the provisions of Rule 144, may have a depressive effect on the price of its common stock in the over-the-counter market.

The Company has never paid dividends on its common stock.

The Company has not paid dividends on its common stock to date and does not expect to pay dividends for the foreseeable future. The Company intends to retain its initial earnings, if any, to finance its operations. Any future dividends on common stock will depend upon the Company's earnings, its then-existing financial requirements, and other factors, and will be at the discretion of the Company's Board of Directors.

FINRA has adopted sales practice requirements, which may also limit an investor's ability to buy and sell the Company's common stock.

In addition to the "penny stock" rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy the Company's common stock, which may limit an investor's ability to buy and sell its stock and have an adverse effect on the market for the common stock.

Investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per share of common stock if the Company issues additional employee/director/consultant options or if the Company sells additional shares of common stock and/or warrants to finance its operations.

In order to further expand the Company's operations and meet its objectives, any additional growth and/or expanded exploration activity will likely need to be financed through sale and issuance of additional common stock, including, but not limited to, raising funds to explore the Mine. Furthermore, to finance any acquisition activity, should that activity be properly approved, and depending on the outcome of its exploration programs, the Company likely will also need to issue additional common stock to finance future acquisitions, growth, and/or additional exploration programs of any or all of its projects or to acquire additional properties. The Company will also in the future grant some or all of its directors, officers, and key employees and/or consultants options to purchase common stock as non-cash incentives. The issuance of any equity securities could, and the issuance of any additional shares of common stock will, cause the Company's existing shareholders to experience dilution of their ownership interests.

If the Company issues additional shares of common stock or decides to enter into joint ventures with other parties in order to raise financing through the sale of equity securities, investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per share, depending on the price at which such securities are sold.

The issuance of additional shares of common stock may negatively impact the trading price of the Company's securities.

The Company has issued common stock in the past and will continue to issue common stock to finance its activities in the future. In addition, newly issued or outstanding options, warrants, and broker warrants to purchase shares of common stock may be exercised, resulting in the issuance of additional common stock. Any such issuance of additional common stock would result in dilution to the Company's shareholders, and even the perception that such an issuance may occur could have a negative impact on the trading price of the common stock.

The Company's common stock could be influenced by research and reports that industry or securities analysts may publish.

The trading market for the Company's common stock could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or its competitors. The Company does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favorable coverage. If any of the analysts who may cover the Company's business adversely change their recommendation regarding the Company's stock, or provide more favorable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

The Company is subject to the continued listing or trading criteria of the TSXV and the OTCQB, and its failure to satisfy these criteria may result in delisting or removal of trading of its common stock from the TSXV and the OTCQB.

The Company's common stock is currently listed for trading on the TSXV and quoted on the OTCQB. In order to maintain the listing on the TSXV and the quotation on the OTCQB or any other securities exchange or marketplace, the Company must maintain certain financial and share distribution targets, including maintaining a minimum number of public shareholders. In addition to objective standards, these exchanges or marketplaces may delist or cease to quote the securities of any issuer if, in the exchange's opinion, the Company's financial condition and/or operating results appear unsatisfactory; if it appears that the extent of public distribution or the aggregate market value of the security has become so reduced as to make continued listing inadvisable; if the Company sells or disposes of its principal operating assets or ceases to be an operating company; if the Company fails to comply with the listing

requirements; or if any other event occurs or any condition exists which, in their opinion, makes continued listing on the exchange inadvisable.

If the TSXV, the OTCQB or any other exchange or quotation service were to delist or cease to quote the Company's common stock, investors may face material adverse consequences, including, but not limited to, a lack of trading market for the common stock, reduced liquidity, decreased analyst coverage, and/or an inability for the Company to obtain additional financing to fund its operations.

The Company faces risks related to compliance with corporate governance laws and financial reporting standards.

The Sarbanes-Oxley Act of 2002, as well as related new rules and regulations implemented by the SEC and the Public Company Accounting Oversight Board, require changes in the corporate governance practices and financial reporting standards for public companies. These laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 relating to internal control over financial reporting, referred to as Section 404, materially increase the Company's legal and financial compliance costs and make certain activities more time-consuming and burdensome.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not Applicable.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. To identify and assess material risks from cybersecurity threats, our enterprise risk management program considers cybersecurity risks alongside other company risks as part of our overall risk assessment process. Our cybersecurity risk management strategy prioritizes (i) detection, analysis, and response to known, anticipated, or unexpected threats, (ii) effective management of security risks, and (iii) resiliency against incidents.

We have implemented several cybersecurity processes, technologies, and controls to aid in our efforts to assess, identify, and manage material risks associated with cybersecurity threats. Such processes include technical security controls, policy enforcement mechanisms, monitoring systems, employee training, contractual arrangements, tools and related services from third-party providers, and management oversight.

Our risk-based control principles are based on the standards set by the National Institute of Standards and Technology (NIST), other industry-recognized standards, and contractual requirements, as applicable. Through these controls, we seek to maintain an information technology infrastructure that implements physical, administrative, and technical controls that are calibrated based on risk and designed to protect the confidentiality, integrity, and availability of our information systems and information stored on our networks.

As part of our cybersecurity risk management strategy, we periodically engage with consultants, auditors, and other third parties to help identify areas for continued focus, improvement, and compliance. During the year ended December 2024 we engaged a third party firm to perform a cybersecurity audit. Their findings and considerations were reported to the executive team and the Board of Directors, and an implementation plan was crafted and executed throughout 2025. The report did not identify any risks that are reasonably likely to materially affect the Company, including its business strategy, results of operations, or financial condition. We also incorporate cybersecurity risk management considerations in our processes for selecting, evaluating, and overseeing third-party providers. The Company continues to monitor this risk.

In the last fiscal year, we have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, ability to implement is partnership with VRIFY Technology Inc. to employ its advanced artificial intelligence and associated machine learning technology to enhance the efficiency of ongoing exploration within the expanded Bunker Hill and Ranger–Page Project or financial condition.

Governance

The Audit Committee of our Board of Directors is responsible for board-level oversight of risks from cybersecurity threats, and the Audit Committee reports back to the full Board of Directors about this and other areas within its responsibility. As part of its oversight role, the Audit Committee receives reporting about our cybersecurity risk management and strategy processes covering topics such as data security, results from third-party assessments, progress towards cybersecurity risk management goals, our incident response plan, notable threats or incidents, and other developments related to cybersecurity, including through periodic updates from the Company’s CEO, other management team members, and consultants.

Our cybersecurity risk management and strategy processes are led by the Company’s Chief Financial Officer (CFO). Such individual has over 20 years of prior work experience in various roles involving managing information security, developing cybersecurity strategy, implementing effective information and cybersecurity programs, as well as several relevant degrees and certifications.

ITEM 2. PROPERTIES

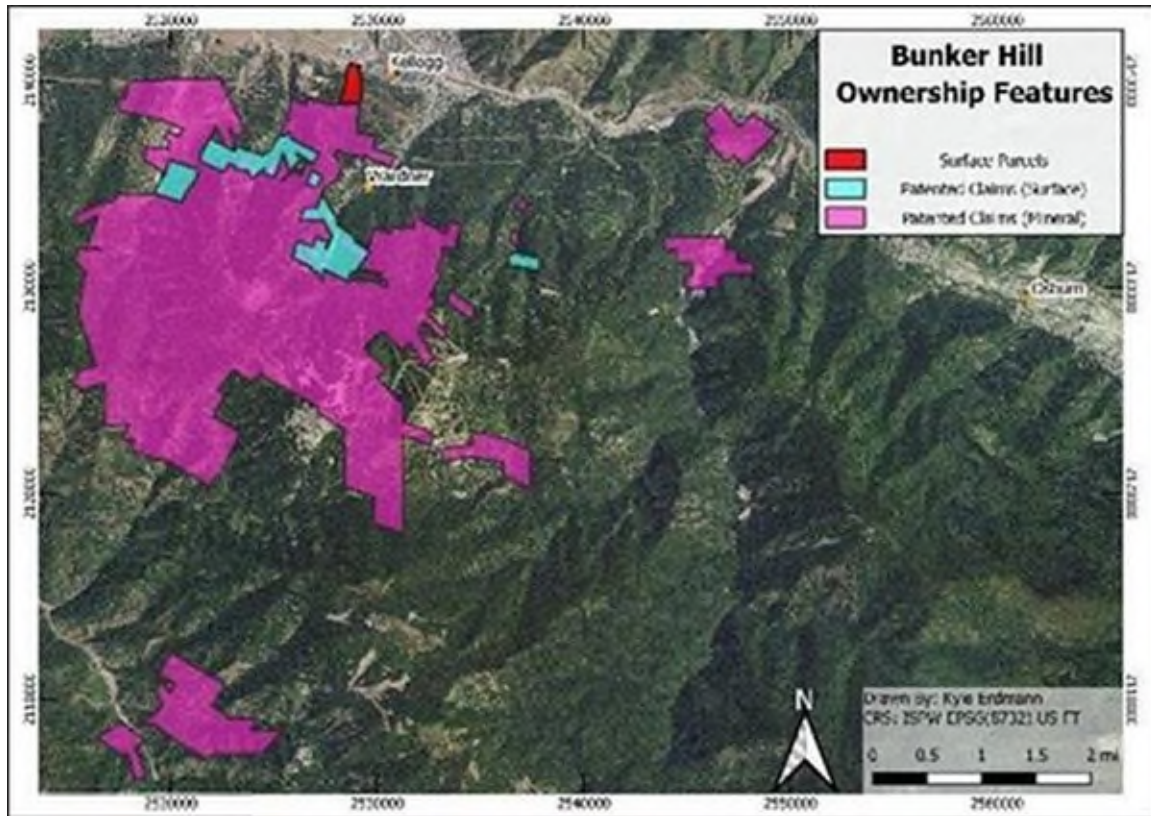
The Company’s focus is the development and restart of its 100% owned flagship asset, the Bunker Hill Mine, in Idaho, USA. The Mine remains the largest single producing mine by tonnage in the Silver Valley region of northwest Idaho, historically producing over 165 million ounces of silver and 5 million tons of base metals between 1885 and 1981. The Bunker Hill Mine is located within Operable Unit 2 of the Bunker Hill Superfund site (EPA National Priorities Listing IDD048340921), where cleanup activities have been completed.

The Bunker Hill Mine

History

Initial discovery and development of the Mine property began in 1885, and from that time until the Mine closed in 1981 it produced over 35.8 million tons of ore at an average mined grade of 8.76% lead, 4.52 ounces per ton silver, and 3.67% zinc, which represented 162Moz of silver, 3.16M lbs. of lead and 1.35M lbs. of zinc (Bunker Limited Partnership, 1985). Throughout the 95-year operating history, there were over 40 different lead-silver-zinc orebodies discovered and mined. Although known for its significant lead and zinc production, 45-50% of the Net Smelter Value of its historical production came from its silver. The Company and the Sullivan Mining Company had a strong history of regular dividend payments to shareholders from the time the Company went public in 1905 until it was acquired in a hostile takeover by Gulf Resources in 1968.

The Mine and Smelter Complex were closed in 1981 when Gulf Resources was not able to continue to comply with new regulatory structures brought on by the passage of environmental statutes and as then enforced by the EPA. At closure it was estimated to still contain significant mineral resources (Bunker Limited Partnership, 1985). The Bunker Hill Lead Smelter, Electrolytic Zinc Plant and historic milling facilities were demolished in or around 1986, and the area became part of the “National Priority List” for cleanup under EPA regulations. The cleanup of the smelter, zinc plant, and associated sites has been completed, and management believes the Mine is well positioned for development and an eventual return to production.



A more detailed description of the Mine can be found in the “Technical Report Summary” section of this report, including the current mineral resource estimate, mineral reserves, an economic summary, property description and ownership, geology and mineralization, environmental studies and permitting, metallurgical testing, mining method, recovery methods, and current exploration and development.

Restart Project Activities

In early 2020, a new management team comprised of former executives from Barrick Gold Corp. assumed leadership of the Company. Since that time, the Company has conducted multiple exploration campaigns, published multiple economic studies and mineral resource estimates, and advanced the rehabilitation and development of the Mine. In December 2021, the Company announced a project finance package with Sprott, an Amended Settlement Agreement with the EPA, and the purchase of the Bunker Hill Mine, setting the stage for a restart of the Mine.

In January 2022, with the closing of the purchase of the Bunker Hill Mine, and the announcement of an MOU for the purchase of the Pend Oreille process plant from a subsidiary of Teck, the Company embarked on a program of activities with the goal of achieving a restart of the Mine.

Technical Report Summary

The following summary is extracted from the S-K 1300 Technical Report Summary, Bunker Hill Mine Pre-Feasibility Study, Coeur D’Alene Mining District Shoshone County, Idaho, USA with a Report Date of April 14, 2023 and an Effective Date of August 29, 2022 (the “Technical Report Summary”). The following information does not purport to be a complete summary of the Technical Report Summary, is subject to all the assumptions, qualifications and procedures set out in the Technical Report Summary and is qualified in its entirety with reference to the full text of

the Technical Report Summary. Each of the Qualified Persons of the Technical Report Summary is an independent qualified person under the definitions of Item 1300 of Regulation S-K (each a “Qualified Person”, and together the “Qualified Persons”) and have approved the summary of the Technical Report Summary below.

Technical Report Summary

The Technical Report Summary describes the mining and processing operations at the Company’s 100% owned Bunker Hill Mine located near the town of Kellogg, Idaho.

The Technical Report Summary considers a processing approach at the Mine where lead (Pb), silver (Ag) and zinc (Zn) mineralization is mined underground. Mineralized material will be conventionally milled and then concentrated by flotation of lead and silver followed by flotation of zinc. Metal rich concentrates will then be sold to smelters in North America or overseas. Mill tailings will be deposited underground in the historic mining voids located throughout the project.

Economic and Life of Mine highlights of the Technical Report Summary are listed in Table 1-3 and Table 1-4. Table 1-1 lists the mineral resource estimate for the Bunker Hill Mine and Table 1-2 lists the mineral reserves for the Bunker Hill Mine. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources will be converted into mineral reserves.

Quality Assurance/Quality Control

BHMC internal controls were employed on the 5,067 samples collected during the data verification and drilling programs. Various laboratories were used in the analytical process and the results verified using industry accepted Quality Assurance and Quality Control procedures (“QAQC”). QAQC procedures included the submission of blanks and certified standard reference material with the submittal of samples. Blanks were analyzed in order to verify the accuracy of the sample preparation process. Certified standard reference material results were evaluated in order to assess the accuracy of the laboratory assaying procedure. Additionally, preparation duplicates were submitted in order to assess the accuracy of sample collection at the project site. Any failures from expected results were addressed and explained before being used for mineral resource estimates.

Risks and uncertainties exist in the quantification of the spatial distribution on mineralization. These risks are inherent in estimation of mineral resources. Samples themselves have uncertainty related to sampling collection errors and the homogeneity of the deposit. Wider spaced drilling has more uncertainty than closely spaced drilling. Capping of high-grade outliers was used to ensure that the mineral content of the deposit was not over stated. High grade outlier samples will tend to overestimate the metal content of the mineral deposit. The block model for the deposit was constructed using sufficient sized blocks to account for mining dilution and uncertainties related to the actual physical distribution of mineralization. Domains were utilized to minimize the estimation of mineralization into rock units that do not host mineralization. These underlying factors and risks were considered in the final conclusion of the mineral resource estimate.

Mineral Resource Estimate

Geostatistics and estimates of mineralization were prepared by Resource Development Associates Inc. Industry accepted grade estimation techniques were used to develop global mineralization block models for the Newgard, Quill and UTZ zones. The mineral resource estimate considers underground mining and mill processing as a basis for reasonable prospects of eventual economic extraction. The total mineral resource estimate for the Bunker Hill Mine is listed in Table 1-1 at a cutoff grade of net smelter return (NSR) 70 \$/ton. Mineral Resources are classified according to Item 1302(d)(1)(iii)(A) of Regulation S-K.

Classification	Ton (x1,000)	NSR (\$/Ton)	Ag Oz/Ton	Ag Oz (x1,000)	Pb %	Pb Lbs. (x1,000)	Zn %	Zn Lbs. (x1,000)
Measured (M)	1,306	\$ 109.14	0.91	1,186	2.24	58,597	4.91	128,257
Indicated (I)	2,627	\$ 109.31	0.87	2,288	2.16	113,339	5.05	265,517
Total M & I	3,933	\$ 109.26	0.88	3,475	2.19	171,936	5.01	393,774
Inferred	6,849	\$ 125.84	1.52	10,402	2.87	392,802	4.93	675,026

- (1) The mineral resource estimate was prepared by Resource Development Associates Inc.
- (2) Measured, Indicated and Inferred classifications are classified according to Item 1302(d)(1)(iii)(A) of Regulation S-K.
- (3) Mineral resources that are not mineral reserves do not have demonstrated economic viability.
- (4) Net smelter return (NSR) is defined as the return from sales of concentrates, expressed in U.S.\$/t (i.e., $NSR = (\text{Contained metal}) * (\text{Metallurgical recoveries}) * (\text{Metal Payability } \%) * (\text{Metal prices}) - (\text{Treatment, refining, transport and other selling costs})$). For the mineral resource estimate, NSR values were calculated using updated open-cycle metallurgical results including recoveries of 85.1%, 84.2% and 88.2% for Zn, Ag and Pb, respectively, and concentrate grades of 58% Zn in zinc concentrate, and 67% Pb and 12.13 oz/ton Ag in lead concentrate.
- (5) Mineral resources are estimated using a zinc price of \$1.20 per pound, silver price of \$20.00 per ounce, and lead price of \$1.00 per pound.
- (6) Historic mining voids, stopes and development drifting have been depleted from the mineral resource estimate.
- (7) Totals may not add up due to rounding.
- (8) Mineral resources are reported exclusive of mineral reserves. The reserves disclosed in the report represent measured mineral resources and indicated resources that were evaluated with modifying factors related to underground mining.
- (9) The point of reference for mineral resources is in situ mineralization.

Mineral Reserves

Mineral reserves have been estimated for the Quill, Newgard and UTZ sections of the Project. Measured and indicated mineral resources were converted to probable mineral reserves for the Mine. Measured mineral resources were converted to probable mineral reserves because of uncertainties associated with modifying factors that were taken into account in the conversion from mineral resources to mineral reserves.

Measured and indicated mineral resources were converted to probable mineral reserves by evaluating operating cost, projected metal revenues and estimated stope shapes and geometries. The general widths, plunge and shape of the Quill and Newgard mineralization lends itself well to transverse (perpendicular to strike) long hole open stoping (LHOS) with fill utilizing rubber tire equipment. The UTZ deposit is more amenable to cut-and-fill (CF) methods due to its shape and geometry. Extraction of the planned mine shapes is assumed to be 100% of the NSR \$80/ton plan. Breakeven NSR is \$70/ton for LHOS and \$75/ton for cut-and-fill stopes.

Mineral reserves were classified in accordance with Item 1302(e)(2) of Regulation S-K. The mineral reserve statement is presented in Table 1-2. Mineral reserves are estimated at an NSR value cutoff of \$80/short ton at the reference point of saleable mill concentrates with an effective date of August 29, 2022.

Table 1-2 Bunker Hill Mineral Reserve Estimate, December 31, 2025 – Minetech, USA, LLC

Area	Description	Tons (x1,000)	Zn (%)	Pb (%)	Ag (opt)	Contained Ag (koz)	Contained Zn (klbs)	Contained Pb (klbs)	NSR (US\$/st)
Newgard and Quill	Probable	3,111	5.87%	2.56%	1.12	3,492	365,118	159,326	133.53
	Plan Dilution	95	-	-	-	-	-	-	-
	Unplanned Dilution	156	-	-	-	-	-	-	-
UTZ	Probable	89	3.93%	3.74%	1.35	95	7,002	6,658	122.66
	Plan Dilution	1	-	-	-	-	-	-	-
	Unplanned Dilution	4	-	-	-	-	-	-	-
Total	Probable	3,200	5.81%	2.59%	1.12	3,587	372,120	165,984	133.23
	Plan Dilution	96	-	-	-	-	-	-	-
	Unplanned Dilution	160	-	-	-	-	-	-	-
	Total Plan	3,360	5.30%	2.40%	1.02	3,587	186,060	82,992	126.88

(1) Planned dilution is zero grade waste included in the designed stope shapes and probable tonnages.

(2) Unplanned dilution is 5% external dilution added at zero grade.

(3) Mineral reserves stated are inclusive of all above mentioned dilutions and are factored for ore loss due to mining activities.

(4) Net smelter return (NSR) is defined as the return from sales of concentrates, expressed in U.S.\$/t (i.e., $NSR = (\text{Contained metal}) * (\text{Metallurgical recoveries}) * (\text{Metal Payability } \%) * (\text{Metal prices}) - (\text{Treatment, refining, transport and other selling costs})$). For the mineral reserve estimate, NSR values were calculated using updated open-cycle metallurgical results including recoveries of 85.1%, 84.2% and 88.2% for Zn, Ag and Pb, respectively, and concentrate grades of 58% Zn in zinc concentrate, and 67% Pb and 12.13 oz/ton Ag in lead concentrate.

(5) Mineral reserves are estimated using a zinc price of \$1.20 per pound, silver price of \$20.00 per ounce, and lead price of \$1.00 per pound.

(6) Historic mining voids, stopes and development drifting have been depleted from the mineral reserve estimate.

(7) Totals may not add up due to rounding.

Economic Summary

The summary of the current projected financial performance of the Bunker Hill Mine is listed in Table 1-3. Sensitivities are summarized in Table 1-4.

Table 1-3 Bunker Hill Project Economic Summary

<u>Year</u>	<u>Initial Capex</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>TOTAL</u>	<u>ANNUAL AVERAGE</u>
Metal Prices								
Zinc (\$/lb)	1.5	1.4	1.3	1.25	1.25	1.25	1.29	1.29
Lead (\$/lb)	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95
Silver (\$/oz)	22	22	22	21.5	21.5	21.5	21.7	21.7
Mine plan								
Ore mined (kt)	77	652	655	655	655	665	3,360	657
Zinc grade (%)	5.90%	5.60%	4.70%	5.70%	5.70%	5.90%	5.50%	5.50%
Lead grade (%)	2.10%	2.40%	2.70%	2.90%	2.40%	1.90%	2.50%	2.50%
Silver grade (oz/t)	0.5	0.7	1.3	1.4	1.2	0.8	1.1	1.1
Zinc eq grade (%)	7.70%	8.00%	8.10%	9.40%	8.80%	8.20%	8.50%	8.50%
Production								
Zinc concentrate (t)	6,671	53,504	44,852	54,997	55,061	57,909	272,995	53,265
Lead concentrate (t)	2,091	20,945	23,577	25,078	20,955	16,605	109,251	21,432

Zn grade - Zn conc (%)	58.00%	58.00%	58.00%	58.00%	58.00%	58.00%	58.00%	58.00%
Pb grade - Pb conc (%)	67.00%	67.00%	67.00%	67.00%	67.00%	67.00%	67.00%	67.00%
Ag grade - Pb conc (oz/t)	14.4	18.6	31.5	30.1	31	27.4	27.6	27.7
Zn prod. - Zn conc (klbs)	7,738	62,065	52,029	63,796	63,871	67,174	316,674	61,787
Pb prod. - Pb conc (klbs)	2,802	28,067	31,593	33,605	28,080	22,251	146,397	28,719
Ag prod. - Pb conc (koz)	30	390	742	754	649	455	3,020	598
Zinc eq produced (klbs)	9,954	87,233	87,679	102,310	96,375	91,909	475,460	93,101
Cost metrics								
Mining (\$/t)		35	38	37	35	41	37	37
Processing (\$/t)		21	21	21	21	21	21	21
G&A (\$/t)		9	9	9	9	6	9	9
Opex - total (\$/t)		65	68	67	65	69	67	67
Sustaining capex (\$/t)		18	22	19	41	8	21	21
Cash costs: by-prod. (\$/lb Zn payable)		0.61	0.42	0.36	0.45	0.64	0.5	0.5
AISC: by-prod. (\$/lb Zn payable)		0.82	0.74	0.59	0.95	0.73	0.77	0.77
FCF & Valuation (\$000's)								
Zinc revenue		73,857	57,492	67,784	67,863	71,373	338,368	67,674
Lead revenue		25,330	28,513	30,328	25,342	20,081	129,595	25,919
Silver revenue		7,900	15,515	15,406	13,256	9,260	61,337	12,267
Gross revenue		107,087	101,520	113,518	106,461	100,714	529,300	105,860
TC - Zinc conc		-16,257	-11,138	-13,657	-13,673	-14,380	-69,105	-13,821
TC - Lead conc		-3,698	-4,162	-4,428	-3,700	-2,932	-18,919	-3,784
RC - Lead conc		-449	-882	-896	-771	-538	-3,535	-707
Land freight		-2,193	-2,019	-2,360	-2,239	-2,192	-11,002	-2,200
Net smelter return		84,491	83,319	92,178	86,079	80,672	426,739	85,348
Mining costs		-22,828	-24,592	-23,971	-22,927	-27,454	121,772	-24,354
Processing costs		-13,766	-13,842	-13,842	-13,842	-14,053	-69,346	-13,869
G&A costs		-6,050	-6,063	-6,063	-6,063	-4,257	-28,496	-5,699
EBITDA		41,847	38,822	48,302	43,247	34,908	207,126	41,425
Sustaining capex		-11,475	-14,127	-12,651	-26,982	-5,215	-70,450	-14,090
Initial capex	54,853						-54,853	-
Land & salvage value						12,281	12,281	12,281
Pre-tax free cash flow	54,853	30,372	24,695	35,650	16,266	41,974	94,103	29,791
Taxes	-511	-1,394	-1,382	-2,218	-1,155	-1,224	-7,884	-1,475
Free cash flow	55,364	28,978	23,313	33,432	15,111	40,750	86,219	28,317
NPV (5%)	62,826							
NPV (8%)	51,813							
IRR (%)	36.00%							
Payback (years)	2.1							

Table 1-4 Sensitivity Analysis

		Metal Prices						Operating & Capital Costs						
		Zinc Price (\$/lb)						Operating Costs (+/- %)						
		-20%	-10%	-	10%	20%								
NPV (8%) (\$M)	Lead	-20%	-7	13	32	51	68	Total	-20%	102	87	72	56	40
	Price	-10%	4	23	42	60	78	Capital	-10%	92	77	62	46	30
	(\$/lb)	-	14	33	52	69	87	Costs	-	82	67	52	36	19
		10%	24	43	61	78	96	(+/-	10%	72	57	42	25	9
		20%	34	53	70	87	105	%)	20%	62	47	31	15	-1
		Zinc Price (\$/lb)						Operating Costs (+/- %)						
		-20%	-10%	-	10%	20%								
IRR (%)	Lead	-20%	4%	16%	26%	35%	44%	Total	-20%	71%	62%	53%	44%	34%
	Price	-10%	10%	21%	31%	40%	49%	Capital	-10%	60%	52%	44%	35%	26%
	(\$/lb)	-	16%	26%	36%	45%	53%	Costs	-	51%	44%	36%	28%	19%
		10%	22%	32%	41%	49%	57%	(+/-	10%	44%	37%	29%	21%	13%
		20%	27%	37%	45%	54%	62%	%)	20%	37%	30%	23%	15%	7%

Property Description and Ownership

The Bunker Hill Mine is located in Shoshone County, Idaho with portions of the Mine located within the cities of Kellogg and Wardner, Idaho in northwestern USA. The Kellogg Tunnel, which is the main access to the Mine, is located at 47.53611°N latitude, 116.1381W longitude. The approximate elevation for the above cited coordinates is 2366 ft.

