



INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2022

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

NOTICE TO READER

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

The accompanying unaudited condensed interim consolidated financial statements of Infinitum Copper Corp. have been prepared by, and are the responsibility of, the Company's management. The accompanying unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting.

Infinitum Copper Corp.'s independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of condensed interim financial statements by an entity's auditor.

Stephen Robertson
President and CEO

Melinda Hsu, CPA CGA
Chief Financial Officer

Vancouver, Canada
August 18, 2022

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

Contents

	Page
Condensed Interim Consolidated Statements of Financial Position	4
Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss	5
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity	6
Condensed Interim Consolidated Statements of Cash Flows	7
Notes to the Condensed Interim Consolidated Financial Statements	8 - 22

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	Note	June 30, 2022	December 31, 2021
ASSETS		\$	\$
Current assets			
Cash		558,064	2,812,783
Restricted cash	4	28,750	-
GST receivable		16,855	7,098
Prepaid expenses		25,324	40,883
Due from Bayshore Petroleum Corp.	3, 7 (b)	-	89,435
		628,993	2,950,199
Non-current assets			
Exploration and evaluation assets	5	3,247,052	198,334
VAT receivable		187,636	46,423
		3,434,688	244,757
TOTAL ASSETS		4,063,681	3,194,956
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		542,942	141,300
Due to related parties	3, 7 (b)	53,500	-
		596,442	141,300
SHAREHOLDERS' EQUITY			
Share capital	6	8,422,829	4,244,906
Reserves	6	230,701	56,952
Deficit		(5,186,291)	(1,248,202)
		3,467,239	3,053,656
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,063,681	3,194,956

Nature of operations and continuance of operations (Note 1)

Subsequent events (11)

Approved by the Board of Directors:

(Signed) *Mahendra Naik* Director

(Signed) *Garrick Mendham* Director

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

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS
(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	Note	Three months ended		Six months ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		\$	\$	\$	\$
Exploration expenses	5	776,975	23,371	1,105,525	23,371
Administrative expenses					
Accounting and audit		27,234	11,888	48,592	11,888
Consulting	7	87,733	20,370	146,222	83,370
Foreign exchange loss		7,774	1,091	19,024	2,126
Investor relations and travel		151,003	6,546	213,524	6,546
Legal		16,047	-	226,424	-
Listing, filing and regulatory		46,432	20,000	121,029	20,000
Management fees	7	107,500	116,758	200,000	171,258
Office and general expense		24,104	4,314	31,443	4,419
RTO transaction costs		-	-	1,645,022	-
Share-based compensation		156,169	75,000	181,284	75,000
		623,996	255,967	2,832,564	374,607
Net loss for the period		(1,400,971)	(279,338)	(3,938,089)	(397,978)
Other comprehensive income					
Exchange differences on translation to reporting currency		(13,186)	-	(7,535)	-
Total comprehensive loss for the period		(1,414,157)	(279,338)	(3,945,624)	(397,978)
Loss per share, basic and diluted		(0.03)	(0.03)	(0.11)	0.06
Weighted average number of common shares outstanding					
- basic and diluted		40,608,436	10,773,261	36,832,779	6,162,963

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

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	Note	Common Shares		Reserves			Common shares subscribed	Deficit	Total shareholders' equity
		Number of shares	Amount	Foreign exchange reserve	Finder's warrants	Share based compensation			
		#	\$	\$	\$		\$	\$	\$
Balance as at December 31, 2020		1	1	-	-	-	-	-	1
Cancellation of seed share		(1)	(1)	-	-	-	-	-	(1)
Shares issued:									
Asset Purchase Agreement	6(b)	10,000,000	170,277	-	-	-	-	-	170,277
Option agreement	6(b)	533,334	80,000	-	-	-	-	-	80,000
Executive management compensation	6(b)	500,000	75,000	-	-	-	-	-	75,000
Shares subscribed		-	-	-	-	-	1,075,011	-	1,075,011
Net loss for the period		-	-	-	-	-	-	(397,978)	(397,978)
Balance as at June 30, 2021		11,033,334	325,277	-	-	-	1,075,011	(397,978)	1,002,310
Private placements	6(b)	17,305,847	4,089,006	-	-	-	(1,075,011)	-	3,013,995
Share issue costs	6(b)	-	(169,377)	-	49,676	-	49,676	-	(119,701)
Net loss for the year		-	-	-	-	-	-	(850,224)	(850,224)
Other comprehensive income		-	-	7,276	-	-	7,276	-	7,276
Balance as at December 31, 2021		28,339,181	4,244,906	7,276	49,676	-	56,952	(1,248,202)	3,053,656
Shares issued per:									
Reverse takeover ("RTO")*	6(b)	5,766,361	1,485,748	-	-	-	-	-	1,485,748
Shares issued per option agreements	6(b)	6,730,438	2,692,175	-	-	-	-	-	2,692,175
Share-based compensation	6(d)(e)	-	-	-	-	181,284	181,284	-	181,284
Net loss for the year		-	-	-	-	-	-	(3,938,089)	(3,938,089)
Other comprehensive income		-	-	(7,535)	-	-	(7,535)	-	(7,535)
Balance as at June 30, 2022		40,835,980	8,422,829	(259)	49,676	181,284	230,701	(5,186,291)	3,467,239

