Alpha Copper Corp.

Condensed Interim Financial Statements
For the period for the three and nine months ended June 30, 2022
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

ALPHA COPPER CORP.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at June 30, 2022	As at September 30, 2021
	$	$
ASSETS		
Current		
Cash	5,332,427	1,006,724
GST receivable	30,234	-
Prepaid expenses	27,447	17,083
	5,390,108	1,023,807
Non-Current		
Exploration and evaluation asset (Note 3)	791,630	269,581
Property and equipment (Note 4)	26,728	-
TOTAL ASSETS	6,208,466	1,293,388
LIABILITIES		
Current		
Accounts payable and accrued liabilities	109,881	91,080
SHAREHOLDERS' EQUITY		
Reserves (Note 5)	1,942,635	45,301
Share capital (Note 5)	11,623,775	2,343,401
Deficit	(7,467,825)	(1,186,394)
	6,098,585	1,202,308
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,208,466	1,293,388

Nature of operations (Note 1)

These financial statements are authorized for issuance by the Board of Directors on August 26, 2021.

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

ALPHA COPPER CORP.
Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	For the three months ended June 30, 2022	For the three months ended June 30, 2021	**For the nine months ended June 30, 2022**	For the nine months ended June 30, 2021
	$	$	**$**	$
Expenses				
Office and administrative	**45,922**	15,268	**84,863**	50,642
Marketing and investor relations	**2,981,118**	-	**4,316,507**	25,000
Consulting	**72,000**	48,316	**165,406**	113,316
Professional fees	**33,576**	39,239	**78,414**	59,136
Regulatory and filing	**12,477**	2,725	**41,079**	16,969
Stock-based compensation	**566,755**	-	**1,589,288**	-
Depreciation	**685**	-	**685**	-
Travel	**5,189**	-	**5,189**	2,385
	(3,717,722)	(105,548)	**(6,281,431)**	(267,448)
Loss and comprehensive loss for the period	**(3,717,722)**	(105,548)	**(6,281,431)**	(267,448)
Basic and diluted loss per share	**(0.08)**	(0.01)	**(0.18)**	(0.02)
Weighted average number of common shares outstanding	**48,944,992**	18,020,795	**35,711,602**	13,197,868

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

ALPHA COPPER CORP.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the nine months ended June 30, 2022	For the nine months ended June 30, 2021
	$	$
Cash flows used in operating activities		
Net loss for the period	(6,281,431)	(267,448)
Items not affecting cash:		
Share-based compensation	1,589,288	-
Depreciation	685	-
Changes in non-cash working capital items:		
GST receivable	(30,234)	(12,834)
Prepaid expense	(10,364)	-
Accounts payable and accrued liabilities	18,801	37,708
	(4,713,255)	(242,574)
Cash flows used in investing activity		
Purchase of exploration and evaluation assets	(272,049)	(22,032)
Purchase of property and equipment	(27,413)	-
	(299,462)	(22,032)
Cash flows from financing activities		
Proceeds from shares issued, net of issue costs	8,712,520	987,422
Proceeds from exercise of warrants	625,900	23,277
	9,338,420	1,010,699
Net increase in cash	4,325,703	746,093
Cash, beginning of the period	1,006,724	337,432
Cash, end of the period	5,332,427	1,083,525

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

(Expressed in Canadian Dollars)

	Number of Shares Issued	Share Capital	Reserves	Deficit	Total Shareholders' Equity
		$	$	$	$
Balance at September 30, 2020	**10,886,700**	**1,267,920**	**62,000**	**(816,625)**	**513,295**
Net loss for the period	-	-	-	(267,448)	(267,448)
Share issuance private placement	10,000,000	1,000,000	-	-	1,000,000
Share issue costs	-	(12,578)	-	-	(12,578)
Shares issued on exercise of warrants	232,768	23,277	-	-	23,277
Balance at June 30, 2021	**21,119,468**	**2,278,619**	**62,000**	**(1,084,073)**	**1,256,546**

	Number of Shares Issued	Share Capital	Reserves	Deficit	Total Shareholders' Equity
		$	$	$	$
Balance at September 30, 2021	**21,173,293**	**2,343,401**	**45,301**	**(1,186,394)**	**1,202,308**
Net loss for the period	-	-	-	(6,281,431)	(6,281,431)
Share issuance on property acquisition	267,159	250,000	-	-	250,000
Shares issuance, private placement	24,631,223	8,712,520	-	-	8,712,520
Issuance of broker warrants	-	(308,046)	308,046	-	-
Shares issued on exercise of warrants	5,944,667	625,900	-	-	625,900
Share-based compensation	-	-	1,589,288	-	1,589,288
Balance at June 30, 2022	**52,016,342**	**11,623,775**	**1,942,635**	**(7,467,825)**	**6,098,585**

1. 1. NATURE OF OPERATIONS

Alpha Copper Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 29, 2018. The Company is in the business of mineral property exploration and was listed on the Canadian Securities Exchange ("CSE") on August 9, 2020, after completing its initial public offering pursuant to a prospectus dated May 10, 2020. The Company's stock symbol is "ALCU".