On December 15, 2021, BHMC signed a Purchase and Sale Agreement (PSA) with Placer Mining Corporation and both William and Shirley Pangburn to acquire full ownership of the subsequently listed mineral titles in addition to other surface rights and real property associated with land and structures of the Bunker Hill Mine.

On January 7, 2022, the Company closed the purchase of the Bunker Hill Mine. Mine assets were purchased for \$7,700,000, with \$300,000 of previous lease payments and a deposit of \$2,000,000 applied to the purchase, resulting in cash paid at closing of approximately \$5,400,000. The EPA obligation of \$19,000,000 was assumed by Bunker Hill as part of the acquisition.

Geology and Mineralization

The Northern Idaho Panhandle Region in which the Bunker Hill Mine is underlain by the Middle Proterozoic-aged Belt-Purcell Supergroup of fine-grained, dominantly siliciclastic sedimentary rocks, which extends from western Montana (locally named the Belt Supergroup) to southern British Columbia (locally named the Purcell Supergroup) and is collectively over 23,000 feet in total stratigraphic thickness.

Mineralization at the Bunker Hill Mine is hosted almost exclusively in the Upper Revett formation of the Ravalli Group, a part of the Belt Supergroup of Middle Proterozoic-aged, fine-grained sediments. Geologic mapping and interpretation progressed by leaps and bounds following the recognition of a predictable stratigraphic section at the Bunker Hill Mine and enabled the measurement of specific offsets across major faults, discussed in the following section. From an exploration and mining perspective, there were two critical conclusions from this research: all significant mineralized shoots are hosted in quartzite units where they are cut by vein structures, and the location of the quartzite units can be projected up and down section, and across fault offsets, to target extensions and offsets of known mineralized shoots and veins.

Mineralization at Bunker Hill Mine falls in four categories, described below from oldest to youngest events:

Bluebird Veins (BB): W–NW striking, SW-dipping, variable ratio of sphalerite-pyrite-siderite mineralization. Thick, tabular cores with gradational margins bleeding out along bedding and fractures.

Stringer/Disseminated Zones: Disseminated, fracture controlled and bedding controlled blebs and stringer mineralization associated with Bluebird structures, commonly as halos to vein-like bodies or as isolated areas where brecciated quartzite beds are intersected by the W-NW structure and fold fabrics.

Galena-Quartz Veins (GQ): E to NE striking, S to SE dipping, quartz-argentiferous galena +/-siderite-sphalerite-chalcopyrite-tetrahedrite veins, sinuous-planar with sharp margins, cross-cut Bluebird veins.

Hybrid Zones: Formed at intersections where GQ veins cut BB veins, with open space deposition of sulfides and quartz in the vein refraction in quartzite beds, and replacement of siderite in the BB vein structure by argentiferous galena from the GQ vein.

Environmental Studies and Permitting

Because the Mine is on patented mining claims (privately-owned land), only a limited number of permits are required for mining and milling operations. These relate to (1) air quality and emissions from crushing, milling and processing and (2) any refurbishment of surface buildings that may require construction permits.

The Bunker Hill Mine is located within the Bunker Hill Superfund site (EPA National Priorities Listing IDD048340921). Cleanup activities have been completed in Operable Unit 2 of the Bunker Hill Superfund Site where the Mine is located, though water treatment continues at the Central Treatment Plant (the “CTP”) located near Bunker Hill Mine. The CTP is owned by the EPA and is operated by its contractors.

BHMC entered into a Settlement Agreement and Order on Consent with the EPA and the DOJ on May 14, 2018. Section 9, Paragraph 33 of that agreement stipulates that BHMC must obtain a National Pollutant Discharge Elimination System (“NPDES”) permit for effluent discharged by Bunker Hill Mine by May 14, 2023. This obligation currently exists and will be reviewed at a point in time when restart activities are planned to occur.

BHMC will initiate a voluntary Environmental, Social and Health Impact Assessment (“ESHIA”) for the activities described in the Technical Report Summary and for its business model as a whole. The Company intends to complete such a study that will conform with ISO, IFC, and GRI standards after receiving all of its required operational and environmental permits.

Metallurgical Testing

Resource Development Inc. (Rdi) initiated metallurgical test work on three samples designated Newgard, Quill and Utz, with the primary objective of determining the process flowsheet and the metal recoveries and concentrate grades. Flotation testing was completed through locked-cycle testing, the results of which are displayed in table 1-5

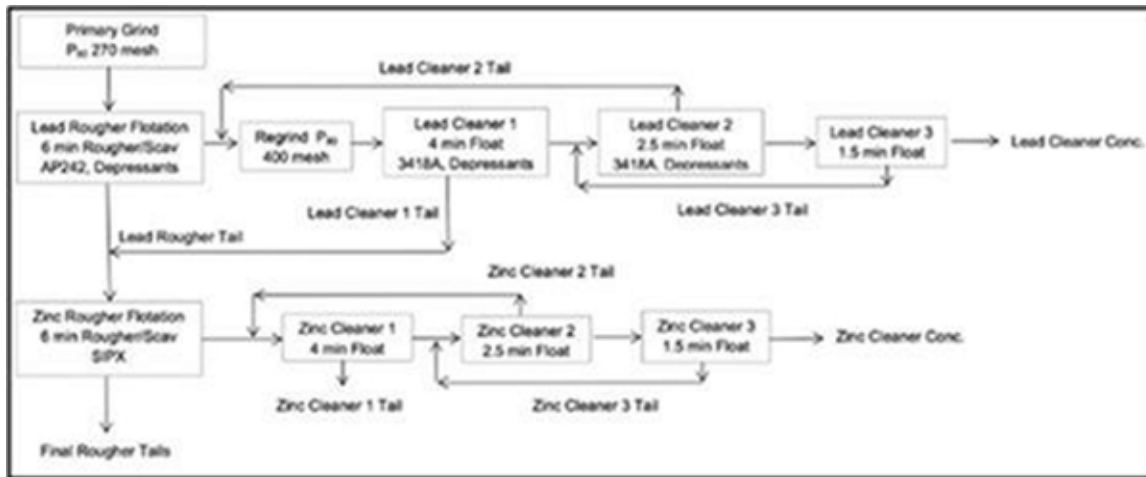
Table 1-5 Summary of Locked-Cycle Flotation Test Results

Product	Overall Weight %	Overall Pb Recovery %	Overall Zn Recovery %	Overall Au Recovery %	Overall Ag Recovery %	Conc. Grade Pb (%)	Conc. Grade Zn (%)	Conc. Grade Au (g/mt)	Conc. Grade Ag (g/mt)
Lead 3rd Cleaner Conc.	7.1	88.2	9.2	47.8	84.2	47.6	6.91	2.16	410
Zinc 3rd Cleaner Conc.	8.7	3.5	85.1	16.7	10.9	1.55	52.4	0.62	43.5
Rougher Tail	80.7	5.3	3.2	25.5	0.9	0.25	0.21	0.10	0.40
Zinc 1st Cleaner Tail	3.6	2.9	2.5	9.9	3.9	3.14	3.71	0.89	37.7
Combined Tails	84.2	8.3	5.7	35.5	4.9	0.38	0.36	0.13	1.99
Calculated Head	100.0	100.0	100.0	100.0	100.0	3.78	5.25	0.32	34.0

The open-cycle and locked-cycle tests were completed at a primary grind of P₈₀ 270 mesh for rougher flotation. Rougher scavenger flotation was included in both the lead and zinc circuits to increase the amount of value sent to the cleaner stages. Re grind of the lead rougher concentrate with a pebble mill was completed to a particle size of approximately P₈₀ 400 mesh for cleaner flotation. No re grind was completed with the zinc rougher concentrate.

BHMC has contracted SGS Canada Inc (SGS) to conduct a metallurgical study to further evaluate and optimize metal recovery for the Bunker Hill Project. The primary objective of the test program is to complete metallurgical test work to improve met results over the Pre-feasibility Study (PFS) performed by Rdi for the Bunker Hill Project.

Figure 1-1 Locked-Cycle Test Process Flowsheet



Mining Method

Long-hole stoping with fill (LHOS), cut-and-fill and possibly room-and-pillar mining with fill are the only methods viable for sustained operations today. LHOS is the preferred mining method with limited cut-and-fill mining at Bunker Hill Mine. Room-and-pillar mining is not in the current plan. Timbered ground support has been replaced with newer ground support technology of rock bolts, mesh, shotcrete and steel sets as required.

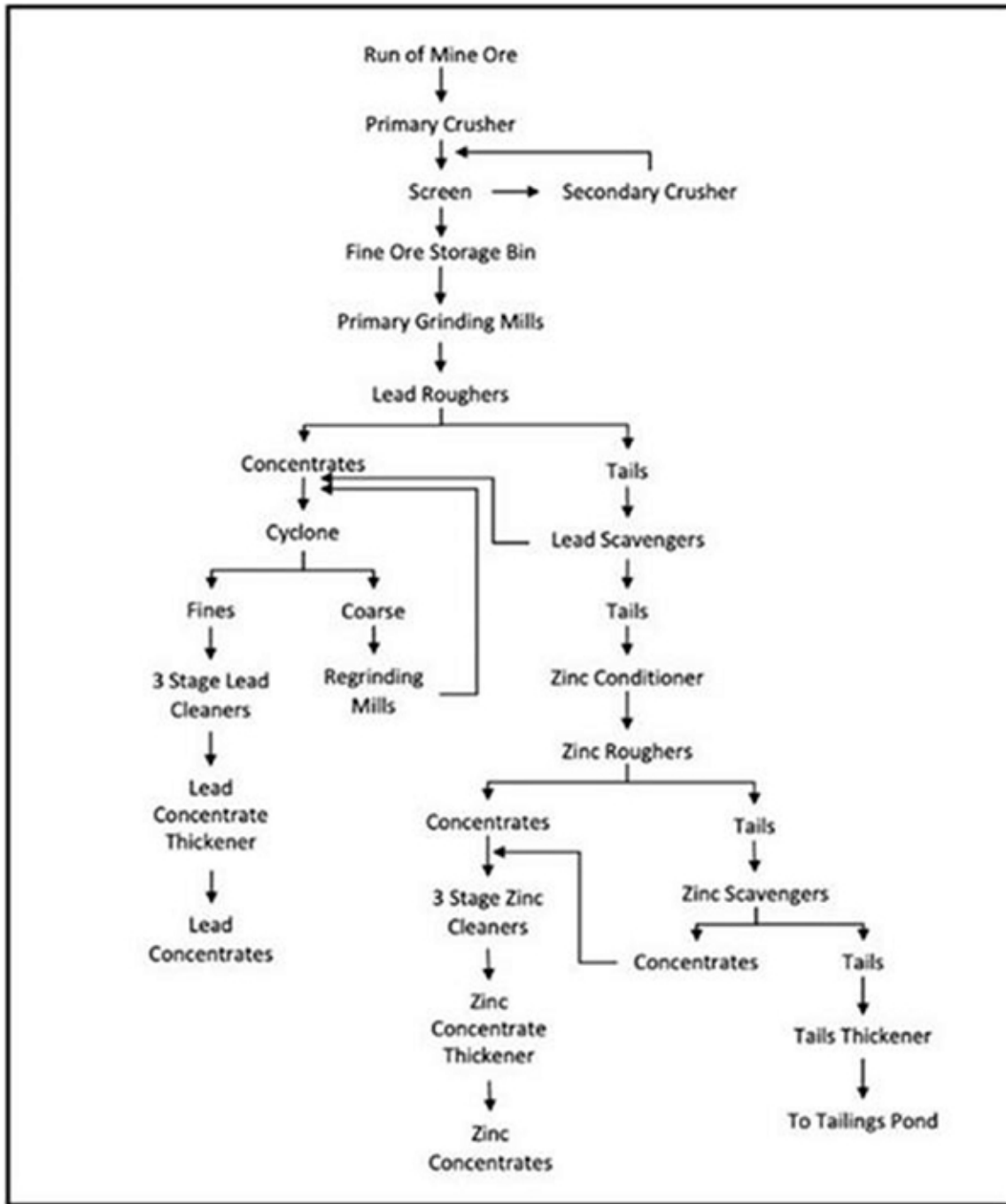
Beginning in October of 2021 and completed in April of 2022, BHMC conducted a geotechnical investigation of the underground conditions at the Bunker Hill Mine. Data collection involved a data analysis of rock quality designation (RQD) values logged with previous exploration drilling, geotechnical logging of recently drilled rock cores and an extensive investigation of pre-existing underground excavations and development. Ground conditions are generally good to excellent at Bunker Hill Mine and the rest of the mines in the Silver Valley. Bunker Hill Mine does not have a history of rock burst events that are frequent in the deeper mines to the east.

Recovery Methods

Bunker Hill plans to reconstruct a crush-grind-flotation-concentration mill from the nearby Pend Oreille mine in northern Washington on the Bunker Hill Kellogg Mine Yard. The future structures to house the grind-flotation-concentration circuit, the secondary crushing circuit and concentrate storage facilities will need to be constructed.

The process consists of a primary and secondary ore crushing circuit, then a primary grinding circuit followed by two separate flotation circuits to recover lead, zinc, silver and gold into two separate concentrate products: a lead, silver, gold concentrate and a zinc concentrate. Approximately 648,000 short tons of ore will be processed a year at a rate of 1,800 short tons per day (stpd), or 79 short tons per hour (stph) at 95% availability.

Figure 1-2 Bunker Hill Process Flowsheet



Current Exploration and Development

Bunker Hill has a rare exploration opportunity available at the Bunker Hill Mine and has embarked on a new path to fully maximize the potential. A treasure trove of geologic and production data has been organized and preserved in good condition in the mine office since the shutdown of major mine operations in the early 1980s. This data represents 70+ years of proper scientific data and sample collection, with high standards of accuracy and precision that were generally at or above industry standards at the time.

The Company saw the wealth of information that was available but not readily usable and embarked on a scanning and digitizing program. From this, the Company was able to build a three-dimensional (“3D”) digital model of the mine workings and 3D surfaces and solids of important geologic features. To add to this, all of the historic drill core lithology logs and assay data (>2900 holes) was entered into a database and imported with the other data into Maptek Vulcan 3D software.

In addition to both continued geologic digitization and the completed 2021 exploration drill program, the Company has performed a geophysical survey over the summer of 2021. The survey was conducted as a ground geophysical 3DIP survey through DIAS Geophysical Ltd out of Saskatoon, Saskatchewan.

Conclusions

The Pre-Feasibility level analyses demonstrates that the restart of the Bunker Hill Mine can reasonably be expected to generate a positive return on investment with an after-tax internal rate of return (IRR) of 36% based on the reserves presented. It is reasonable to expect the conversion of inferred resources to indicated resources and indicated resources to measured resources to continue. Inferred mineral resources are considered too geologically speculative to have economic considerations applied to them to be classified as a mineral reserve.

The Technical Report Summary is based on all available technical and scientific data available as of August 29, 2022. Mineral resources are considered by the Qualified Persons to meet the reasonable prospects of eventual economic extraction due two main factors: (1) cut-off grades are based on scientific data and assumptions related to the project and (2) mineral resources are estimated only within blocks of mineralization that have been accessible in the past by mining operations as well as by using generally accepted mining and processing costs that are similar to many projects in Idaho.

Recommendations

Continued analysis and interpretation of the geophysical survey results should aid to guide future exploration activities outside of historical mine working areas. Additional exploration drilling, with the advancement of underground mine development, is also advised due to the proximity of future development to under-explored areas of historical workings. Continued digitization and interpretation of historical mapping and research will aid to guide future underground and surface exploration activities.

Completion of issued for construction (IFC) level drawings for the mineral processing facilities is recommended.

Completion of IFC-level engineering drawings related to the paste backfill plant are recommended. Final tails product material generated from additional metallurgical testing will work to optimize binder compositions and have the potential to reduce backfill operating expenses or costs.

Additional geotechnical studies are recommended with the advancement of underground development. Continued geotechnical diamond drilling associated with future resource delineation and exploration drilling activities will provide a better sample set for rock strength testing and geotechnical logging. Future underground development will also allow for the investigation of previously mined areas and association of historical span allowances based on previous ground support methods.

Additional resource delineation and conversion drilling and mine block modeling should continue to increase the conversion of inferred resources to indicated resources.

Table 1-6 Proposed Work Program to Advance Bunker Hill

Activity	Amount (\$ in millions)
Geophysical Interpretation and Additional Geophysics	\$ 0.05
Environmental Studies	\$ 0.03
Geotechnical Studies	\$ 0.15
Mill and Process Plant Engineering	\$ 1.70
Hydraulic Backfill and Tailing Placement Engineering	\$ 0.50
Total Recommended Budget	\$ 2.43

Project Infrastructure

The Bunker Hill complex is a mature mine with much of the underground infrastructure and development still in place. The mill, smelter and tailing impoundment have been removed, and these sites have been reclaimed. Part of the reclamation included surface water diversion structures, which are still in use and are maintained in good condition. The original Bunker Hill mine offices, car and maintenance shops, and change house are located near the Kellogg Tunnel (KT) portal and are in serviceable condition.

Bunker Hill is located in Kellogg, Idaho, along the Interstate 90 corridor on the west side of what is traditionally known as the Silver Valley. It is 60 miles from the Spokane, Washington airport to the west and 125 miles to the Missoula, Montana airport to the east. The Silver Valley of north Idaho is a desirable place to live and is home to an enthusiastic and talented underground mining work force.

Mine power requirements have been met and completed with the Avista Kellogg substation, located next to the Bunker Hill main offices supplying power to the Mine and other local consumers. There are two existing distribution lines now supplying the Mine from the Kellogg Avista substation. One feeds the surface mine facilities and the underground loads from the Kellogg side, and the other feeds the Wardner mine yard and facilities. The current three-phase 2.5 kilovolt (kV) mine distribution system on the Kellogg side was upgraded to three-phase 13.2kV during the year ended December 31, 2023.

Mine discharge water now gravity drains out the nine-level through the Kellogg Tunnel via a ditch adjacent to the rail line to the portal. It is then routed to a water treatment plant constructed by the EPA and currently operated by the IDEQ.

BHMC commissioned Patterson & Cooke North America to perform tradeoff studies for costing and operating the mine backfill and tailing placement facilities. Results from the tradeoff studies led to the location of the plant on surface, both adjacent to the mill and at Wardner. Tailings thickening will take place inside the mill/process facility building, with the underflow being pumped to the tailings filtration plant located adjacent to the mill/process building. Vacuum filtration will take the thickened tailings and produce a filter cake material, which will be deposited and stored in a load-out facility at the plant. A surface loader will transfer the filter cake tailings into overland haul trucks to deliver the material up to the Wardner side of operations along the return route from run-of-mine (ROM) ore haulage. Once delivered to the storage facility at Wardner, material will be loaded into the paste plant, combined with an ordinary cement binder, and subsequently pumped underground via a reticulated piping system.

ITEM 3. LEGAL PROCEEDINGS

Other than as described below, neither the Company nor its property is the subject of any pending legal proceedings. The Company is not aware of any other legal proceedings in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of the Company's voting securities, or any associate of any such director, officer, affiliate or security holder of the Company, is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

Crescent Mining Litigation

On July 28, 2021, a lawsuit was filed in the U.S. District Court for the District of Idaho brought by Crescent Mining, LLC (“Crescent”). The named defendants include Placer Mining, Robert Hopper Jr., and the Company. The lawsuit alleges that Placer Mining and Robert Hopper Jr. intentionally flooded the Crescent Mine during the period from 1991 and 1994, and that the Company is jointly and severally liable with the other defendants for unspecified past and future costs associated with the presence of acid mine drainage in the Crescent Mine. The plaintiff has requested unspecified damages. On September 20, 2021, the Company filed a motion to dismiss Crescent’s claims against it, contending that such claims are facially deficient. On March 2, 2022, Chief U.S. District Court Judge, David C. Nye granted in part and denied in part the Company’s motion to dismiss. The court granted the Company’s motion to dismiss in respect of Crescent’s cost recovery claim under CERCLA Section 107(a) and declaratory judgment, tortious interference, trespass, nuisance and negligence claims. These claims were dismissed without prejudice. The court denied the motion to dismiss filed by Placer Mining Corp. for Crescent’s trespass, nuisance and negligence claims. Crescent later filed an amended complaint on April 1, 2022. Placer Mining Corp. and Bunker Hill Mining Corp are named as co-defendants. Bunker Hill responded to the amended filing, refuting and denying all allegations made in the complaint except those that are assertions of fact as a matter of public record. The Company believes Crescent’s lawsuit is without merit and intends to vigorously defend itself, as well as Placer Mining Corp. pursuant to the Company’s indemnification of Placer Mining Corp. in the sale and purchase agreement executed between the companies for the Mine on December 15, 2021.

During the year ended December 31, 2025, the Company attended a mediation session with the plaintiff. The lawsuit continues to advance through the discovery and pre-trial phase, in which information is gathered and exchanged. On December 12, 2025 Americas Gold and Silver Corporation closed the acquisition of Crescent Silver, LLC which owns the Crescent Mine in Idaho, USA.

On October 26, 2021, the Company asserted claims against Crescent in a separate lawsuit. Bunker Hill Mining Corporation v. Venzee Technologies Inc. (Venzee) et al, Case No. 2:21-cv-209-REP, was filed in the U.S. District Court for the District of Idaho on May 14, 2021. The Company has subsequently executed a tolling agreement with Venzee in exchange for dropping its lawsuit. The Company originally filed this lawsuit on May 14, 2021 against other parties but has since filed an amended complaint to include its claims against Crescent. This lawsuit has been consolidated into the lawsuit Crescent filed on July 28, 2021.

ITEM 4. MINE SAFETY DISCLOSURES

The enacted Dodd-Frank Wall Street Reform and Consumer Protection Act (“the Act”) requires the operators of mines to include in each periodic report filed with the SEC certain specified disclosures regarding the Company’s history of mine safety. The information concerning mine safety disclosures required by the Act and this Item is included in Exhibit 95.1 to this report.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is traded on TSXV under the symbol “BNKR” and on the OTCQB under the symbol “BHLL”.

Stockholders

As of February 25, 2026, there were approximately 160 stockholders of record of our common stock and, according to our estimates, approximately 500 beneficial owners of our common stock.

Unregistered Sales of Securities

Shares of Common Stock Issued in Private Placements

On June 5, 2025, the Company issued 7,206,165 common shares in connection with the brokered and non-brokered offerings.

On September 29, 2025, the Company issued 12,321,429 common shares in connection with the brokered offering.

Shares of Common Stock Issued in Capital Restructuring

On June 5, 2025 the Company settled outstanding payables and other amounts owing in the aggregate amounts of \$3,072,254 and C\$195,000 with certain creditors, insiders and contractors of the Corporation or its wholly-owned subsidiary, Silver Valley Metals Corp. (“Silver Valley”) via issuance of 865,777 common shares to certain other arm’s length creditors or contractors of the Corporation and 7,354 Common Shares to four directors of the Corporation for their services for the period beginning on March 1, 2025 and ending on April 30, 2025.

On June 5, 2025 the Company issued 21,769 common shares to satisfy \$80,000 in cooperation fees for the period beginning on January 1, 2025 and ending on April 30, 2025 pursuant the Financing Cooperation Agreement.

On June 5, 2025 the company issued 136,055 shares to satisfy a payment of \$500,000, representing a portion of the purchase price payable under an option agreement dated March 3, 2023 whereby Silver Valley has an option to purchase certain real property in Idaho from C&E Tree Farm, LLC.

On June 5, 2025 the Company issued to Sprott in aggregate of 7,534,014 Common Shares, as follows:

- 1,687,075 Common Shares upon Sprott’s conversion of \$6,200,000 in principal and accrued and unpaid interest outstanding thereon up to May 31, 2025, under the existing senior secured loan agreement in the aggregate principal amount of \$21,000,000 previously advanced by Sprott;
- 5,714,286 Common Shares, of which 5,317,483 are being issued to Sprott 396,803 Common Shares are being issued certain subscribers under the Brokered Offering in exchange of the termination of the metals purchase agreement dated June 23, 2023 between the Corporation, Silver Valley and Sprott pursuant to which Sprott advanced a \$46,000,000 deposit to Silver Valley
- 132,654 Common Shares in full satisfaction of an aggregate of \$487,500 of accrued and unpaid interest owing under certain outstanding secured convertible debentures of the Corporation for the period beginning on January 1, 2025 and ending on March 31, 2025.

Shares of Common Stock Issued in Satisfaction of Interest Payable on debt instruments

The Company and Sprott entered into (i) six convertible debentures on January 28, 2022 in the aggregate principal amount of \$6,000,000 (the “CD1”), (ii) three convertible debentures on June 17, 2022 in the aggregate principal amount of \$15,000,000 (the “CD2”, and together with CD1 the “Convertible Debentures”) (iii) loan facility on December 12, 2025 in aggregate principal amount of \$21,000,000 amended to be reduced to \$15,000,000 on June 5, 2025 (the “Loan Facility”) and together with the CD1, the CD2, (the “debt Instruments”). Pursuant to the terms of the Debt Instruments, the Company may elect to pay the accrued and unpaid interest due thereunder by issuing shares of common stock of the Company, as opposed to paying cash, at the conversion price set forth therein. On January 14, 2025, the Company issued 211,225 shares of common stock in connection with its election to satisfy interest payments under the outstanding Convertible Debentures for the three months ended December 31, 2024. On April 14, 2025, the Company issued 5,358 shares of common stock in connection with its election to satisfy interest payments under the outstanding Convertible Debentures for the three months ended March 31, 2025. On July 9, 2025, the Company issued 439,385 shares of common stock in connection with its election to satisfy interest payments under the outstanding

Convertible Debentures for the three months ended June 30, 2025, and on the Loan Facility for the six months ending June 30, 2025. On October 6, 2025, the Company issued 63,889 shares of common stock in connection with its election to satisfy interest payments under the outstanding Convertible Debentures for the three months ended September 30, 2025.

The Company relied on the exemption from registration under Section 4(a)(2) of the U.S. Securities Act of 1933, as amended, or Rule 506 of Regulation D, or Regulation S, and in reliance on similar exemptions under applicable state laws, for purposes of issuance of the shares in satisfaction of the interest payable under the convertible debentures.

Shares of Common Stock Issued in Satisfaction of debt

On January 8, 2025, the Company issued 30,096 shares of common stock in connection with its election to satisfy financing cooperation fees relating to the Financing Cooperation Agreement for the six months ended September 30, 2024. On January 29, 2025, the Company issued 17,758 shares of common stock in connection with its election to satisfy financing cooperation fee relating to the Financing Cooperation Agreement for the three months ended December 31, 2024. On November 18, 2025, the Company issued 17,583 shares of common stock in connection with settlement of DSUs. On December 30, 2025, the Company issued 9,396 shares of common stock in connection with service agreement for the three months ended November 30, 2025.