* 2,051,991 of common shares issued to certain of Bayshore Petroleum Corp. shareholders are in the process of being cancelled.

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

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	Six months ended	
	June 30, 2022	June 30, 2021
	\$	\$
Operating activities		
Net loss for the period	(3,938,089)	(397,978)
Items not affecting cash:		
Disposal of exploration and evaluation assets	1	-
Management fee paid in common shares	-	75,000
Share-based compensation	181,284	-
RTO transaction costs	1,645,022	-
Changes in items of working capital:		
Restricted cash	(28,750)	-
GST receivable	(5,020)	(5,124)
Prepaid expenses	15,559	-
Accounts payable and accrued liabilities	384,692	105,943
Net cash used in operating activities	(1,745,301)	(222,159)
Investing activities		
Cash received from Asset Purchase Agreement	-	170,276
Cash received on the acquisition of BSH	1,394	-
Cash paid in connection with the acquisition of BSH	(10,565)	-
Expenditures on exploration and evaluation assets	(356,544)	(93,333)
VAT receivable	(137,072)	-
Net cash generated from investing activities	(502,787)	76,943
Financing activities		
Repayment of seed share	-	(1)
Common shares subscribed	-	1,075,011
Net cash generated from financing activities	-	1,075,010
Effect of foreign exchange on cash	(6,631)	-
Net increase in cash	(2,254,719)	929,794
Cash - beginning of the period	2,812,783	1
Cash - end of the period	558,064	929,795
Supplemental disclosure with respect to cash flows:		
common share issued pursuant to the RTO transaction	1,485,748	-
Common shares issued pursuant to exploration and evaluation asset acquisitions	2,692,175	-

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

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Infinitum Copper Corp. (formerly Bayshore Petroleum Corp.) (the “Company” or “INFI”) was incorporated in Alberta, Canada under the Business Corporations Act on October 16, 2003 under the name of Bayshore Petroleum Corp. (“Bayshore” or “BSH”). The Company changed its name to Infinitum Copper Corp. on February 18, 2022 and continued into British Columbia on February 25, 2022. The Company’s registered office is located at 1700-1055 Hastings Street West, Vancouver, BC, V6E 2E9.

Infinitum Copper Mining Corp. (formerly Infinitum Copper Corp.) (“Infinitum Copper” or “ICC”) was incorporated on April 21, 2020 under the name of Arabian Shield Resources Inc. and changed its name to Infinitum Copper Corp. on March 18, 2021. The Company is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office is located at 1700-1055 Hastings Street West, Vancouver, BC, V6E 2E9.

On February 25, 2022, BSH completed the acquisition of ICC pursuant to an amalgamation agreement dated June 25, 2021 (and amended on August 27, 2021, October 25, 2021 and February 2, 2022) (the “Transaction”). For accounting purposes, the Transaction constitutes a reverse takeover (“RTO”) (see Note 3).

In connection with the completion of the RTO, BSH changed its name to Infinitum Copper Corp. and ICC changed its name to Infinitum Copper Mining Corp. The Company continues to be a reporting issuer in British Columbia and Alberta, and the Company’s common shares were re-listed on the TSX Venture Exchange (the “Exchange”) under the new symbol “INFI”, effective March 16, 2022. On May 31, 2022, the Company commenced trading on the OTCQB market under the ticker symbol “INUMF”.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets, and to commence profitable operations in the future. To date, the Company has not generated revenues and is considered to be in the exploration stage. There are material uncertainties that cast significant doubt about the appropriateness of the going concern assumption.