The Company has two option agreements to earn an interest in the Indata mineral property located near Fort St. James, British Columbia and the Okeover located near Powell River (Note 3) and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts from the properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreements and to complete the development of the properties and upon future profitable production or proceeds for the sale thereof.

The Company's head office, principal address and registered and records office is located at 1055 West Georgia Street, Suite 1500, Vancouver, British Columbia, Canada, V6E 4N7.

The Company's ongoing operations are ultimately dependent upon the success of its business activities and its ability to attain profitable operations and generate funds therefrom and/or to raise equity capital or borrowings sufficient to meet current and future obligations. Management expects to finance operating costs over the next twelve months with public and private financing endeavors.

The Company has no source of operating revenue, has incurred net losses since inception and as at June 30, 2022 has a deficit of $7,467,825 (September 30, 2021 - $1,186,394). Its continued existence will be dependent on the receipt of related party debt or equity financing on terms which are acceptable to the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of August 29, 2022, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended September 30, 2021, except as noted below.

Basis of presentation

These financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Approval of the financial statements

The condensed interim financial statements of the Company for the period ended June 30, 2022, were approved and authorized for issuance by the Board of Directors on August 29, 2022.

3. EXPLORATION AND EVALUTION ASSET

Indata Property, British Columbia, Canada

The Company has entered into an agreement with Eastfield Resources Ltd. ("Eastfield") whereby it obtained the option to acquire an undivided 60% interest in Eastfield's 91.2% - owned Indata copper-gold property ("Indata Property") located 120 kilometres northwest of the community of Fort St. James, British Columbia. The Indata Property comprises 16 mineral claims totaling 3,189 hectares. The residual 8.8% interest in the Indata Property is held by Imperial Metals Corporation. Eastfield and the Company have a director in common. Refer also to Note 5.

To earn the 60% interest, the Company is required to complete $2,000,000 in exploration work, make cash payments of $250,000 ($45,000 paid) and issue common shares at an aggregate value of $150,000 (100,000 shares valued at $10,000 issued) over a five -year term. An aggregate $2,000,000 exploration program is required to be completed over a five-year term and a minimum $75,000 exploration program is required to be completed in the first year (completed).

Okeover Property, British Columbia, Canada

The Company has entered into an agreement with Eastfield Resources Ltd. ("Eastfield") and Northwest Copper Corp. ("Northwest") the property titleholder, whereby it was assigned Northwest's option to acquire a 100% interest in the Okeover Copper-Molybdenum Project (the "Okeover Project") located in British Columbia. The Okeover Project comprises 12 mineral claims totaling 4,614 hectares. To earn the 100% interest, the Company is required:

(a) to issue common shares to Northwest as follows:

- (i) common shares with a value of $250,000 on the closing date (completed);
- (ii) additional common shares with a value of $500,000 on or before the first anniversary of the closing date;
- (iii) additional common shares with a value of $750,000 on or before the second anniversary of the closing date; and
- (iv) additional common shares such that Northwest holds 10% of the Company's issued and outstanding common shares on the date prior to such issuance on or before the third anniversary of the closing date.

(b) to incur expenditures of not less than $5,000,000 as follows:

- (i) $500,000 on or before the first anniversary of the closing date;
- (ii) an additional $1,500,000 on or before the second anniversary of the closing date; and
- (iii) an additional $3,000,000 on or before the third anniversary of the closing date.

Northwest retains a 2% net smelter return ("NSR") royalty, half of which may be bought back by the Company at any time prior to commencing commercial production for $1,000,000.

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUTION ASSET (continued)

	Indata Property	Okeover Property	Total
	$	$	$
Balance at September 30, 2020	**181,644**	**-**	**181,644**
Acquisition costs	65,000	-	65,000
Geological	22,917	-	22,917
Balance at September 30, 2021	**269,581**	**-**	**269,581**
Acquisition costs	5,000	250,000	255,000
Permitting	-	19,424	19,424
Drilling costs	39,842	-	39,842
Geological	110,301	97,482	207,783
Balance at June 30, 2022	**424,724**	**366,906**	**791,630**

4. PROPERTY AND EQUIPMENT

	Furniture and equipment
	$
Cost	
Balance at September 30, 2021	**-**
Purchases	27,413
Balance at June 30, 2022	**27,413**
Accumulated Depreciation	
Current period depreciation	685
Balance at June 30, 2022	685
Net Book Value at June 30, 2022	**26,728**

5. SHARE CAPITAL

Authorized Share Capital

Unlimited number of common shares without par value.