The Company relied on the exemption from registration under Section 4(a)(2) of the U.S. Securities Act of 1933, as amended, or Rule 506 of Regulation D, or Regulation S, and in reliance on similar exemptions under applicable state laws, for purposes of issuance of the shares in satisfaction of the debt payments owed.

Shares of Common Stock Issued to acquire properties

On December 12, 2025, the Company issued 666,667 shares of common stock to acquire the Ranger Page Property from Silver Dollar Resources (Idaho) Inc., a subsidiary of Silver Dollar Resources Inc.

The Company relied on the exemption from registration under Section 4(a)(2) of the U.S. Securities Act of 1933, as amended, or Rule 506 of Regulation D, or Regulation S, and in reliance on similar exemptions under applicable state laws, for purposes of issuance of the shares in satisfaction of the debt payments owed.

Securities Issued Pursuant to Equity Incentive Plans

During the fiscal year ended December 31, 2025, the Company issued 140,762 restricted stock units (“RSUs”) and 37,903 options to purchase shares of common stock of the Company to employees and consultants under the Company’s equity incentive plans.

On January 26, 2025, the Company issued 19,213 shares of common stock at a deemed price of C\$5.95 for the settlement of RSUs.

On September 30, 2025, the Company issued 139,956 shares of common stock at a deemed price of C\$6.65 for the settlement of RSUs.

The Company relied on the exemption from registration under Section 4(a)(2) of the Securities Act, or Rule 506 of Regulation D, or Regulation S, and in reliance on similar exemptions under applicable state laws, for purposes of the issuance of such securities.

Warrants Issued

On June 5, 2025, the Company issued 3,603,083 in connection with the brokered and non brokered offerings. Each such warrant will entitle the holder to acquire one share of common stock of the Company at an exercise price of C\$8.75. Each such warrant is exercisable until June 5, 2028.

On September 29, 2025, the Company issued 12,321,429 in connection with the brokered offering. Each such warrant will entitle the holder to acquire one share of common stock of the Company at an exercise price of C\$5.95. Each such warrant is exercisable until September 29, 2030.

On November 21, 2025, the Company issued 2,869 Bonus Warrants to Monetary Metals Bond III LLC in connection with the Silver Loan. Each such warrant will entitle the holder to acquire one share of common stock of the Company at an exercise price of C\$6.65. Each such warrant is exercisable until August 8, 2027.

The Company relied on the exemption from registration under Section 4(a)(2) of the Securities Act, or Rule 506 of Regulation D, and in reliance on similar exemptions under applicable state laws, for purposes of the issuance of such warrants.

Warrant Exercises

On October 22, 2025, the Company issued 2,372 shares of common stock in connection with a stockholder's warrant exercise. On November 14, 2025, the Company issued 7,846 shares of common stock in connection with a stockholder's warrant exercise. On December 22, 2025, the Company issued 16,572 shares of common stock in connection with a stockholder's warrant exercise. On December 23, 2025, the Company issued 2,858 shares of common stock in connection with a stockholder's warrant exercise. On December 30, 2025, the Company issued 2,858 shares of common stock in connection with a stockholder's warrant exercise.

The Company relied on the exemption from registration under Section 4(a)(2) of the Securities Act, or Rule 506 of Regulation D, and in reliance on similar exemptions under applicable state laws, for purposes of the issuance of such securities.

Compensation Option Exercise

On October 28, 2025, the Company issued 26,433 shares of common stock and 26,433 warrants exercisable into one share of common stock at a strike price of C\$5.25 with an expiry of March 27, 2026 in connection with a compensation option exercise.

The Company relied on the exemption from registration under Section 4(a)(2) of the Securities Act, or Rule 506 of Regulation D, and in reliance on similar exemptions under applicable state laws, for purposes of the issuance of such securities.

Issuer Purchases of Equity Securities

None.

ITEM 6. [RESERVED]

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Background and Overview

Our focus is the development and restart of our 100% owned flagship asset, the Bunker Hill Mine, in Idaho, USA. The Bunker Hill Mine remains the largest single producing mine by tonnage in the Silver Valley region of northwest Idaho, producing over 165 million ounces of silver and 5 million tons of base metals between 1885 and 1981. The Bunker Hill Mine is located within Operable Unit 2 of the Bunker Hill Superfund site (EPA National Priorities Listing IDD048340921), where cleanup activities have been completed.

Since early 2020, we have conducted multiple exploration campaigns, published multiple economic studies and mineral resource estimates, and advanced the rehabilitation and development of the Mine. In December 2021, we announced a project finance package with Sprott, an Amended Settlement Agreement with the EPA, and the purchase of the Bunker Hill Mine. In 2022, we completed the purchase of a package of equipment and parts inventory from Teck Resources Limited's ("Teck") Pend Oreille operation. The package comprises substantially all the mineral processing equipment including complete crushing, grinding and flotation circuits suitable for a planned ~1,500 ton-per-day operation at the Bunker Hill Mine, and total inventory of components and parts for the mill, assay lab, conveyor, field instruments, and electrical spares.

During the fourth quarter of 2022, we moved into the development stage concurrent with (i) purchasing the Mine and a process plant, (ii) completing successive technical and economic studies, including a Prefeasibility Study, (iii) delineating mineral reserves, and (iv) conducting the program of activities to restart the mine.

During 2024, we entered into definitive agreements with Monetary Metals Bond III LLC, an entity established by Monetary Metals & Co., for a silver loan in an amount of U.S. dollars equal to up to 1.2 million ounces of silver, to be advanced in one or more tranches, in support of the re-start and ongoing development of the Bunker Hill Mine (the "Silver Loan"). During 2024, we borrowed 1,148,784 ounces of silver under this Silver Loan in six separate tranches for net proceeds of \$26,278,261. In conjunction with the borrowings under this Silver Loan, we issued 85,714 warrants, with exercise prices ranging from C\$4.20 to C\$6.65.

During 2025, we completed a major restructuring of our balance sheet, including the conversion of certain outstanding debt into equity, and the modification of certain existing royalty and stream financing arrangements with Sprott, and also issued 19,527,594 common shares in two private placements for net proceeds of \$61,803,983, [including net proceeds from the settlement of certain amounts owing to creditors, insiders and contractors through the issuance of common shares]. Teck participated in the private placements and, as a result, became a related party alongside Sprott, holding more than 10% of our equity. See notes 10, 11 and 18 in Item 8, Financial Statements and Supplementary Data, for more detailed information. Concurrent with its balance sheet restructuring, we focused on the disciplined execution of the Bunker Hill Mine restart plan, prioritizing safety, environmental stewardship, infrastructure readiness, technical de-risking, and organizational development. The mine restart is expected to take place in 2026. However, the estimated timing of the mine restart is subject to change based on factors beyond our control.

During 2025, we also commenced discussions with the EPA and the IDEQ to advance a second amendment to the Amended Settlement Agreement. Specifically, we are seeking to restructure the ongoing obligations to the EPA and IDEQ. The EPA agreed to forebear enforcement of any late payments pursuant to the Amended Settlement Agreement to facilitate ongoing discussion of a second amendment of the Amended Settlement Agreement, including the payment due in November of 2025. The EPA reserves all rights to resume collection of late payments in the event discussion of a second amendment of the Amended Settlement Agreement fails.

During 2025, we also entered into an asset purchase agreement with Silver Dollar Resources (Idaho) Inc., a subsidiary of Silver Dollar Resources Inc. ("Silver Dollar"), to acquire the Ranger Page property which includes, six past-producing underground high-grade silver-lead-zinc mines located immediately adjacent to and to the west of the Bunker Hill Mine in the prolific Silver Valley mining district of Idaho, USA. We acquired the properties for total consideration of approximately \$4,200,000 comprised of 666,667 shares of Bunker Hill's common stock, subject to the below contractual escrow.

Release Date

6-month anniversary from December 11, 2025

9-month anniversary December 11, 2025

Payment Shares Release to Vendor Parent from Contractual Escrow

66,667 Payment Shares

66,667 Payment Shares

12-month anniversary of December 11, 2025

Balance of the Payment Shares (533,334 Payment Shares)

Additionally, during 2025, we received the approval of the majority of its stockholders, by way of the Stockholder Consent, to proceed with authority to implement a reverse stock split based on a one-for-thirty five (1-for-35) consolidation. On March 5, 2026, we filed an amendment to our Certificate of Incorporation to implement the reverse stock split based on a one-for-thirty five (1-for-35) consolidation ratio on March 6, 2026. Our common shares began trading on the TSXV and OTC on a reverse split-adjusted basis under our existing trade symbol “BNKR” and “BHLL” respectively at the opening of the market on March 6, 2026. All shares and per share amounts have been presented in our financial statements on a post consolidation basis.

Results of Operations

The following discussion and analysis provide information that is believed to be relevant to an assessment and understanding of the results of operation and financial condition of the Company for the years ended December 31, 2025 and 2024. Unless otherwise stated, all figures herein are expressed in U.S. dollars, which is our functional currency.

Comparison of the year ended December 31, 2025, and the year ended December 31, 2024

Revenue

During the years ended December 31, 2025, and December 31, 2024, we generated no revenue.

Expenses

During the years ended December 31, 2025 and December 31, 2024, we reported total operating expenses of \$13,595,412 and \$15,649,142, respectively. The operating expenses were lower year over year as activities in the current year focused on capital projects and therefore were capitalized into property plant and equipment.

Net Income and Comprehensive Income

We experienced a net loss of \$93,132,015 for the year ended December 31, 2025 (compared to a net loss of \$25,341,623 for the year ended December 31, 2024). In addition to the decrease in operating expenses (as described above), net loss for the year ended December 31, 2025 was primarily impacted by \$49,386,219 loss on the fair value of the silver loan compared to a loss of \$2,820,533 for the year ended December 31, 2024, due to the increase in spot and future estimated silver prices. Additionally, we recognized \$6,469,025 loss on issuance of warrants relating to the bought deal equity raise compared to \$nil for the year ended December 31, 2024. Financing costs increased \$2,737,639 relating to the debt and equity transactions we closed during the year ended December 31, 2025. The change in derivative liabilities increased the loss in 2025 by \$42,593,254 due to the increased number of warrants outstanding and the updates to key assumptions including the price of one common share of our stock (compared to a gain of \$838,378 for the year ended December 31, 2024). The net loss for the year ended December 31, 2025, was offset by a gain on debt settlement of the stream debenture of \$29,580,954, compared to \$nil in the 2024 period due to the restructuring and a gain on revaluation of stream debenture of \$4,149,606 compared to loss of \$230,000 for the year ended December 31, 2024, due to updated key assumptions including commodity prices and timing of production.

We had a comprehensive loss of \$90,410,580 and \$29,152,646 for the year ended December 31, 2025, and December 31, 2024, respectively. Comprehensive (loss) income for the year ended December 31, 2025 and December 31, 2024, is inclusive of a \$2,721,435 and (\$3,811,023) change in fair value on own credit risk, respectively.

Liquidity and Capital Resources

Current Assets and Total Assets

As of December 31, 2025, we had (i) total current assets of \$23,296,106, compared to total current assets of \$9,332,639 at December 31, 2024, an increase of \$13,963,467; and (ii) total assets of \$150,958,994, compared to total assets of \$97,601,550 at December 31, 2024, an increase of \$53,357,444. During the year ended December 31, 2025, our current assets increased due to cash proceeds from debt and equity offerings partially offset by cash expenditures on the process plant, purchasing of equipment and additions to the Bunker Hill Mine. Total assets increased as we completed some key infrastructure projects at Bunker Hill Mine in preparation of production commencing in 2026.

Current Liabilities and Total Liabilities

As of December 31, 2025, our total current liabilities were \$16,838,089 and total liabilities were \$207,030,036, compared to total current liabilities of \$29,644,412 and total liabilities of \$149,736,915 as of December 31, 2024. Total liabilities increased due to change in valuation inputs in the Silver Loan, the valuation of the loan was heavily correlated to the increase in the spot price of silver that occurred throughout the year ending December 31, 2025 and the issuance of warrants classified as a liability. This was partially offset by the repayment of the stream debenture, as well as a decrease in accounts payable and accruals due to timing of invoices and payments.

As of December 31, 2025, our total liabilities include \$75,156,975 of warrants that are classified as a liability under US GAAP, as the instrument is exposed to foreign currency risks other than the changes in the value of the entity's equity because the strike price of the warrants is denominated in C\$ versus US\$. Although classified as a liability, it does not represent a future cash outflow to the Company. We will settle any warrant exercises received with the issuance of our own shares together with the receipt of cash for those warrants exercised.

Working Capital and Shareholders' Deficit

As of December 31, 2025, we had a working capital of \$6,458,017 and a shareholders' deficiency of \$56,071,042, compared to working capital deficit of \$20,311,773 and a shareholders' deficiency of \$52,135,365 as of December 31, 2024. The shareholders' deficiency decreased due to equity raises we closed during the year ended December 31, 2025, partially offset by the net loss incurred in the same period.

Cash Flow

During the year ended December 31, 2025, we had a net cash increase of \$14,155,628, primarily due to cash provided by financing activities relating to drawings on the loan facility and equity raises, partially offset by cash expenditures on the process plant, purchasing of equipment, and additions to the Bunker Hill Mine.

Subsequent Events

On January 5, 2026, the Company issued 45,098 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ended December 31, 2025.

During the month of January 2026, the Company issued 122,858 shares of common stock in connection with a stockholder's warrant exercises.

On January 30, 2026, the Company closed the final tranche of the Silver Loan in the principal amount of \$4,763,110, being the number of U.S. dollars equal to 50,958 ounces of silver. After deduction of financing costs and the three months ending February 8, 2026 interest payment on the principle amount of ounces outstanding and prepaying some of the May 8, 2026 interest payment we received \$nil.

In February 2026 571,259 warrants expired unexercised.

During the month of February 2026, the Company issued 187,345 and 1,956 shares of common stock in connection with a stockholder's warrant and compensation option exercises, respectively.

On February 26, the Company exercised its option by paying C & E \$1,939,627 to purchase the leased land parcel from C & E overlaying a portion of the Company's existing mineral claims package.

On March 5, 2026, the Company closed private placement offering of units (the "LIFE Units") of the Company. The Company issued 4,308,809 LIFE Units at a price of C\$6.30 for gross proceeds of C\$27,145,500 (the "Brokered Offering"), which included the full exercise of the agents' over-allotment option. Each LIFE Unit consists of one share of common stock of the Company (a "Common Share") and one-half common share purchase warrant of the Company (a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of C\$10.50 for a period of 36 months from issuance.

The Company also issued 255,048 LIFE Units at a price of C\$6.30 for gross proceeds of C\$1,606,800 under a concurrent private placement, on a non-brokered basis (the "Non-Brokered Offering", and together with the Brokered Offering, the "Offering"). Each LIFE Unit consists of one share of common stock of the Company (a "Common Share") and one-half common share purchase warrant of the Company (a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of C\$10.50 for a period of 36 months from issuance.

In connection with the closing of the Brokered Offering, the Company paid to the Agents aggregate cash fees in the amount of C\$1,786,390 and issued to the Agents an aggregate of 258,271 non-transferrable compensation options ("Compensation Options"), representing: (i) 6.0% of the gross proceeds of the Brokered Offering, other than the gross proceeds raised from certain sales pursuant to a president's list (the "President's List Sales"); and (ii) 3.0% of the gross proceeds raised from President's List Sales. Each Compensation Option is exercisable to acquire one Common Share at a price of C\$6.30 per share for a period of 24 months from issuance.

Concurrently with the Offering, The Company issued 840,336 shares to a cornerstone investor who exercised existing common share purchase warrants at C\$5.95 for proceeds to the Company of C\$5,000,000.

The effective date of the Company's Reverse Stock Split based on a one-for-thirty five (1-for-35) consolidation ratio is March 6, 2026. The Company's common shares began trading on the TSXV and OTC on a reverse split-adjusted basis under the Company's existing trade symbol "BNKR" and "BHLL" respectively at the opening of the market on March 6, 2026. All shares and per share amounts have been presented in these financial statements on a post consolidation basis.

Critical accounting estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the share awards and warrant liabilities are determined at the date of grant using generally accepted valuation techniques and for warrant liabilities at each balance sheets date thereafter. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price and expected dividend yield. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Convertible Loans, Promissory Notes, Stream Obligation and Warrants

Estimating the fair value of derivative warrant liability requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the issuance. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the warrants derivative liability, volatility and dividend yield and making assumptions about them.

The fair value estimates of the convertible loans use inputs to the valuation model that include risk-free rates, equity value per share of common stock, USD-CAD exchange rates, expected equity volatility, discount for lack of marketability, credit spread.

The stream obligation inputs used to determine the future cash flows and effective interest for the amortized cost calculation include futures prices of minerals and expected mineral production over the life of the mine.

The fair value estimates of the silver loan use inputs to the valuation model that include risk-free rates, spot and futures prices of minerals, and expected volatility in minerals prices.

The fair value estimates may differ from actual fair values and these differences may be significant and could have a material impact on our balance sheets and the consolidated statements of operations. Assets are reviewed for an indication of impairment at each reporting date. This determination requires significant judgment. Factors that could trigger an impairment review include, but are not limited to, significant negative industry or economic trends, interruptions in exploration activities or a significant drop in precious metal prices.

Accrued liabilities

We make estimates to accrue for certain expenditures due to delay in receipt of third-party vendor invoices. These accruals are made based on trends, history and knowledge of activities. Actual results may be different.

We make monthly estimates of its water treatment costs, with a true-up to the annual invoice received from the IDEQ. Using the actual costs in the annual invoice, we will then reassess its estimate for future periods. Given the nature, complexity and variability of the various actual cost items included in the invoice, we used the most recent invoice as its estimate of the water treatment costs for future periods.

Incremental Borrowing rate

We estimate the incremental borrowing rate to determine the present value of future lease payments. Actual results may be different from estimates.

Borrowing Cost Capitalization rate

We make estimates to determine the percentage of borrowing costs that are capitalized into property plant and equipment. Actual results may be different.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Bunker Hill Mining Corp.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Bunker Hill Mining Corp. (the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of loss and comprehensive loss, cash flows, and changes in stockholders’ deficiency for each of the years in the two-year period ended December 31, 2025, and the related notes (collectively referred to as the “consolidated financial statements”).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the results of its consolidated operations and its consolidated cash flows for each of the years in the two-year period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures

included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

MNP LLP

50 Burnhamthorpe Road West, Suite 900, Mississauga ON, L5B 3C2

Critical Audit Matter Description	Audit Response
<p><i>Valuation of Series 1, 2, & 3 Convertible Debentures (“CDs”)</i></p> <p>The Company had previously issued Series 1 & 2 CDs which are complex in nature and were required to be fair valued at the end of each reporting period. Series 1 & 2 CDs were amended on June 5, 2025, and were required to be fair valued pre-amendment and post-amendment. In addition, the Company issued Series 3 CD on June 5, 2025, that is required to be fair valued on issuance date.</p> <p>The calculation of the fair value of the CDs requires management to use an appropriate valuation model and incorporates estimates.</p> <p>This resulted in an increased extent of audit effort, including the involvement of internal valuation specialists.</p> <p>Due to the complexity of these CDs and the estimates and assumptions involved in the determination of fair value we consider this to be a critical audit matter.</p> <p>Refer to Note 3 Significant Account Policies – Use of Estimates and Assumptions and Note 10 Debt Instruments.</p> <p><i>Valuation of Silver Loan</i></p> <p>The Company had previously closed multiple tranches of advancements relating to a loan in an amount of U.S.</p>	<p>We responded to this matter by performing audit procedures in relation to the valuation of the CDs. Our audit work in relation to this included, but was not restricted to, the following:</p> <ul style="list-style-type: none"> ● Obtained and assessed all new and amended agreements signed in the year in relation to the CDs. ● Obtained management’s assessment of the fair value of the CDs. ● With the assistance of internal valuation specialists, evaluated the reasonability of management’s model for valuing the CDs and the appropriateness of the inputs used in the model, and recalculated fair values. ● Assessed the appropriateness of the related disclosures. <p>We responded to this matter by performing audit procedures in relation to the valuation of the Silver Loan.</p>

dollars equal up to 1.2 million ounces of silver (“Silver Loan”) with the addition of a new tranche closed in 2025.

The loan is complex in nature and is required to be fair valued on issuance date and at each reporting period.

The calculation of the fair value of the Silver Loan requires management to use an appropriate valuation model and incorporates estimates.

This resulted in an increased extent of audit effort, including the involvement of internal valuation specialists.

Due to the complexity of the Silver Loan and the estimates and assumptions involved in the determination of fair value we consider this to be a critical audit matter.

Refer to Note 3 Significant Accounting Policies – Use of Estimates and Assumptions and Note 10 Debt Instruments.

Our audit work in relation to this included, but was not restricted to, the following:

- Obtained and assessed all new and amended agreements signed in the year in relation to the Silver Loan.
- Obtained management’s assessment of the fair value of the Silver Loan.
- With the assistance of internal valuation specialists, evaluated the reasonability of management’s model for valuing the Silver Loan and the appropriateness of the inputs used in the model, and recalculated fair values.
- Assessed the appropriateness of the related disclosures.



Critical Audit Matter Description	Audit Response
<p><i>Restructuring</i></p> <p>On June 5, 2025, the Company undertook a series of transactions to restructure its balance sheet. This involved both debt and capital transactions.</p> <p>Given the various new and amended debt and equity instruments involved, there was increased complexity in appropriately accounting for the restructuring.</p> <p>We identified the evaluation of the accounting treatment of these transactions as a critical audit matter given the increased extent of audit effort that was required.</p> <p>Refer to Note 10 Debt Instruments and Note 11 Capital Stock, Warrants and Stock Options.</p>	<p>We responded to this matter by performing audit procedures to assess the accounting treatment of the restructuring transactions. Our audit work in relation to this included, but was not restricted to, the following:</p> <ul style="list-style-type: none">● Obtained and assessed all agreements signed in the year in relation to the restructuring.● Obtained management’s assessment of the accounting treatment of the various transactions involved.● Evaluated the reasonability of management’s assessment.● Assessed the appropriateness of the related disclosures.



Chartered Professional Accountants

Licensed Public Accountants

We have served as the Company's auditor since 2014.

Mississauga, Canada

March 6, 2026



Bunker Hill Mining Corp.
Consolidated Balance Sheets
(Expressed in United States Dollars)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	\$ 19,441,905	\$ 3,786,277
Restricted cash (note 9)	2,975,000	4,475,000
Asset held for sale (note 6)	-	40,000
Accounts receivable and prepaid expenses (note 4)	538,197	690,358
Spare parts inventory	341,004	341,004
Total current assets	23,296,106	9,332,639
Non-current assets		
Long-term deposit (note 5, 7)	2,692,648	254,106
Equipment (note 5)	1,472,116	1,741,981
Right-of-use assets (note 5)	595,201	758,125
Land	309,861	309,861
Bunker Hill Mine and Mining interests (note 7)	25,395,877	18,795,591
Process plant (note 6)	97,197,185	66,409,247
Total assets	\$ 150,958,994	\$ 97,601,550
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable (note 18)	\$ 5,520,901	\$ 14,678,901
Accrued liabilities (note 18)	1,512,819	5,210,939
Current portion of lease liability (note 8)	82,569	189,368
Deferred share units liability (note 14)	1,487,800	929,466
U.S. Environmental Protection Agency cost recovery payable (note 9)	6,000,000	3,000,000
Silver Loan (note 10)	249,000	-
Stream debenture (note 10)	-	4,063,253
Interest payable (notes 9 and 10)	1,035,000	522,485
Current income tax payable (note 16)	950,000	1,050,000
Total current liabilities	16,838,089	29,644,412
Non-current liabilities		
Lease liability (note 8)	8,913	62,282
Series 1 convertible debenture (note 10)	4,241,610	5,494,151
Series 2 convertible debenture (note 10)	8,852,012	13,898,481

Series 3 convertible debenture (note 10)	2,522,709	-
Stream debenture (note 10)	-	52,923,747
Silver loan (note 10)	80,701,239	31,802,708
Debt facility (note 10)	14,393,945	9,236,610
Environment protection agency cost recovery liability net of discount (note 9)	4,314,544	5,549,229
Derivative warrant liability (note 11)	75,156,975	1,125,295
Total liabilities	207,030,036	149,736,915
Shareholders' Deficiency		
Preferred shares, \$0.000001 par value, 285,715 preferred shares authorized; Nil preferred shares issued and outstanding (note 11)	-	-
Common stock, \$0.000001 par value, 100,000,000 and 71,428,572 shares of common stock authorized; 39,834,023 and 9,991,391 shares of common stock issued and outstanding, respectively (note 11)	1,392	348
Additional paid-in-capital (note 11)	147,707,228	61,233,369
Accumulated other comprehensive (income) loss	(280,926)	(3,002,361)
Accumulated deficit	(203,498,736)	(110,366,721)
Total shareholders' deficiency	(56,071,042)	(52,135,365)
Total shareholders' deficiency and liabilities	\$ 150,958,994	\$ 97,601,550

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

Bunker Hill Mining Corp.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States Dollars)

	Year Ended December 31, 2025	Year Ended December 31, 2024
Operating expenses (note 17)	(13,595,412)	(15,649,142)
Other income or gain (expense or loss)		
Interest income	363,818	655,125
Change in derivative liability (note 11)	(42,593,254)	838,378
Gain (loss) on fair value of debentures (note 10)	1,002,763	(890,258)
Loss on fair value of silver loan (note 10)	(49,386,219)	(2,820,533)
Interest expense (notes 9 and 10)	(7,383,987)	(8,091,412)
Financing costs (note 10, 11)	(3,414,423)	(676,784)
Gain (loss) on revaluation of stream debenture (note 10)	4,149,606	(230,000)
Gain on debt modification (note 10)	468,878	1,308,062
Gain on debt settlement (note 10)	29,791,130	-
Loss on debt modification (note 10)	(2,155,718)	-
Loss on debt settlement (note 10)	(3,449,557)	(394,456)
Loss on issuance of warrants (note 11)	(6,469,023)	-
Loss on sale of equipment (note 6)	(40,000)	(924,820)
Loss on foreign exchange	(171,862)	(7,004)
Other income	-	2,631
Bad debt expense (note 4)	(248,755)	-

Loss for the year pre tax	\$ (93,132,015)	\$ (26,880,213)
Current income tax expense (note 16)	-	(1,050,000)
Deferred tax recovery (expense) (note 16)	-	2,588,590
Loss for the year	<u>(93,132,015)</u>	<u>(25,341,623)</u>
Other comprehensive income (loss), net of tax		
Gain (loss) on change in FV on own credit risk (note 10)	2,721,435	(3,811,023)
Other comprehensive income (loss)	<u>2,721,435</u>	<u>(3,811,023)</u>
Comprehensive Loss	<u>(90,410,580)</u>	<u>(29,152,646)</u>
Loss per share of common stock		
Loss per share of common stock – basic (note 12)	\$ (4.09)	\$ (2.61)
Loss per share of common stock – fully diluted (note 12)	\$ (4.09)	\$ (2.61)
Weighted average number of shares of common stock		
Weighted average shares of common stock – basic (note 12)	22,747,234	9,721,282
Weighted average shares of common stock – fully diluted (note 12)	<u>22,747,234</u>	<u>9,721,282</u>

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

Bunker Hill Mining Corp.
Consolidated Statements of Cash Flows
(Expressed in United States Dollars)

	Year Ended December 31, 2025	Year Ended December 31, 2024
Operating activities		
Net loss for the year	\$ (93,132,015)	\$ (25,341,623)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation (note 11,13, 14)	1,019,013	1,356,071
Settlement of DSUs (note 14)	81,116	(36,495)
Depreciation expense (note 5)	538,258	393,297
Change in fair value of derivative liabilities (note 11)	42,593,254	(838,378)
Change in fair value of silver loan (note 10)	49,386,219	2,820,533
Current tax expense (note 16)	-	1,050,000
Deferred tax (recovery) expense (note 16)	-	(2,588,590)
Interest expense on lease liability (note 8)	29,242	50,560
Financing costs (note 10, 11)	(409,480)	155,024
Units issued for services (note 11)	1,153,347	-
Loss on warrant issuance (note 11)	6,469,023	-
Loss on sale of equipment (note 6)	40,000	924,820
Gain on debt settlement (note 10)	(29,786,339)	-
Loss on debt settlement (note 11)	3,449,557	394,456
Bad debt expense (note 4)	248,755	-
Loss on modification of debt (note 10)	2,155,718	-
Gain on modification of debt (note 10)	(468,878)	(1,308,062)
(Gain) loss on revaluation of stream debenture (note 10)	(4,149,606)	230,000
Accretion of liabilities	4,964,883	6,010,303
Loss (gain) on fair value of convertible debt derivatives	(1,002,763)	890,258

Changes in operating assets and liabilities:		
Accounts receivable and prepaid deposits	(2,535,136)	(96,798)
Accounts payable	(160,120)	2,456,577
Accrued liabilities	(307,419)	1,043,405
Current income tax payable	(100,000)	-
Interest payable	2,261,121	2,018,037
Net cash used in operating activities	(17,662,250)	(10,416,605)
Investing activities		
Expenditures on process plant	(36,423,940)	(35,433,926)
Expenditures on mine development	(4,597,547)	(3,913,472)
Purchase of land	(30,000)	(309,861)
Purchase of machinery and equipment	(85,780)	(983,719)
Net cash used in investing activities	(41,137,267)	(40,640,978)
Financing activities		
Proceeds from issuance of units, net (note 11)	61,803,983	-
Proceeds from warrant exercises (note 11)	386,368	-
Proceeds from compensation options (note 11)	79,518	-
Proceeds from silver loan (note 10)	-	26,278,261
Proceeds from Teck promissory note (note 10)	4,400,000	-
Repayment of Teck promissory note (note 10)	(4,487,160)	-
Proceeds from Loan (note 10)	3,500,000	-
Repayment of Loan (note 10)	(3,500,000)	-
Proceeds from debt facility (note 10)	11,000,000	10,000,000
Repayment of U.S. Environmental Protection Agency cost recovery payable (note 9)	-	(3,000,000)
Lease payments (note 8)	(227,564)	(537,997)
Net cash provided by financing activities	72,955,145	32,740,264
Net change in cash and restricted cash	14,155,628	(18,317,319)
Cash and restricted cash, beginning of year	8,261,277	26,578,596
Cash and restricted cash, end of year	\$ 22,416,905	\$ 8,261,277
Supplemental disclosures		
Cash interest paid	\$ -	\$ -
Non-cash activities:		
Interest payable settled with common shares	\$ 2,515,243	\$ 2,030,526
Deferred shared units settled with common shares	81,116	83,802
Debt settled with common shares	5,118,323	-
Loan facility settled with common shares	6,044,210	-
Stream settled with common shares	20,472,126	-
Reconciliation from Cash Flow Statement to Balance Sheet:		
Cash and restricted cash, end of year	\$ 22,416,905	\$ 8,261,277
Less restricted cash	2,975,000	4,475,000
Cash	\$ 19,441,905	\$ 3,786,277

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

Bunker Hill Mining Corp.
Consolidated Statements of Changes in Shareholders' Deficiency
(Expressed in United States Dollars)

	<u>Common stock</u>		<u>Additional paid-in- capital</u>	<u>Accumulated other comprehensive income</u>	<u>Accumulated deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>				
Balance, December 31, 2024	9,991,391	\$ 348	\$ 61,233,369	\$ (3,002,361)	\$(110,366,721)	\$(52,135,365)
Stock-based compensation	-	-	386,732	-	-	386,732
Shares issued for interest payable	852,509	30	2,799,104	-	-	2,799,134
Shares issued for deferred share units	17,583	1	81,114	-	-	81,115
Shares issued for services	1,088,201	39	3,156,949	-	-	3,156,988
Shares issued for mine acquisition	666,667	23	4,216,336	-	-	4,216,359
Shares issued for restricted share units vested	159,169	5	(5)	-	-	-
Shares issued for warrant exercises	103,115	3	547,421	-	-	547,424
Shares issued for compensation option exercises	26,433	1	52,080	-	-	52,081
Shares issued June private placement	7,206,165	252	19,500,019	-	-	19,500,271
Shares issued September private placement	12,321,429	431	16,938,648	-	-	16,939,079
Compensation options	-	-	2,309,056	-	-	2,309,056
Shares issued for debt	7,401,361	259	26,516,336	-	-	26,516,595
Initial Recognition of CD1, CD2, CD3	-	-	9,970,069	-	-	9,970,069
Other comprehensive income	-	-	-	2,721,435	-	2,721,435
Loss for the year	-	-	-	-	(93,132,015)	(93,132,015)
Balance, December 31, 2025	39,834,023	\$ 1,392	\$147,707,228	\$ (280,926)	\$(203,498,736)	\$(56,071,042)
Balance, December 31, 2023	9,218,900	\$ 321	\$ 57,848,953	\$ 808,662	\$ (85,025,098)	\$(26,367,162)
Stock-based compensation	-	-	873,076	-	-	873,076
Shares issued for interest payable	674,849	24	2,427,541	-	-	2,427,565
Shares issued for deferred share units	21,429	1	83,801	-	-	83,802
Shares issued for restricted share units vested	76,213	2	(2)	-	-	-
Other comprehensive income	-	-	-	(3,811,023)	-	(3,811,023)
Loss for the year	-	-	-	-	(25,341,623)	(25,341,623)
Balance, December 31, 2024	9,991,391	\$ 348	\$ 61,233,369	\$ (3,002,361)	\$(110,366,721)	\$(52,135,365)

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

1. Nature of operations

Bunker Hill Mining Corp. (“we”, “us”, “Bunker Hill”, or the “Company”) was incorporated under the laws of the state of Nevada, U.S.A. on February 20, 2007, under the name Lincoln Mining Corp. Pursuant to a Certificate of Amendment dated February 11, 2010, the Company changed its name to Liberty Silver Corp., and on September 29, 2017, the Company changed its name to Bunker Hill Mining Corp. The Company’s registered office is located at 1802 N. Carson Street, Suite 212, Carson City, Nevada 89701, and its Canadian office is located at 300-1055 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2E9. As of the date of this Form 10-Q, the Company had one subsidiary, Silver Valley Metals Corp. (“Silver Valley”, formerly American Zinc Corp.), an Idaho corporation created to facilitate the work being conducted at the Bunker Hill Mine in Kellogg, Idaho (“Bunker Hill Mine”).

The Company was incorporated for the purpose of engaging in mineral exploration, and exploitation activities, and is currently focused on the development and planned operations of the Bunker Hill Mine.

Bunker Hill holds a 100% interest in the historic Bunker Hill Mine located in the town of Kellogg, Idaho. The Bunker Hill Mine previously operated between 1885 and 1981 producing over 165 million ounces of silver and 5 million tons of base metals during that time.

We are currently focused on the construction of the Bunker Hill Mine mill facilities and upgrades to the Bunker Hill Mine historic underground infrastructure as well as further delineating the mine’s mineral resources.

2. Basis of presentation

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to exploration stage enterprises. The consolidated financial statements are expressed in U.S. dollars, the Company and subsidiary Silver Valley Metals Corp.’s functional currency.

3. Significant accounting policies

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Basis of consolidation

These consolidated financial statements include the assets, liabilities and expenses of the Company and its wholly owned subsidiary, Silver Valley Metals Corp. (formerly American Zinc Corp.). All intercompany transactions and balances have been eliminated on consolidation.

Cash and cash equivalents

Cash and cash equivalents may include highly liquid investments with original maturities of three months or less.

Mineral rights, property and acquisition costs

The Company transitioned from the exploration stage to the development stage at the beginning of the fourth quarter of 2022. The Company has not yet realized any revenues from its planned operations.

The Company capitalizes acquisition costs of mineral rights as intangible assets when there is sufficient evidence to support probability of generating positive economic returns in the future. Upon commencement of commercial production, the mineral rights will be amortized using the unit-of-production method over the life of the mineral rights.

The costs of acquiring mining properties are capitalized upon acquisition. Mine development costs incurred to develop and expand the capacity of mines, or to develop mine areas in advance of production, are also capitalized once proven and probable reserves exist and the property is a commercially mineable property. Costs incurred to maintain current exploration or to maintain assets on a standby basis are charged to operations. Costs of abandoned projects are charged to operations upon abandonment.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to prepare for its intended use are capitalized as part of the cost of the asset. Capitalization of borrowing costs begins when there are borrowings, and activities commence to prepare an asset for its intended use. Capitalization of borrowing costs ends when substantially all activity necessary to prepare a qualifying asset for its intended use are complete. When proceeds of project-specific borrowings are invested on a temporary basis, borrowing costs are capitalized net of any investment income.

Equipment

Equipment is stated at cost less accumulated depreciation. Depreciation is provided principally on the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years. The cost of repairs and maintenance is charged to expense as incurred. Upon sale or other disposition of a depreciable asset, cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in other income or gain (expense or loss).

The Company periodically evaluates whether events and circumstances have occurred that may warrant revision of the estimated useful lives of equipment or whether the remaining balance of the equipment should be evaluated for possible impairment. If events and circumstances warrant evaluation, the Company uses an estimate of the related undiscounted cash flows over the remaining life of the equipment in measuring their recoverability.

Leases

Operating lease right of use (“ROU”) assets represent the right to use the leased asset for the lease term and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at the adoption date in determining the present value of future payments. Lease expense for minimum lease payments is amortized on a straight-line basis over the lease term and is included in operation and administration expenses in the consolidated statements of loss and comprehensive loss.

Rental income obtained through subleases is recorded as income over the lease term and is offset against operation and administration expenses.

Impairment of long-lived assets

The Company reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate the related carrying amounts may not be recoverable. The assets are subject to impairment consideration under FASB ASC 360, Property, Plant and Equipment, if events or circumstances indicate that their carrying amount might not be recoverable. When the Company determines that an impairment analysis should be done, the analysis is performed using the rules of FASB ASC 930-360-35, Extractive Activities – Mining, and 360-10-15-3 through 15-5, Impairment or Disposal of Long-Lived Assets.

Various factors could impact the Company’s ability to achieve forecasted production schedules. Additionally, commodity prices, capital expenditure requirements and reclamation costs could differ from the assumptions the Company may use in future production cash flow models when compared to factors used to assess impairment. The ability to achieve the estimated quantities of recoverable minerals from development stage mineral interests involves further risks in addition to those factors applicable to mineral interests where proven and probable reserves have been

identified, due to the lower level of confidence that the identified mineralized material can ultimately be mined economically.

Fair value of financial instruments

The Company adopted FASB ASC 820-10, Fair Value Measurement. This guidance defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying amounts reported in the consolidated balance sheets for cash, restricted cash, accounts receivable excluding HST, accounts payable, accrued liabilities, interest payable, promissory notes payable, current portion of environmental protection agency cost recovery payable, and current portion of lease liability, all of which qualify as financial instruments, are a reasonable estimate of fair value because of the short period of time between the origination of such instruments and their expected realization and current market rate of interest. From January 1, 2025 to June 5, 2025 the carrying amounts of convertible loans were reported at estimated fair values as a result of the application of fair value models at each period end. The Company measures its DSU liability at fair value on recurring basis using level 1 inputs. Derivative warrant liabilities, silver loan, and convertible debentures are measured at fair value on recurring basis using level 3 inputs. The Company measured the non-current portion of the EPA liability and the stream debenture using a discount rate that represents the market rate. The Company measures its lease liabilities using the rate implicit in the lease or incremental borrowing rate if the rate implicit in the lease is not available.

Environmental expenditures

The operations of the Company have been, and may in the future be, affected from time to time, in varying degrees, by changes in environmental regulations, including those for future reclamation and site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly and are not predictable. The Company's policy is to meet, or if possible, surpass standards set by relevant legislation, by application of technically proven and economically feasible measures.

Environmental expenditures that relate to ongoing environmental and reclamation programs are expensed as incurred or capitalized and amortized depending on their future economic benefits. Estimated future reclamation and site restoration costs, when the ultimate liability is reasonably determinable, are charged against earnings over the estimated remaining life of the related business operation, net of expected recoveries.

Income taxes

The Company accounts for income taxes in accordance with Accounting Standard Codification 740, Income Taxes ("FASB ASC 740"), on a tax jurisdictional basis. The Company files income tax returns in the United States.

Deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the tax bases of assets and liabilities and the consolidated financial statements reported amounts using enacted tax rates and laws in effect in the year in which the differences are expected to reverse. A valuation allowance is

provided against deferred tax assets when it is determined to be more likely than not that the deferred tax asset will not be realized.

The Company assesses the likelihood of the consolidated financial statements effect of a tax position that should be recognized when it is more likely than not that the position will be sustained upon examination by a taxing authority based on the technical merits of the tax position, circumstances, and information available as of the reporting date. The Company is subject to examination by taxing authorities in jurisdictions such as the United States. Management does not believe that there are any uncertain tax positions that would result in an asset or liability for taxes being recognized in the accompanying consolidated financial statements. The Company recognizes tax-related interest and penalties, if any, as a component of income tax expense.

FASB ASC 740 prescribes recognition threshold and measurement attributes for the consolidated financial statements recognition and measurement of a tax position taken, or expected to be taken, in a tax return. FASB ASC 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in periods, disclosure and transition. At December 31, 2025, December 31, 2024, the Company has not taken any tax positions that would require disclosure under FASB ASC 740.

Basic and diluted net (loss) income per share

The Company computes net (loss) income per share in accordance with FASB ASC 260, Earnings per Share (“FASB ASC 260”). Under the provisions of FASB ASC 260, basic net (loss) income per share is computed using the weighted average number of shares of common stock outstanding during the period. Diluted net (loss) income per share is computed using the weighted average number of shares of common stock and, if dilutive, potential shares of common stock outstanding during the period. Potential shares of common stock consist of the incremental shares of common stock issuable upon the exercise of stock options, restricted share units (“RSUs”), warrants and the conversion of convertible loan payable. As of December 31, 2025, a \$6,000,000 convertible debenture (the “CD1”), a \$15,000,000 convertible debenture (the “CD2”), 51,832 stock options, 18,491,855 warrants, and 760,767 broker options, and 332,209 RSUs were considered in the calculation but not included, as they were anti-dilutive (December 31, 2024 - a \$6,000,000 convertible debenture (the “CD1”), a \$15,000,000 convertible debenture (the “CD2”), 184,147 stock options, 4,206,771 warrants, 59,149 broker options and 400,757 RSUs were considered in the calculation but not included).

Stock-based compensation

In December 2004, FASB issued FASB ASC 718, Compensation – Stock Compensation (“FASB ASC 718”), which establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity’s equity instruments or that may be settled by the issuance of those equity instruments. FASB ASC 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. FASB ASC 718 requires that the compensation cost relating to share-based payment transactions be recognized in the consolidated financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued.

Restricted share units

The Company estimates the grant date fair value of RSUs using the Company’s common stock at the grant date. The Company records the value of the RSUs in paid-in capital.

Deferred share units (“DSUs”)

The Company estimates the grant date fair value of the DSUs using the trading price of the Company’s common stock on the day of grant. The Company records the value of the DSUs owing to its directors as DSU liability and measures

the DSU liability at fair value at each reporting date, with changes in fair value recognized as stock-based compensation in profit (loss).

Use of estimates and assumptions

Many of the amounts included in the consolidated financial statements require management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the consolidated financial statements.

Areas of significant judgment and estimates affecting the amounts recognized in the consolidated financial statements include:

Going concern

The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its operations and working capital requirements. Judgement is also required in determining if disclosure of a material uncertainty related to events or conditions which might cast substantial doubt on the Company's ability to continue as a going concern is required in the notes to the consolidated financial statements. This judgment is dependent on management's expectation of future net cash flows, exiting borrowing capacity and financial obligations in the next 12 months.

Although, during the year ended December 31, 2025, the Company had a loss from operations and negative cash flows from operating activities, the Company was able to restructure its debt and secure financings to fulfil its operational needs. Based on management's expectations of future net cash flows, management has applied judgment that there is no material uncertainties related to events or conditions that may cast substantial doubt on the Company's ability to continue as a going concern.

Accrued liabilities

The Company has to make estimates to accrue for certain expenditures due to delay in receipt of third-party vendor invoices. These accruals are made based on trends, history and knowledge of activities. Actual results may be different. The Company makes monthly estimates of its water treatment costs, with a true-up to the annual invoice received from the Idaho Department of Environmental Quality ("IDEQ"). Using the actual costs in the annual invoice, the Company then reassesses its estimate for future periods. Given the nature, complexity and variability of the various actual cost items included in the invoice, the Company has used the most recent invoice as its estimate of the water treatment costs for future periods.

Convertible Loans, Promissory Notes, Stream Obligation, Silver Loan and Warrants

Estimating the fair value of derivative warrant liability requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the issuance. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the warrants derivative liability, volatility, USD-CAD exchange rates and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value of warrants derivative liability are disclosed in Notes 11.

The fair value estimates of the convertible loans use inputs to the valuation model that include risk-free rates, equity value per share of common stock, USD-CAD exchange rates, expected equity volatility, expected volatility in minerals prices, credit spread, and project risk/estimation risk factors. See Note 10 for full disclosures related to the convertible loans and promissory notes.

The fair value estimates of the silver loan use inputs to the valuation model that include risk-free rates, spot and futures prices of minerals, expected volatility in minerals prices, credit spread, and project risk/estimation risk factors. See Note 10 for full disclosures related to the silver loan.

The stream obligation inputs used to determine the future cash flows and effective interest for the amortized cost calculation include futures prices of minerals and expected mineral production over the life of the mine. See Note 10 for full disclosures related to the stream obligation.

The fair value estimates may differ from actual fair values and these differences may be significant and could have a material impact on the Company's balance sheets and the consolidated statements of operations.

Impairment of mineral properties, plant and equipment

Assets are reviewed for an indication of impairment at each reporting date. This determination requires significant judgment. Factors that could trigger an impairment review include, but are not limited to, significant negative industry or economic trends, interruptions in exploration activities or a significant drop in precious metal prices.

Incremental borrowing rate

Estimating the present value of minimum future lease payments requires determining the most appropriate incremental borrowing rate. The assessment of the Company's incremental borrowing rate involves judgment regarding the cost of borrowings for the related asset.

Borrowing cost capitalization rate

The assessment of the Company's incremental borrowing rate involves judgment on what qualifies as a qualifying asset and on determining the capitalization rates.

Concentrations of credit risk

The Company's financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and restricted cash. The Company places its cash with financial institutions of high credit worthiness. At times, its cash equivalents with a particular financial institution may exceed any applicable government insurance limits. The Company's management also routinely assesses the financial strength and credit worthiness of any parties to which it extends funds and as such, it believes that any associated credit risk exposures are limited.

Risks and uncertainties

The Company operates in the mineral resource exploration and mine development industry that is subject to significant risks and uncertainties, including financial, operational, and other risks associated with operating a mineral resource exploration business, including the potential risk of business failure.

Foreign currency transactions

The Company from time to time will receive invoices from service providers that are presenting their invoices using the Canadian dollar. The Company will use its U.S. dollars to settle the Canadian dollar liabilities and any differences resulting from the exchange transaction are reported as gain or loss on foreign exchange.

Debt instruments

The Company reviews the terms of its agreements to identify any embedded derivatives. If an embedded derivative is identified in a contract the Company assesses if it is clearly and closely related to the host debt. If the embedded

derivative is determined to not be clearly and closely related to the host debt the fair value election is made to account for the entire instrument at fair value with the change in fair value accounted through earnings, profit and loss for each period reported.

The Company applies ASC 480 distinguishing liabilities from equity and ASC 815 derivatives and hedging in determining the appropriate accounting treatment for hybrid instruments. Until June 5, 2025 the Company measured the whole instrument at fair value per the fair value election therefore, the embedded options within the convertible loans are not bifurcated and measured at fair value at each period end.

Recent Accounting Pronouncements

New Accounting Pronouncements – In December 2023 the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09 “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” ASU 2023-09 enhances the transparency and decision usefulness of income tax disclosure through changes to the rate reconciliation and income taxes paid information. The Company adopted ASU 2023-09 during the fourth quarter of 2025. The adoption did not have a material impact on the consolidated financial statements or disclosures, see note 16 for further details

New Accounting Pronouncements – In November 2024, the FASB issued ASU 2024-03 “Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40).” ASU 2024-03 provides guidance requiring that public business entities disclose additional information about specific expense categories in the notes to financial statements. The standard is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 should be applied either (1) prospectively to financial statements issued for reporting periods after the effective date, or (2) retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of the standard on the consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

4. Accounts receivable and prepaid expenses

Accounts receivable and prepaid expenses consists of the following:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Prepaid expenses and deposits	\$ 380,288	\$ 464,380
HST and interest receivable	157,909	125,978
U.S. Environment Protection Agency overpayment (note 9)	-	100,000
Total	<u>\$ 538,197</u>	<u>\$ 690,358</u>

5. Equipment and Right-of-Use asset

Equipment consists of the following:

<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
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Equipment	\$	2,538,375	\$	2,468,339
Less accumulated depreciation		(1,066,259)		(726,358)
Equipment, net	\$	<u>1,472,116</u>	\$	<u>1,741,981</u>

The total depreciation expense during the year ended December 31, 2025, was \$339,901 (year ended December 31, 2024 - \$212,645). During the year ended December 31, 2025, the Company paid a nonrefundable deposit of \$1,430,107 to execute a lease-to-own contract with Caterpillar to upgrade the underground equipment fleet. The payment is recorded on the consolidated balance sheets as long-term deposit as the equipment will not be delivered to the Company until 2026.

Right-of-use asset consists of the following:

		<u>December 31, 2025</u>		<u>December 31, 2024</u>
Right-of-use asset	\$	1,022,716	\$	984,562
Less accumulated depreciation		(427,515)		(226,437)
Right-of-use asset, net	\$	<u>595,201</u>	\$	<u>758,125</u>

The total depreciation expense during the year ended December 31, 2025, was \$201,078 (year ended December 31, 2024 - \$180,652). The weighted average remaining lease term is 6 months as of December 31, 2025 (7 months as of December 31, 2024). The weighted average discount rate of the lease contracts is 15%. The Company is a party primarily to lease contracts for mining related mobile equipment.

6. Process Plant

On May 13, 2022, the Company purchased a comprehensive package of equipment and parts inventory from Teck Resources Limited ("Teck"). The package comprised substantially all processing equipment of value located at the Pend Oreille mine site, including complete crushing, grinding and flotation circuits suitable for a planned ~1,500 ton-per-day operation at the Bunker Hill site, and total inventory of nearly 10,000 components and parts for mill, assay lab, conveyor, field instruments, and electrical spares.

The process plant was purchased in an assembled state in the seller's location, and included major processing systems, significant components, and a large inventory of spare parts. The Company has disassembled and transported it to the Bunker Hill site and is reassembled it. The Company determined that the transaction would be accounted for as an asset acquisition, with the process plant representing a single asset, with the exception of the inventory of spare parts, which was separated out on the consolidated balance sheets as a current asset. As the plant is demobilized, transported and reassembled, installation and other costs associated with these activities were captured and capitalized as components of the asset.

Process plant consists of the following:

		<u>December 31, 2025</u>		<u>December 31, 2024</u>
Mill purchase, detailed engineering, and construction costs	\$	94,026,121	\$	65,545,594
Capitalized interest (note 10)		4,155,884		1,848,473
Disposal of Grinding Circuits		(984,820)		(984,820)
Process Plant	\$	<u>97,197,185</u>	\$	<u>66,409,247</u>

In August 2024, the Company sold a Grinding Circuit previously purchased from Teck as part of the Pend Oreille Mill purchase for \$20,000 recognizing a loss on sale of equipment of \$308,273. In September 2024, the Company reclassified two remaining Grinding Circuits as assets at \$40,000 held for sale and recognized a loss on sale of equipment of \$616,547 on the consolidated statements of loss and comprehensive loss. In 2025, the Company scrapped the remaining grinding circuits, classified as asset held for sale, recognizing a loss on sale of equipment of \$40,000 on the consolidated statements of loss and comprehensive loss.

Depreciation expense will commence once the process plant is placed in service which is expected to take place in HY1 2026.

7. Bunker Hill Mine and Mining Interests

The Company purchased the Bunker Hill Mine in January 2022.

The carrying cost of the Bunker Hill Mine is comprised of the following:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Bunker Hill Mine purchase	\$ 14,247,210	\$ 14,247,210
Ranger Page Property purchase	4,216,360	-
Capitalized development	10,634,780	6,626,865
Sale of mineral properties (note 10)	(4,476,498)	(2,768,510)
Land	232,000	202,000
Definition drilling	542,025	488,026
Bunker Hill Mine	<u>\$ 25,395,877</u>	<u>\$ 18,795,591</u>

Depreciation of the Bunker Hill Mine will commence once production commences which is expected to take place in HY1 2026.

Land purchase and leases

The Company owns a 225-acre surface land parcel valued at its original purchase price of \$202,000 which includes the surface rights to portions of 24 patented mining claims, for which the Company already owns the mineral rights.

On March 3, 2023, the Company entered into a lease agreement with C & E Tree Farm LLC (“C & E”) for the lease of a land parcel overlaying a portion of the Company’s existing mineral claims package. The Company is committed to making monthly payments of \$10,000 through February 2026. The Company has the option to purchase the land parcel through March 1, 2026, for \$3,129,500 less 50% of the payments made through the date of purchase. On June 5, 2025, the Company executed an equity payment agreement with C & E Tree Farm, L.L.C., pursuant to which the Company issued 136,055 June 5, 2025 units (note 11) to C&E at a deemed price \$3.68 to satisfy \$500,000 of the purchase price payable under an existing option agreement between Silver Valley and C&E, dated March 3, 2023. Additionally, on June 6, 2025, the Company paid \$500,000 to C&E Tree Farm LLC to satisfy \$500,000 of the purchase price payable under an existing option agreement between Silver Valley and C&E dated March 3, 2023. This balance (\$1,000,000) has been recognized on the consolidated balance sheets as long term deposit. The Company exercised its option to purchase the land parcel in 2026 (note 20).

On December 12, 2025, the Company entered into an asset purchase agreement with Silver Dollar Resources (Idaho) Inc., a subsidiary of Silver Dollar Resources Inc. (“Silver Dollar”), to acquire the Ranger Page property which includes, six past-producing underground high-grade silver-lead-zinc mines located immediately adjacent to and to

the west of the Bunker Hill Mine in the prolific Silver Valley mining district of Idaho, USA. The Company acquired the properties for total consideration of approximately \$4,200,000 comprised of 666,667 shares of Bunker Hill's common stock, subject to the below contractual escrow.

Release Date	Payment Shares Release to Vendor Parent from Contractual Escrow
6-month anniversary from December 11, 2025	66,667 Payment Shares
9-month anniversary December 11, 2025	66,667 Payment Shares
12-month anniversary of December 11, 2025	Balance of the Payment Shares (533,334 Payment Shares)

Sale of Mineral Properties

On June 5, 2025, as consideration for Sprott Private Resource Streaming & Royalty Corp. ("Sprott") stream conversion as described in note 10, the Company granted a royalty for 1.65% of life-of-mine gross revenue from mining claims comprising of both primary and secondary claims, as well as any new or complementing surface and mineral rights derived from the surface and mineral rights within the existing boundaries of the Bunker Hill Mine that are subsequently acquired by the Company or Silver Valley. A sale of mineral properties of \$1,324,199 corresponding to the issuance of the royalty was recognized on the consolidated balance sheets.

On January 17, 2025, as consideration for Sprott advancing the debt facility, as described in note 10, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas. On June 5, 2025, the 0.5% royalty was amended to apply to both primary and secondary claims comprising the Project. A sale of mineral properties of \$383,789 corresponding to the issuance of the royalty was recognized on the consolidated balance sheets.

On December 19, 2024, as consideration for Sprott advancing the debt facility, as described in note 10, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas. On June 5, 2025, the 0.5% royalty was amended to apply to both primary and secondary claims comprising the Project. A sale of mineral properties of \$397,335 corresponding to the issuance of the royalty was recognized on the consolidated balance sheets.

On December 12, 2024, as consideration for Sprott advancing the debt facility, as described in note 10, the Company granted a royalty for 0.5% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey. A 0.35% rate will apply to claims outside of these areas. On June 5, 2025, the 0.5% royalty was amended to apply to both primary and secondary claims comprising the Project. A sale of mineral properties of \$397,335 corresponding to the issuance of the royalty on the consolidated balance sheets.

As a result of the above transactions with Sprott, including the (i) conversion of the royalty convertible debenture into a 1.85% royalty, (ii) consideration of Sprott advancing \$15,000,000 on the loan facility a 1.5% royalty was granted, and (iii) Sprott stream conversion a 1.65% royalty was granted, as of December 31, 2025 Sprott holds a 5% life-of-mine gross revenue applying to both primary and secondary claims comprising the Project.

These Sprott transactions were treated as a sale of mineral interest. The portion of the mineral interest sold was determined based on an analysis of discounted life-of-mine royalty payments relative to discounted future cash flows generated from the mine net of capital and operating costs, applied to the carrying value of the Bunker Hill Mine as of above funding dates, before consideration of the sale of mineral properties. This analysis utilized a discount rate of 15% and long-term metal prices of \$1.20/lb, \$0.95/lb and \$27.29/oz for zinc, lead and silver respectively.

8. Lease Liability

As of December 31, 2025, and December 31, 2024, The Company's undiscounted lease obligations consisted of the following:

	December 31, 2025	December 31, 2024
Gross lease obligation – minimum lease payments		
1 year	\$ 86,575	\$ 200,755
2- 3 years	9,250	64,375
4-5 years	-	-
Future interest expense on lease obligations	(4,343)	(13,480)
Total lease liability	91,482	251,650
Current lease liability	82,569	189,368
Non-current lease liability	8,913	62,282
Total lease liability	\$ 91,482	\$ 251,650

Interest expense for the year ended December 31, 2025, was \$29,242 (year ended December 31, 2024, \$50,560).

9. U.S. Environmental Protection Agency (“EPA”)

Effective December 19, 2021, the Company entered into an amended Settlement Agreement between the Company, Idaho Department of Environmental Quality, U.S. Department of Justice, and the EPA (the “Amended Settlement”). Upon the effectiveness of the Amended Settlement, the Company would become fully compliant with its payment obligations to these parties. The Amended Settlement modified the payment schedule and payment terms for recovery of the historical environmental response costs. Pursuant to the terms of the Amended Settlement, upon purchase of the Bunker Hill Mine and the satisfaction of financial assurance commitments (as described below), the \$19,000,000 of cost recovery liabilities were to be paid by the Company to the EPA on the following dates:

Date	Amount
Within 30 days of Settlement Agreement	\$ 2,000,000
November 1, 2024	\$ 3,000,000
November 1, 2025	\$ 3,000,000
November 1, 2026	\$ 3,000,000
November 1, 2027	\$ 3,000,000
November 1, 2028	\$ 3,000,000
November 1, 2029	2,000,000 plus accrued interest

In addition to the changes in payment terms and schedule, the Amended Settlement includes a commitment by the Company to secure financial assurance for the principle outstanding in the form of performance bonds or letters of credit deemed acceptable to the EPA. The financial assurance can be drawn on by the EPA in the event of non-performance by the Company of its payment obligations under the Amended Settlement (the “Financial Assurance”). The amount of the bonds will decrease over time as individual payments are made.

During the year end December 31, 2024, the Company made a \$3,000,000 payment to the EPA bringing the principal of the cost recovery liability to \$14,000,000 as of December 31, 2024 and December 31, 2025.

As of December 31, 2025, and December 31, 2024, the Company had two payment bonds of \$9,999,000 and \$4,001,000 in place to secure this liability. The collateral for the payment bonds is comprised of restricted cash of \$2,975,000 for December 31, 2025, and \$4,475,000 for December 31, 2024, both shown within current assets and land pledged by third parties, with whom the Company has entered into an agreement that contemplates a monthly fee of \$20,000 (payable in cash or common stock of the Company, at the Company's election) the "Financing Cooperation Agreement". In the fourth quarter of 2025 the EPA agreed to forebear enforcement of any late payments pursuant to the first amendment of the Amended Settlement Agreement to facilitate ongoing discussion of a potential second amendment to the Amended Settlement Agreement, including the payment due in November 2025. The EPA reserved all rights to resume collection of late payments in the event a Second Amendment of the 2021 Amended Settlement Agreement is not finalized.

The Company recorded accretion expense on the liability of \$1,765,315 for the year ended December 31, 2025, bringing the discounted, at 19.5%, net liability to \$10,314,544, (previously accrued interest of \$154,743) as of December 31, 2025. The Company recorded accretion expense on the liability of \$1,975,089 for the year ended December 31, 2024.

Water Treatment Charges – Idaho Department of Environmental Quality ("IDEQ")

Separate to the cost recovery liability outlined above, the Company is responsible for the payment of ongoing water treatment charges. Water treatment charges incurred through December 31, 2021, were payable to the EPA, and charges thereafter are payable to the IDEQ following a handover of responsibilities for the Central Treatment Plant from the EPA to the IDEQ as of that date.

The Company currently makes monthly payments of \$100,000 to the IDEQ as instalments toward the cost of treating water at the Central Treatment Plant. Upon receipt of an invoice from the IDEQ for actual costs incurred, a reconciliation is performed relative to payments made, with an additional payment made or refund received as applicable. The Company accrues \$100,000 per month based on its estimate of the monthly cost of water treatment. As of December 31, 2025, a prepaid expense of \$nil (December 31, 2024: \$100,000) represents the difference between the estimated cost of water treatment and net payments made by the Company to the IDEQ to date. This balance has been recognized on the consolidated balance sheets as accounts receivable and prepaid expenses and accounts payable.

10. Debt instruments

\$6,000,000 Series 1 Convertible Debenture (CD1)

CD1 bore interest at an annual rate of 7.5%, payable in cash or shares at the Company's option on principal of \$6,000,000. The CD1 is secured by a pledge of the Company's properties and assets. In August 2024, the Company and Sprott agreed to amend the maturity date of CD1 from March 31, 2026, to March 31, 2028, and that CD1 would remain outstanding until the new maturity date unless the Company elects to exercise its option of early repayment. The Company determined that the amendments to the terms of the CD1 should not be treated as an extinguishment of the CD1 and have therefore been accounted for as a modification. The CD1 was convertible into Common Shares at a price of Canadian Dollars ("C\$") C\$10.50 per Common Share, subject to stock exchange approval.

In June 2025, the Company and Sprott agreed to amend the rate of interest of CD1 reducing it from 7.5% to 5.0% per annum, and the current conversion price, being the U.S. dollar equivalent of C\$10.50 per Common Share, was reduced to \$3.675. The Company determined that the amendments to the terms of the CD1 should be treated as an extinguishment of the CD1. The new debt was bifurcated between host debt and the conversion option valued at \$3,912,661 (net of transaction costs of \$52,161) and \$1,928,753 respectively, as of June 5, 2025. The host debt was initially measured at the fair value of a comparable liability without conversion option. The residual amount, after determining the fair value of the host debt, was allocated to the conversion option and recorded in APIC. Subsequently host debt was measured at amortized cost. The debt and the conversion option were fair valued using a binomial lattice methodology based on a modified Cox-Ross-Rubenstein ("CRR") approach.

\$15,000,000 Series 2 Convertible Debenture (CD2)

CD2 bore interest at an annual rate of 10.5%, payable in cash or shares at the Company's option on principal of \$15,000,000. CD2 is secured by a pledge of the Company's properties and assets.

In August 2024, the Company and Sprott agreed to amend the maturity date of CD2 from March 31, 2026, to March 31, 2029, and that CD2 would remain outstanding until the new maturity date unless the Company elects to exercise its option of early repayment. The Company determined that the amendments to the terms of the CD2 should not be treated as an extinguishment of the CD2 and have therefore been accounted for as a modification.

In June 2025, the Company and Sprott agreed to amend the rate of interest of CD2 reducing it from 10.5% to 5.0% per annum, and the current conversion price, being the U.S. dollar equivalent of C\$10.15 per Common Share, was reduced to \$3.675. The Company determined that the amendments to the terms of the CD2 should be treated as an extinguishment of the CD2. The new debt was bifurcated between host debt and the conversion option valued at \$8,164,765 (net of transaction costs of \$130,401) and \$6,482,376 respectively, as of June 5, 2025. The host debt was initially measured at the fair value of a comparable liability without conversion option. The residual amount, after determining the fair value of the host debt, was allocated to the conversion option and recorded in APIC. Subsequently host debt was measured at amortized cost. The debt and the conversion option were fair valued using a binomial lattice methodology based on a modified CRR approach.

Prior to the extinguishment on June 5, 2025, the Company determined that in accordance with ASC 815 Derivatives and Hedging, each debenture will be valued and recorded as a single instrument, with the periodic changes to fair value accounted through earnings, profit and loss.

Consistent with the approach above, the following table summarizes the key valuation inputs as at applicable valuation dates:

Reference (1)(2)	Valuation date	Maturity date	Contractual Interest rate	Stock price (\$)	Expected equity volatility	Credit spread	Risk-free rate	Risk-adjusted rate
CD1 note(3)	12-31-24	03-31-28	7.50%	0.113	105%	4.72%	4.28%	15.45%
CD2 note(3)	12-31-24	03-31-29	10.50%	0.113	105%	5.03%	4.34%	17.89%

- (1) The CD1 carried a Discount for Lack of Marketability ("DLOM") of 5.0% as of the issuance date. The CD2 carried a DLOM of 10.0% as of the issuance date.
- (2) CD1 carries an instrument-specific spread of 7.23%, CD2 carries an instrument-specific spread of 9.32%
- (3) The conversion price of the CD1 is \$3.675 and \$7.280 CD2 is \$3.675 and \$7.070 as of December 31, 2025 and December 31, 2024 respectively.

The gain (loss) on changes in fair value of convertible debentures recognized on the consolidated statements of loss and comprehensive loss during the year ended December 31, 2025 and December 31, 2024, was \$1,002,763, \$(890,258), respectively.

The portion of changes in fair value that is attributable to changes in the Company's credit risk is accounted for within other comprehensive income. During the year ended December 31, 2025, and December 31, 2024, the Company recognized \$795,907 and \$(1,107,109) respectively, within other comprehensive income.

Interest expense on the pre-extinguished CD1 from January 1, 2025 to June 5, 2025 was \$193,459. Interest expense on the pre-extinguished CD2 from January 1, 2025 to June 5, 2025 was \$684,041.

For the year ended December 31, 2025, the Company recognized \$297,934, loss on debt settlement on the consolidated statements of loss and comprehensive loss as a result of settling interest by issuance of shares, compared to \$397,016 for the year ended December 31, 2024.

For the year ended December 31, 2025, the Company recognized \$3,077,155 loss on debt settlement on the consolidated statements of loss and comprehensive loss as a result of extinguishment of CD1 and CD2, compared to \$nil for the year ended December 31, 2024.

The Company recorded interest expense on host debt of CD1 of \$328,949 from June 6, 2025 to December 31, 2025 (\$nil for the year ended December 31, 2024), bringing the net liability to \$4,241,610 as of December 31, 2025.

The Company recorded interest expense on the host debt of CD2 of \$687,247 from June 6, 2025 to December 31, 2025 (\$nil for the year ended December 31, 2025), bringing the net liability to \$8,852,012 as of December 31, 2025.

At December 31, 2025, interest of \$268,333 (\$510,411 at December 31, 2024) is included in interest payable on the consolidated balance sheets.

\$4,000,000 Series 3 Convertible Debenture (CD3)

The Company closed the \$4,000,000 CD3 on June 5, 2025 (note 18). CD3 bears interest at an annual rate of 5.0%, payable in cash or shares at the Company's option, and matures on June 5, 2030. CD3 is secured by a pledge of the Company's properties and assets and CD3 is convertible into Common Shares at a price of \$3.675 per Common Share, subject to the stock exchange approval. The new debt was bifurcated between host debt and the conversion option valued at \$2,268,397 (net of transaction costs of \$174,576) and \$1,558,941 respectively, as of June 5, 2025. The host debt was initially measured at the fair value of a comparable liability without conversion option. The residual amount, after determining the fair value of the host debt, was allocated to the conversion option and recorded in APIC. Subsequently host debt was measured at amortized cost. The debt and the conversion option were fair valued using a binomial lattice methodology based on a modified CRR approach.

The Company recorded interest expense on host debt of CD3 of \$254,312 for the year ended December 31, 2025 (\$nil for the year ended December 31, 2024), bringing the net liability to \$2,522,709 as of December 31, 2025. At December 31, 2025, interest of \$nil (\$nil at December 31, 2024) is included in interest payable on the consolidated balance sheets.

The Company performs quarterly testing of the covenants in the CD1, CD2, CD3 and was in compliance with all such covenants as of December 31, 2025.

The Stream

On June 23, 2023, all conditions were met for the closing of The Stream, and \$46,000,000 was advanced to the Company ("The Stream"). The Stream was secured by the same security package that is in place with respect to the RCD, CD1, and CD2. The Stream was repayable by applying 10% of all payable metals sold until a minimum quantity of metal is delivered consisting of, individually, 63.5 million pounds of zinc, 40.4 million pounds of lead, and 1.2 million ounces of silver (subsequently amended, as described below). Thereafter, The Stream was repayable by applying 2% of payable metals sold. The delivery price of streamer metals was 20% of the applicable spot price. The Company incurred \$740,956 of transactions costs directly related to The Stream which were capitalized against the initial recognition of The Stream.

The Company determined that in accordance with ASC 815 derivatives and hedging, The Stream does not meet the criteria for treatment as a derivative instrument as the quantities of metal to be sold thereunder are not subject to a minimum quantity, and therefore a notional amount is not determinable. The Company has therefore determined that in accordance with ASC 470, The Stream should be treated as a liability based on the indexed debt rules thereunder.

The initial recognition has been made at fair value based on cash received, net of transaction costs, and the discount rate calibrated so that the future cash flows associated with The Stream, using forward commodity prices, equal the cash received. The measurement of The Stream is accounted for at amortized cost with accretion at the discount rate. Subsequent changes to the expected cash flows associated with The Stream will result in the adjustment of the carrying value of The Stream using the same discount rate, with changes to the carrying value recognized in the consolidated statements of loss and comprehensive loss.

The Company determined the effective interest rate of The Stream to be 10.6% and recorded accretion expense on the liability of \$1,570,574 for the year ended December 31, 2025 (\$4,003,934 for the year ended December 31, 2024) recognized in the consolidated statements of loss and comprehensive loss, accretion expense on the liability of \$971,426 for the year ended December 31, 2025 (\$1,615,066 for the year ended December 31, 2024) capitalized into the process plant (note 5) on the consolidated balance sheets and gain (loss) on revaluation of the liability of \$4,149,606 for the year ended December 31, 2025, and \$230,000 for the year ended December 31, 2024, respectively). The revaluation is because of a change in projections of the key assumptions: The key assumptions used in the revaluation are production of 700,000,000 lbs of zinc, 385,000,000 lbs of lead, 8,700,000 oz of silver over 14 years and long-term commodity prices of 1.20 \$/lb to 1.28 \$/lb for zinc, 0.91 \$/lb to 0.93 \$/lb for lead, 27.76 \$/oz to \$31.96 \$/oz for silver, and timing of production.

On June 5, 2025, the existing metals purchase agreement (the “Metals Purchase Agreement”) dated June 23, 2023, by and among the Company, Silver Valley, and Sprott, pursuant to which Sprott previously advanced a \$46,000,000 deposit to Silver Valley, was terminated and exchanged (the “Exchange Agreement”) for (i) 200,000,000 shares of the Company’s common stock; (ii) the CD3; and (iii) an additional 1.65% life-of-mine gross revenue royalty (note 7) on primary and secondary claims comprising the Bunker Hill Mine. A gain on debt settlement \$29,580,954 was recognized on the consolidated statements of loss and comprehensive loss for the year ended December 31, 2025 (\$nil for the year ended December 31, 2024).

\$15,000,000 Debt Facility

On June 23, 2023, the Company closed a \$21,000,000 debt facility with Sprott which was available for draw at the Company’s election for a period of 2 years. Any amounts drawn will bear interest of 10% per annum, from the later of the Funding Date and June 30, 2027, to the date of repayment in full, at the rate of per cent 15.0% per annum, which is payable annually in cash or capitalized at the Company’s election. The maturity date of any drawings under the Debt Facility will be June 30, 2030. For every \$5,000,000 or part thereof advanced under the Debt Facility, the Company will grant a new 0.5% life-of-mine gross revenue royalty, on the same terms as the Royalty, to a maximum of 2.0% on the Primary Claims and 1.4% on the Secondary Claims. The Company may buy back 50% of these royalties for \$20,000,000.

On January 31, 2025, the Company drew \$6,000,000 on the debt facility. On January 17, 2025, the Company drew \$5,000,000 on the debt facility. The proceeds were bifurcated between host debt and the underlying sale of mineral interest to Sprott (note 7). On December 12, 2024, the Company drew \$5,000,000 on the debt facility. The proceeds were bifurcated between host debt and the underlying sale of mineral interest to Sprott (note 7). On December 19, 2024, the Company drew \$5,000,000 on the debt facility. The proceeds were bifurcated between host debt and the underlying sale of mineral interest to Sprott (note 7). On June 5, 2025, the Company repaid \$6,000,000 of principal and \$200,000 of interest owed to Sprott on the debt facility by issuing 57,142,857 and 1,904,762 Common Stock. For the year ended December 31, 2025, the Company recognized \$187,458 gain on debt settlement on the consolidated statements of loss and comprehensive loss as a result of settling principal and interest by issuance of shares, compared to \$nil for the year ended December 31, 2024.

On June 5, 2025, the Company and Sprott agreed to amend the Terms of the Debt Facility, specifically the Company agreed to changes to the interest payment mechanism, specifically the removal of capitalized interest and the insertion of the ability to pay interest via shares in addition to a \$2,000,000, payable at maturity of the Debt Facility on June

30, 2030. The Company determined that the amendments to the terms of the debt facility should not be treated as an extinguishment of the debt facility and have therefore been accounted for as a modification.

The Company recorded accretion expense on the debt facility of \$1,057,438 for the year ended December 31, 2025 (\$31,280 for the year ended December 31, 2024), accretion expense on the liability of \$1,335,985 for the year ended December 31, 2025 (\$nil for the year ended December 31, 2024) capitalized into the process plant (note 6) on the consolidated balance sheets bringing the net liability to \$15,160,612 as of December 31, 2025, inclusive of \$766,667 classified as interest payable). At December 31, 2025, interest of \$nil (\$nil at December 31, 2024) is included in interest payable on the consolidated balance sheets.

The Company performs quarterly testing of the covenants in the Debt Facility and was in compliance with all such covenants as of December 31, 2025.

Silver Loan

On August 8, 2024, the Company entered into definitive agreements with Monetary Metals Bond III LLC, an entity established by Monetary Metals & Co., for a silver loan in an amount of U.S. dollars equal to up to 1.2 million ounces of silver, to be advanced in one or more tranches, in support of the re-start and ongoing development of the Bunker Hill Mine (the "Silver Loan"). On August 8, 2024, the Company closed the first tranche Silver Loan in the principal amount of \$16,422,039, being the number of U.S. dollars equal to 609,805 ounces of silver. After deduction of financing costs and the first year interest, the Company received \$13,225,005. The Silver Loan is for a term of three years, secured against the Company's assets and repayable in cash or silver ounces. The Silver Loan bears interest at the rate of 15% per annum, payable in cash or silver ounces on the last day of each quarterly interest period. On September 25, 2024, the Company closed the second tranche Silver Loan in the principal amount of \$6,369,000, being the number of U.S. dollars equal to 200,000 ounces of silver. After deduction of financing costs and the first year interest the Company received \$5,352,438. On November 6, 2024, the Company closed the third tranche Silver Loan in the principal amount of \$6,321,112, being the number of U.S. dollars equal to 198,777 ounces of silver. After deduction of financing costs and the first year interest the Company received \$5,422,474. On November 8, 2024, the Company closed the fourth tranche Silver Loan in the principal amount of \$1,250,000, being the number of U.S. dollars equal to 39,620 ounces of silver. After deduction of financing costs and the first year interest the Company received \$1,076,563. On December 30, 2024, the Company closed the fifth tranche Silver Loan in the principal amount of \$1,478,847, being the number of U.S. dollars equal to 50,198 ounces of silver. After deduction of financing costs and the first year interest the Company received \$1,201,781. On November 10, 2025, the Company closed the sixth tranche of the Silver Loan in the principal amount of \$2,521,215, being the number of U.S. dollars equal to 50,384 ounces of silver. After deduction of financing costs and the three months ending November 8, 2025 interest payment on 1,098,399 ounces the Company received \$nil.

In connection with closing of the First Tranche, the Company issued a total of 36,588 Warrants to Monetary Metals & Co. (the "Tranche 1 Warrants"). The Tranche 1 Warrants will be exercisable until August 8, 2027, and the Exercise Price of the Tranche 1 Warrants will be C\$5.60.

In connection with closing of the Second Tranche, the Company issued a total of 11,429 Warrants to Monetary Metals & Co. (the "Tranche 2 Warrants"). The Tranche 2 Warrants will be exercisable until August 8, 2027, and the Exercise Price of the Tranche 2 Warrants will be C\$5.60.

In connection with closing of the Third and Fourth Tranches, the Company issued a total of 13,623 Warrants to Monetary Metals & Co. (the "Tranche 3 & 4 Warrants"). The Tranche 3 & 4 Warrants will be exercisable until August 8, 2027, and the Exercise Price of the Tranche 3 & 4 Warrants will be C\$4.20.

In connection with closing of the Fifth Tranche, the Company issued a total of 2,868 Warrants to Monetary Metals & Co. (the "Tranche 5 Warrants"). The Tranche 5 Warrants will be exercisable until August 8, 2027, and the Exercise Price of the Tranche 5 Warrants will be C\$5.25.

In connection with closing of the Six Tranche, the Company issued a total of 21,206 Warrants to Monetary Metals & Co. (the “Tranche 6 Warrants”). The Tranche 6 Warrants will be exercisable until August 8, 2027, and the Exercise Price of the Tranche 6 Warrants will be C\$6.65.

The Company determined that in accordance with ASC 815 Derivatives and Hedging, the Silver Loan is valued and recorded as a single instrument, with the periodic changes to fair value accounted through earnings, profit and loss.

The fair value of the Silver Loan was determined using the Black-Derman-Toy (“BDT”) model. The BDT model models the evolution of interest rates over time using a binomial tree structure by capturing level of interest rates and volatility and estimates the value of the prepayment option by assessing how the borrower’s incentive to prepay changes with interest rate movements. The key inputs include:

Reference	Valuation Date	Maturity Date	Contractual Interest Rate	Interest Rate Volatility	Risk-free rate	Credit Spread	Risk-adjusted rate
Tranche 1, 2, 3, 4, & 5	Dec 31, 2024	Aug 8, 2027	15%	26.5%	4.23%	4.53%	16.54%
Tranche 6	Nov 10, 2025	Aug 8, 2027	13.5%	25.3%	3.60%	7.81%	19.20%
Tranche 1, 2, 3, 4, 5, & 6	Dec 31, 2025	Aug 8, 2027	13.5%	24.4%	3.47%	11.05%	22.32%

The resulting fair values of the Silver Loan at December 31, 2025, and December 31, 2024, were as follows:

Reference	Dec 31, 2025	Dec 31, 2024
Silver Loan	\$ 80,950,239	\$ 31,802,708

The loss on changes in fair value of Silver Loan recognized on the consolidated statements of loss and comprehensive loss during the year ended December 31, 2025, was \$49,386,219 compared to \$2,820,533 for the year ended December 31, 2024. The Company recognized a gain and loss on modification of the Silver Loan of \$468,878 and \$2,155,718 respectively relating to June 5, 2025 and November 10, 2025 amendments. The portion of changes in fair value that is attributable to changes in the Company’s credit risk is accounted for within other comprehensive income (loss) during the year ended December 31, 2025, was \$1,925,528, compared to \$2,703,914 for the year ended December 31, 2024.

The Company performs quarterly testing of the covenant of the Silver Loan and was in compliance with all such covenants as of December 31, 2025.

Teck Promissory Note

On March 21, 2025, the Company closed an unsecured promissory note for an aggregate principal amount of up to \$3,400,000 (the “Note”). The Note bore interest at 12% per annum, with such interest capitalized and added to the principal amount outstanding under the Note monthly. The Note was available in multiple advances at the discretion of Teck and was paid on demand on June 6, 2025. On March 21, 2025, the Company received \$763,000 in advance from Teck. On March 25, 2025, the Company received the remaining \$2,325,000 on the Note from Teck. On May 21, 2025, the Note was amended to increase the aggregate principal amount to \$4,400,000, concurrently \$1,000,000 was advanced from Teck under the Note.

On June 6, 2025, the Company repaid principal and accrued interest, in the amount of \$4,487,160 on the unsecured Note as amended. As of December 31, 2025, the principal and interest outstanding on the unsecured Note is \$nil (\$nil

at December 31, 2024) on the consolidated balance sheets. Interest expense for the year ended December 31, 2025, was \$87,160 (\$nil for the year ended December 31, 2024).

\$10,000,000 Teck Standby Facility

On June 5, 2025, the Company closed an uncommitted demand standby prepayment credit facility with Teck for \$10,000,000 (the “Teck Standby Facility”). The Teck Standby Facility will bear interest at a rate of 13.5% per annum until June 30, 2027, and a rate equal to 15.0% per annum thereafter, calculated and capitalized quarterly. The Teck Standby Facility will be available to the Company, until the earlier of (i) June 30, 2028, or (ii) the date on which the Bunker Hill project hits 90% of name plate capacity or on the date on which the Company is cash flow positive for a quarter, whichever is sooner, unless terminated earlier by Teck. As of December 31, 2025, and December 31, 2024, no advances have been made on the facility. The Company determined that no recognition is required on the financial statements as of December 31, 2025, as no amount has been drawn from the facility.

\$3,500,000 Unsecured Loan

With a non-related party, on September 16, 2025, the Company closed an unsecured loan for an aggregate principal amount of up to \$3,500,000 (the “Loan”). The Loan is non-interest bearing. The Loan was available in multiple advances at the discretion of the lender. On September 16, 2025, the Company received \$1,750,000 advance. On September 23, 2025, the Company received an additional \$1,750,000 advance.

On September 30, 2025, the Company repaid the principal on the unsecured Loan. As of December 31, 2025, the principal and interest outstanding on the unsecured Loan is \$nil (\$nil at December 31, 2024) on the consolidated balance sheets.

11. Capital stock, warrants and stock options

Reverse Stock Split

The Company received the approval of a majority of its stockholders, by way of the Stockholder Consent, to proceed with authority to implement the reverse stock split based on a one-for-thirty five (1-for-35) consolidation. On March 5, 2026, the Company filed an amendment to the Company’s Certificate of Incorporation to implement the Reverse Stock Split based on a one-for-thirty five (1-for-35) consolidation ratio on March 6, 2026. The Company’s common shares began trading on the TSXV and OTC on a reverse split-adjusted basis under the Company’s existing trade symbol “BNKR” and “BHLL” respectively at the opening of the market on March 6, 2026. All shares and per share amounts have been presented in these financial statements on a post consolidation basis.

Authorized

The total authorized capital is as follows:

- 100,000,000 shares of common stock, with a par value of \$0.000001 per share; and
- 285,715 preferred shares with a par value of \$0.000001 per preferred share

Issued and outstanding

In January 2025, the Company issued 30,096 shares of common stock in connection with its election to satisfy financing cooperation fees relating to the Financing Cooperation Agreement for the six months ended September 30, 2024. In January 2025, the Company issued 17,758 shares of common stock in connection with its election to satisfy financing cooperation fee relating to the Financing Cooperation Agreement for the three months ended December 31, 2024. The Company recognized a loss on debt settlement of \$13,972 for the year ended December 31, 2025 (compared

to \$nil for the year ended December 31, 2024) on the consolidated statements of loss and comprehensive loss for satisfying the financing cooperation fee with shares.

In January 2025, the Company issued 211,225 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ended December 31, 2024.

In January 2025, the Company issued 19,213 shares of common stock in connection with settlement of RSUs.

In April 2025 the Company issued 5,358 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debenture for the three months ended March 31, 2025.

On June 5, 2025, the Company, closed the brokered private placement (the “Brokered Offering”) for aggregate cash consideration of \$6,200,000, which included participation by Sprott, and concurrent non-brokered private placement (the “Non-Brokered Offering” and together with the Brokered Offering, collectively, the “Equity Offerings”) with Teck Resources Limited (together with its affiliates, “Teck”) for \$20,500,000. As part of the Equity Offering the Company incurred \$918,425 of financing costs recognized in additional paid-in-capital on the consolidated balance sheets and \$216,008 of financing costs on the consolidated statements of loss and comprehensive loss relating to the issuance of 3,603,083 warrants.

As part of the Equity Offerings, we issued an aggregate of our 7,206,165 units (“Units”) at a price of C\$5.25 per Unit (the “Offering Price”). Each Unit issued under the Equity Offerings consisted of one share of our common stock and one-half of one share of common stock purchase warrant (a “Warrant”). Each whole Warrant will be exercisable to acquire one additional share of our common stock (a “Warrant Share”) at a price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, subject to customary adjustments.

In the Brokered Offering, 1,626,318 Units were sold at the Offering Price by a syndicate of agents led by BMO Capital Markets, CIBC Capital Markets and Red Cloud Securities Inc., as joint bookrunners, and including National Bank Financial Inc. (collectively, the “Agents”), of which Sprott acquired 285,715 Units (the “Sprott Subscription”). In the Non-Brokered Offering, Teck acquired 5,579,848 Units (the “Teck Units”) at the Offering Price. We intend to use the net proceeds of the Equity Offerings to support the construction, start-up and ramp-up of the Bunker Hill Mine.

The Equity Offerings, including both the brokered and non-brokered components, were conducted on a private placement basis pursuant to applicable exemptions from the requirements of securities laws under National Instrument 45-106 – Prospectus Exemptions and the United States Securities Act of 1933, as amended (the “Securities Act”), in such other jurisdictions outside of Canada and the United States pursuant to applicable exemptions from the prospectus, registration or other similar requirements in such other jurisdictions. All securities issued pursuant to the Equity Offerings (i) are subject to a four month plus one day hold period in accordance with applicable Canadian securities laws and, if applicable, the policies of the TSX Venture Exchange (the “TSX-V”) and (ii) have not been registered under the Securities Act or any U.S. state securities laws and may not be offered or sold in the United States without registration under the Securities Act and all applicable state securities laws or compliance with requirements of an applicable exemption therefrom. The gross proceeds were bifurcated between equity and warrant liability at \$19,500,019 (net of transaction costs of \$918,425) and \$6,279,115 respectively, as of June 5, 2025.

Sprott Stream Conversion

On June 5, 2025, the existing metals purchase agreement (the “Metals Purchase Agreement”) dated June 23, 2023, by and among us, Silver Valley, and Sprott, pursuant to which Sprott previously advanced a \$46,000,000 deposit to Silver Valley, was terminated and exchanged (the “Exchange Agreement”) for (i) 5,714,286 shares of our common stock; (ii) senior secured Series 3 convertible debentures in the aggregate principal amount of US\$4 million and with a maturity date of June 5, 2030 (the “Series 3 CDs”); and (iii) an additional 1.65% life-of-mine gross revenue royalty (the “New Royalty”) on primary and secondary claims comprising the Bunker Hill Mine.

Sprott Debt Settlements

On June 5, 2025, The Company and Silver Valley entered into the debt settlement agreements with Sprott (collectively, the “Sprott Debt Settlement Agreements”), pursuant to which an aggregate of 1,819,728 shares of our common stock were issued to Sprott at the Offering Price in full satisfaction of (i) \$487,500 of unpaid interest under the secured convertible debentures held by Sprott, and (ii) \$6,200,000, consisting of the principal amount of \$6,000,000 previously advanced to us under the Debt Facility, together with an aggregate of \$200,000 of interest accrued thereon.

Additional Debt Settlements

The Company agreed to settle outstanding payables and other amounts owing (including, where applicable, accrued and unpaid interest thereon) in aggregate amounts of approximately \$80,000, \$3,072,254 and C\$195,000 with certain creditors, contractors, and directors, respectively, of the Company’s or Silver Valley through the issuance of equity securities at the Offering Price. On June 5, 2025, concurrently with the closing of the Equity Offerings, the Company entered into debt settlement agreements (collectively, the “Debt Settlement Agreements”) with such creditors, contractors, and directors (collectively, the “Debt Settlements”) in order to preserve its cash for the potential restart and ongoing development of the Bunker Hill Mine.

In connection with the Debt Settlements, the Company issued:

- (a) 21,769 Units to MineWater, for fees owed under the Financing Cooperation Agreement;
- (b) 7,354 shares of our common stock to four of our directors for their services for the period beginning on March 1, 2025, and ending on April 30, 2025; and
- (c) 865,777 Units to certain other arm’s length creditors or contractors of the Company to settle certain other outstanding receivables and other amounts owing in the aggregate amount of approximately \$3,072,254.

Equity Payment

Silver Valley and C & E Tree Farm, L.L.C. (“C&E”) previously entered into an option agreement dated March 3, 2023 (the “Option Agreement”), pursuant to which Silver Valley has an option to purchase certain real property in Idaho, USA, from C&E upon making a cash payment of \$3,129,500, subject to adjustment for lease payments made pursuant to a commercial lease agreement between the parties. The Company wanted to satisfy a portion of the purchase price payable under the Option Agreement through the issuance of equity securities. Accordingly, on June 5, 2025, the Company, Silver Valley and C&E entered into an equity payment agreement (the “Equity Payment Agreement”), pursuant to which the Company issued 136,055 Units to C&E at a deemed price equal to the Offering Price to satisfy \$500,000 of the purchase price payable under the Option Agreement. Each Unit issued pursuant to the Equity Payment Agreement consists of one share of our common stock and one-half of one Warrant, with each whole Warrant exercisable for one additional Warrant Share at an exercise price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, being June 5, 2028. The payment is included in long term deposits on the December 31, 2025, consolidated balance sheets.

In July 2025, the Company issued 439,385 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debenture for the three months ending June 30, 2025 and the debt facility for the six months ended June 30, 2025.

On September 29, 2025, the Company, closed the brokered private placement (the “Brokered Offering”) for aggregate cash consideration of \$37,378,645 which included participation by Teck for \$19,494,060. As part of the equity offering the Company incurred \$1,350,948 of financing costs on the consolidated statements of loss and comprehensive loss and \$1,239,410 of financing costs in additional paid in capital on the consolidated balance sheets. Additionally, the Company issued 728,050 compensation options incurring \$1,104,816 of financing costs on the consolidated

statements of loss and comprehensive loss for the year ended December 31, 2025, and \$1,204,240 of financing costs in addition paid in capital on the consolidated balance sheets. Each Compensation option is exercisable to acquire one Common Share of the Company at a price of C\$4.20 per share for a period of 24 months from September 29, 2025.

As part of the Brokered Offering, we issued an aggregate of 12,321,429 units (“Units”) at a price of \$3.05 per Unit. Each Unit consists of one share of common stock of the Company (a “Common Share”) and one common share purchase warrant of the Company (a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share (a “Warrant Share”) at an exercise price of C\$5.95 per Warrant Share for 60 months after issuance. The gross proceeds were bifurcated between equity and warrant liability at \$19,494,267 and \$17,884,378 respectively, as of September 29, 2025.

The Equity Offering was conducted on a private placement basis pursuant to applicable exemptions from the requirements of securities laws under National Instrument 45-106 – Prospectus Exemptions and the United States Securities Act of 1933, as amended (the “Securities Act”), in such other jurisdictions outside of Canada and the United States pursuant to applicable exemptions from the prospectus, registration or other similar requirements in such other jurisdictions. All securities issued pursuant to the Equity Offerings (i) are subject to a four month plus one day hold period in accordance with applicable Canadian securities laws and, if applicable, the policies of the TSX Venture Exchange (the “TSX-V”) and (ii) have not been registered under the Securities Act or any U.S. state securities laws and may not be offered or sold in the United States without registration under the Securities Act and all applicable state securities laws or compliance with requirements of an applicable exemption therefrom.

On September 30, 2025, the Company issued 139,956 shares of common stock in connection with settlement of RSUs.

On October 6, 2025, the Company issued 63,889 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ended September 30, 2025.

On October 14, 2025, the Company granted 140,762 RSUs to certain members of management of the Company. The RSUs will vest in one-third increments on October 14, 2026, June 30, 2027 and June 30, 2028, with each RSU vesting into one share of common stock.

On October 14, 2025, the Company granted 4,361 stock options to certain member of management of the Company, of which all vested on the one-year anniversary of the grant date. These options have a 5-year life and are exercisable at C\$7.53 per common share.

On October 14, 2025, the Company granted 13,542 stock options to certain member of management of the Company, of which all vested in one-third increments on October 14, 2026, June 30, 2027 and June 30, 2028. These options have a 5-year life and are exercisable at C\$7.53 per common share.

On October 22, 2025, the Company issued 2,372 shares of common stock in connection with a stockholder’s warrant exercise.

On October 27, 2025, the Company granted 20,000 stock options to a non-related party, of which all vested on the one-year anniversary of the grant date. These options have a 2-year life and are exercisable at C\$6.65 per common share.

On October 28, 2025, the Company issued 26,433 shares of common stock and 26,433 warrants exercisable into one share of common stock at a strike price of C\$5.25 with an expiry of March 27, 2026 in connection with a compensation option exercise.

On November 14, 2025, the Company issued 78,458 shares of common stock in connection with a stockholder’s warrant exercise.

On November 18, 2025, the Company issued 17,583 shares of common stock in connection with settlement of DSUs.

On December 11, 2025, the Company issued 666,667 shares of common stock to acquire the Ranger Page property from Silver Dollar Resources (Idaho).

On December 22, 2025, the Company issued 16,572 shares of common stock in connection with a stockholder's warrant exercise.

On December 23, 2025, the Company issued 2,858 shares of common stock in connection with a stockholder's warrant exercise.

On December 30, 2025, the Company issued 2,858 shares of common stock in connection with a stockholder's warrant exercise.

On December 30, 2025, the Company issued 9,396 in connection with its election to satisfy consulting fees relating to government relations and financing initiatives from Washington, D.C. for the three months ended November 30, 2025.

In January 2024, the Company issued 211,225 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ended December 31, 2023.

In March 2024, the Company issued 72,756 shares of common stock in connection with settlement of RSUs.

In April 2024, the Company issued 2,858 shares of common stock in connection with settlement of RSUs.

In April 2024, the Company issued 182,813 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ending March 31, 2024.

In July 2024, the Company issued 132,955 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ending June 30, 2024.

In August 2024, in connection with closing of the First Tranche, the Company issued 36,589 Warrants to Monetary Metals & Co. The Tranche 1 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$5.60.

In October 2024, in connection with closing of the Second Tranche, the Company issued 11,429 Warrants to Monetary Metals & Co. The Tranche 2 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$5.60.

In October 2024, the Company issued 147,858 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ending September 30, 2024.

In October 2024, the Company issued 21,429 shares of common stock in connection with settlement of DSUs.

In November 2024, the Company issued 600 shares of common stock in connection with settlement of RSUs.

In November 2024, in connection with closing of the Third & Fourth Tranche, the Company issued 13,623 Warrants to Monetary Metals & Co. The Tranche 3 & 4 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$4.20.

For each financing, the Company has accounted for the warrants in accordance with ASC Topic 815 Derivatives and Hedging. The warrants are considered derivative instruments as they were issued in a currency other than the Company's functional currency of the U.S. dollar. The estimated fair value of warrants accounted for as liabilities was determined on the date of issue and marked to market at each financial reporting period. The change in fair value of the warrant is recorded in the consolidated statement of operations and comprehensive loss as a gain or loss in the change in derivative liability line item and is estimated using the Binomial model.

The fair value of the warrant liabilities related to the various tranches of warrants issued during the period were estimated using the Binomial model to determine the fair value using the following assumptions as at December 31, 2025 and December 31, 2024:

November 2025 warrants	December 31, 2025	Grant Date
Expected life	585 days	625 days
Volatility	80%	80%
Risk free interest rate	2.58%	2.47%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 6.65
Fair value	\$ 61,680	\$ 40,063
Change in derivative liability	\$ 21,617	

September 2025 warrants	December 31, 2025	Grant Date
Expected life	1733 days	1826 days
Volatility	100%	105%
Risk free interest rate	2.96%	2.78%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 7.18
Fair value	\$ 59,278,783	\$ 24,353,610
Change in derivative liability	\$ 34,925,173	

During the year ended December 31, 2025, the Company recognized a loss on issuance of the September 29, 2025, warrants of \$6,469,025 (\$nil for the year ended December 31, 2024).

June 2025 warrants	December 31, 2025	Grant Date
Expected life	887 days	1096 days
Volatility	85%	105%
Risk free interest rate	2.58%	2.62%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 4.73
Fair value	\$ 12,357,254	\$ 7,171,032
Change in derivative liability	\$ 5,186,222	

January 2025 warrants	December 31, 2025	Grant Date
Expected life	585 days	943 days
Volatility	80%	105%
Risk free interest rate	2.58%	2.85%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 5.78
Fair value	\$ 9,515	\$ 7,116
Change in derivative liability	\$ 2,399	

November 2024 warrants	December 31, 2025	December 31, 2024
Expected life	585 days	950 days

Volatility		80%		95%
Risk free interest rate		2.58%		2.96%
Dividend yield		0%		0%
Share price (C\$)	\$	8.40	\$	5.43
Fair value	\$	51,276	\$	32,374
Change in derivative liability	\$	18,902		

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October 2024 warrants	December 31, 2025	December 31, 2024
Expected life	585 days	950 days
Volatility	80%	95%
Risk free interest rate	2.58%	2.96%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 5.43
Fair value	\$ 36,189	\$ 25,881
Change in derivative liability	\$ 10,308	

August 2024 warrants	December 31, 2025	December 31, 2024
Expected life	585 days	950 days
Volatility	80%	95%
Risk free interest rate	2.58%	2.96%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 5.43
Fair value	\$ 115,857	\$ 82,857
Change in derivative liability	\$ 33,000	

March 2023 warrants	December 31, 2025	December 31, 2024
Expected life	86 days	451 days
Volatility	24%	24%
Risk free interest rate	2.58%	2.96%
Dividend yield	0%	0%
Share price (C\$)	\$ 8.40	\$ 5.43
Fair value	\$ 3,246,420	\$ 915,046
Change in derivative liability	\$ 2,331,374	

During the year ended December 31, 2025, the Company recognized a loss on change in valuation of the March 2023 warrants of \$52,432 (\$nil for the year ended December 31, 2024) relating to warrants that were exercised.

April 2022 special warrants issuance	December 31, 2025	December 31, 2024
Expected life	Expired	91 days
Volatility	N/A	70%
Risk free interest rate	N/A	2.96%
Dividend yield	N/A	0%
Share price (C\$)	\$ N/A	\$ 5.43
Fair value	\$ -	\$ 1
Change in derivative liability	\$ (1)	\$

April 2022 non-brokered issuance	December 31,	December 31,
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	2025	2024
Expected life	Expired	91 days
Volatility	N/A	70%
Risk free interest rate	N/A	2.96%
Dividend yield	N/A	0%
Share price (C\$)	\$ N/A	\$ 5.43
Fair value	\$ -	\$ 1
Change in derivative liability	\$ (1)	\$

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June 2022 issuance	December 31, 2025	December 31, 2024
Expected life	Expired	91 days
Volatility	N/A	70%
Risk free interest rate	N/A	2.96%
Dividend yield	N/A	0%
Share price (C\$)	\$ N/A	\$ 5.43
Fair value	\$ -	\$ 1
Change in derivative liability	\$ (1)	\$

February 2021 issuance	December 31, 2025	December 31, 2024
Expected life	40 days	405 days
Volatility	55%	70%
Risk free interest rate	2.58%	2.96%
Dividend yield	0%	0%
Share price	\$ 8.40	\$ 5.43
Fair value	\$ 1	\$ 44,465
Change in derivative liability	\$ (44,464)	\$

June 2019 issuance	December 31, 2025	December 31, 2024
Expected life	Expired	365 days
Volatility	N/A	70%
Risk free interest rate	N/A	2.96%
Dividend yield	N/A	0%
Share price	\$ N/A	\$ 5.43
Fair value	\$ -	\$ 9,724
Change in derivative liability	\$ (9,724)	\$

August 2019 issuance	December 31, 2025	December 31, 2024
Expected life	Expired	365 days
Volatility	N/A	70%
Risk free interest rate	N/A	2.96%
Dividend yield	N/A	0%
Share price	\$ N/A	\$ 5.43
Fair value	\$ -	\$ 14,945
Change in derivative liability	\$ (14,945)	\$

Warrants

	<u>Number of warrants</u>	<u>Weighted Average exercise price (C\$)</u>	<u>Weighted average grant date value (\$)</u>
Balance, December 31, 2023	4,144,628	\$ 12.95	\$ 3.15
Issued	61,640	5.25	2.45
Balance, December 31, 2024	4,206,268	\$ 12.95	\$ 3.15
Issued	16,486,818	6.65	2.80
Exercised	(103,115)	5.25	1.75
Expired	(2,098,120)	16.45	3.15
Balance, December 31, 2025	<u>18,491,581</u>	<u>\$ 6.98</u>	<u>\$ 2.80</u>

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

<u>Expiry date</u>	<u>Exercise price (C\$)</u>	<u>Number of warrants</u>	<u>Number of warrants exercisable</u>
February 9, 2026	21.00	488,929	488,929
February 16, 2026	21.00	82,331	82,331
March 27, 2026	5.25	1,398,568	1,398,568
August 8, 2027	6.65	21,207	21,207
August 8, 2027	5.60	48,017	48,017
August 8, 2027	5.25	2,869	2,869
August 8, 2027	4.20	13,623	13,623
June 5, 2028	8.75	4,114,882	4,114,882
September 29, 2030	5.95	12,321,429	12,321,429
		<u>18,491,855</u>	<u>18,491,855</u>

Compensation options

For each financing in which compensation options were issued, the Company has accounted for the Compensation Options in accordance with ASC Topic 718 Compensation – Stock Compensation. The Compensation Options are considered nonemployee stock-based transactions and they meet the criteria for equity classification. The estimated fair value of the Compensation Options was determined at the grant date using the Black-Scholes valuation model, and is recorded in the consolidated statement of operations and comprehensive loss as a financing cost.

At December 31, 2025, the following broker options were outstanding:

	<u>Number of broker options</u>	<u>Weighted average exercise price (C\$)</u>
Balance, December 31, 2023	122,890	8.40
Expired – February 2024	(10,029)	17.50
Expired – April 2024	(53,712)	10.50
Balance, December 31, 2024	<u>59,149</u>	<u>\$ 5.25</u>
Balance, December 31, 2024	59,149	5.25

Issued – September 2025 (ii)	728,050	4.20
Exercised – March 2023	(26,433)	4.20
Balance, December 31, 2025	760,766	\$ 4.28

- (i) The grant date fair value of the March 2023 Compensation Options was estimated at \$111,971 using the Black-Scholes valuation model with the following underlying assumptions:
- (ii) The grant date fair value of the September 2025 Compensation Options was estimated at \$2,309,056 using the Black-Scholes valuation model with the following underlying assumptions:

Grant Date	Risk free interest rate	Dividend yield	Volatility	Stock price	Weighted average life
(i) March 2023	3.4%	0%	120%	C\$3.85	3 years
(ii) September 2025	2.5%	0%	85%	C\$7.18	2 years

Expiry date	Exercise price (C\$)	Number of broker options	Grant date Fair value (\$)
March 27, 2026 ⁽ⁱ⁾	\$ 4.20	32,718	\$ 61,584
September 29, 2027 ⁽ⁱⁱ⁾	\$ 4.20	728,050	\$ 2,309,056
		760,768	\$ 2,370,640

- (i) Exercisable into one March 2023 Unit.
- (ii) Exercisable into one share of common stock of the Company.

Stock options

The following table summarizes the stock option activity during the years ended December 31, 2025 and 2024:

	Number of stock options	Weighted average exercise price (C\$)
Balance, December 31, 2023	256,304	\$ 18.06
Granted August 1, 2024 ⁽¹⁾	2,500	5.60
Expired October 24, 2024	(45,000)	21.00
Expired October 31, 2024	(29,657)	11.73
Balance, December 31, 2024	184,147	\$ 18.20
Expired April 20, 2025	(170,218)	19.25
Granted on October 14, 2025 ⁽²⁾	17,903	7.53
Granted on October 27, 2025 ⁽³⁾	20,000	6.65
Balance, December 31, 2025	51,832	\$ 6.59

- (i) On August 1, 2024, 2,500 stock options were issued to an employee of the Company, which vest on August 1, 2025. These options have a 5-year life and are exercisable at C\$5.60 per share of common stock. The grant fair value of the options was estimated at \$7,242. The vesting of these options resulted in stock-based

compensation of \$3,016 for the year ended December 31, 2024, which is included in the operation and administration expense of the consolidated statements of loss and comprehensive loss.

- (ii) On October 14, 2025, 17,903 stock options were issued to an employee of the Company, which vest on October 14, of 2026, 2027 and 2028. These options have a 5-year life and are exercisable at C\$7.70 per share of common stock. The grant fair value of the options was estimated at \$65,555. The vesting of these options resulted in stock-based compensation of \$10,313 for the year ended December 31, 2025, which is included in the operation and administration expense of the consolidated statements of loss and comprehensive loss.
- (iii) On October 17, 2025, 20,000 stock options were issued to an employee of the Company, which vest on October 17, 2026. These options have a 5-year life and are exercisable at C\$6.65 per share of common stock. The grant fair value of the options was estimated at \$44,147. The vesting of these options resulted in stock-based compensation of \$7,862 for the year ended December 31, 2025, which is included in the operation and administration expense of the consolidated statements of loss and comprehensive loss.

The fair value of these stock options was determined on the date of grant using the Black-Scholes valuation model, and using the following underlying assumptions:

	Risk free interest rate	Dividend yield	Volatility	Stock price	Weighted average life
November 2022	3.22%	0%	120%	C\$5.25	5 years
August 2024	3.09%	0%	91%	C\$5.60	5 years
October 2025	2.74%	0%	85%	C\$7.53	5 years
October 2025	2.37%	0%	85%	C\$6.65	2 years

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The following table reflects the stock options issued and outstanding as of December 31, 2025:

Exercise price (C\$)	Remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Grant date fair value (\$)
6.65	1.82	20,000	-	44,147
5.55	1.90	11,429	11,429	37,387
5.60	3.59	2,500	2,500	7,242
7.53	4.79	17,903	-	65,555
		<u>51,832</u>	<u>13,929</u>	<u>\$ 154,331</u>

The vesting of stock options during the year ended December 31, 2025, resulted in stock-based compensation expenses of \$22,401 (\$36,386 for the year ended December 31, 2024).

12. Loss per Share

Potentially dilutive securities include convertible debentures payable, warrants, broker options, stock options, and unvested RSU. Diluted income per share reflects the assumed exercise or conversion of all dilutive securities using the treasury stock method.

Year ended December 31, 2025	Year ended December 31, 2024
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Net loss for the year	(93,132,015)	(25,341,623)
Basic loss per share Weighted average number of shares of common stock - basic	<u>22,747,234</u>	<u>9,721,282</u>
Net loss per share – basic	<u>(4.09)</u>	<u>(2.61)</u>
Net loss for the year	(93,132,015)	(25,341,623)
Dilutive effect of convertible debentures	-	-
Dilutive effect of warrants on net income	-	-
Diluted net loss for the year	<u>(93,132,015)</u>	<u>(25,341,623)</u>
Weighted average number of shares of common stock - basic	22,747,234	9,721,282
Diluted effect:		
Stock options and RSUs	-	-
Weighted average number of shares of common stock - fully diluted	<u>22,747,234</u>	<u>9,721,282</u>
Net loss per share - fully diluted	<u>(4.09)</u>	<u>(2.61)</u>

13. RSU's

Effective March 25, 2020, the Board of Directors approved a RSU Plan to grant RSUs to its officers, directors, key employees and consultants.

The following table summarizes the RSU activity during the years ended December 31, 2025 and 2024:

	<u>Number of shares</u>	<u>Weighted average grant date fair value per share (C\$)</u>
Unvested as at December 31, 2023	201,273	\$ 8.33
Granted (i, ii)	277,726	3.83
Vested	(76,213)	8.00
Forfeited	(2,029)	17.50
Unvested as at December 31, 2024	<u>400,757</u>	<u>\$ 5.22</u>
Granted (iii)	140,762	7.53
Vested	(159,169)	5.18
Forfeited	(50,141)	4.98
Unvested as at December 31, 2025	<u>332,209</u>	<u>\$ 6.26</u>

- (i) On January 29, 2024, the Company granted 19,216 RSUs to executives and employees of the Company, which vest on January 29, 2025. The vesting of these RSUs resulted in stock-based compensation of \$50,000 for the year ended December 31, 2024, which is included in operation and administration expenses on the consolidated statements of loss and comprehensive loss.
- (ii) On March 13, 2024, the Company granted 258,513 RSUs to executives and employees of the Company, which vest in one-third increments on March 31 of 2025, 2026 and 2027. The vesting of these RSUs resulted in stock-based compensation of \$361,690 for the year ended December 31, 2024, which is included in operation and administration expenses on the consolidated statements of loss and comprehensive loss.

(iii) On October 14, 2025, the Company granted 140,762 RSUs to executives and employees of the Company, which vest in one-third increments on October 14, 2026, June 30 of 2027 and 2028. The vesting of these RSUs resulted in stock-based compensation of \$108,970 for the year ended December 31, 2025, which is included in operation and administration expenses on the consolidated statements of loss and comprehensive loss.

The vesting of RSUs during the year ended December 31, 2025, resulted in stock-based compensation expense of \$364,331 (\$836,691 for the year ended December 31, 2024), which is included in operation and administration expenses on the consolidated statements of loss and comprehensive loss.

14. DSU's

Effective April 21, 2020, the Board of Directors approved a DSUs Plan to grant DSUs to its directors. The DSU Plan permits the eligible directors to defer receipt of all or a portion of their retainer or compensation until termination of their services and to receive such fees in the form of cash at that time.

Upon vesting of the DSUs or termination of service as a director, the director will be able to redeem DSUs based upon the then market price of the Company's common stock on the date of redemption in exchange for cash.

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The following table summarizes the DSU activity during the years ended December 31, 2025 and 2024:

	<u>Number of shares</u>	<u>Weighted average grant date fair value per share (C\$)</u>
Unvested as at December 31, 2023	42,728	\$ 31.50
Granted (i, ii)	81,868	4.55
Vested (i)	<u>(114,953)</u>	<u>14.35</u>
Unvested as at December 31, 2024	9,643	\$ 5.60
Granted (iii)	36,535	7.53
Vested (ii)	<u>(46,178)</u>	<u>7.12</u>
Unvested as at December 31, 2025	<u>-</u>	<u>\$ -</u>

- (i) On April 1, 2024, 54,510 DSUs were issued to the Company's Directors which vested immediately.
- (ii) On October 1, 2024, 9,643 DSUs were issued to one of the Company's Directors which vests on October 1, 2025.
- (iii) On October 14, 2025, 36,535 DSUs were issued to the Company's Directors which vested immediately.

In October 2024, the Company settled 30,052 DSUs by issuing shares of common stock at C\$5.60 a share and cash payment \$46,304 to a certain director of the Company.

In October 2025, the Company settled 24,319 DSUs by issuing 17,583 shares of common stock at C\$6.83 a share and cash payment \$32,627 to a certain director of the Company.

The vesting of DSU's during the year ended December 31, 2025, resulted in stock-based compensation of \$750,815 (\$482,994 for the year ended December 31, 2024). The fair value of each DSU is \$5.95 as of December 31, 2025 and \$3.85 as of December 31, 2024.

15. Commitments and contingencies

EPA and IDEQ Obligations

As stipulated in the agreement with the EPA and as described in Note 8, the Company is required to make two types of payments to the EPA and IDEQ, one for historical water treatment cost-recovery to the EPA, and the other for ongoing water treatment. Water treatment costs incurred through December 2021 are payable to the EPA, and water treatment costs incurred thereafter are payable to the IDEQ. The IDEQ (as done formerly by the EPA) invoices the Company on an annual basis for the actual water treatment costs, which may exceed the recognized estimated costs significantly. When the Company receives the water treatment invoices, it records any liability for actual costs over and above any estimates made and adjusts future estimates as required based on these actual invoices received. The Company is required to pay for the actual costs regardless of the periodic required estimated accruals and payments made each year.

During the year ended December 31, 2025, the Company commenced discussions with the EPA and the IDEQ to advance a second amendment to the Amended Settlement Agreement. Specifically, the Company is seeking a restructure of the ongoing obligations to the EPA and IDEQ. The EPA agreed to forebear enforcement of any late payments pursuant to the Amended Settlement Agreement to facilitate ongoing discussion of a second amendment of the Amended Settlement Agreement, including the payment due in November of 2025. The EPA reserves all rights to resume collection of late payments in the event discussion of a second amendment of the Amended Settlement Agreement fails.

Crescent Legal Proceeding

On July 28, 2021, a lawsuit was filed in the U.S. District Court for the District of Idaho brought by Crescent Mining, LLC (“Crescent” or “Plaintiff”). The named defendants include Placer Mining, Robert Hopper Jr., and the Company. The lawsuit alleges that Placer Mining and Robert Hopper Jr. intentionally flooded the Crescent Mine during the period from 1991 and 1994, and that the Company is jointly and severally liable with the other defendants for unspecified past and future costs associated with the presence of acid mine drainage in the Crescent Mine. The Plaintiff requested unspecified damages. On September 20, 2021, the Company filed a motion to dismiss Crescent’s claims against it, contending that such claims are facially deficient. On March 2, 2022, the court granted in part and denied in part the Company’s motion to dismiss. The court granted the Company’s motion to dismiss in respect of Crescent’s cost recovery claim under CERCLA Section 107(a), and declaratory judgment, tortious interference, trespass, nuisance and negligence claims. These claims were dismissed without prejudice. The court denied the motion to dismiss filed by Placer Mining Corp. for Crescent’s trespass, nuisance and negligence claims. Crescent later filed an amended complaint on April 1, 2022. Placer Mining Corp. and Bunker Hill Mining Corp are named as co-defendants. Bunker Hill responded to the amended filing, refuting and denying all allegations made in the complaint except those that are assertions of fact as a matter of public record. The Company believes Crescent’s lawsuit is without merit and is defending the claims on behalf of itself and Placer Mining Corp. pursuant to an indemnification granted by Company of Placer Mining Corp. granted pursuant to the sale and purchase agreement executed between the companies for the Mine on December 15, 2021. During the year ended December 31, 2025, the Company attended a mediation session with the plaintiff. On December 12, 2025 Americas Gold and Silver Corporation closed the acquisition of Crescent Silver, LLC which owns the Crescent Mine in Idaho, USA. The lawsuit continues to advance through the discovery and pre-trial phase, in which information is gathered and exchanged.

16. Income taxes

The components of the provision for income taxes were as follows:

	2025	2024
Current Taxes		

U.S. federal	\$	-	\$	1,050,000
U.S. state and local		-		-
Foreign		-		-
Current taxes	\$	-	\$	1,050,000
Deferred Taxes				
U.S. federal	\$	-	\$	(2,001,700)
U.S. state and local		-		(586,890)
Foreign		-		-
Deferred taxes	\$	-	\$	(2,588,590)
Provision for income taxes	\$	-	\$	(1,538,590)

At December 31, 2025, and December 31, 2024, the Company had no accrued interest and penalties related to uncertain tax positions. The income tax provision differs from the amount of income tax determined by applying the U.S. federal tax rate of 21.0% (December 31, 2024 – 21.0%) to pretax loss from operations for the periods ended December 31, 2025 and December 31, 2024 as follows:

	<u>Year Ended</u> <u>December 31, 2025</u>		<u>Year Ended</u> <u>December 31, 2024</u>	
(Loss) income before income taxes	\$ (93,132,015)		\$ (26,880,213)	
Expected income tax (recovery) expense	(19,557,723)	21.0%	(5,644,845)	21.0%
Change in estimates in respect of prior periods	1,473,299	-1.6%	104,648	-0.4%
Change in tax rate	-	0.0%	135,998	-0.5%
Change in fair value of derivative liability	8,944,583	-9.6%	(176,059)	0.7%
Loss on warrant issuance	1,358,495	-1.5%	-	0.0%
State and local taxes, net of federal benefit	-	0.0%	(463,643)	1.7%
Convertible debentures	775,040	-0.8%	-	0.0%
Nondeductible interest	612,379	-0.7%	-	0.0%
Loss (gain) on debt settlement	-	0.0%	37,723	-0.1%
Other	685,638	-0.7%	39,876	-0.1%
Change in valuation allowance	5,708,289	-6.1%	4,427,712	-16.5%
Total	\$ -	0.0%	\$ (1,538,590)	5.7%
Current tax (benefit)/ expense	-		1,050,000	-3.9%
Current tax (benefit) / expense	-		(2,588,590)	-9.6%
Total	-		(1,538,590)	-5.7%

The components of deferred tax assets and liabilities are as follows:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Deferred tax assets:		
Net operating loss carryforwards	\$ 20,295,812	\$ 9,692,247
Mining interests	4,856,139	7,097,179
EPA liabilities	2,712,725	2,282,217
Stream debenture	-	15,212,680
Lease liabilities	24,060	67,178
Silver loan	12,198,318	-
Plant and equipment	603,576	-

Other deferred tax assets	1,717,659	2,489,658
Total deferred tax assets	42,408,289	36,841,159
Valuation allowance	(42,251,751)	(35,631,961)
Total deferred tax assets	156,538	1,209,198
Deferred tax liabilities:		
Deferred revenue	-	-
Convertible debentures	-	(429,087)
Right of use assets and lease obligations	(156,538)	(202,381)
Equipment	-	(577,730)
Unrealized foreign exchange gain	-	-
Total deferred tax liabilities	(156,538)	(1,209,198)
Net deferred tax liabilities	\$ -	\$ -

The potential income tax benefit of net deferred tax assets has been offset by a full valuation allowance.

At December 31, 2025 and December 31, 2024, the Company has an unused net operating loss carryforward balance of \$78,484,610 and \$37,379,170 respectively, that is available to offset future taxable income. Net operating loss carryforwards of \$16,503,566 generated before 2018 expire between 2031 and 2037. The losses generated in 2018 and later tax years do not expire.

A certain amount of these losses are subject to limitations under Section 382. Section 382 of the Internal Revenue Code imposes limitations on the use of U.S. federal net operating losses and other unrealized losses upon a more than 50% change in ownership in the Company within a three-year period. In connection with multiple equity offerings during 2019 and 2025, the Company underwent the following Section 382 ownership changes:

Ownership Change Date	Annual Limitation	Section 382 Tax Loss Carryovers	
		December 31, 2025	December 31, 2024
June 30, 2019	\$ 3,458	\$ 18,336,999	\$ 18,336,999
August 30, 2019	\$ 16,523	\$ 222,627	\$ 222,627
June 5, 2025	\$ 1,245,671	\$ 32,207,053	-N/A

As a result, utilization of the Company's above net operating losses and other unrealized losses are limited on an annual basis. If the Section 382 annual limitation amount is not fully utilized in a particular tax year, then the unused portion from that tax year increases the Section 382 annual limitation in the subsequent year.

The Company did not have any tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months.

The Company incurred income tax expense of \$0 for the year ended December 31, 2025, and incurred \$(1,538,590) of income tax benefit for the year ended December 31, 2024. The Company's effective income tax rate for 2025 was 0% compared to 5.7% for 2024. The effective tax rate for 2025 differed from the statutory rate primarily due to changes in the valuation allowance established to offset net deferred tax assets. The effective tax rate for 2024 differed from the statutory rate primarily due to the income tax treatment of the Stream proceeds as deferred revenue on receipt, the recognition of the Stream proceeds in current year taxable income, and due to changes in the valuation allowance established to offset net deferred tax assets.

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2011 through 2025.

17. Operating Expenses

	Years Ended December 31	
	2025	2024
Operating expenses		
General administration expenses	\$ 10,119,252	\$ 11,709,118
Salaries, wages, and consulting fees	3,476,160	3,940,024
Total	\$ 13,595,412	\$ 15,649,142

18. Related party transactions

The Company's key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Company and consists of the Company's executive management team and management directors.

	Year Ended December 31, 2025	Year Ended December 31, 2024
Consulting fees, wages and bonus	\$ 1,379,489	\$ 1,400,278

At December 31, 2025 and December 31, 2024, \$83,058 and \$24,658, respectively, is owed to key management personnel with all amounts included in accounts payable and accrued liabilities.

(i) During the year ended December 31, 2025, Richard Williams (Director and Executive Chairman) billed \$328,530 (year ended December 31, 2024 - \$412,152) for wages and bonus payment for services to the Company. At December 31, 2025, \$75,000 is owed to Richard Williams (December 31, 2024 - \$nil) for consulting services, with all amounts included in accounts payable and accrued liabilities.

During the year ended December 31, 2025, 33,214 RSUs were issued to Richard Williams which will vest in one third increments on October 14, 2026, June 30, 2027, and June 30, 2028. The vesting of these RSUs resulted in stock-based compensation of \$24,843 for the year ended December 31, 2025.

During the year ended December 31, 2024, 73,045 RSUs were issued to Richard Williams which will vest in one third increments on March 31, 2025, March 31, 2026, and March 31, 2027. The vesting of these RSUs resulted in stock-based compensation of \$102,198 for the year ended December 31, 2024.

(ii) During the year ended December 31, 2025, the Company incurred \$412,507 in payroll expense and bonus payment for Sam Ash (CEO) (year ended December 31, 2024 - \$454,296) for services to the Company.

During the year ended December 31, 2025, 35,981 RSUs were issued to Sam Ash which will vest in one third increments on October 14, 2026, June 30, 2027, and June 30, 2028. The vesting of these RSUs resulted in stock-based compensation of \$26,914 for the year ended December 31, 2025.

During the year ended December 31, 2024, 82,176 RSUs were issued to Sam Ash which will vest in one third increments on March 31, 2025, March 31, 2026, and March 31, 2027. The vesting of these RSUs resulted in stock-based compensation of \$114,973 for the year ended December 31, 2024.

(iii) During the year ended December 31, 2025, Gerbrand van Heerden (CFO) billed \$396,739 (year ended December 31, 2024, \$362,000) for wages and bonus payment for services to the Company.

During the year ended December 31, 2025, 34,542 RSUs were issued to Gerbrand van Heerden which will vest in one third increments on October 14, 2026, June 30, 2027, and June 30, 2028. The vesting of these RSUs resulted in stock-based compensation of \$25,837 for the year ended December 31, 2025.

During the year ended December 31, 2024, 14,401 RSUs were issued to Gerbrand van Heerden which will vest in one third increments on March 31, 2025, March 31, 2026, and March 31, 2027. The vesting of these RSUs resulted in stock-based compensation of \$20,149 for the year ended December 31, 2024.

(iv) During the year ended December 31, 2025, Pam Saxton (Director) billed \$36,208 (year ended December 31, 2024 - \$41,299) for services provided to the Company. On October 14, 2025, the Company issued 14,328 DSU's to Pam Saxton which vested immediately. On April 1, 2024, the Company issued 13,628 DSU's to Pam Saxton which vested immediately.

(v) During the year ended December 31, 2025, Cassandra Joseph (Director) billed \$nil (year ended December 31, 2024 - \$21,178) for consulting services to the Company. On April 1, 2024, the Company issued 17,716 DSU's to Cassandra Joseph which vested immediately. In October 2024 the Company settled 30,052 DSUs by issuing 21,429 shares of common stock at C\$5.60 a share and cash payment \$46,304 to Cassandra Joseph.

(vi) During the year ended December 31, 2025, Mark Cruise (Director) billed \$52,433 (year ended December 31, 2024 - \$34,185) for services provided to the Company. At December 31, 2025, \$4,767 is owed to Mark Cruise (December 31, 2024 - \$2,933) for consulting services. On October 14, 2025, the Company issued 18,626 DSU's to Mark Cruise which vested immediately. On April 1, 2024, the Company issued 13,628 DSU's to Mark Cruise which vested immediately.

(vii) During the year ended December 31, 2025, Paul Smith (Director) billed \$18,333 (year ended December 31, 2024 - \$43,009) for consulting services to the Company. On April 1, 2024, the Company issued 13,628 DSU's to Paul Smith which vested immediately.

(viii) During the year ended December 31, 2025, Dickson Hall (Director) billed \$98,530 (year ended December 31, 2024 - \$43,448) for consulting services to the Company. At December 31, 2025, \$nil is owed to Dickson Hall (December 31, 2024 - \$21,725) for consulting services. On April 1, 2024, the Company issued 13,628 DSU's to Dickson Hall which vested immediately. In November 2025 the Company settled 24,319 DSUs by issuing 17,583 shares of common stock at C\$6.83 a share and cash payment \$45,971 to Dickson Hall.

ix) During the year ended December 31, 2025, Kelli Kast (Director) billed \$36,208 (year ended December 31, 2024 - \$9,875) for consulting services to the Company. At December 31, 2025, \$3,292 is owed to Kelli Kast (December 31, 2024 - \$nil) for consulting services, with all amounts included in accounts payable and accrued liabilities. On October 14, 2025, the Company issued 3,582 DSU's to Kelli Kast which vested immediately. On October 1, 2024, the Company issued 9,643 DSU's to Kelli Kast which vested on October 1, 2025.

Sprott Transactions

In January 2025, the Company drew \$11,000,000 on the Sprott debt facility. As a greater than 10% holder in the Company's equity, Sprott is a related party. As consideration for Sprott advancing the debt facility the Company granted Sprott a royalty for 1.0% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey and a 0.70% rate will apply to claims outside of these areas.

In January 2025, the Company issued 203,402 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended December 31, 2024.

On June 5, 2025, the following transactions relating to Sprott occurred:

Equity Raise Participation

Sprott acquired 285,715 Units in the Brokered Offering, at a price of C\$5.25 per Unit (the “Offering Price”). Each Unit issued under the Equity Offerings consisted of one share of our common stock and one-half of one share of common stock purchase warrant (a “Warrant”). Each whole Warrant will be exercisable to acquire one additional share of our common stock (a “Warrant Share”) at a price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, subject to customary adjustments.

Stream Conversion

On June 5, 2025, the existing metals purchase agreement (the “Metals Purchase Agreement”) dated June 23, 2023, by and among us, Silver Valley, and Sprott, pursuant to which Sprott previously advanced a \$46,000,000 deposit to Silver Valley, was terminated and exchanged (the “Exchange Agreement”) for (i) 5,714,286 shares of our common stock; (ii) senior secured Series 3 convertible debentures in the aggregate principal amount of \$4,000,000 and with a maturity date of June 5, 2030 (the “Series 3 CDs”); and (iii) an additional 1.65% life-of-mine gross revenue royalty (the “New Royalty”) on primary and secondary claims comprising the Bunker Hill Mine.

Sprott Debt Settlements

On June 5, 2025, we and Silver Valley entered into the debt settlement agreements with Sprott (collectively, the “Sprott Debt Settlement Agreements”), pursuant to which an aggregate of 1,819,728 shares of our common stock were issued to Sprott at the Offering Price in full satisfaction of (i) \$487,500 of unpaid interest under the secured convertible debentures held by Sprott, and (ii) \$6,200,000, consisting of the principal amount of \$6,000,000 previously advanced to us under the Debt Facility, together with an aggregate of \$200,000 of interest accrued thereon.

In July 2025, the Company issued 433,235 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended June 30, 2025 and the loan facility for the 6 months ended June 30, 2025.

In October 2025, the Company issued 60,847 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended September 30, 2025.

In January 2024, the Company issued 203,402 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended December 31, 2023.

In April 2024, the Company issued 176,042 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended March 31, 2024.

In July 2024, the Company issued 128,031 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended June 30, 2024.

In August 2024, the Company and Sprott agreed to amend the maturity date of CD1 from March 31, 2026, to March 31, 2028, and CD2 from March 31, 2026, to March 31, 2029, and that CD1 and CD2 would remain outstanding until the new maturity dates unless the Company elects to exercise its option of early repayment.

In October 2024, the Company issued 142,381 shares of common stock to Sprott in connection with its election to satisfy interest payments under the outstanding convertible debentures owned by Sprott for the three months ended September 30, 2024.

In December 2024, the Company drew \$10,000,000 on the debt facility. As consideration for Sprott advancing the debt facility the Company granted a royalty for 1.0% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company's 2021 ground geophysical survey and a 0.70% rate will apply to claims outside of these areas.

Teck Transactions

As a greater than 10% holder in the Company's equity, Teck is a related party. On March 21, 2025, the Company closed an unsecured promissory note for an aggregate principal amount of up to \$3,400,000 (the "Note"). The Note interest rate was set at 12% per annum, with such interest being capitalized and added to the principal amount outstanding under the Note monthly. The Note was available in multiple advances at the discretion of Teck and is payable on demand from Teck. On March 21, 2025, the Company received \$763,000 in advance from Teck. On March 25, 2025, the Company received \$2,325,000 advance from Teck. On April 7, 2025, the Company received \$312,000 advance from Teck. On May 21, 2025, the Note was amended to increase the aggregate principal amount to \$4,400,000, concurrently \$1,000,000 was advanced from Teck under the Note. On June 6, 2025, the Company repaid principal and accrued interest on the full balance of the unsecured Note in the amount of \$4,487,160.

On June 5, 2025, the Company closed a non-brokered private placement (the "Non-Brokered Offering") with Teck Resources Limited for 5,579,848 Units at a price of US\$3.68 per Unit for aggregate gross proceeds to the Corporation of US\$20,505,938.77. Each Unit issued under the Equity Offerings consisted of one share of our common stock and one-half of one share of common stock purchase warrant (a "Warrant"). Each whole Warrant will be exercisable to acquire one additional share of our common stock (a "Warrant Share") at a price of C\$8.75 per Warrant Share for a period of three years following the date of issuance, subject to customary adjustments.

On September 29, 2025, the Company, closed the brokered private placement (the "Brokered Offering") for aggregate cash consideration of \$37,378,645 which included participation by Teck for 6,393,906 units for \$19,494,060. Each Unit consists of one share of common stock of the Company (a "Common Share") and one common share purchase warrant of the Company (a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share (a "Warrant Share") at an exercise price of C\$5.95 per Warrant Share for 60 months after issuance.

19. Segment Reporting

The Company's sole focus is the development and restart of its 100% owned Bunker Hill Mine in Idaho, USA. As of December 31, 2025, and December 31, 2024, the Company had one single reportable segment, which is the Bunker Hill Mine. The executive team, consisting of the CEO, CFO and Executive Chairman, uses the following measurements to manage the business. The chief operating decision maker of the Bunker Hill Mine is the CEO.

	December 31	
	2025	2024
Total assets	\$ 150,958,994	\$ 97,601,550
Interest income	\$ 363,818	\$ 655,125
Interest expense & accretion	\$ (7,383,987)	\$ (8,091,412)
Loss for the year	\$ (93,132,015)	\$ (25,341,623)

20. Subsequent events

Share Issuance

On January 5, 2026, the Company issued 45,098 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ended December 31, 2025.

During the month of January 2026, the Company issued 122,858 shares of common stock in connection with a stockholder's warrant exercises.

On January 30, 2026, the Company closed the final tranche of the Silver Loan in the principal amount of \$4,763,110, being the number of U.S. dollars equal to 50,958 ounces of silver. After deduction of financing costs and the three months ending February 8, 2026, interest payment on the principle amount of ounces outstanding and prepaying some of the May 8, 2026, interest payment the Company received \$nil.

In February 2026 571,259 warrants expired unexercised.

During the month of February 2026, the Company issued 187,345 and 1,956 shares of common stock in connection with a stockholder's warrant and compensation option exercises, respectively.

On February 26, the Company exercised its option by paying C & E \$1,939,627 to purchase the leased land parcel from C & E overlaying a portion of the Company's existing mineral claims package.

On March 5, 2026, the Company closed private placement offering of units (the "LIFE Units") of the Company. The Company issued 4,308,809 LIFE Units at a price of C\$6.30 for gross proceeds of C\$27,145,500 (the "Brokered Offering"), which included the full exercise of the agents' over-allotment option.

The Company also issued 255,048 LIFE Units at a price of C\$6.30 for gross proceeds of C\$1,606,800 under a concurrent private placement, on a non-brokered basis (the "Non-Brokered Offering", and together with the Brokered Offering, the "Offering"). Each LIFE Unit consists of one share of common stock of the Company (a "Common Share") and one-half common share purchase warrant of the Company (a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of C\$10.50 for a period of 36 months from issuance.

In connection with the closing of the Brokered Offering, the Company paid to the Agents aggregate cash fees in the amount of C\$1,786,390 and issued to the Agents an aggregate of 258,271 non-transferrable compensation options ("Compensation Options"), representing: (i) 6.0% of the gross proceeds of the Brokered Offering, other than the gross proceeds raised from certain sales pursuant to a president's list (the "President's List Sales"); and (ii) 3.0% of the gross proceeds raised from President's List Sales. Each Compensation Option is exercisable to acquire one Common Share at a price of C\$6.30 per share for a period of 24 months from issuance.

Concurrently with the Offering, The Company issued 840,336 shares to a cornerstone investor who exercised existing common share purchase warrants at C\$5.95 for proceeds to the Company of C\$5,000,000.

The effective date of the Company's Reverse Stock Split based on a one-for-thirty five (1-for-35) consolidation ratio is March 6, 2026. The Company's common shares began trading on the TSXV and OTC on a reverse split-adjusted basis under the Company's existing trade symbol "BNKR" and "BHLL" respectively at the opening of the market on March 6, 2026. All shares and per share amounts have been presented in these financial statements on a post consolidation basis.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Effective September 2, 2014, the Company appointed the firm of MNP LLP, Chartered Professional Accountants, as the Company's principal independent accountant to audit the Company's financial statements. The Company has had no disagreements with its accountants that would require disclosure pursuant to Item 304 of Regulation S-K.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Securities and Exchange Commission (“SEC”) defines the term “disclosure controls and procedures” to mean a company’s controls and other procedures of an issuer that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934 (the “Exchange Act”) is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company maintains such a system of controls and procedures in an effort to ensure that all information which it is required to disclose in the reports it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified under the SEC’s rules and forms and that information required to be disclosed is accumulated and communicated to principal executive and principal financial officers to allow timely decisions regarding disclosure.

As of the end of the period covered by this report, the Company’s management, including its principal executive and principal financial officers, made an evaluation of the effectiveness of the design and operation of the disclosure controls and procedures over financial reporting for the timely alert to material information required to be included in the Company’s periodic SEC reports and of ensuring that such information is recorded, processed, summarized and reported within the time periods specified. This evaluation resulted in the conclusion that the design and operation of the disclosure controls and procedures were effective as of December 31, 2025.

Internal Control Over Financial Reporting

The management of the Company is responsible for the preparation of the financial statements and related financial information appearing in this report. The financial statements and notes have been prepared in conformity with accounting principles generally accepted in the United States of America. The management of the Company also is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. A company’s internal control over financial reporting is defined as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company’s internal control over financial reporting includes those policies and procedures that: i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the Company; and iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Management, including the CEO and CFO, does not expect that the Company’s disclosure controls, procedures and internal control over financial reporting will prevent all error and all fraud. Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable, not absolute, assurance that the objectives of the control system are met and may not prevent or detect misstatements. Further, over time, control may become inadequate because of changes in conditions or the degree of compliance with the policies or procedures may deteriorate. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can

be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

With the participation of the CEO and CFO, the Company's management evaluated the effectiveness of the Company's internal control over financial reporting as of December 31, 2025 to ensure that information required to be disclosed by the Company in the reports filed or submitted by the Company under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including to ensure that information required to be disclosed by the Company in the reports filed or submitted by the Company under the Exchange Act is accumulated and communicated to the Company's management, including the Company's principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management conducted an evaluation of the effectiveness of internal control over financial reporting based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, the Company's CEO and CFO have concluded that the internal control over financial reporting was effective as of December 31, 2025.

Changes in Disclosure Controls and Procedures and Internal Control Over Financial Reporting

There has been no change in the Company's disclosure controls and procedures and internal control over financial reporting.

This report does not include an attestation report of the Company's registered public accounting firm regarding disclosure controls and procedures and internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm.

ITEM 9B. OTHER INFORMATION

Insider Trading Arrangements and Policies

During the quarter ended December 31, 2025, none of our directors or executive officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (as those terms are defined in Item 408 of Regulation S-K). In addition, we did not adopt or terminate a Rule 10b5-1 trading arrangement during the quarter ended December 31, 2025.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Directors and Executive Officers

The following table sets forth the directors, executive officers, their ages, and all offices and positions held within the Company as of December 31, 2025. Directors are elected for a period of one year and thereafter serve until their successor is duly elected by the stockholders and qualified. Officers and other employees serve per their employment agreements.

<u>Name</u>	<u>Position Held with the Company</u>	<u>Age</u>	<u>Date First Elected or Appointed</u>
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Sam Ash	President, CEO and Director	47	April 14, 2020
Richard Williams	Executive Chairman and Director	59	March 27, 2020
Gerbrand van Heerden	CFO and Corporate Secretary	49	November 1, 2023
Mark Cruise	Director	55	June 30, 2022
Pamela Saxton	Director	73	October 30, 2020
Kelli Kast	Director	59	October 1, 2024
Dickson Hall	Former Director	72	January 5, 2018
Paul Smith	Former Director	54	July 5, 2023

Biographical Information

Sam Ash was a Partner at Barrick Gold Corp. (“Barrick”) from 2015 to 2018 and held various roles over a nine year tenure between 2009 and 2018. His role at Barrick included three years as General Manager of the Lumwana Copper Mine in Zambia (2016–2018), Technical Support Manager to Barrick’s Copper Business Unit (2014–2016), General Support Manager on the Cortez Mine in Nevada (2012–2014) and Chief Engineer leading the roll-out of new Underground Mining standards in the USA and Tanzania (2011–2012). Prior to his time at Barrick, Mr. Ash served as Manager of New Operations for Veris Gold Corp. (formerly, Yukon-Nevada Gold Corp.), primarily on the Jerritt Canyon Mine in Nevada, and also as an Underground Mine Supervisor with Drummond Company, Inc. He achieved a Masters’ Degree in Leadership and Strategy at the London Business School and has a BS in Mining Engineering from the University of Missouri Rolla.

Richard Williams is an experienced mining executive and organizational leader with an established track-record of transformational leadership within the mining industry and other demanding environments. He is currently an advisor to companies facing complex operational, political or ESG challenges. Formerly the Chief Operating Officer of Barrick (2015–2018) and the company’s Executive Envoy to Tanzania (2017–2018), he has also served as Chief Executive Officer of the Afghan Gold and Minerals Company (2010-2014), non-executive director of Trevali Mining Corporation (2019–2022) and as a non-executive director of Gem Diamonds Limited (2007–2015). Prior to his commercial mining experience, Mr. Williams served as the Commanding Officer of the British Army’s Special Forces Regiment, the SAS. He holds an MBA from Cranfield University, a BSc in Economics from University College London and an MA in Security Studies from Kings College London.

Gerbrand van Heerden is an experienced financial executive with over 20 years of mining industry experience. From May 2020 to October 2023, Mr. van Heerden served as the Chief Financial Officer of BMC Minerals Limited. From November 2017 to May 2020, he served in various roles at Trevali Mining Corporation, including as Chief Financial Officer and Senior Vice President of Business Development/Finance. From March 2013 to October 2017, Mr. van Heerden served as the Chief Financial Officer of Rosh Pinah Zinc Corporation (Proprietary) Limited, a subsidiary of Glencore Plc. From October 2005 to March 2013, he served in various roles at Metorex Limited, including as General Manager of Metorex Commercial Services, a finance executive, and as Group Financial Controller. Mr. van Heerden started his professional career as a Tax and Assurance Manager with Deloitte. He is a CPA registered with the Chartered Professional Accountants of British Columbia and a CA(SA) registered in South Africa and holds a Bachelor of Commerce (Honors) Degree in Accounting from the University of Johannesburg.

Mark Cruise is a professional geologist with over 27 years of international exploration, development and mining experience. A former polymetallic commodity specialist with Anglo American plc, Dr. Cruise founded and was Chief Executive Officer of Trevali Mining Corporation. Under his leadership, from 2007 to 2019, the company grew from an initial discovery into a global zinc-lead-silver producer with operations in the Americas and Africa. Dr. Cruise currently serves as a non-executive director of Velocity Minerals Ltd. (since 2017), NiCAN Ltd (since 2022), Volta Metals Ltd. (since 2023), and BP Silver (since 2025). He previously served as COO, CEO, and director of New Pacific Metals Corp. (2020–2022), a non-executive director of Abzu Resources (2010–2011), Prism Resources Inc. (2016–2019), Ethos Gold Corporation (2010–2015), and Tincorp Metals Inc. (formerly Whitehorse Gold Corp.) (2020–2022).

Kelli C. Kast has over 30 years of in-house legal experience, including more than twenty years as a top legal officer in the mineral resource industry. Ms. Kast currently serves as the Vice President, General Counsel and Chief Administrative Officer of Rare Element Resources, Ltd. (“RER”) (since July 2024). Prior thereto, she served in various capacities for RER including as a consultant (June 2015 through June 2024), interim President and CEO (March 2024 through May 2024), Director (August 2022 through August 2024) and as the Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary (July 2012 through May 2015). Prior to her tenure with RER, she served as Coeur d’Alene Mines Corporation’s Sr. Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary from May 2009 to April 2012, and as the Vice President, General Counsel and Corporate Secretary from May 2005 to April 2009. From 2004 to 2005, Ms. Kast served as Corporate Counsel for HealtheTech Inc. From 1997 to 2003, she served as the Assistant General Counsel and Corporate Secretary for Global Water Technologies Inc. and Psychrometric Systems, Inc. Ms. Kast earned her Juris Doctor from the University of South Dakota School of Law and her Bachelor’s degree from the University of Idaho.

Pam Saxton is an experienced mining company executive and independent director. She currently serves as a director of Arizona Metals Corp and as Audit Committee Chair (since September 2025) and Rare Element Resources, Ltd. (since August 2024). She has served on the Board of Timberline Resources Corporation and as Audit Committee Chair from May 2021 to August 2024 and was a Board Member and Audit Committee Chair at Pershing Gold Corporation from 2017 to 2019. She also has served on the Board of Aquila Resources Inc. from 2019 to 2021 and served on a North American Advisory Board for Damstra Technology – Damstra Holdings Limited from 2021 to 2022. As an executive, she served as Executive Vice President and CFO for Thompson Creek Metals Company (2008–2016) and as CFO for NewWest Gold Corporation (2006-2007). Having started her professional life working as an auditor for Arthur Andersen in Denver, Colorado, her career has included senior finance appointments in the American natural resources industry, including serving as VP Finance for Franco-Nevada Corporation’s U.S. Operations. Ms. Saxton is qualified to serve on the Board by virtue of her expertise in finance, accounting and auditing matters.

Family Relationships

There are no family relationships between any of the current directors or officers of the Company.

Involvement in Certain Legal Proceedings

The Company is not aware of any other legal proceedings in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of the Company’s voting securities, or any associate of any such director, officer, affiliate or security holder of the Company, is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

Directorships

None of the Company’s executive officers or directors is a director of any company with a class of equity securities registered pursuant to Section 12 of the Exchange Act or subject to the requirements of the Exchange Act or any company registered as an investment company under the Investment Company Act of 1940.

Code of Ethics

The Company’s Board has adopted a code of ethics that will apply to its principal executive officer, principal financial officer and principal accounting officer or controller and to persons performing similar functions. The code of ethics is designed to deter wrongdoing and to promote honest and ethical conduct, full, fair, accurate, timely and understandable disclosure, compliance with applicable laws, rules and regulations, prompt internal reporting of violations of the code and accountability for adherence to the code. The Company will provide a copy of its code of ethics, without charge, to any person upon receipt of written request for such, delivered to our corporate headquarters. All such requests should be sent care of Bunker Hill Mining Corp., Attn: Corporate Secretary, 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

Insider Trading Arrangements and Policies

The Company has adopted insider trading policies and procedures governing the purchase, sale, and/or other dispositions of our securities by directors, officers and employees, or the Company itself, that are reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Company.

ITEM 11. EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth, for the years indicated, all compensation paid, distributed or accrued for services, including salary and bonus amounts, rendered in all capacities by the Company's principal executive officer, chief financial officer and all other executive officers. The information contained below represents compensation paid, distributed or accrued to the Company's officers for their work related to the Company.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (¹)(\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation ⁽²⁾ (#)	Non-qualified Deferred Compensation Earnings (\$)	All other Compensation (\$)	Total (\$)
Richard Williams	2025	300,000	-	178,512	-	-	-	-	478,521
Executive Chairman	2024	285,000	-	208,328	-	103,530	-	-	596,858
Sam Ash	2025	311,250	-	193,397	-	-	-	-	504,647
Chief Executive Officer	2024	311,250	-	234,369	-	87,507	-	-	633,126
Gerbrand van Heerden ⁽³⁾	2025	312,000	-	185,661	-	-	-	-	497,661
Chief Financial Officer	2024	312,000	-	91,072	-	84,739	-	-	487,811

(1) The amounts reported in the above table reflect the aggregate grant date fair value of RSU awards, calculated in accordance with FASB ASC Topic 718. These values have been determined under the principles used to calculate the grant date fair value of equity awards for purposes of the Company's financial statements, as set forth in Note 10 to this Annual Report on Form 10-K. All 2025 and 2024 C\$ amounts have been converted to \$ using the C\$/US\$ exchange rate as of the applicable grant date.

(2) The short-term incentive plan amounts earned with respect to 2025 have not been finalized as of the date of this report and will be disclosed in the Company's proxy statement.

Outstanding Stock Options Awards At Fiscal Year End

The following table provides a summary of equity awards outstanding as of December 31, 2025, for each of the named executive officers.

Outstanding Equity Awards At 2025 Fiscal Year-End

	Option Awards ⁽¹⁾	Stock Awards ⁽¹⁾
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Name of NEO and Position	Number of shares of common stock underlying unexercised Options (#) exercisable	Number of shares of common stock underlying unexercised Options (#) unexercisable	Option exercise price (C\$)	Option expiration date	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$) ⁽⁶⁾
	<i>Richard Williams, Executive Chairman</i>	-	-	-	-	15,132(2)
	-	-	-	-	48,697(3)	295,252
	-	-	-	-	33,214(4)	201,378
<i>Sam Ash, CEO</i>	-	-	-	-	17,023(2)	103,211
	-	-	-	-	54,784(3)	332,157
	-	-	-	-	35,981(4)	218,154
<i>Gerbrand van Heerden, CFO</i>	-	-	-	-	9,601(3)	58,211
	-	-	-	-	34,542(4)	209,429

- (1) All C\$ amounts have been converted to \$ using the C\$/US\$ exchange rate as of December 31, 2025.
- (2) These restricted stock units (“RSUs”) vested on March 31, 2026.
- (3) Half of these RSUs vested on March 13, 2026, and the other half vests on March 13, 2027.
- (4) One-third of these RSUs vested on October 14, 2026, and the balance will vest in equal increments on June 30, 2027, and June 30, 2028.
- (6) Value is equal to the number of outstanding awards multiplied by C\$8.31, the closing price on the TSXV for the shares of common stock on December 31, 2025.

Long-Term Incentives and Compensation Plans

As part of its overall compensation, the Company provides for time-based RSUs, DSUs and options (“Options,” and collectively with RSUs and DSUs, “Awards”) that may be granted to employees, officers and eligible consultants and directors of the Company and its affiliates. Recipients of Awards are defined as “Participants”.

The aim of the Company’s compensation program is to attract and retain highly qualified executives and to link compensation to performance and shareholder value. The compensation therefore must be sufficiently competitive to achieve this objective. The Board considers a number of factors in order to determine compensation, including the Company’s contractual obligations, the individual’s performance and other qualitative aspects of the individual’s performance and achievements, the amount of time and effort the individual will devote to the Company and the Company’s financial resources.

The Company’s compensation program is comprised of:

- (a) **A base salary or management fee arrangement and benefits.** The base salaries or management fee arrangements and benefits paid to the key executives are not based on any specific formula and are set so as to be competitive with other companies of similar size and state of development in the mineral industry. This component of the Company’s compensation program also includes sign-on incentives, which may be issued in the form of cash, RSUs, DSUs or Options.

- (b) **A short-term incentive program in the form of bonuses.** Cash bonuses are paid to key executives based on individual, team and Company performance and the executive's position in the Company. Any bonus awards are at the sole discretion of the Board.
- (c) **Long-term incentives** consist of DSUs, RSUs, and Options which provide the Board with additional long-term incentive mechanisms to align the interests of the directors, officers, employees or consultants of the Company with shareholder interests. These incentives also provide for, among other things, an accelerated vesting of awards in the event of a change in control, thereby aligning the Company's practices with current corporate governance best practices regarding a change in control.

The Board believes that equity-based compensation plans are the most effective way to align the interests of management with those of shareholders. Long-term incentives must also be competitive and align with the Company's compensation philosophy.

The Company does not have a pension plan that provides for payments or benefits to its executive officers.

Termination and Change of Control Benefits

Change of Control Agreements

The Company has provided change of control benefits to NEO's to encourage them to continue their employment in the event of a purchase, sale, reorganization, or other significant change in the business.

If the employment agreement of the senior officer is terminated by the Company without just cause, or resigns for good reason pursuant to the terms of the employment agreement, in each case at any time within 12 months of a change of control, the Company is required to make a lump sum severance payment equal to 24 months of base salary. In addition, at such time all Awards shall be deemed to have vested, and all restrictions and conditions applicable to such Awards shall be deemed to have lapsed and the Awards shall be issued and delivered.

Employment Agreements

The Company has employment agreements with the Executive Chairman, CEO, CFO, and Vice President Investor Relations, which provide for compensation and certain other benefits and for severance payments under certain circumstances. These agreements also contain clauses that become effective upon a change of control of the Company, as described above. The Company may be obligated to pay certain amounts to such employees upon the occurrence of any of the defined events in the various employment agreements.

Policies and Practices for Granting Certain Equity Awards

While we do not have a formal written policy in place with regard to the timing of awards of Options in relation to the disclosure of material non-public information, the Board does not seek to time equity grants to take advantage of information, either positive or negative, about the Company that has not been publicly disclosed. It has been our practice to grant equity awards to our officers and directors upon their appointment. We intend to issue equity grants to our officers and/or directors at the same time each year, typically in connection with our first meeting of the Board of Directors each fiscal year. Option grants are effective on the date the award determination is made by the Board, and the exercise price of Options is the closing market price of Bunker Hill common stock on the immediately preceding business day of the grant.

During the fiscal year ended December 31, 2024, we did not award any Options to an NEO in the period beginning four business days before the filing of a periodic report on Form 10-Q or Form 10-K, or the filing or furnishing of a current report on Form 8-K that discloses material non-public information, and ending one business day after the filing or furnishing of such report.

Director Compensation

The general policy of the Board is that compensation for independent directors should be a mix between cash and equity-based compensation. The cash compensation amount is based upon the role of each director in recognition for standing committee representation, chairing a standing committee, or serving as the lead independent director. Additionally, the Company reimburses directors for reasonable expenses incurred during the course of their performance. There are no long-term incentive or medical reimbursement plans. The Company does not pay directors, who are part of management, for Board service in addition to their executive compensation. The Board determines the amount of director compensation and has appointed the Compensation Committee of the Board to make recommendations regarding director compensation.

The following table provides information regarding compensation paid to the Company's directors (other than a director who was a NEO) during the year ended December 31, 2025:

Director	Fees Earned or Paid in Cash (\$)	Stock Awards ⁽¹⁾⁽²⁾ (\$)	Total (\$)
Mark Cruise	57,200	97,783	154,983
Pam Saxton	43,450	75,218	118,668
Kelli Kast	39,500	18,805	58,305
Dickson Hall	75,175	-	75,175
Paul Smith	18,333	-	18,333

(1) Represents DSUs granted to our non-employee directors. The amounts reported in this table reflect the grant date fair value of the DSUs computed in accordance with FASB ASC Topic 718 based on the share price on the applicable date of grant. For Messrs. Cruise, Mses. Saxton and Kast, the DSUs were calculated using a share price of C\$7.53. For Messrs. Cruise, and Mses. Saxton and Kast, the DSUs reported in this table vested on October 14, 2025.

(2) At December 31, 2025, the aggregate number of DSUs outstanding for each non-employee director were as follows: Mr. Hall – 0; Mr. Cruise – 48,944; Ms. Kast – 13,224; Mr. Smith – 0; Ms. Saxton – 40,290; and Mr. Williams – 142,857.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Directors and Executive Officers

The following table sets forth the number of shares of Bunker Hill common stock owned beneficially by each director and named executive officer of the Company as of March 5, 2026 (unless another date is specified by footnote below), and by all current directors and executive officers of Bunker Hill as a group:

Name of Individual or Group (a)	Amount and Nature of Beneficial Ownership *	
	Shares	Percent of Class (b)
Richard Williams, Executive Chairman	259,549(c)	**
Sam Ash, CEO and Director	208,251(d)	**
Gerbrand van Heerden, CFO	41,165(e)	**
Pamela Saxton, Director	10,371(f)	**
Mark Cruise, Director	11,596(g)	**
Kelli Kast, Director	1,791(h)	**
Current Directors and Executive Officers as a Group (a total of 8 persons)	532,723	1.2%

* Unless otherwise indicated, each person listed has the sole power to vote and dispose of the shares listed. Pursuant to Rule 13d-3 under the Exchange Act, beneficial ownership includes shares as to which the individual or entity has or shares voting power or investment power, and any shares that the individual or entity has the right to acquire within 60 days of March 21, 2025, including through the exercise of any option, warrant, or right. For each individual or entity that holds options, warrants or rights to acquire shares, the shares of Bunker Hill common stock underlying those securities are treated as owned by that holder and as outstanding shares when that holder's percentage ownership of Bunker Hill common stock is calculated. That Bunker Hill common stock is not treated as outstanding when the percentage ownership of any other holder is calculated.

** The percent of class owned is less than 1%.

- (a) Except as otherwise indicated below, the address and telephone number of each of these persons is c/o Bunker Hill Mining Corp., 300-1055 West Hastings Street, Vancouver, British Columbia V6E2E9, Canada and (604-417-7952), respectively.
- (b) Based on a total of 45,618,400 shares of Bunker Hill common stock outstanding as of March 5, 2026.
- (c) Includes (i) 197,551 shares of common stock, (ii) 22,517 shares subject to warrants exercisable within 60 days of March 5, 2026, and (iii) 39,481 shares subject to RSUs convertible within 60 days of March 5, 2026.
- (d) Includes (i) 163,836 shares of common stock, and (ii) 44,415 shares subject to RSUs convertible within 60 days of March 5, 2026.
- (e) Includes (i) 31,593 shares of common stock (ii) 4,771 shares subject to warrants exercisable within 60 days of March 5, 2026 and (iii) 4,801 shares subject to RSUs convertible within 60 days of March 5, 2026.
- (f) Includes 10,371 shares of common stock.
- (g) Includes (i) 6,596 shares of common stock and (ii) 5,000 shares subject to warrants exercisable within 60 days of March 5, 2026.
- (h) Includes 1,791 shares of common stock.

Holders of More Than 5% of Bunker Hill Common Stock

The following table sets forth information (as of the date indicated) as to all persons or groups known to Bunker Hill to be beneficial owners of more than 5% of issued and outstanding shares of Bunker Hill common stock as of March 5, 2026, unless otherwise indicated below.

Name and Address of Beneficial Holder	Shares Beneficially Owned	Percent of Class (a)
Sprott Asset Management LP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2600, P.O. Box 26, Toronto, Ontario M5J 2J1, Canada	14,944,436(b)	28.6%
Sprott Asset Management USA, Inc., 320 Post Road, Suite 230, Darien, Connecticut 06820		
Resource Capital Investment Corp., 1910 Palomar Point Way, Suite 200, Carlsbad, California 92008		
Teck Resources Limited, 550 Burrard street, Suite 3300, Vancouver, BC V6C 0B3, Canada	21,921,472(c)	39.9%

- (a) Based on a total of 45,618,400 shares of Bunker Hill common stock outstanding as of March 5, 2026.

- (b) Includes (i) 8,270,967 shares of common stock as of March 5, 2026, (ii) 142,857 shares subject to warrants exercisable within 60 days of March 5, 2026, and (iii) 6,530,612 shares subject to convertible debentures convertible within 60 days of March 5, 2026.
- (c) Includes (i) 12,653,317 shares of common stock as of March 5, 2026, and (ii) 9,268,155 shares subject to warrants exercisable within 60 days of March 5, 2026.

Equity Compensation Plan

The following table provides information as of December 31, 2025, with respect to shares of common stock that may be issued pursuant to Options granted under the Bunker Hill Mining Corp. Amended and Restated Stock Option Plan (the “Option Plan”) and the vesting of RSUs granted under the Amended and Restated Restricted Stock Unit Incentive Plan of the Company (the “RSU Plan”).

Plan Category	Number of shares of common stock to be issued upon exercise of outstanding Options and RSUs (a)	Weighted-average exercise price of outstanding Options (b) (C\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Option Plan	3,983,402	6.59	3,931,570
RSU Plan	2,648,555	N/A	1,803,839
Total	6,631,957		5,735,409

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Certain Relationships and Related Transactions

There were no material transactions, or series of similar transactions, during the Company’s last fiscal year, or any currently proposed transactions, or series of similar transactions, to which the Company was or is to be a party, in which the amount involved exceeded the lesser of \$120,000 or one percent of the average of the small business issuer’s total assets at year-end for the last three completed fiscal years and in which any director, executive officer or any security holder who is known to the Company to own of record or beneficially more than five percent of any class of the Company’s common stock, or any member of the immediate family of any of the foregoing persons, had an interest.

Director Independence

The Company’s common stock is currently traded on the TSXV and the OTCQB and as such, is not subject to the rules of any national securities exchange that requires that a majority of a listed company’s directors and specified committees of its Board of Directors meet independence standards prescribed by such rules. For the purpose of preparing the disclosures in this document with respect to director independence, the Company has used the definition of “independent director” within the meaning of National Instrument 52-110 – *Audit Committees* adopted by the Canadian Securities Administration and as set forth in the Marketplace Rules of the NASDAQ, which defines an “independent director” generally as being a person, other than an executive officer or employee of the company or any other individual having a relationship which, in the opinion of the company’s Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Mark Cruise, Kelli Kast, and Pam Saxton, have been determined to be “independent” directors of the Company. Mr. Williams is not independent due to his position with the Company as the Executive Chairman and Mr. Ash is not independent due to his position as Chief Executive Officer.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

Effective September 2, 2014, the Company appointed the firm of MNP LLP, Chartered Professional Accountants, as the Company’s independent audit firm.

MNP LLP, Chartered Professional Accountants, 50 Burnhamthorpe Road West, Mississauga, ON L5B 3C2, served as the Company’s independent registered public accounting firm for the years ended December 31, 2024 and 2023, and is expected to serve in that capacity for the ensuing year 2025. Principal accounting fees for professional services rendered for the Company by MNP LLP for the years ended December 31, 2025 and 2024 are summarized in the following table:

	Year Ended December 31, 2025	Year Ended December 31, 2024
Audit	\$ 117,321	\$ 116,756
Audit related	74,420	110,983
Tax	-	-
All other	21,195	8,145
Total	<u>\$ 212,936</u>	<u>\$ 235,884</u>

Audit Related Fees

The aggregate fees billed by MNP LLP for assurance and related services that were related to its review of the Company’s quarterly financial statements.

Tax Fees

The aggregate fees billed by MNP LLP for tax compliance, advice and planning.

All Other Fees

The aggregate fees billed by MNP LLP for all other professional services, including services associated with financing activities.

Audit Committee’s Pre-approval Policies and Procedures

At the Company’s regularly scheduled and special meetings, the Board, or the Board-appointed audit committee, considers and pre-approves any audit and non-audit services to be performed by the Company’s independent registered public accounting firm. The audit committee has the authority to grant pre-approvals of non-audit services.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: /s/ Sam Ash
Sam Ash, Chief Executive Officer and President,
Principal Executive Officer

By: /s/ Gerbrand Van Heerden
Gerbrand Van Heerden, Chief Financial Officer and
Corporate Secretary, Principal Financial Officer,
Principal Accounting Officer

Date: March 6, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: March 6, 2026
By: /s/ Sam Ash
Name: Sam Ash
Title: Chief Executive Officer, Principal Executive Officer

Date: March 6, 2026
By: /s/ Gerbrand Van Heerden
Name: Gerbrand Van Heerden
Title: Chief Financial Officer and Corporate Secretary,
Principal Financial Officer, Principal Accounting Officer

Date: March 6, 2026
By: /s/ Richard Williams
Name: Richard Williams
Title: Executive Chairman and Director

Date: March 6, 2026
By: /s/ Mark Cruise
Name: Mark Cruise
Title: Director

Date: March 6, 2026
By: /s/ Kelli Kast
Name: Kelli Kast
Title: Director

Date: March 6, 2026
By: /s/ Pamela Saxton
Name: Pamela Saxton
Title: Director