A summary of the Company’s working capital and its accumulated deficit is as follows:

	June 30, 2022	December 31, 2021
	\$	\$
Working capital	32,551	2,808,899
Deficit	(5,186,291)	(1,248,202)

Subsequent to June 30, 2022, the Company closed its non-brokered private placement financing for gross proceeds of \$1,139,791 at a price of \$0.20 per unit and settled \$231,351 of accounts payable to shares (see Note 11).

Management’s plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the condensed interim consolidated financial statements of financial position.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS *(Continued)*

These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

Since February 2020, the coronavirus (“COVID-19”) has caused a slowdown in the global economy and volatility in the global financial markets. Continuing rapid spread of COVID-19 may adversely affect the Company’s financial position, results of operations and cash flows in future periods.

In February 2022, Russian military forces invaded Ukraine. The outcome of the conflict is uncertain and is likely to have wide-ranging consequences on the peace and stability of the region and the world economy. The Company does not have operations within Russia or Ukraine and it is not expected that the conflict will directly impact the Company’s operations. However, the long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain and could adversely affect the Company’s business, operation costs, and financial condition including our ability to access capital.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2021, which were prepared in accordance with IFRS as issued by the IASB.

(b) Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed interim consolidated financial statements were approved by the board of directors to issue on August 18, 2022.

In preparing these condensed interim consolidated financial statements, management has made judgments and estimates that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expense. Actual amounts incurred by the Company may differ from these values.

The Company’s accounting policies and significant judgements and estimates applied in these condensed interim consolidated financial statements are consistent with those of the annual consolidated financial statements for the year ended December 31, 2021.

(c) Significant accounting policies and critical accounting estimates

The Company’s significant account policies and critical accounting estimates can be read in Note 3 to ICC’s audited consolidated financial statements as at and for the year ended December 31, 2021.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

2. BASIS OF PREPARATION (Continued)

(d) Basis of consolidation

Subsidiaries

The condensed interim consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (its “subsidiaries”). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases.

The Company’s subsidiaries are:

	% of Ownership	Jurisdiction	Principle Activity
Exploraciones Margaritas, S.A.P.I de C.V.	100%	Mexico	Exploration
Infinitum Copper Mining Corp.	100%	Canada	Exploration

On May 19, 2022, Bayshore Oil Technology Corp., the Company’s 100% owned subsidiary, was voluntarily dissolved.

Inter-company balances and transactions

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

3. REVERSE TAKEOVER TRANSACTION

Effective February 25, 2022, BSH completed its acquisition of ICC and issued 28,339,181 common shares to acquire all of the issued and outstanding common shares of ICC.

For accounting purposes, the Transaction constitutes a reverse takeover, as the shareholders of ICC acquired control of the consolidated entity upon the completion of the Transaction. The reverse takeover does not constitute a business combination under IFRS 3 and is being accounted for as a capital transaction in accordance with IFRS 2, *Share-based payments*. ICC is treated as the accounting parent (legal subsidiary), and BSH is treated as the accounting subsidiary (legal parent) on closing of the Transaction, subject to a deemed issuance of shares and re-capitalization of the Company’s equity.

As ICC was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these condensed interim consolidated financial statements at their historical carrying values. BSH’s results of operations have been included from February 25, 2022, the date of completion of the Transaction.

Pursuant to the terms and conditions of the Transaction, BSH consolidated its common shares on the basis of 20:1 to have 5,918,536 common shares outstanding immediately prior to the closing of the Transaction; of which, issued to certain of BSH’s shareholders, 152,175 common shares were cancelled and 2,051,991 common shares are in the process of being canceled. Thus effectively, upon the cancellation of these shares, ICC will have deemed issued 3,714,370 common shares to acquire BSH.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

3. REVERSE TAKEOVER TRANSACTION (“RTO”) (Continued)

The acquisition of BSH is accounted for as 3,714,370 common shares deemed issued at the fair value of \$0.40 per share to acquire the net identifiable assets and liabilities of BSH. This \$1,485,748 equity consideration is allocated to BSH’s net identifiable assets and liabilities with the residual accounted for as a listing expense on the condensed interim consolidated statement of net loss and comprehensive loss.

Pursuant to the terms of the Transaction, ICC advanced \$100,000 to BSH to pay towards the expenses in connection with the closing of the RTO.

The total purchase price has been allocated as follows:

	\$
Fair value of consideration – 3,714,370 common shares	1,485,748
Amounts advanced to BSH by ICC	100,000
	<u>1,585,748</u>
Identifiable net liabilities of BSH acquired by ICC:	
Cash	1,394
GST receivable	4,737
Accounts payable and accrued liabilities	(65,405)
Total fair value of identifiable net liabilities acquired by ICC	<u>(59,274)</u>
Listing expense	<u>1,645,022</u>

In addition, the Company incurred \$30,000 of filing fees and \$205,515 of legal fees in connection with the reverse takeover Transaction recognized in the condensed interim consolidated statements of net loss and comprehensive loss during the six months ended June 30, 2022.

4. Restricted Cash

The Company has an Electronic Data Interchange (“EDI”) account with a major financial institution. As at June 30, 2022, the financial institution holds \$28,750 in a Guaranteed Investment Certificate (December 31, 2021 - \$Nil) as a collateral on the EDI account.

5. EXPLORATION AND EVALUATION ASSETS (“E&E”)

(a) La Adelita property, Mexico

On February 22, 2021, the Company signed an option agreement (the “Option Agreement”) with Minaurum Gold Inc. (“MGG”) where the Company can option into 80% interest of the La Adelita Property.

Pursuant to the Option Agreement, the Company is required to:

- a) issue 200,000 common shares to the original owner of the La Adelita Property (issued; see Note 6(b));
- b) issue to MGG common shares totaling 16% of its post-initial public offering shares outstanding while raising a minimum of \$4,000,000. (6,105,438 common shares were issued to MGG at a deemed share price of \$0.40 per share on February 25, 2022);

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

5. EXPLORATION AND EVALUATION ASSETS (“E&E”) *(Continued)*

(a) La Adelita property, Mexico *(Continued)*

c) make the following cash payments:

- i. \$50,000 upon signing the Option Agreement (paid);
- ii. \$43,333 reimbursement for the mining taxes (paid);
- iii. \$25,000 by August 22, 2021 (paid); and

d) incur \$3 million in work expenditures over five years (an aggregate total of \$1,479,086 were spent as of June 30, 2022).

Pursuant to the Option Agreement, the Company also made a cash payment of \$100,000 in February 2022 to MGG as the Company extended the timeframe of completing its RTO by six months.

MGG's 20% retained interest will be carried until the Company carries out a total of \$4.75 million in work expenditures, along with completing both a mineral resource calculation, in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects, and a preliminary economic assessment.

The original owner retains a 2% net smelter royalty on the La Adelita Property.

(b) Hot Breccia project, USA

On April 19, 2022, the Company entered into an Assignment and Amending Agreement (the “Agreement”) whereby the Company assumed the rights and obligations of an option agreement to acquire a 100% interest in the Hot Breccia Project in exchange for a cash payment of \$256,544 (US \$203,153) (paid).

To exercise the option agreement, and acquire a 100% interest in the Hot Breccia Project, the Company is required to:

a) make cash payments in the aggregate of \$598,000:

- i. \$123,000 on or before December 6, 2022;
- ii. \$100,000 on or before December 6, 2023;
- iii. \$100,000 on or before December 6, 2024; and
- iv. \$275,000 on or before December 6, 2025

b) issue and deliver an aggregate of 3,125,000 of the Company’s common shares as follows:

- i. 625,000 shares upon the TSX-V approval (issued on May 9, 2022);
- ii. 125,000 shares on December 6, 2022;
- iii. 250,000 shares on December 6, 2023;
- iv. 500,000 shares on December 6, 2024;
- v. 875,000 shares on December 6, 2025; and
- vi. 750,000 shares on December 6, 2026

c) incur exploration expenditures in the aggregate of \$5,500,000 over the period of five years.

(c) Saudi Arabia mining investment license, Saudi Arabia

On March 19, 2021, the Company signed an asset purchase agreement (the “Asset Purchase Agreement”) with Arabian Shield Resources Limited (“ASRL”) whereby the Company issued 10,000,000 common shares to the shareholders of ASRL in exchange for \$170,276 (US\$135,000) and Saudi Arabia Mining Investment License (the “License”) valued at \$1. During the six months ended June 30, 2022, the Company decided to not renew the License and \$1 of the value was written down.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

5. EXPLORATION AND EVALUATION ASSETS (“E&E”) (Continued)

(d) E&E expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are expensed as incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or asset acquisition which are recognized as assets. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the consolidated statement of comprehensive loss.