Issued Shares

On April 29, 2021, the Company completed a non-brokered private placement of 10,000,000 units at a price of $0.10 per unit for gross proceeds of $1,000,000. Each unit consists of one common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $0.12 per share for a period of 24 months. The Company paid $13,166 in share issue costs in connection with this private placement.

During the year ended September 30, 2021, 159,737 broker warrants priced at $0.20 were exercised for total gross proceeds of $31,948.

During the year ended September 30, 2021, 126,856 common shares with a fair value of $40,000 were issued to Eastfield in connection with the Indata Property (see Note 3).

5. SHARE CAPITAL (continued)

On December 7, 2021, the Company completed a non-brokered private placement of 4,205,000 flow-through units at a price of $0.15 per unit for gross proceeds of $630,750. Each unit consists of one flow-through common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $0.25 per share for a period of 24 months.

On December 7, 2021, the Company completed a non-brokered private placement of 5,875,000 units at a price of $0.15 per unit for gross proceeds of $881,250. Each unit consists of one common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $0.25 per share for a period of 24 months.

The Company paid $20,054 of share issue costs related to the December 7, 2021, share issuances.

On February 23, 2022, the Company completed a non-brokered private placement of 2,011,037 flow-through units at a price of $0.65 per unit for gross proceeds of $1,307,174. Each unit consists of one flow-through common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $1.00 per share for a period of 24 months.

On February 23, 2022, the Company completed a non-brokered private placement of 12,540,186 units at a price of $0.50 per unit for gross proceeds of $6,270,093. Each unit consists of one common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $1.00 per share for a period of 24 months.

The Company paid cash share issuance costs of $356,693 related to the February 23, 2022, share issuances. In addition, the Company granted 394,755 broker warrants, exercisable at $1.00 for a two-year period. These warrants have a fair value of $308,046 using the Black-Scholes pricing model with the following inputs: i) exercise price: $1.00; ii) share price: $0.86; iii) term: 2 years: iv) volatility: 241%; v) discount rate: 1.45%.

Escrowed Shares

It is expected that immediately prior to listing on the CSE, an escrow agreement (the “Escrow Agreement”) between the Company and certain shareholders of the Company will be completed resulting in 12,143,999 common shares (the “Escrowed Shares”), representing 57.31% of the issued and outstanding common shares prior to the completion of the Offering, being deposited in escrow. Pursuant to the Escrow Agreement, 10% of the Escrowed Shares will be released from escrow on the Listing Date (the “Initial Release”) and an additional 15% will be released on the dates which are 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release. These Escrowed Shares may not be transferred, assigned or otherwise dealt without the consent of the regulatory authorities.

Stock Option Plan

The Company has a rolling stock option plan (the “Plan”) to provide incentive for the directors, officers employees, and consultants of the Company. The maximum number of shares which may be set aside for the issuance under the Plan is 10% of the issued and outstanding common shares of the Company.

On January 13, 2022, the Company granted 1,600,000 stock options to directors and officers. These options have a fair value of $1,022,513 using the Black Scholes model with the following inputs: i) exercise price: $0.60; ii) share price: $0.59; iii) term: 2 years; iv) volatility: 246%; v) discount rate: 1.08%.

On June 24, 2022, the Company granted 1,850,000 stock options to directors and officers. These options have a fair value of $486,676 using the Black Scholes model with the following inputs: i) exercise price: $0.27; ii) share price: $0.27; iii) term: 5 years; iv) volatility: 238%; v) discount rate: 3.19%.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

On June 24, 2022, the Company granted 400,000 stock options to certain consultants of the Company. These options have a fair value of $80,099 using the Black Scholes model with the following inputs: i) exercise price: $0.27; ii) share price: $0.27; iii) term: 2 years; iv) volatility: 163%; v) discount rate: 3.12%.