Exploration and evaluation assets	La Adelita	Hot Breccia	Saudi Arabia	Total
Acquisition costs	\$	\$	\$	\$
Balance, as of January 1, 2021	-	-	-	-
Addition	198,333	-	1	198,334
Balance, as of December 31, 2021	198,333	-	1	198,334
Addition	2,542,175	506,544	-	3,048,719
Disposal	-	-	(1)	(1)
Balance, as of June 30, 2022	2,740,508	506,544	-	3,247,052

A summary of exploration and evaluation expenditures expensed during the three and six months ended June 30, 2022 and 2021 is as follows:

Mineral exploration expenses	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
La Adelita (Mexico)	712,898	23,371	1,041,448	23,371
Hot Breccia (USA)	43,348	-	43,348	-
Saudi Arabia License	20,729	-	20,729	-
Total	776,975	23,371	1,105,525	23,371

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

5. EXPLORATION AND EVALUATION ASSETS (“E&E”) (Continued)

(d) E&E expenditures (Continued)

	La Adelita (Mexico)	Hot Breccia (USA)	Saudi Arabia License	Total
	\$	\$	\$	\$
Mineral exploration expenses for the six months ended June 30, 2021				
Consulting and reporting	23,371	-	-	23,371
Mineral exploration expenses for the six months ended June 30, 2022				
Assay and analyses	122,899	-	-	122,899
Consulting and reporting	14,053	-	-	14,053
Claim, land and license fees	-	8,619	20,729	29,348
Drilling	238,489	-	-	238,489
Equipment rental	25,093	-	-	25,093
Freight and transportation	15,056	-	-	15,056
Geophysical	165,054	-	-	165,054
Mineral taxes	75,229	-	-	75,229
Geology and exploration	385,575	34,729	-	420,304
	1,041,448	43,348	20,729	1,105,525

Cumulative mineral exploration expenses up to June 30, 2022	La Adelita (Mexico)	Hot Breccia (USA)	Saudi Arabia License	Total
	\$	\$	\$	\$
Assay and analyses	148,485	-	-	148,485
Consulting and reporting	37,947	-	-	37,947
Claim and land fees	-	8,619	20,729	29,348
Drilling	238,489	-	-	238,489
Equipment rental	25,093	-	-	25,093
Freight and transportation	15,056	-	-	15,056
Geophysical	165,054	-	-	165,054
Mineral taxes	130,246	-	-	130,246
Surface access	38,900	-	-	38,900
Geology and exploration	666,569	34,729	-	701,298
Other property related expenses	13,247	-	-	13,247
	1,479,086	43,348	20,729	1,543,163

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. SHARE CAPITAL

(a) Authorized

As of June 30, 2022 and December 31, 2021, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances

For the six months ended June 30, 2022

Common shares in connection with RTO

Pursuant to the terms and conditions of the Transaction, BSH consolidated its common shares on a basis of 20:1, so as to have 5,918,536 common shares outstanding immediately prior to closing of the Transaction, of which, issued to certain of BSH's shareholders, 152,175 common shares were cancelled and 2,051,991 common shares are in the process of being canceled. Thus effectively, ICC was deemed to have issued 3,714,370 common shares at \$0.40 per share to acquire net identifiable liabilities of BSH.

Common shares issued to MGG

On February 25, 2022, pursuant to the Option Agreement (Note 5(a)), ICC issued 6,105,438 shares to MGG (equating to 16% of the outstanding shares of ICC on closing of the RTO). Such shares are subject to resale restrictions expiring as to 20% on closing and an additional 20% every three months thereafter over 12 months.

Escrow shares

Following the closing of the RTO on February 25, 2022, ICC had a total of 40,863,155 common shares and 3,285,506 warrants outstanding. The number of common shares will be reduced to 38,158,989 upon the cancelation of 2,204,166 common shares held by certain BSH shareholders.

Of the common shares outstanding, a total of 8,792,602 were issued to "principals" and are subject to surplus escrow, to be released as to 5% on closing, 5% after six months, an additional 10% after 12 and 18 months, an additional 15% after 24 and 30 months, and the remaining 40% after 36 months; a total of 7,150,000 common shares held by non-principals are subject to value escrow, to be released as to 10% on closing and an additional 15% every six months thereafter over 36 months. Also, 39 non-principal shareholders holding an aggregate of 8,533,331 shares are subject to resale restrictions expiring as to 20% on closing and an additional 20% every month thereafter over four months.

Common shares issued in connection with Hot Breccia project

On May 9, 2022, pursuant to the option agreement to acquire a 100% interest in the Hot Breccia project (Note 5(b)), the Company issued 625,000 shares to the Optionors at a deemed market value of \$0.40 per share for a total of \$250,000.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. SHARE CAPITAL *(Continued)*

(b) Share issuances *(Continued)*

For the year ended December 31, 2021

On March 19, 2021, the Company issued 10,000,000 common shares at a value of \$170,277 pursuant to the Asset Purchase Agreement (Note 4(b)).

On April 6, 2021, the Company issued 200,000 common shares at a value of \$30,000 pursuant to the Option Agreement (Note 4(a)).

On April 6, 2021, the Company issued 333,334 common shares at a value of \$50,000 as a finder's fee to a director for his effort in locating the La Adelita property.

On May 13, 2021, the Company issued 500,000 common shares to its Chief Executive Officer at a value of \$75,000 pursuant to the Executive Management Agreement dated May 13, 2021.

On July 5, 2021, the Company completed a non-brokered private placement by issuing 7,600,070 common shares at a price of \$0.15 per common share for gross proceeds of \$1,140,011.

On July 15, 2021, the Company completed another non-brokered private placement by issuing 3,733,263 common shares at a price of \$0.15 per common share for gross proceeds of \$559,989.

On September 20, 2021, the Company completed the first tranche of a non-brokered private placement by issuing 1,087,500 units ("Units") at a price of \$0.40 per Unit for gross proceeds of \$435,000. Each Unit consists of one common share and one-half of one warrant. Each whole warrant is exercisable into a common share at \$0.60 for two years until September 20, 2023. In connection of this first tranche of the private placement, the Company paid \$6,650 cash finder's fees and issued 16,625 finder's warrants, whereby each finder's warrant is exercisable into a common share at \$0.60 until September 20, 2023.

On September 24, 2021, the Company completed the second tranche of the private placement by issuing 2,487,500 Units at a price of \$0.40 per Unit for gross proceeds of \$995,000. The warrants associated with this tranche expire on September 24, 2023. In connection of this second tranche, the Company paid \$69,650 cash finder's fees and issued 174,125 finder's warrants, whereby each finder's warrant is exercisable into a common share at \$0.60 until September 24, 2023.

On October 7, 2021, the Company completed the third tranche of the private placement by issuing 2,072,500 Units at a price of \$0.40 per Unit for gross proceeds of \$829,000. The warrants associated with this tranche expire on October 7, 2023. In connection of this third tranche, the Company paid \$37,590 cash finder's fees and issued 93,975 finder's warrants, whereby each finder's warrant is exercisable into a common share at \$0.60 until October 7, 2023.

On October 25, 2021, the Company completed the fourth tranche of the private placement by issuing 325,014 Units at a price of \$0.40 per Unit for gross proceeds of \$130,006. The warrants associated with this tranche expire on October 25, 2023. In connection of this fourth tranche, the Company paid \$5,810 cash finder's fees and issued 14,525 finder's warrants, whereby each finder's warrant is exercisable into a common share at \$0.60 until October 25, 2023.

As such, the total issued and outstanding number of the Company's common shares was 28,339,181 as of December 31, 2021.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. SHARE CAPITAL (Continued)

(c) New equity incentive plan

On March 14, 2022, the Board of Directors of ICC approved the adoption of a new equity incentive plan (the "New Plan") based on the new share-based compensation policy adopted by the TSXV. The New Plan is a 10% rolling plan for purposes of TSXV rules and contemplates the award of additional share-based compensation beyond stock options, including Deferred Share Units, Restricted Share Units, Performance Share Units, Share Appreciation Rights and Stock Purchase Rights. The New Plan is subject to the approval of the TSXV and the Company's shareholders. ICC plans to submit the New Plan for approval by its shareholders at its next annual general meeting.

(d) Deferred share units ("DSUs") and restricted share units ("RSUs")

During the six months ended June 30, 2022, the Company granted an aggregate of 975,000 DSUs (2021 - None) to the Company's directors and 600,000 RSUs (2021 - None) to certain officers and advisors of the Company in accordance with the New Plan. The DSUs vest 24 months and RSUs vest 36 months plus one day from the grant date. Upon vesting, the DSUs and RSUs will be payable in common shares, or the cash equivalent, or any combination of common shares and cash, as determined by the Company.

The compensation expense was calculated using the fair value method based on the trading price of the Company's shares on the grant date. As such, these DSUs and RSUs were valued at \$0.40 per units and during the six months ended June 30, 2022, the Company recorded share-based compensation of \$56,553 (2021 - \$Nil) in connection with DSUs and \$21,224 (2021 - \$Nil) in connection with RSUs.

(e) Stock options

During the six months ended June 30, 2022, the Company granted an aggregate of 2,075,000 stock options to purchase common shares in the Company to certain directors, officers, employees, consultants, and advisors of the Company in accordance with the Company's New Plan. The stock options are exercisable at a price of \$0.40 per common share for a term of five years, vesting over 36 months with 1/3 every 12 months.

The fair value of each option granted was estimated on the date of grant using the Black-Scholes pricing model. The weighted average fair value of options granted during six months ended June 30, 2022 was estimated at \$0.29 and the Company recorded \$103,507 of the share-based compensation for the six months ended June 30, 2022 (2021 - \$Nil).

The continuity of options for the six months ended June 30, 2022 and the year ended December 31, 2021 is as follows:

	Number of Options	Weighted average exercise price	Weighted average remaining life
	#	\$	years
Balance, December 31, 2021 and 2020	-	-	-
Granted:			
Expiry date: March 16, 2027	1,975,000	0.40	4.71
Expiry date: May 9, 2027	100,000	0.40	4.86
Balance, June 30, 2022	2,075,000	0.40	4.72

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. SHARE CAPITAL (Continued)

(f) Warrants

During the six months ended June 30, 2022, there were no warrants granted, exercised and expired. The continuity of warrants for the six months ended June 30, 2022 and the year ended December 31, 2021 is as follows:

Expiry date	Exercise price	December 31, 2020	Issued	Exercised	Expired	December 31, 2021 and June 30, 2022
	\$	#	#	#	#	#
September 20, 2023	0.60	-	543,750	-	-	543,750
September 24, 2023	0.60	-	1,243,750	-	-	1,243,750
October 7, 2023	0.60	-	1,036,250	-	-	1,036,250
October 25, 2023	0.60	-	162,506	-	-	162,506
Warrants outstanding		-	2,986,256	-	-	2,986,256
Weighted average exercise price	\$	-	\$ 0.60	\$	-	\$ 0.60

As of June 30, 2022, the weighted average contractual remaining life of warrants is 1.25 (December 31, 2021 – 1.73 years).

(g) Finder's warrants

During the six months ended June 30, 2022, there were no finder's warrants granted, exercised and expired. The continuity of finder's warrants for the six months ended June 30, 2022 and the year ended December 31, 2021 is as follows:

Expiry date	Exercise price	December 31, 2020	Issued	Exercised	Expired	December 31, 2021 and June 30, 2022
	\$	#	#	#	#	#
September 20, 2023	0.60	-	16,625	-	-	16,625
September 24, 2023	0.60	-	174,125	-	-	174,125
October 7, 2023	0.60	-	93,975	-	-	93,975
October 25, 2023	0.60	-	14,525	-	-	14,525
Finder's warrants outstanding		-	299,250	-	-	299,250
Weighted average exercise price	\$	-	\$ 0.60	\$	-	\$ 0.60

As of June 30, 2022, the weighted average contractual remaining life of warrants is 1.25 (December 31, 2021 – 1.73 years).

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. SHARE CAPITAL (Continued)

(h) Fair value assumptions

The fair value of each option and warrants granted was estimated on the date of grant using the Black-Scholes pricing model. The Company estimated the volatility of the underlying common shares by analyzing the Company's volatility as well as the volatility of peer group public companies with similar corporate structure, E&E assets and size.

The weighted average assumptions used to estimate the fair value of options granted during the six months ended June 30, 2022 and finder's warrants granted for the year ended December 31, 2021 with the following weighted average assumptions:

Weighted average:	2022	2021
Risk-free interest rate	2.06%	0.49%
Expected life (in years)	5.0	2.0
Annualized volatility	93%	98%
Share price (\$)	\$0.40	\$0.40
Exercise price (\$)	\$0.40	\$0.60
Fair value of options granted (\$)	\$0.29	\$0.17
Forfeiture rate and dividend rate	-	-

7. RELATED PARTY TRANSACTIONS

(a) Key management compensation

Key management includes the Company's directors and senior management. During the three and six months ended June 30, 2022 and 2021, the following compensation and benefit were paid to or accrued for the key management personnel and entities over which they have control or significant influence:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Senior management remuneration ⁽¹⁾	107,500	116,758	200,000	171,258
Consulting fees ⁽²⁾	19,344	15,000	34,344	78,000
Share-based compensation ⁽³⁾	95,418	125,000	110,518	125,000
	222,262	256,758	344,862	374,258

(1) of which \$145,000 (2021 - \$82,258) was paid to a private company controlled by the Company's chief executive officer (the "CEO"), \$30,000 (2021 - \$45,000) was paid to a private company controlled by the Company's prior chief financial officer (the "CFO") and \$25,000 (2021 - \$Nil) was paid to a private company controlled by the Company's CFO. In 2021, the Company also paid \$44,000 to the prior CEO.

(2) of which \$30,000 (2021 - \$78,000) of consulting and rent paid to a private company related to certain directors and \$4,344 (2021 - \$Nil) of consulting fees paid to a director.

(3) fair value assigned to granted options, DSUs and RSUs during the three and six months ended June 30, 2022. During the three and six months ended June 30, 2021, the CEO received 500,000 of the Company's common shares pursuant to the Executive Management Agreement and a prior director received 333,334 of the Company's common shares as a finder's fee of La Adelita project (Note 6(b)).

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

7. RELATED PARTY TRANSACTIONS (Continued)

(b) Due from (to) related parties

Due from Bayshore Petroleum Corp.

Pursuant to the Amalgamation Agreement with BSH (see Notes 1 and 3), ICC advanced \$100,000 as of June 30, 2022 (December 31, 2021 - \$89,435) as at to pay towards the expenses of BSH in connection with the closing of the Transaction. As of June 30, 2022, this amount is included within the intercompany loans of ICC and BSH.

Due to related parties

Pursuant to the Amalgamation Agreement (see Notes 1 and 3), certain shareholders of BSH were permitted to retain loans of \$53,500 under certain terms and conditions. These amounts are included in accounts payable and accrued liabilities as of June 30, 2022.

(c) Vancouver Office

The Company, Cassiar Gold Corp. (“Cassiar”) and Reyna Silver Corp. have certain directors in common. These companies have shared office space and certain office expenditures since June 1, 2022. During the three and six months ended June 30, 2022, the Company paid to Cassiar \$3,282 (2021 - \$Nil) of rent and \$4,899 of office furniture and other expenses.

8. SEGMENTED FINANCIAL INFORMATION

The Company operates in two industry segments, being the acquisition and exploration of mineral properties (Note 5). Geographic information is as follows:

	June 30, 2022	December 31, 2021
Balance as at	\$	\$
Non-current assets		
Mexico	2,928,144	244,756
USA	506,544	-
Saudi Arabia	-	1
	3,434,688	244,757

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company’s financial instruments are exposed to certain financial risks, including credit risk, interest rate risk and liquidity risk.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

(a) 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 bank accounts. The Company's bank accounts are held with major banks in Canada and Mexico; accordingly, the Company believes it is not exposed to significant credit risk.

(b) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As of June 30, 2022, the Company had a cash balance of \$558,064 (December 31, 2021 - \$2,812,783) to settle current liabilities of \$596,442 (December 31, 2021 - \$141,300).

(d) Currency risk

The Company's property interest in Mexico makes it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Mexican pesos. The Company does not invest in foreign currency contracts to mitigate the risks. The Company has net monetary assets of approximately 2,325,000 Mexican pesos as of June 30, 2022. A 1% change in the absolute rate of exchange in Mexican pesos would affect its net loss by approximately \$3,812.

(e) Fair value measurement

IFRS 7 establishes financial assets and liabilities that are recognized on the balance sheet at fair value can be classified in a hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial assets measured at fair value.

10. CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

INFINITUM COPPER CORP.

(Formerly Bayshore Petroleum Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

11. SUBSEQUENT EVENTS

(a) Private placement

Subsequent to June 30, 2022, the Company closed its non-brokered private placement financing with an aggregate total of 5,698,953 units issued for gross proceeds of \$1,139,791. Each unit consisted of one common share of the Company and one transferable common share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at a price of \$0.45.

In connection with this financing, the Company paid finders’ fee consists of cash fee in the aggregate of \$37,100 and an aggregate of 185,500 non-transferable share purchase warrants (“Compensation Warrants”). Each Compensation Warrant entitles the holder to purchase of one common share for a period of two years from closing at a price of \$0.20.

(b) Shares for debt settlement

Subsequent to June 30, 2022, the Company entered into a share for debt settlement agreement with an arm’s length contractor, pursuant to which the Company issued 1,156,770 common shares at a deemed value of \$0.20 per share in full satisfaction of drilling expenses of \$231,354 (US \$180,000).