The continuity of stock options for the period ended June 30, 2022, is as follows:

	Number	Weighted Average Exercise Price
		$
Balance, September 30, 2021 and 2020	280,000	0.28
Granted	4,150,000	0.42
Balance, June 30, 2022	4,430,000	0.41

The following stock options were outstanding as at June 31, 2022:

Expiry date	Number of options	Exercise price	Remaining life (years)
August 7, 2024	280,000	$0.28	2.11
January 13, 2024	1,900,000	$0.60	1.54
June 24, 2024	400,000	$0.27	1.99
June 24, 2027	1,850,000	$0.27	4.99
Balance, June 30, 2022	4,430,000	$0.41	3.05

Warrants

The continuity of share purchase warrants for the period ended June 30, 2022 is as follows:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, September 30, 2020	8,028,000	0.05
Issued	10,000,000	0.12
Exercised	(159,737)	0.20
Expired	(60,263)	0.20
Balance, September 30, 2021	17,808,000	0.11
Issued	24,631,223	0.69
Exercised	(9,378,000)	0.10
Balance, June 30, 2022	33,061,223	0.55

The following share purchase warrants were outstanding as at June 30, 2022:

Expiry date	Number of warrants	Exercise price	Remaining contractual life (years)
		$	
April 30, 2023	8,430,000	0.12	0.83
December 6, 2023	10,080,000	0.25	1.44
February 22, 2024	14,551,223	1.00	1.65
	33,061,223	0.55	1.38

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

During the period, the Company 394,755 broker warrants, exercisable at $1.00 for a two-year period. These warrants have a fair value of $308,046 using the Black-Scholes pricing model with the following inputs: i) exercise price: $1.00; ii) share price: $0.86; iii) term: 2 years: iv) volatility: 241%; v) discount rate: 1.45%. At June 30, 2022, 394,755 broker warrants remained outstanding.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors, officers and companies controlled by them as its key management personnel. Amounts paid to key management personnel and/or entities over which they have control during the following periods ended June 30, 2022 and 2021 are as follows:

During the nine-month period ended June 30, 2022, the Company paid a privately held company owned by the Chief Executive Officer $105,750 (2021 – nil) for consulting services. These amounts are included in consulting fees.

During the nine-month period ended June 30, 2022, the Company paid a privately held company owned by the Chief Financial Officer $13,205 (2021 – nil) for consulting services. These amounts are included in professional fees.

During the nine-month period ended June 30, 2022, the Company paid a privately held company owned by one of the Company directors $110,301 (2021 – nil) for geological consulting services. These amounts are included in exploration and evaluation assets.

During the nine-month period ended June 30, 2022, a Company director participated in the subscription of 80,000 flow-through common shares.

On January 13, 2022, the Company entered into an agreement to purchase the Okeover mineral property from a company that is controlled by a director. See note 3 for details.

As at June 30, 2022 and September 30, 2021, $18,428 and nil were owed to related parties. In addition, at June 30, 2022, the Company has prepaid one month of consulting services to the CEO.

All related party amounts were incurred in the normal course of operations, bear no interest, and have no fixed terms of repayment.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	Level	**June 30, 2022**	**September 30, 2021**
		$	**$**
Cash	1	5,332,427	1,006,724
Accounts payable and accrued liabilities	2	109,881	91,080

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

7. CAPITAL DISCLOSURES AND MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its projects. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms, enter into joint venture arrangements, borrow, acquire or dispose of assets.

8. SUBSEQUENT EVENTS

Subsequent to June 30, 2022, 7,899,833 share purchase warrants were exercised for gross proceeds of $845,008.

On August 19, 2020, the Company entered into a non-binding letter of intent ("LOI") to acquire all of the issued and outstanding shares of CAVU Energy Metals Corp. ("CAVU").

Alpha proposes to issue 0.7 Alpha shares for each share of CAVU (the "Exchange Ratio"). The Consideration values CAVU at approximately $0.33 per share, representing a premium of approximately 60.67% to CAVU shareholders, based on the 20-day VWAP of each company as of the close of trading on August 17, 2022. Upon completion of the Transaction, CAVU shareholders will hold approximately 30% of Alpha shares on an outstanding basis.

8. SUBSEQUENT EVENTS (continued)

In addition, it is anticipated that CAVU will appoint a nominee to Alpha's Board of Directors, and CAVU's CEO, Dr. Jaap Verbaas, and VP Exploration, Dr. Luke Bickerton, will assume operational roles with Alpha.

The LOI for the Proposed Transaction includes customary provisions, including an exclusivity period ending on October 31, 2022. The final structure of the Proposed Transaction will be determined by the parties, based upon tax, securities and corporate law considerations, and will be governed by the terms of a definitive and binding agreement governing the Proposed Transaction. Completion of the Proposed Transaction is subject to, among other conditions, satisfactory completion of due diligence, voting support of key shareholders, shareholder approval, and conditional approval by the Canadian Securities Exchange. Both Alpha and CAVU expect to work towards entering into a definitive agreement by September 30, 2022.

It is anticipated that any securities to be issued under the Arrangement will be offered and issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act of 1933 provided by Section 3(a)(10) thereof. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities.