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

**FORM 10-Q**

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

For the quarterly period ended September 30, 2024

OR

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

For the transition period from to

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Commission file number: 333-150028

**BUNKER HILL MINING CORP.**

(Exact Name of Registrant as Specified in its Charter)

**NEVADA**

(State of other jurisdiction  
of incorporation or organization)

**32-0196442**

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

**300-1055 West Hastings Street  
Vancouver, British Columbia, Canada**

(Address of Principal Executive Offices)

**V6E 2E9**

(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 ("Exchange Act") 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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes  No   
to this Form 10-Q.

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 definition 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

Indicate by check mark whether the Registrant is a shell company, as defined in Rule 12b-2 of the Exchange Act. Yes  No

Number of shares of Common Stock outstanding as of November 7, 2024: 349,677,625

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## Reporting Currency and Other Information

All amounts in this report are expressed in United States (“U.S.”) dollars, unless otherwise indicated.

References to “Bunker Hill”, the “Company,” the “Registrant”, “we,” “our,” and “us” mean Bunker Hill Mining Corp., a Nevada corporation, our predecessors, and consolidated subsidiary, or any one or more of them, as the context requires.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Quarterly Report”), including “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” in Item 2 of Part I of this report, contains “forward-looking statements” within the meaning of the Securities Act of 1933, as amended (the “Securities Act”) and the Securities Exchange Act of 1934, as amended (the “Exchange Act”), 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 Quarterly Report. Forward-looking statements in this Quarterly Report include, but are not limited to, statements regarding the following:

- our business, prospects, and overall strategy;
- progress in the development of our Bunker Hill Mine (as defined below) and the timing of that progress;
- planned or estimated expenses and capital expenditures, including the Bunker Hill Mine’s expected costs of construction and operation and the sources of funds to pay for such costs;
- availability of liquidity and capital resources;
- our ability to achieve the full amount of funding support from the Monetary Metals & Co. and Sprott Private Resource Streaming & Royalty Corp.;
- our ability to secure additional funding, in addition to the previously received funding or any further initiatives or advancements that may be undertaken relating to the Bunker Hill Mine;
- our business, prospects, and overall strategy;

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 include:

- our lead concentrate offtake agreement may not be reached, which could result in less favorable commercial terms for the sale of concentrates;
- we may not be able to secure or close offtake financing, which could have an adverse effect on the Company’s financial position and a negative impact the Company’s ability to secure additional funding from Sprott or an alternative capital provider;
- 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, which would impact our ability to commence operations or continue operations of the Bunker Hill Mine;
- payment bonds securing the EPA cost recovery costs may not be renewed or not be renewable on acceptable terms;
- the Company has a history of losses and expects to 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 Company's development and production plans, and cost estimates, in the our 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 significant governmental regulations that affect our current and planned operations;
- our ability to obtain required permits and licenses to place our Bunker Hill Mine into production;
- our activities are subject to environmental laws and regulations that may increase its costs of doing business and restrict its operations;
- regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on the Company's business;
- land reclamation requirements for the Company's properties may be burdensome and expensive;
- 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;
- metal prices are highly volatile and can impact our ability to profitably operate;
- a shortage of equipment and supplies could adversely affect our ability to operate its business;
- joint ventures and other partnerships, including offtake arrangements, may expose the Company to risks;
- the Company may experience difficulty attracting and retaining qualified management to meet the needs of its anticipated growth, and the failure to manage its growth effectively could have a material adverse effect on our business and financial condition.;
- title to the Company's properties may be subject to other claims that could affect its property rights and claims;
- the Company may be unable to secure surface access or purchase required surface rights;
- the Company's properties and operations are subject to litigation claims, including the current Crescent Mine litigation;
- 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 is thinly traded and the price can be volatile and as a result, investors could lose all or part of their investment;
- the Company's common stock is currently deemed a "penny stock", which may make it more difficult for investors to sell their shares;
- 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 stock options or other stock-based compensation or if the Company sells additional shares of common stock and/or warrants to finance its operations;
- the issuance of additional shares of common stock may negatively impact the trading price of the Company's securities;
- risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2023; 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 Quarterly Report by the foregoing cautionary statements.** We advise you to carefully review the reports and documents we file from time to time with the U.S. Securities and Exchange Commission (the “SEC”) and with the Canadian securities regulatory authorities, particularly our Annual Report on Form 10-K for the year ended December 31, 2023. The reports and documents filed by us with the SEC are available at [www.sec.gov](http://www.sec.gov) and with the Canadian securities regulatory authorities under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## PART I – FINANCIAL INFORMATION

### Item 1. Financial Statements

The condensed interim consolidated financial statements of Bunker Hill Mining Corp., (“Bunker Hill”, the “Company”, or the “Registrant”) a Nevada corporation, included herein were prepared, without audit, pursuant to rules and regulations of the Securities and Exchange Commission. Because certain information and notes normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“U.S.”) were condensed or omitted pursuant to such rules and regulations, these financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company’s Form 10-K for the year ended December 31, 2023, and all amendments thereto.

**Bunker Hill Mining Corp.**  
**Condensed Interim Consolidated Balance Sheets**  
**(Expressed in United States Dollars)**  
**Unaudited**

	<b>September 30, 2024</b>	<b>December 31, 2023</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 7,381,441	\$ 20,102,596
Restricted cash (note 8)	4,475,000	6,476,000
Asset held for sale (note 5)	40,000	-
Accounts receivable and prepaid expenses (note 3)	747,910	598,401
<b>Total current assets</b>	<b>12,644,351</b>	<b>27,176,997</b>
<b>Non-current assets</b>		
Spare parts inventory (note 5)	341,004	341,004
Long term deposit	254,106	249,265
Equipment (note 4)	1,472,769	946,661
Right-of-use asset (note 4)	520,026	625,022
Land	309,861	-
Bunker Hill Mine and mining interests (note 6)	17,838,402	15,198,259
Process plant (note 5)	48,354,054	17,452,470
<b>Total assets</b>	<b>\$ 81,734,573</b>	<b>\$ 61,989,678</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable (note 16)	\$ 12,791,419	\$ 1,788,950
Accrued liabilities	1,898,236	1,225,525

Current portion of lease liability (note 7)	27,452	353,526
Deferred share units liability (note 12)	1,012,624	569,327
Environment protection agency cost recovery payable (note 8)	3,000,000	3,000,000
Current portion of stream debenture (note 9)	4,220,081	-
Interest payable (note 9)	534,998	534,998
<b>Total current liabilities</b>	<b>23,484,810</b>	<b>7,472,326</b>
<b>Non-current liabilities</b>		
Lease liability (note 7)	-	71,808
Series 1 convertible debenture (note 9)	5,253,730	5,244,757
Series 2 convertible debenture (note 9)	13,329,073	13,458,570
Stream debenture (note 9)	50,331,719	51,138,000
Silver Loan (note 9)	22,851,286	-
Environment protection agency cost recovery liability, net of discount (note 8)	8,015,513	6,574,140
Deferred tax liability (note 14)	935,028	2,588,590
Derivative warrant liability (note 10)	1,513,387	1,808,649
<b>Total liabilities</b>	<b>125,714,546</b>	<b>88,356,840</b>
<b>Shareholders' Deficiency</b>		
Preferred shares, \$0.000001 par value, 10,000,000 preferred shares authorized; nil preferred shares issued and outstanding (note 10)	-	-
Common shares, \$0.000001 par value, 1,500,000,000 common shares authorized; 343,752,625 and 322,661,482 common shares issued and outstanding, respectively (note 10)	342	321
Additional paid-in-capital (note 10)	60,351,625	57,848,953
Accumulated other comprehensive income	(1,743,430)	808,662
Accumulated deficit	(102,588,510)	(85,025,098)
<b>Total shareholders' deficiency</b>	<b>(43,979,973)</b>	<b>(26,367,162)</b>
<b>Total shareholders' deficiency and liabilities</b>	<b>\$ 81,734,573</b>	<b>\$ 61,989,678</b>

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

**Bunker Hill Mining Corp.**  
**Condensed Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income**  
**(Expressed in United States Dollars)**  
**Unaudited**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30	
	2024	2023	2024	2023
<b>Operating expenses (note 15)</b>	<b>\$ (3,434,359)</b>	<b>\$ (2,771,722)</b>	<b>\$ (11,372,104)</b>	<b>\$ (8,294,183)</b>
<b>Other income or gain (expense or loss)</b>				
Interest income	118,384	476,397	574,095	707,530
Change in derivative liabilities (note 10)	1,009,100	8,531,630	393,755	(488,357)
Loss on foreign exchange	(6,098)	(18,622)	(10,148)	(22,101)

(Loss) gain on FV of debentures (note 9)	(144,193)	2,450,968	(799,688)	2,256,437
Gain on debt settlement (note 6)	-	-	-	7,117,420
Gain on warrant settlement	-	-	-	214,714
Loss on FV of Silver Loan (note 9)	(2,109,601)	-	(2,109,601)	-
(Loss) gain on stream debentures (note 9)	(1,793,800)	-	737,200	-
Interest expense (note 7,8,9)	(1,851,810)	(2,293,643)	(6,112,413)	(5,006,692)
Financing costs (note 9)	(589,142)	170,771	(589,142)	(930,110)
Other (loss) income	-	(919)	694	23,520
Gain (loss) on debt modification (note 9)	1,308,062	-	1,308,062	(99,569)
Loss on debt settlement (note 9)	(109,539)	-	(312,864)	(491,643)
Loss on sale of equipment (note 5)	(924,820)	-	(924,820)	-
<b>(Loss) income for the period pre tax</b>	<b>\$ (8,527,816)</b>	<b>\$ 6,544,860</b>	<b>\$ (19,216,974)</b>	<b>\$ (5,013,034)</b>
Deferred tax recovery (expense) (note 14)	448,844	903,000	1,653,562	(2,605,741)
<b>(Loss) income for the period</b>	<b>\$ (8,078,972)</b>	<b>\$ 7,447,860</b>	<b>\$ (17,563,412)</b>	<b>\$ (7,618,775)</b>

**Other comprehensive (loss) income, net of tax:**

(Loss) gain on change in FV on own credit risk	(3,316,226)	68,738	(2,552,092)	502,335
<b>Other comprehensive (loss) income</b>	<b>(3,316,226)</b>	<b>68,738</b>	<b>(2,552,092)</b>	<b>502,335</b>
<b>Comprehensive (loss) income</b>	<b>\$ (11,395,198)</b>	<b>\$ 7,516,598</b>	<b>\$ (20,115,504)</b>	<b>\$ (7,116,440)</b>

Net (loss) income per common share – basic	\$ (0.02)	\$ 0.02	\$ (0.05)	\$ (0.03)
Net (loss) income per common share – fully diluted	\$ (0.02)	\$ 0.01	\$ (0.05)	\$ (0.03)
Weighted average common shares – basic	343,347,981	303,974,814	337,207,656	266,313,125
Weighted average common shares – fully diluted	<u>343,347,981</u>	<u>415,044,889</u>	<u>337,207,656</u>	<u>266,313,125</u>

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

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

	<b>Nine Months Ended September 30, 2024</b>	<b>Nine Months Ended September 30, 2023</b>
<b>Operating activities</b>		
Net loss for the period	\$ (17,563,412)	\$ (7,618,775)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation (note 10, 11, 12)	1,235,843	1,131,965

Depreciation expense (note 4)	281,421	126,425
Change in fair value of derivative liabilities	(393,755)	488,357
Change in fair value of silver loan	2,109,601	-
Deferred tax (recovery) expense	(1,653,562)	2,605,741
Financing costs	98,493	-
(Gain) on warrant extinguishment	-	(214,714)
Units issued for services	-	111,971
Interest expense on lease liability (note 7)	43,395	5,384
Loss on sale of equipment (note 5)	924,820	-
Loss on debt settlement	312,864	491,643
Gain on stream debenture	(737,200)	-
(Gain) loss on debt modification	(1,308,062)	99,569
Accretion of liabilities (note 8 & 9)	4,548,881	2,597,487
Loss (gain) on fair value of debentures (note 9)	799,688	(2,256,437)
Gain on debt settlement	-	(7,117,420)
Changes in operating assets and liabilities:		
Accounts receivable and prepaid expenses	(154,350)	(113,184)
Accounts payable	381,631	(1,393,749)
Accrued liabilities	(50,932)	(101,498)
Interest payable	1,520,138	1,593,181
<b>Net cash used in operating activities</b>	<b>(9,604,498)</b>	<b>(9,564,054)</b>
<b>Investing activities</b>		
Process plant	(19,714,783)	(5,818,688)
Mine development	(2,541,423)	(1,094,037)
Purchase of land	(309,861)	-
Purchase of machinery and equipment	(659,704)	(219,751)
<b>Net cash used in investing activities</b>	<b>(23,225,771)</b>	<b>(7,132,476)</b>
<b>Financing activities</b>		
Proceeds from silver loan	18,577,443	-
Proceeds from stream obligation	-	46,000,000
Transaction costs stream obligation	-	(740,956)
Proceeds from issuance of special warrants	-	3,661,822
Proceeds from warrants exercise	-	837,459
Proceeds from promissory note	-	390,000
Repayment of bridge loan	-	(5,000,000)
Repayment of promissory notes	-	(654,315)
Lease payments	(469,329)	(145,090)
<b>Net cash provided by financing activities</b>	<b>18,108,114</b>	<b>44,348,920</b>
<b>Net change in cash</b>	<b>(14,722,155)</b>	<b>27,652,390</b>
<b>Cash and restricted cash, beginning of period</b>	<b>26,578,596</b>	<b>7,184,105</b>
<b>Cash and restricted cash, end of period</b>	<b>\$ 11,856,441</b>	<b>\$ 34,836,495</b>
<b>Supplemental disclosures</b>		
Cash interest paid	\$ -	\$ 322,708
Non-cash activities		
Accounts payable, accrued liabilities, and promissory notes settled with special warrants issuance	\$ -	\$ 874,198
Interest payable settled with common shares	\$ 1,520,120	\$ 2,039,282
Reconciliation from Cash Flow Statement to Balance Sheet:		
Cash and restricted cash end of period	\$ 11,856,441	\$ 34,836,495
Less restricted cash	4,475,000	6,476,000



Cash end of period \$ 7,381,441 \$ 28,360,495

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

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

	<u>Common stock</u>		<u>Additional</u>	<u>Accumulated</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>paid-in-</u>	<u>other</u>	<u>deficit</u>	
			<u>capital</u>	<u>comprehensive</u>		
				<u>income</u>		
<b>Balance, December 31, 2023</b>	<b>322,661,482</b>	<b>\$ 321</b>	<b>\$57,848,953</b>	<b>\$ 808,662</b>	<b>\$ (85,025,098)</b>	<b>\$(26,367,162)</b>
Stock-based compensation	-	-	669,691	-	-	669,691
Shares issued for interest payable	18,444,707	18	1,832,984	-	-	1,833,002
Shares issued for RSUs vested	2,646,436	3	(3)	-	-	-
OCI	-	-	-	(2,552,092)	-	(2,552,092)
Net (loss) for the period	-	-	-	-	(17,563,412)	(17,563,412)
<b>Balance, September 30, 2024</b>	<b>343,752,625</b>	<b>\$ 342</b>	<b>\$60,351,625</b>	<b>\$ (1,743,430)</b>	<b>\$(102,588,510)</b>	<b>\$(43,979,973)</b>
<b>Balance, December 31, 2022</b>	<b>229,501,661</b>	<b>\$ 228</b>	<b>\$45,161,513</b>	<b>\$ 253,875</b>	<b>\$ (71,592,559)</b>	<b>\$(26,176,943)</b>
Stock-based compensation			1,348,851	-	-	1,348,851
Compensation options			111,971	-	-	111,971
Shares issued for RSUs vested	5,767,218	6	(6)	-	-	-
Shares issued for interest payable	20,125,209	20	2,308,171	-	-	2,308,191
Shares issued for warrant exercise	10,416,667	10	907,080	-	-	907,090
Special warrant shares issued for \$0.15 CAD	51,633,727	52	7,425,325	-	-	7,425,377
OCI	-	-	-	502,335	-	502,335
Net (loss) for the period	-	-	-	-	(7,618,775)	(7,618,775)
<b>Balance, September 30, 2023</b>	<b>317,444,482</b>	<b>\$ 316</b>	<b>\$57,262,905</b>	<b>\$ 756,210</b>	<b>\$ (79,211,334)</b>	<b>\$(21,191,903)</b>

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

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**Bunker Hill Mining Corp.**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**Three and Nine Months Ended September 30, 2024**

**(Expressed in United States Dollars)**

## **1. Nature and Continuance 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 head 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, which 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 mill facilities and upgrades to the historic underground infrastructure as well as further delineating our mineral resources.

## **2. Significant Accounting Policies**

### **Basis of Presentation**

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information and footnotes necessary for a comprehensive presentation of financial position, results of operations, shareholders’ deficiency, or cash flows. It is management’s opinion, however, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s Annual Report on Form 10-K, which contains the annual audited consolidated financial statements and notes thereto, together with the Management’s Discussion and Analysis, for the year ended December 31, 2023. The interim results for the periods ended September 30, 2024, are not necessarily indicative of the results for the full fiscal year. The unaudited condensed interim consolidated financial statements are presented in United States dollars, which is the Company’s functional currency.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes for items such as mineral reserves, useful lives and depreciation methods, potential impairment of long-lived assets, sale of mineral properties for the accounting of the conversion of the royalty convertible debenture (the “RCD”), deferred income taxes, settlement pricing of commodity sales, fair value of stock based compensation, accrued liabilities, estimation of asset retirement obligations and reclamation liabilities, convertible debentures, stream obligation, and warrants. Estimates are based on historical experience and various other assumptions that the Company believes to be reasonable. Actual results could differ from those estimates.

## **3. Accounts receivable and prepaid expenses**

Accounts receivable and prepaid expenses consists of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Prepaid expenses and deposits	\$ 529,955	\$ 382,198
HST and interest receivable	157,955	121,621
Environment protection agency overpayment (note 8)	<u>60,000</u>	<u>94,582</u>
Total	<u>\$ 747,910</u>	<u>\$ 598,401</u>

#### 4. Equipment, Right-of-Use Asset

Equipment consists of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Equipment	\$ 2,134,857	\$ 1,460,375
Less accumulated depreciation	<u>(662,088)</u>	<u>(513,714)</u>
Equipment, net	<u>\$ 1,472,769</u>	<u>\$ 946,661</u>

The total depreciation expense relating to equipment during the three and nine months ended September 30, 2024, was \$51,416 and \$148,373, respectively. Compared to the three and nine months ended September 30, 2023, was \$30,344 and \$106,769, respectively.

Right-of-use asset consists of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Right-of-use asset	698,860	670,808
Less accumulated depreciation	<u>(178,834)</u>	<u>(45,786)</u>
Right-of-use asset, net	<u>\$ 520,026</u>	<u>\$ 625,022</u>

The total depreciation expense during the three and nine months ended September 30, 2024, was \$44,349 and \$133,048, respectively. Compared to the three and nine months ended September 30, 2023, was \$6,887 and \$19,656 respectively.

#### 5. Process Plant

On May 13, 2022, the Company purchased a comprehensive package of equipment and parts inventory from Teck Resources Limited (“Teck”). The package comprises 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, conveyer, 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 reassembling it as an integral part of the Company's future operations. The Company determined that the transaction should 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 has been separated out and appears on the condensed interim consolidated balance sheets as a non-current asset in accordance with a purchase price allocation. As the plant is demobilized, transported and reassembled, installation and other costs associated with these activities is being captured and capitalized as components of the asset.

Process plant consists of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Mill purchase, detailed engineering, and construction costs	48,061,975	17,219,063
Capitalized interest (note 9)	1,276,899	233,407
Disposal of Grinding Circuits	(984,820)	-
Process Plant	<u>\$ 48,354,054</u>	<u>\$ 17,452,470</u>

In August 2024, the Company sold a Grinding Circuit previously purchased from Teck Resource Limited 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 held for sale and recognized a loss on sale of equipment of \$616,547 on the condensed interim consolidated statement of loss and comprehensive loss.

## 6. 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>September 30, 2024</u>	<u>December 31, 2023</u>
Bunker Hill Mine purchase	\$ 14,247,210	\$ 14,247,210
Capitalized development	5,029,262	2,722,889
Sale of mineral properties (note 9)	(1,973,840)	(1,973,840)
Land	202,000	202,000
Definition drilling	333,770	-
Bunker Hill Mine	<u>\$ 17,838,402</u>	<u>\$ 15,198,259</u>

### *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.

During the nine months ended September 30, 2023, the Company entered into a lease agreement with C & E Tree Farm LLC 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.

## 7. Lease Liability

As of September 30, 2024, The Company's undiscounted lease obligations consisted of the following:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Gross lease obligation – minimum lease payments		
1 year	\$ 29,423	\$ 393,673
2- 3 years	-	73,588
4-5 years	-	-
Future interest expense on lease obligations	(1,972)	(41,927)
Total lease liability	27,451	425,334
Current lease liability	27,452	353,526
Non-current lease liability	-	71,808
Total lease liability	27,452	425,334

Interest expense for the three and nine months ended September 30, 2024, was \$2,396 and \$43,395, respectively. Compared to the three and nine months ended September 30, 2023, was \$304 and \$5,384, respectively.

## 8. Environmental Protection Agency and Water Treatment Liabilities (“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 will be paid by the Company to the EPA on the following dates:

<b>Date</b>	<b>Amount</b>
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 \$17,000,000 of financial assurance in the form of performance bonds or letters of credit deemed acceptable to the EPA.

As of September 30, 2024, the Company had two payment bonds of \$9,999,000 and \$7,000,000 in place to secure this liability (as of December 31, 2023, the Company had two payment bonds of \$9,999,000 and \$5,000,000, and a \$2,001,000 letter of credit, in place to secure this liability). The collateral for the payment bonds is comprised of two letters of credit of \$4,475,000 in aggregate, as well as land pledged by third parties with whom the company has entered into a financing cooperation agreement that contemplates a monthly fee of \$20,000 (payable in cash or common shares of the Company, at the Company's election). The letters of credit of \$4,475,000 in aggregate are

secured by cash deposits under an agreement with a commercial bank, which comprise the \$4,475,000 of restricted cash shown within current assets as of September 30, 2024, compared to \$6,476,000 as of December 31, 2023.

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.

The Company recorded accretion expense on the liability of \$508,712 and \$1,441,373 for the three and nine months ended September 30, 2024, respectively, bringing the net liability to \$11,015,513 (previously accrued interest of \$154,743) as of September 30, 2024. The Company recorded accretion expense on the liability of \$420,518 and \$1,191,487 for the three and nine months ended September 30, 2023, respectively.

#### *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 Idaho Department of Environmental Quality (“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 September 30, 2024, a prepaid expense of \$60,000 (December 31, 2023: \$94,582) represented 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 condensed interim consolidated balance sheets as accounts receivable and prepaid expenses.

### **9. Promissory Notes Payable, Convertible Debentures, and Silver Loan**

#### *Promissory Notes*

On September 22, 2021, the Company issued a non-convertible promissory note of \$2,500,000 bearing interest of 15% per annum and payable at maturity. Interest expense for the three and nine months ended September 30, 2024, was \$nil and \$nil respectively. Compared to \$41,410 and \$151,821 for the three and nine months ended September 30, 2023, respectively. The Company incurred a one-time penalty of 10% of the outstanding principal on June 30, 2023, of \$99,569 which is included in Loss on debt modification in the condensed interim consolidated statements of (loss) income and comprehensive (loss) income. A final principal payment of \$1,599,569 was made during the year ended December 31, 2023.

On February 21, 2023, the Company issued a non-convertible promissory note to a related party of \$120,000, and a separate non-convertible promissory note of \$120,000 to another party. Each promissory note bore fixed interest of \$18,000 per annum, payable at maturity. Both promissory notes, including interest, were settled on March 27, 2023.

In June 2023, the Company issued a non-convertible promissory note in the amount of \$150,000. The promissory note bore fixed interest of \$15,000 per annum, payable at maturity. The promissory note, including interest, was settled in June 2023.

On December 20, 2021, the Company executed a non-binding term sheet outlining a \$50,000,000 project finance package with Sprott Private Resource Streaming and Royalty Corp. (“SRSR”).

The non-binding term sheet with SRSR outlined a \$50,000,000 project financing package that the Company expected to fulfill the majority of its funding requirements to restart the Bunker Hill Mine. The term sheet consisted of an \$8,000,000 royalty convertible debenture (the “RCD”), a \$5,000,000 convertible debenture (the “CD1”), and a multi-metals stream of up to \$37,000,000 (the “Stream”). The CD1 was subsequently increased to \$6,000,000, increasing the project financing package to \$51,000,000.

On June 17, 2022, the Company consummated a new \$15,000,000 convertible debenture (the “CD2”). As a result, total potential funding from SRSR was further increased to \$66,000,000 including the RCD, CD1, CD2 and the Stream (together, the “Project Financing Package”).

On June 23, 2023, the Company closed the upsized and improved \$67,000,000 project finance package with SRSR, consisting of a \$46,000,000 stream and a \$21,000,000 new debt facility. The newly proposed \$46,000,000 stream (the “Stream”) was envisaged to have the same economic terms as the previously proposed \$37,000,000 stream, with a \$9,000,000 increase in gross proceeds received by the Company, resulting in a lower cost of capital for the Company. The Company also announced a new \$21,000,000 debt facility (the “Debt Facility”), available for draw at the Company’s election for two years. As a result, total funding commitments from SRSR was envisaged to increase to \$96,000,000 including the RCD, CD1, CD2, Stream and debt facility (together, the “Project Financing Package”). The Bridge Loan, as previously envisaged, was to be repaid from the proceeds of the Stream. The parties also agreed to extend the maturities of the CD1 and CD2 to March 31, 2026, when the full \$6 million and \$15 million, respectively, will become due.

#### *\$8,000,000 Royalty Convertible Debenture*

The Company closed the \$8,000,000 RCD on January 7, 2022. The RCD bears interest at an annual rate of 9.0%, payable in cash or Common Shares at the Company’s option, until such time that SRSR elects to convert a royalty, with such conversion option expiring at the earlier of advancement of the Stream or July 7, 2023 (subsequently amended as described below). In the event of conversion, the RCD will cease to exist, and the Company will grant a royalty for 1.85% 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 (the “SRSR Royalty”). A 1.35% rate will apply to claims outside of these areas. The RCD was initially secured by a share pledge of the Company’s operating subsidiary, Silver Valley, until a full security package was put in place concurrent with the consummation of the CD1. In the event of non-conversion, the principal of the RCD will be repayable in cash.

Concurrent with the funding of the CD2 in June 2022, the Company and SRSR agreed to a number of amendments to the terms of the RCD, including an amendment of the maturity date from July 7, 2023 to March 31, 2025. The parties also agreed to enter a Royalty Put Option such that in the event the RCD is converted into a royalty as described above, the holder of the royalty will be entitled to resell the royalty to the Company for \$8,000,000 upon default under the CD1 or CD2 until such time that the CD1 and CD2 are paid in full. The Company determined that the amendments in the terms of the RCD should not be treated as an extinguishment of the RCD and have therefore been accounted for as a modification.

On June 23, 2023, the funding date of the Stream, the RCD was repaid by the Company granting a royalty for 1.85% of life-of-mine gross revenue (the “Royalty”) from mining claims historically worked as described above. A 1.35% rate will apply to claims outside of these areas. The Company has accounted for the Royalty as a sale of mineral properties (refer to note 6 for further detail).

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

The Company closed the \$6,000,000 CD1 on January 28, 2022, which was increased from the previously-announced \$5,000,000. The CD1 bears interest at an annual rate of 7.5%, payable in cash or shares at the Company’s option, and matures on July 7, 2023 (subsequently amended, as described below). The CD1 is secured by a pledge of the

Company's properties and assets. Until the closing of the Stream, the CD1 was to be convertible into Common Shares at a price of C\$0.30 per Common Share, subject to stock exchange approval (subsequently amended, as described below). Alternatively, SRSR may elect to retire the CD1 with the cash proceeds from the Stream. The Company may elect to repay the CD1 early; if SRSR elects not to exercise its conversion option at such time, a minimum of 12 months of interest would apply.

Concurrent with the funding of the CD2 in June 2022, the Company and SRSR agreed to a number of amendments to the terms of the CD1, including that the maturity date would be amended from July 7, 2023 to March 31, 2025, and that the CD1 would remain outstanding until the new maturity date regardless of whether the Stream is advanced, unless the Company elects to exercise its option of early repayment. The Company determined that the amendments in the terms of the CD1 should not be treated as an extinguishment of the CD1 and have therefore been accounted for as a modification.

Concurrent with the funding of the Stream in June 2023, the Company and Sprott agreed to amend the maturity date of CD1 from March 31, 2025, to March 31, 2026, 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.

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 is convertible into Common Shares at a price of C\$0.30 per Common Share, subject to stock exchange approval.

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

The Company closed the \$15,000,000 CD2 on June 17, 2022. CD2 bears interest at an annual rate of 10.5%, payable in cash or shares at the Company's option, and matures on March 31, 2025. The CD2 is secured by a pledge of the Company's properties and assets. The repayment terms include 3 quarterly payments of \$2,000,000 each beginning June 30, 2024, and \$9,000,000 on the maturity date.

Concurrent with the funding of the Stream in June 2023, the Company and Sprott agreed to amend the maturity date of the CD2 from 3 quarterly payments of \$2,000,000 each beginning June 30, 2024, and \$9,000,000 on March 31, 2025, to payment in full on March 31, 2026, and that the CD2 would remain outstanding until the new maturity date unless the Company elects to exercise its option of early repayment or Sprott elects to exercise its share conversion option. 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 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.

The CD2 is convertible into Common Shares at a price of C\$0.29 per Common Share, subject to stock exchange approval.

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 using the binomial lattice methodology based on a Cox-Ross-Rubenstein (“CRR”) approach:

Reference (1,2,3)	Valuation date	Maturity date	Contractual Interest rate	Stock price (US\$)	Expected equity volatility	Credit spread	Risk- free rate	Risk- adjusted rate
CD1 note	12-31-23	03-31-26	7.50%	0.098	115%	8.41%	4.18%	18.89%
CD2 note	12-31-23	03-31-26	10.50%	0.098	115%	8.41%	4.18%	20.79%
CD1 note	03-31-24	03-31-26	7.50%	0.100	110%	10.07%	4.59%	20.77%
CD2 note	03-31-24	03-31-26	10.50%	0.100	110%	10.07%	4.59%	22.65%
CD1 note	06-30-24	03-31-26	7.50%	0.117	100%	13.61%	4.80%	24.13%
CD2 note	06-30-24	03-31-26	10.50%	0.117	100%	13.61%	4.80%	25.97%
CD1 note	09-30-24	03-31-28	7.50%	0.118	105%	8.05%	3.58%	17.76%
CD2 note	09-30-24	03-31-29	10.50%	0.118	125%	8.16%	3.58%	19.76%

- (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 \$0.222 and CD2 is \$0.215 as of September 30, 2024. The conversion price of the CD1 is \$0.227 and CD2 is \$0.219 as of December 31, 2023.

The resulting fair values of the CD1 and CD2 at September 30, 2024, and as of December 31, 2023, were as follows:

Instrument Description	September 30, 2024	December 31, 2023
CD1	\$ 5,253,730	\$ 5,244,757
CD2	13,329,073	13,458,570
Total	\$ 18,582,803	\$ 18,703,327

The (loss) gain on changes in FV of convertible debentures recognized on the condensed interim consolidated statements of (loss) income and comprehensive (loss) income during the three and nine months ended September 30, 2024, was (\$144,493) and (\$799,688), respectively, and \$2,450,968 and \$2,256,437 for the three and nine month ended September 30, 2023, 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 (loss) income during the three and nine months ended September 30, 2024, was (\$1,151,984) and (\$387,850) respectively. Compared to three and nine months ended September 30, 2023, was \$68,738, and \$502,335, respectively. Interest expense for the three and nine months ended September 30, 2024, was \$510,411 and \$1,520,137, respectively. Compared to the three and nine months ended September 30, 2023, was \$510,411 and \$1,857,822, respectively. At September 30, 2024, interest of \$510,411 (\$510,411 at December 31, 2023) is included in interest payable on the condensed interim consolidated balance sheets. Interest is due on a quarterly basis. For the three and nine months ended September 30, 2024, the Company recognized \$109,539 and \$312,864, respectively, loss on debt settlement in the condensed interim consolidated statements of

(loss) income and comprehensive (loss) income, as a result of settling interest by issuance of shares. Compared to the three and nine months ended September 30, 2023, was \$nil and \$268,889, respectively.

The Company performs quarterly testing of the covenants in the CD1 and CD2 and was in compliance with all such covenants as of September 30, 2024.

### 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 is secured by the same security package that is in place with respect to the RCD, CD1, and CD2. The Stream is 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 would be repayable by applying 2% of payable metals sold. The delivery price of streamed metals will be 20% of the applicable spot price. At the Company's option, the Company may buy back 50% of the Stream Amount at a 1.40x multiple of the Stream Amount between the second and third anniversary of the date of funding, and at a 1.65x multiple of the Stream Amount between the third and fourth anniversary of the date of funding. 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 obligation 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 obligation 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 obligation using the same discount rate, with changes to the carrying value recognized in the condensed interim consolidated statements of (loss) income and comprehensive (loss) income.

The Company determined the effective interest rate of the Stream obligation to be 10.7% and recorded accretion expense on the liability of \$830,292 and \$3,107,508 for the three and nine months ended September 30, 2024, respectively (\$1,321,000 and \$1,406,000 for the three and nine months ended September 30, 2023) recognized in the condensed interim consolidated statements of (loss) income and comprehensive (loss) income, accretion expense on the liability of \$557,708 and \$1,043,492 for the three and nine months ended September 30, 2024 (\$nil and \$nil for the three and nine months ended September 30, 2023) capitalized into the process plant (note 5) on the condensed interim consolidated balance sheets and (loss) gain on revaluation of the liability of (\$1,793,800) and \$737,200 for the three and nine months ended September 30, 2024, respectively (\$nil and \$nil for the three and nine months ended September 30, 2023), bringing the liability to \$54,551,800 as of September 30, 2024. The revaluation is because of a change in projections. 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 commodity prices of 1.19 \$/lb to 1.25 \$/lb for zinc, 0.95 \$/lb to 0.97 \$/lb for lead, and 25.00 \$/oz to \$30.00 \$/oz for silver.

### \$5,000,000 Bridge Loan

On December 6, 2022, the Company closed a \$5,000,000 loan facility with Sprott (the "Bridge Loan"). The Bridge Loan is secured by the same security package in place for the RCD, CD1, and CD2. The Bridge Loan bears interest of 10.5% per annum and matures at the earlier of (i) the advance of the Stream, or (ii) June 30, 2024. In addition, the minimum quantity of metal delivered under the Stream, if advanced, would increase by 5% relative to amounts previously announced.

On June 23, 2023, the Company repaid the outstanding principal and interest on the Bridge Loan recognizing a loss on extinguishment of debt of \$222,754 in the condensed interim consolidated statements of (loss) income and comprehensive (loss) income. Interest expense for three and nine months ended September 30, 2024, was \$nil and \$nil respectively. Compared to the three and nine months ended September 30, 2023, was \$nil and \$346,550 respectively.

### \$21,000,000 Debt Facility

On June 23, 2023, the Company closed a \$21,000,000 debt facility with Sprott which is available for draw at the Company's election for a period of 2 years. As of December 31, 2023, and September 30, 2024, the Company has not drawn on the facility. Any amounts drawn will bear interest of 10% per annum, payable annually in cash or capitalized until three years from closing of the Debt Facility at the Company's election, and thereafter payable in cash only. The maturity date of any drawings under the Debt Facility is June 23, 2027. For every \$5 million 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 million. The Company determined that no recognition is required on the financial statements as of September 30, 2024, as no amount has been drawn from the facility.

On August 8, 2024, the Company and Sprott agreed to extend the maturity date of the debt facility from June 23, 2027, to June 30, 2030, and increased the interest payable from June 30, 2027, onwards from 10% to 15%.

### Silver Loan

The Silver Loan is a loan in an amount of US dollars equal to up to 1.2 million ounces of silver, to be advanced in one or more tranches. On August 8, 2024, the Company closed the first tranche Silver Loan in the principal amount of US\$16,422,039, being the number of US 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 will be for a term of three years, secured against the Company's assets and repayable in cash or silver ounces. The Silver Loan will bear 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 US\$6,369,000, being the number of US dollars equal to 200,000 ounces of silver. After deduction of financing costs and the first year interest the Company received \$5,352,438.

In connection with closing of the First Tranche, the Company issued a total of 1,280,591 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\$0.16.

The Company determined that in accordance with ASC 815 Derivatives and Hedging, the Silver Loan will be 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	Aug 8, 2024	Aug 8, 2027	15%	31.5%	3.86%	12.92%	16.78%

Tranche 2	Sep 25, 2024	Aug 8, 2027	15%	31.0%	3.49%	11.02%	14.51%
Tranche 1 & 2	Sep 30, 2024	Aug 8, 2027	15%	31.5%	3.59%	7.98%	11.57%

The resulting fair values of the Silver Loan at September 30, 2024, and as of the issuance dates, were as follows:

Reference	Sep 30, 2024	Sep 25, 2024	Aug 8, 2024
Silver Loan	\$ 22,851,286	\$ 21,821,611	\$ 13,225,005

The (loss) on changes in FV of Silver Loan recognized on the condensed interim consolidated statements of (loss) income and comprehensive (loss) income during the three and nine months ended September 30, 2024, was (\$2,109,601) and (\$2,109,601), respectively, and \$nil and \$nil for the three and nine month ended September 30, 2023, 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 (loss) income during the three and nine months ended September 30, 2024, was (\$2,164,242) and (\$2,164,242) respectively. Compared to three and nine months ended September 30, 2023, was \$nil, and \$nil, respectively.

## 10. Capital Stock, Warrants and Stock Options

### Authorized

The total authorized capital is as follows:

- 1,500,000,000 Common Shares with a par value of \$0.000001 per Common Share; and
- 10,000,000 preferred shares with a par value of \$0.000001 per preferred share

### Issued and outstanding

In January 2023, the Company issued 6,377,272 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ending December 31, 2022.

In March 2023, the Company issued 9,803,574 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, 2023.

In March 2023, the Company amended the exercise price and expiry date of 10,416,667 warrants which were previously issued in a private placement to Teck Resources ("Teck") on May 13, 2022 in consideration for the Company's acquisition of the Pend Oreille process plant. The warrant entitled the holder thereof to purchase one share of Common Share of the Company at an exercise price of C\$0.37 per Warrant at any time on or prior to May 12, 2025. The Company amended the exercise price of the warrants from C\$0.37 to C\$0.11 per Warrant and the expiry date from May 12, 2025, to March 31, 2023, resulting in a gain on modification of warrants of \$214,714. In March 2023, Teck exercised all 10,416,667 warrants at an exercise price of C\$0.11, for aggregate gross proceeds of C\$1,145,834 to the Company. During the quarter ended March 31, 2023, the Company recognized a change in derivative liability of \$400,152 relating to the Teck warrants using the following assumptions: volatility of 120%, stock price of C\$0.11, interest rate of 3.42% to 4.06%, and dividend yield of 0%.

In March 2023, the Company closed a brokered private placement of special warrants of the Company (the "March 2023 Offering"), issuing 51,633,727 special warrants of the Company ("March 2023 Special Warrants") at C\$0.12 per March 2023 Special Warrant for \$4,536,020 (C\$6,196,047), of which \$3,661,822 was received in cash and \$874,198 was applied towards settlement of accounts payable, accrued liabilities and promissory notes.

In connection with the March 2023 Offering, each March 2023 Special Warrant is automatically exercisable (without payment of any further consideration and subject to customary anti-dilution adjustments) into one unit of the Company (a “March 2023 Unit”). Each March 2023 Unit consists of one share of common stock of the Company (each, a “Unit Share”) and one common stock purchase warrant of the Company (each, a “Warrant”). Each whole Warrant entitles the holder thereof to acquire one share of common stock of the Company (a “Warrant Share”, and together with the Unit Shares, the “Underlying Shares”) at an exercise price of C\$0.15 per Warrant Share until March 27, 2026, subject to adjustment in certain events. In the event that the Registration Statement had not been declared effective by the SEC on or before 5:00 p.m. (EST) on July 27, 2023, each unexercised Special Warrant would be deemed to be exercised on the Automatic Exercise Date into one penalty unit of the Company (each, a “Penalty Unit”), with each Penalty Unit being comprised of 1.2 Unit Shares and 1.2 Warrants. Notice of such effectiveness was received on July 11, 2023, eliminating the potential for issuance of the Penalty Units.

In connection with the March 2023 Offering, the Company incurred share issuance costs of \$585,765 and issued 2,070,258 compensation options (the “March 2023 Compensation Options”). Each March 2023 Compensation Option is exercisable at an exercise price of C\$0.15 into one Unit Share and one Warrant Share.

The Special Warrants issued on March 27, 2023, were converted to 51,633,727 shares of common stock and common stock purchase warrants on July 24, 2023. The Company determined that in accordance with ASC 815 derivatives and hedging, each Special Warrant will be valued and carried as a single instrument, with the periodic changes to fair value accounted through earnings, profit and loss until the shares of common stock and common stock purchase warrants are issued.

In May 2023, the Company issued 1,318,183 shares of common stock in connection with settlement of RSUs.

In June 2023, the Company issued 4,449,035 shares of common stock in connection with settlement of RSUs.

In June 2023, the Company issued 3,944,364 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, 2023.

In January 2024, the Company issued 7,392,859 shares of common stock in connection with its election to satisfy interest payments under the outstanding convertible debentures for the three months ending December 31, 2023.

In March 2024, the Company issued 2,546,436 shares of common stock in connection with settlement of RSUs.

In April 2024, the Company issued 100,000 shares of common stock in connection with settlement of RSUs.

In April 2024, the Company issued 6,398,439 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 4,653,409 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 1,280,591 Warrants to Monetary Metals & Co. The Tranche 1 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$0.16.

In 2024, the Company has accounted for the warrants in accordance with ASC Topic 815. 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 condensed interim consolidated statements of (loss) income and comprehensive (loss) income as a gain or loss 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 September 30, 2024 and December 31, 2023:

<b>August 2024 warrants</b>	<b>September 30, 2024</b>	<b>Grant Date</b>
Expected life	1,042 days	1,095 days
Volatility	100%	105%
Risk free interest rate	2.91%	3.25%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.16
Fair value	\$ 92,115	\$ 98,493
Change in derivative liability	\$ (6,378)	

<b>March 2023 warrants</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	543 days	817 days
Volatility	24%	24%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 1,051,876	\$ 281,085
Change in derivative liability	\$ 770,791	

<b>April 2022 special warrants issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	183 days	457 days
Volatility	60%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 1	\$ 546,592
Change in derivative liability	\$ (546,591)	

<b>April 2022 non-brokered issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	183 days	457 days
Volatility	60%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 1	\$ 21,253
Change in derivative liability	\$ (21,252)	

<b>June 2022 issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	183 days	457 days
Volatility	60%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11

Fair value	\$	1	\$	17,589
Change in derivative liability	\$	(17,588)		

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<b>February 2021 issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	497 days	771 days
Volatility	85%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 198,474	\$ 367,349
Change in derivative liability	\$ (168,875)	

<b>June 2019 issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	457 days	731 days
Volatility	85%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 67,374	\$ 226,570
Change in derivative liability	\$ (159,196)	

<b>August 2019 issuance</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Expected life	457 days	731 days
Volatility	85%	110%
Risk free interest rate	2.91%	3.88%
Dividend yield	0%	0%
Share price (C\$)	\$ 0.16	\$ 0.11
Fair value	\$ 103,545	\$ 348,211
Change in derivative liability	\$ (244,666)	

Outstanding warrants at September 30, 2024 and September 30, 2023 were as follows:

	<b>Number of warrants</b>	<b>Weighted average exercise price (C\$)</b>	<b>Weighted average grant date value (\$)</b>
Balance, December 31, 2022	162,129,064	\$ 0.49	\$ 0.17
Issued	51,633,727	0.15	0.05
Expired	(58,284,148)	0.50	0.27
Exercised	(10,416,667)	0.11	0.12
Balance, September 30, 2023	145,061,976	\$ 0.37	\$ 0.09
Balance, December 31, 2023	145,061,976	\$ 0.37	\$ 0.09
Issued	1,280,591	0.16	0.08
Balance, September 30, 2024	146,342,567	\$ 0.37	\$ 0.09

During the nine months ended September 30, 2023, 10,416,667 May 2022 Teck warrants were exercised.  
 During the nine months ended September 30, 2024, 1,280,591 August 2024 warrants were issued.

At September 30, 2024, 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>
April 1, 2025	0.37	40,538,969	40,538,969
December 31, 2025	0.59	32,895,200	32,895,200
February 9, 2026	0.60	17,112,500	17,112,500
February 16, 2026	0.60	2,881,580	2,881,580
March 27, 2026	0.15	51,633,727	51,633,727
August 8, 2027	0.16	1,280,591	1,280,591
		<u>146,342,567</u>	<u>146,342,567</u>

#### Compensation options

At September 30, 2024, the following broker options were outstanding:

	<u>Number of broker options</u>	<u>Weighted average exercise price (C\$)</u>
Balance, December 31, 2022	5,470,799	\$ 0.34
Issued – March 2023 Compensation Options (i)	2,070,258	0.15
Expired – August 2020 Compensation Options	<u>(3,239,907)</u>	<u>0.35</u>
Balance, September 30, 2023	4,301,150	0.24
Balance, December 31, 2023	4,301,150	0.24
Expired – February 2024	(351,000)	0.50
Expired – April 2024	<u>(1,879,892)</u>	<u>0.30</u>
Balance, September 30, 2024	2,070,258	0.15

(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:

<u>Grant Date</u>	<u>Risk free interest rate</u>	<u>Dividend yield</u>	<u>Volatility</u>	<u>Stock price</u>	<u>Weighted average life</u>
March 2023	3.4%	0%	120%	C\$0.11	3 years

Exercise                      Number of                      Grant date  
 Fair value



<u>Expiry date</u>	<u>price (C\$)</u>	<u>broker options</u>	<u>(\$)</u>
March 27, 2026 <sup>(i)</sup>	\$ 0.15	2,070,258	\$ 111,971
		2,070,258	\$ 111,971

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i) Exercisable into one March 2023 Unit

### Stock options

The following table summarizes the stock option activity during the nine months ended September 30, 2024, and September 30 2023:

	<u>Number of stock options</u>	<u>Weighted average exercise price (C\$)</u>
Balance, December 31, 2022	9,320,636	\$ 0.51
Expired, September 30, 2023	(200,000)	\$ 0.60
Balance, September 30, 2023	9,120,636	\$ 0.51
Balance, December 31, 2023	8,970,636	\$ 0.52
Granted (i)	87,493	\$ 0.16
Balance, September 30, 2024	9,058,129	\$ 0.51

(i) On August 1, 2024, the Company granted 87,493 Stock Options to a certain employee of the Company with all vesting on the first anniversary of the grant date.

The following table reflects the actual stock options issued and outstanding as of September 30, 2024:

<u>Exercise price (C\$)</u>	<u>Remaining contractual life (years)</u>	<u>Number of options outstanding</u>	<u>Number of options vested (exercisable)</u>	<u>Grant date fair value (\$)</u>
0.60	0.07	1,575,000	1,575,000	435,069
0.335	0.08	1,037,977	1,037,977	204,213
0.55	0.55	5,957,659	5,957,659	1,536,764
0.15	3.15	400,000	300,000	37,387
0.16	4.40	87,493	-	7,242
		9,058,129	8,870,636	\$ 2,220,675

The vesting of stock options during the three and nine months ending September 30, 2024, resulted in stock based compensation expense of \$2,366 and \$33,882, respectively (\$27,725 and \$120,865 for the three and nine months ending September 30, 2023, respectively).

## 11. Restricted Share Units

Effective March 25, 2020, the Board of Directors approved a Restricted Share Unit (“RSU”) Plan to grant RSUs to its officers, directors, key employees and consultants.

The following table summarizes the RSU activity during the nine months ended September 30, 2024, and September 30, 2023:

	<b>Number of shares</b>	<b>Weighted average grant date fair value per share (C\$)</b>
Unvested as at December 31, 2022	4,822,741	\$ 0.22
Granted	10,844,993	0.23
Vested	<u>(5,767,218)</u>	<u>0.24</u>
Unvested as at September 30, 2023	9,900,516	\$ 0.22
Unvested as at December 31, 2023	7,044,527	\$ 0.24
Granted <sup>(i, ii)</sup>	9,720,403	0.11
Forfeited	(50,000)	0.50
Vested	<u>(2,646,436)</u>	<u>0.23</u>
Unvested as at September 30, 2024	14,068,494	\$ 0.15

- (i) On January 29, 2024, the Company granted 672,450 RSUs to the CFO of the Company, which vest on January 29, 2025. The vesting of these RSUs resulted in stock-based compensation of \$12,568 and \$33,880, respectively, for the three and nine months ended September 30, 2024, which is included in operating expenses condensed interim consolidated statements of (loss) income and comprehensive (loss) income.
- (ii) On March 13, 2024, the Company granted 9,047,953 RSUs to certain executives and employees of the Company, which vest in one-third increments on March 13 of 2025, 2026 and 2027. The vesting of these RSUs resulted in stock-based compensation of \$113,568 and \$248,122, respectively, for the three and nine months ended September 30, 2024, which is included in operating expenses condensed interim consolidated statements of (loss) income and comprehensive (loss) income.

The vesting of RSU’s during the three and nine months ending September 30, 2024, resulted in stock based compensation expense of \$209,145 and \$635,809 respectively (\$271,021 and \$865,745 for the three and nine months ending September 30, 2023, respectively).

## 12. Deferred Share Units

Effective April 21, 2020, the Board of Directors approved a Deferred Share Unit (“DSU”) 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 Share on the date of redemption in exchange for cash.

The following table summarizes the DSU activity during the nine months ended September 30, 2024, and 2023:

**Weighted**

	<u>Number of shares</u>	<u>average grant date fair value per share (C\$)</u>
Unvested as at December 31 2022	2,710,000	\$ 0.97
Granted	1,857,280	\$ 0.23
Vested	<u>(3,071,826)</u>	<u>\$ 0.55</u>
Unvested as at September 30, 2023	1,495,454	\$ 0.90
Unvested as at December 31 2023	1,495,454	\$ 0.90
Granted	1,907,840	\$ 0.13
Vested	<u>(3,403,294)</u>	<u>\$ 0.66</u>
Unvested as at September 30, 2024	<u>-</u>	<u>\$ 0.00</u>

The vesting of DSU's during the three and nine months ended September 30, 2024, resulted in stock based compensation expense of \$14,379 and \$566,152, respectively. The vesting of DSU's during the three and nine months ending September 30, 2023, resulted in stock based compensation recover (expense) of \$141,969 and (\$145,355), respectively. The fair value of each DSU is \$0.12 as of September 30, 2024, and \$0.11 as of September 30, 2023.

### 13. Commitments and Contingencies

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.

On July 28, 2021, a lawsuit was filed in the US 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 ("AMD") 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 US 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 Crescent's Cost Recovery claim under CERCLA Section 107(a), 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 vigorously defending 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 Bunker Hill Mine on December 15, 2021. The lawsuit is currently in the discovery phase, in which information is gathered and exchanged.

#### 14. Deferred tax liability

The Company recorded income tax recovery of \$448,884 and \$1,653,562 for the three and nine months ended September 30, 2024, and incurred no income tax recovery or expense for the three and nine months ended September 30, 2023. The Company's effective income tax rate for the first nine months of 2024 was 9.4% compared to 0.0% for the first nine months of 2023. The effective tax rate during the first nine months of 2024 rate differed from the statutory rate primarily due to the recognition of deferred tax assets available to offset the deferred tax liability associated with the Stream Obligation. The Company maintains a valuation allowance against net operating losses subject to Section 382 and other deferred tax assets. The effective tax rate during the first nine months of 2023 differed from the statutory rate primarily due to changes in the valuation allowance established to offset net deferred tax assets.

A valuation allowance is provided for deferred tax assets for which it is more likely than not that the related tax benefits will not be realized. The Company analyzes its deferred tax assets and, if it is determined that the Company will not realize all or a portion of its deferred tax assets, it will record or increase a valuation allowance. Conversely, if it is determined that the Company will likely ultimately be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced.

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#### 15. Operating Expenses

	Three Months Ended September 30,		Nine Months Ended September 30	
	2024	2023	2024	2023
<b>Operating expenses</b>				
General administration expenses	\$ 2,416,265	\$ 1,974,519	\$ 8,603,737	\$ 5,782,103
Salaries, wages, and consulting fees	1,018,094	797,203	2,768,367	2,512,080
<b>Total</b>	<b>3,434,359</b>	<b>2,771,722</b>	<b>11,372,104</b>	<b>8,294,183</b>

#### 16. 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.

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Consulting fees & wages	\$ 319,462	\$ 225,061	\$ 1,147,063	\$ 797,978

At September 30, 2024 and September 30, 2023, \$122,084 and \$nil, respectively, is owed to key management personnel with all amounts included in accounts payable and accrued liabilities.

#### 17. Subsequent Events

##### *Warrant Issuance*

On October 1, 2024, in connection with closing of the Second Tranche, the Company issued 400,000 Warrants to Monetary Metals & Co. The Tranche 2 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$0.16.

##### *Share Issuance*

On October 3, 2024, the Company issued 5,175,000 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.

On October 28, 2024, the Company issued 750,000 shares of common stock to satisfy C\$120,000 owed to a former director as of September 30, 2024.

#### *DSU Grant*

On October 1, 2024, 337,475 DSU's were granted to a director of the Company. The DSU award vest on October 1, 2025.

#### *Export-Import Bank of the United States ("EXIM") Direct Loan Program Letter of Interest*

On October 28, 2024 the Company received a non-binding Letter of Interest from EXIM for a debt funding package of up to \$150M with a loan term of up to 15 years. The funding, if and when secured following a full application process, would enable the Company to expedite the development of the 2500tpd Bunker 2.0 expansion project coincident with restarting the mine and strengthening the balance sheet.

#### *Silver Loan*

On November 6, 2024, the Company closed the third tranche of the Silver Loan in the principal amount of \$6,321,112, being the number of US dollars equal to 198,777 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$5,422,474.

## **Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation**

The following management's discussion and analysis of the consolidated financial results and condition of Bunker Hill Mining Corp. (collectively, "we," "us," "our," "Bunker Hill" or the "Company") for the three and nine months ended September 30, 2024, has been prepared based on information available to us as of November 7, 2024. This discussion should be read in conjunction with the unaudited Condensed Consolidated Financial Statements and notes thereto included herewith and the audited Consolidated Financial Statements of Bunker Hill for the year ended December 31, 2023, and the related notes thereto filed with our Annual Report on Form 10-K, which have been prepared in accordance with U.S. GAAP. This discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results, performance, or achievements may differ materially from those anticipated in these forward-looking statements as a result of many factors, including, but not limited to, those set forth elsewhere in this report. See "Cautionary Note Regarding Forward-Looking Statements."

*All currency amounts are expressed in U.S. dollars.*

### **DESCRIPTION OF BUSINESS**

#### **Corporate Information**

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. On February 11, 2010, the Company changed its name to Liberty Silver Corp and subsequently, 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 head office is located at 300-1055 West Hastings Street Vancouver, British Columbia, V6E 2E9, and its telephone number is 604.417.7952. The Company's website is [www.bunkerhillmining.com](http://www.bunkerhillmining.com). Information appearing on the website is not incorporated by reference into this report.

## **Overview and Outlook**

Our primary focus is the development and restart of our 100% owned Bunker Hill Mine (the “Bunker Hill Mine”) in Kellogg, Idaho, USA. The Mine is 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.

The Company was incorporated for the initial 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 for a planned commencement of operations during the first half of 2025.

In May 2024, we initiated a mineral resource expansion and exploration diamond drilling program in support of the staged restart plan. The program includes 8,975 feet of core to be drilled from underground to further define and expand a portion of the existing resource that is in close proximity to where the initial mining will occur.

### *Current External Factors Impacting our Business*

In 2022, the United States Geological Survey included zinc as a critical material as it is essential to the U.S. economy and national security, and because the domestic supply chain is vulnerable to disruption due to China’s supply dominance. Zinc uses range from metal products to rubber and medicines. About three-fourths of zinc used is consumed as metal, mainly as a coating to protect iron and steel from corrosion (galvanized metal), as alloying metal to make bronze and brass, as zinc-based die casting alloy, and as rolled zinc.

Due to the dominance of China over certain critical materials production, including zinc, the U.S. federal government is taking certain actions to support the domestic critical materials supply chain, including tax incentives and federal loan programs specifically designed to support critical materials producers, and to strengthen the defense industrial base with respect to critical minerals including zinc. During the first nine months of 2024, we have monitored the general U.S. political climate and actions taken by the U.S. government to secure domestic critical materials, including zinc, which is one of the materials in our Bunker Hill Mine deposit, along with silver and lead.

In addition, the impacts of the COVID-19 pandemic and other external influences (such as the Russia/Ukraine war and conflicts in the Middle East, including the Israel war) have further focused the U.S. government on the importance of implementing secure domestic supply chains, including for critical and base metal materials. The Company monitors and participates in these initiatives as they are critical to the production of domestic defense and other technologies.

## **Results of Operations**

The following discussion and analysis provides 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 three and nine months ended September 30, 2024, and September 30, 2023.

### *Comparison of the three and nine months ended September 30, 2024 and 2023*

#### Revenue

During the three and nine months ended September 30, 2024, and 2023, respectively, we generated no revenue.

#### Expenses

During the three months ended September 30, 2024, and 2023, we reported total operating expenses of \$3,434,359 and \$2,771,722, respectively. The increase in total operating expenses was primarily due to an increase in the volume of transactions and head count associated with construction of the process plant commencing in the quarter.

During the nine months ended September 30, 2024, and 2023, we reported total operating expenses of \$11,372,104 and \$8,294,183, respectively. The increase in total operating expenses was primarily due to an increase in the volume of transactions and head count associated with construction of the process plant commencing in the nine months ended September 30, 2024.

#### Net loss and Comprehensive loss

We experienced a net loss of \$8,078,972 for the three months ended September 30, 2024 (compared to net income of \$7,447,860 for the three months ended September 30, 2023). In addition to the increase in operating expenses (as described above), net loss for the three months ended September 30, 2024, was impacted by an increase in financing costs of \$759,913 and a loss on revaluation of the Silver Loan of \$2,109,601 compared to \$nil and \$nil respectively for the three months ended September 30, 2023. The net loss in the 2024 quarter compared to net income for the 2023 quarter was due to a loss in derivative liability of \$7,522,530 (gain of \$1,009,100 for the three months ended September 30, 2024 compared to a gain of \$8,531,630 for the three months ended September 30, 2023), which was driven by a proportionally smaller appreciation in the Company's share price in the third quarter of 2024 relative to the third quarter of 2023. Additionally, a loss on fair value of the convertible debentures of \$144,193 was recognized for the three months ended September 30, 2024, compared to a gain of \$2,450,968 for the three months ended September 30, 2023. This 2024 loss on the fair value of the convertible debentures was partially offset by a gain resulting from the modification of the convertible debenture of \$1,308,062 compared to \$nil for the three months ended September 30, 2024 and 2023 respectively. The three month period ended September 30, 2024 included a \$1,793,800 loss (\$nil for the three months ended September 30, 2023) on the revaluation of the stream debenture due to updated key assumptions such as commodity prices. During the three months ended September 30, 2024, the Company incurred a loss of \$924,820 from the sale of equipment (\$nil for the three months ended September 30, 2023). Net loss for the three months ending September 30, 2024 included a deferred tax recovery of \$448,844 compared to deferred tax recovery of \$903,000 for the three months ended September 30, 2023.

We experienced a net loss of \$17,563,412 for the nine months ended September 30, 2024 (compared to a net loss of \$7,618,775 for the nine months ended September 30, 2023). In addition to the increase in operating expenses (as described above), net loss for the nine months ended September 30, 2024 was impacted by an increase in interest expense of \$1,105,721 (\$6,112,413 and \$5,006,692 for the nine months ended September 30, 2024 and 2023 respectively), and \$nil of gain on debt settlement for the nine months ended September 30, 2024 compared to \$7,117,420 of gain on debt settlement relating to the conversion of the royalty convertible debenture into a royalty during the nine months ended September 30, 2023. A loss on fair value of the convertible debenture of \$799,688 was recognized for the nine months ended September 30, 2024, compared to a gain of \$2,256,437 for the nine months ended September 30, 2023. Additionally, the nine months ended September 30, 2024, includes \$2,109,601 (\$nil for the nine months ended September 30, 2023) loss on revaluation of the Silver Loan due to updated key assumptions such as commodity prices. During the nine months ended September 30, 2024, the Company incurred a loss of \$924,820 from the sale of equipment (\$nil for the nine months ended September 30, 2023). This was partially offset by a gain on in derivative liabilities of \$393,755 in the 2024 period compared to a loss of \$488,357 in the 2023 period (driven by the Company's share price increasing during the first nine months of 2024 compared to a decrease in the first nine months of 2023) and a gain on debt modification of \$1,308,062 for the nine months ended September 30, 2024 compared to a loss on debt modification of \$99,569 for the nine months ended September 2023. Net loss for the nine months ending September 30, 2024, included a deferred tax recovery of \$1,653,562 compared to deferred tax expense of \$2,605,741 for the nine months ended September 30, 2023.

We had a comprehensive loss of \$11,395,198 and \$20,115,504 for the three and nine months ended September 30, 2024, respectively, compared to comprehensive income (loss) of \$7,516,598 and \$(7,116,440) for the three and nine months ended September 30, 2023, respectively. Comprehensive (loss) for the three and nine months ended September 30, 2024, is inclusive of a \$(3,316,226) and \$(2,552,092) loss on change in fair value on own credit risk compared to income of \$68,738 and \$502,335 for the three and nine months ended September 30, 2023, respectively.

#### **Liquidity and Capital Resources**

### ***Current Assets and Total Assets***

As of September 30, 2024, the Company had total current assets were \$12,644,351, compared to total current assets of \$27,176,997 at December 31, 2023 – a decrease of \$14,532,646; and total assets of \$81,734,573, compared to total assets of \$61,989,678 at December 31, 2023 – a increase of \$19,744,895. During the nine months ended September 30, 2024, our current assets decreased due to cash expenditures on the process plant, purchasing of equipment and additions to the Bunker Hill Mine. Total assets increased slightly as the increase in property plant and equipment was offset largely by the decrease in cash.

### ***Current Liabilities and Total Liabilities***

As of September 30, 2024, our total current liabilities of \$23,484,810 and total liabilities of \$125,714,546, compared to total current liabilities of \$7,472,326 and total liabilities of \$88,356,840 at December 31, 2023. Total liabilities increased because of the issuance of the silver loan, accretion on the stream debenture and the environmental protection agency payable as well as an increase in accounts payable and accruals due to timing of invoices and payments.

### ***Working Capital and Shareholders' Deficit***

As of September 30, 2024, we had a working capital deficit of \$10,840,459 and a shareholders' deficiency of \$43,979,973 compared to a working capital of \$19,704,671 and a shareholders' deficiency of \$26,367,162 as of December 31, 2023. The working capital balance decreased during the nine months ended September 30, 2024, primarily due to cash expenditures on the process plant, purchasing of equipment, and additions to the Bunker Hill Mine. The shareholders' deficiency increased primarily due to the net loss in the nine months ended September 30, 2024.

In order to meet our funding needs, as discussed in Note 9 to the financial statements, we are in the process of securing a US dollar loan amount equal to up to 1.2 million ounces of silver, to be advanced in one or more tranches. On August 8, 2024, we closed the first tranche of the Silver Loan in the principal amount of \$16,422,039, being the number of US dollars equal to 609,805 ounces of silver. After deduction of financing costs and the first-year interest we received \$13,225,005. On September 25, 2024, we closed the second tranche Silver Loan in the principal amount of \$6,369,000, being the number of US dollars equal to 200,000 ounces of silver. After deduction of financing costs and the first-year interest we received \$5,352,438. On November 6, 2024, we closed the third tranche of the Silver Loan in the principal amount of \$6,321,112, being the number of US dollars equal to 198,777 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$5,422,474. Subsequent tranches under the Silver Loan are expected to be completed in the fourth quarter of 2024. As also discussed in Note 9 to the financial statements, we have a \$21,000,000 debt facility with Sprott which is available at our election for a period of 2 years, ending on June 23, 2027. As of September 30, 2024, we have not drawn on this facility.

We also plan to secure additional financial resources through potential equity financings and other strategic initiatives, including our EXIM direct loan application. Ultimately, if the Company is unable to secure sufficient additional financial resources, the Company may need to curtail or suspend its development or operations plans regarding the Bunker Hill Mine or other initiatives.

### ***Cash Flow***

During the nine months ended September 30, 2024, we had a net cash decrease of \$14,722,155, primarily due to cash expenditures on the process plant, purchasing of equipment, and additions to the Bunker Hill Mine offset by \$18,108,114 of cash provided by financing activities relating to the issuance of the Silver Loan.

### ***Subsequent Events***



### *Warrant Issuance*

On October 1, 2024, in connection with closing of the Second Tranche, the Company issued 400,000 Warrants to Monetary Metals & Co. The Tranche 2 Warrants will be exercisable until August 8, 2027, at an exercise price of C\$0.16.

### *Share Issuance*

On October 3, 2024, the Company issued 5,175,000 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.

On October 28, 2024, the Company issued 750,000 shares of common stock to satisfy C\$120,000 owed to a former director as of September 30, 2024.

### *DSU Grant*

On October 1, 2024, 337,475 DSU's were granted to a director of the Company. The DSU award vests on October 1, 2025.

### *New Director*

On October 1, 2024, the Company appointed Kelli Kast to its Board of Directors and Chair of its Governance and Nominations Committee.

### *Export-Import Bank of the United States ("EXIM") Direct Loan Program Letter of Interest*

On October 28, 2024 the Company received a non-binding Letter of Interest from EXIM for a debt funding package of up to \$150M with a loan term of up to 15 years. The funding, if and when secured following a full application process, would enable the Company to expedite the development of the 2500tpd Bunker 2.0 expansion project coincident with restarting the mine and strengthening the balance sheet.

### *Silver Loan*

On November 6, 2024, the Company closed the third tranche of the Silver Loan in the principal amount of \$6,321,112, being the number of US dollars equal to 198,777 ounces of silver. After deduction of financing costs and the first-year interest the Company received \$5,422,474.

### **Critical accounting estimates**

The preparation of the interim condensed 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, spot and futures prices of minerals, expected equity volatility, expected volatility in minerals prices, discount for lack of marketability, credit spread, expected mineral production over the life of the Bunker Hill Mine, and project risk/estimation risk factors.

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 Bunker Hill Mine.

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. 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***

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 IDEQ. Using the actual costs in the annual invoice, the Company will then reassess 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.

***Incremental Borrowing rate***

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

***Borrowing Cost Capitalization rate***

The Company makes 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***

The Company has no off-balance sheet arrangements.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

Not applicable.

**Item 4. Controls and Procedures**

## **Evaluation of 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 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 September 30, 2024.

## **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 September 30, 2024 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. Based on that evaluation, the Company's CEO and CFO have concluded that the internal control over financial reporting was effective as of September 30, 2024.

## **PART II – OTHER INFORMATION**

### **Item 1. Legal Proceedings**

Other than as described below, neither the Company nor its property is the subject of any current, pending, or threatened 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.

On July 28, 2021, a lawsuit was filed in the US 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 AMD 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 US 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 Crescent's Cost Recovery claim under CERCLA Section 107(a), 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 vigorously defending 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 Bunker Hill Mine on December 15, 2021.

On October 26, 2021, the Company asserted claims against Crescent in a separate lawsuit, which has been consolidated into the Crescent lawsuit. The Company commenced Bunker Hill Mining Corporation v. Venzee Technologies Inc. et al, Case No. 2:21-cv-209-REP, in the US 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 claims against Venzee. 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. The Court consolidated the two lawsuits on April 19, 2022. The consolidated lawsuits are currently in the discovery phase, in which information is gathered and exchanged.

### **Item 1A. Risk Factors**

There have been no changes to our risk factors as reported in our annual report on Form 10-K for the year ended December 31, 2023.

## Item 2. Unregistered Sales of Equity Securities and Use Of Proceeds

Not Applicable.

## Item 3. Defaults upon Senior Securities

None.

## Item 4. Mine Safety Disclosure

Pursuant to Section 1503(a) of the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, issued under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”) by the Mine Safety and Health Administration (the “MSHA”), as well as related assessments and legal actions, and mining-related fatalities.

The following table provides information for the three months ended September 30, 2024.

Mine	Mine Act §104 Violations (1)	Mine Act §104(b) Orders (2)	Mine Act §104(d) Citations and Orders (3)	Mine Act §110(b)(2) Violations (4)	Mine Act §107(a) Orders (5)	Proposed Assessments from MSHA (In dollars \$)	Mining Related Fatalities	Mine Act §104(e) Notice (yes/no) (6)	Pending Legal Action before Federal Mine Safety and Health Commission (yes/no)
Bunker Hill Mine	2	0	0	0	0	\$ 294.00	0	0	No

- (1) The total number of violations received from MSHA under §104 of the Mine Act, which includes citations for health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.
- (2) The total number of orders issued by MSHA under §104(b) of the Mine Act, which represents a failure to abate a citation under §104(a) within the period of time prescribed by MSHA.
- (3) The total number of citations and orders issued by MSHA under §104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.
- (4) The total number of flagrant violations issued by MSHA under §110(b)(2) of the Mine Act.
- (5) The total number of orders issued by MSHA under §107(a) of the Mine Act for situations in which MSHA determined an imminent danger existed.
- (6) A written notice from the MSHA regarding a pattern of violations, or a potential to have such pattern under §104(e) of the Mine Act.

## Item 5. Other Information

None.

**Item 6. Exhibits**

<u>Exhibit No.</u>	<u>Document</u>
4.1	<a href="#">Form of Bunker Hill Mining Corp. Non-Transferable Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.1 to the Form 8-K filed on August 14, 2024)</a>
10.1‡*	<a href="#">Royalty Put Option Agreement, dated as of July 22, 2022, by and among Sprott Private Resource Streaming and Royalty (Collector), LP, the Company, and Silver Valley Metals Corp.</a>
10.2‡	<a href="#">Secured Promissory Note Purchase Agreement, dated as of August 8, 2024, by and among Bunker Hill Mining Corp., Silver Valley Metals Corp., as borrower, and Monetary Metals Bond III LLC, as purchaser (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on August 14, 2024)</a>
10.3	<a href="#">Form of Secured Promissory Note, dated as of August 8, 2024, issued by Silver Valley Metals Corp., as borrower, for the benefit of Monetary Metals Bond III LLC, as holder (incorporated by reference to Exhibit 10.2 to the Form 8-K filed on August 14, 2024)</a>
10.4	<a href="#">Fifth Omnibus Amendment Agreement, dated as of August 8, 2024, by and among Silver Valley Metals Corp. and Bunker Hill Mining Corp., as obligors, and the other parties named therein (incorporated by reference to Exhibit 10.3 to the Form 8-K filed on August 14, 2024)</a>
10.5	<a href="#">First Amendment to Loan Agreement, dated as of August 8, 2024, by and among Bunker Hill Mining Corp., as borrower, Silver Valley Metals Corp., as guarantor, and the lenders and agent named therein (incorporated by reference to Exhibit 10.4 to the Form 8-K filed on August 14, 2024)</a>
10.6‡	<a href="#">Amended and Restated Royalty Put Option Agreement, dated as of August 8, 2024, by and among Bunker Hill Mining Corp., Silver Valley Metals Corp. and Sprott Private Resource Streaming and Royalty (US Collector), LP (incorporated by reference to Exhibit 10.5 to the Form 8-K filed on August 14, 2024)</a>
31.1*	<a href="#">Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Exchange Act</a>
31.2*	<a href="#">Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Exchange Act</a>
32.1**	<a href="#">Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2**	<a href="#">Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Furnished herewith.

‡ Certain schedules or similar attachments to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant hereby agrees to furnish supplementally to the Securities and Exchange Commission upon request a copy of any omitted schedule or attachment to this exhibit.

**SIGNATURES**

In accordance with Section 12 of the Securities Exchange Act of 1934, the Registrant has caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 7, 2024

BUNKER HILL MINING CORP.

By /s/ Sam Ash

Sam Ash, Chief Executive Officer and President

In accordance with Section 12 of the Securities Exchange Act of 1934, the Registrant has caused Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 7, 2024

BUNKER HILL MINING CORP.

By /s/ Gerbrand van Heerden

Gerbrand van Heerden, Chief Financial Officer and  
Corporate Secretary

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**Exhibit 10.1**

### **ROYALTY PUT OPTION AGREEMENT**

**THIS AGREEMENT** dated as of July 22, 2022 between SPOTT PRIVATE RESOURCE STREAMING AND ROYALTY (COLLECTOR), LP, a partnership existing under the laws of the Province of Ontario, BUNKER HILL MINING CORP., a corporation incorporated and existing under the laws of Nevada, and SILVER VALLEY METALS CORP., a corporation incorporated and existing under the laws of Idaho.

#### **RECITALS:**

- A. Mine Owner, as debtor, and BHMC, as guarantor, issued in favour of SPRSR, as holder, the Royalty Convertible Debenture;
- B. Pursuant to the Royalty Convertible Debenture, SPRSR, at its option, may elect to receive the Royalty in lieu of cash payment of the outstanding Principal Amount;
- C. Pursuant to the Second Omnibus Amendment, SPRSR agreed to elect on or prior to the Stream Advance Date to receive the Royalty in lieu of cash payment of the outstanding Principal Amount owing under the Royalty Convertible Debenture, provided that SPRSR and the Obligors enter into a royalty put option agreement in form and substance satisfactory to SPRSR; and
- D. The Obligors wish to grant the Royalty Holder a put option to require BHMC to purchase the Royalty, upon the terms and conditions of this Agreement;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the foregoing premises, the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

#### **Section 1 Defined Terms and Interpretation.**

- (1) As used in this Agreement and the recitals hereto, the following terms have the following meanings:

“**Agreement**” means this royalty put option agreement and all attached schedules, in each case as the same may be supplemented, amended, restated, modified or superseded from time to time in accordance with the terms hereof.

“**BHMC**” means Bunker Hill Mining Corp., a corporation incorporated under the laws of Nevada, and its successors and permitted assigns.

“**Business Day**” means any day, other than a Saturday, a Sunday, a statutory holiday or any day on which major banks are closed for business in Kellogg, Idaho or Toronto, Ontario.

“**Event of Default**” means any event of default under and within the meaning of any Series 1 Convertible Debentures or any Series 2 Convertible Debentures.

“**Exercise Notice**” has the meaning specified in the Section 3(2).

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“**First Omnibus Amendment**” means the omnibus amendment agreement dated as of January 28, 2022 among the Obligors and SPRSR.

“**Mine Owner**” means Silver Valley Metals Corp., a corporation incorporated under the laws of Idaho, and its successors and permitted assigns.

“**Obligations**” means all indebtedness, liabilities and other obligations of each Obligor to the Royalty Holder under or in connection with this Agreement.

“**Obligors**” means, collectively, BHMC and Mine Owner and “**Obligor**” means any one of them.

“**Parties**” means SPRSR, BHMC and Mine Owner and their respective successors and assigns and “**Party**” means any one of them.

“**Pending Event of Default**” means an event which, but for the requirement for the giving of notice, lapse of time, or both, or, but for the satisfaction of any other condition subsequent to that event, would constitute an “**Event of Default**”.

“**Person**” shall be broadly interpreted and includes an individual, body corporate, partnership, joint venture, trust, association, unincorporated organization, any governmental authority or any other entity recognized by law.

“**Principal Amount**” means the outstanding principal amount owing under the Royalty Convertible Debenture immediately prior to the issuance of the Royalty to the Royalty Holder in lieu of the cash payment of the principal amount thereunder.

“**Royalty**” means the gross revenue royalty on all minerals produced and sold from the Property granted by the Obligors to a Sprott Entity designated by the Royalty Holder and to be entered into pursuant to Section 10.3 of the Royalty Convertible Debenture substantially in the form of Exhibit “D” to the Royalty Convertible Debenture.

“**Royalty Convertible Debenture**” means the secured royalty convertible debenture in the principal amount of US\$8,000,000 dated as of January 7, 2022 issued to SPRSR, as amended by the First Omnibus Amendment and the Second Omnibus Amendment and as the same may be further amended, restated, amended and restated, modified or supplemented from time to time.

“**Royalty Holder**” means SPRSR and any assignee or transferee of the rights and obligations of SPRSR under the Royalty Convertible Debenture or the Royalty, as the case may be.

“**Royalty Put Option**” has the meaning specified in Section 3.



“**Second Omnibus Amendment**” means the second omnibus amendment agreement dated as of June 17, 2022 among the Obligors, SPRSR, Sprott Private Resource Streaming and Royalty (US), LP, Sprott Private Resource Streaming and Royalty (International), LP, Sprott Private Resource Streaming and Royalty (Canada), LP, SAF Real Estate, LLC, Ninepoint Alternative Credit Opportunities Fund and Ninepoint Credit Income Opportunities Fund.

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“**Series 1 Convertible Debentures**” means, collectively, the secured convertible debentures in the aggregate principal amount of \$6,000,000.00 bearing interest at 7.5% per annum payable quarterly in arrears, issued on January 28, 2022 by the Obligors and convertible at the option of the holder into common shares of BHMC, as amended by the Second Omnibus Amendment and as the same may be further amended, restated, amended and restated, modified or supplemented from time to time.

“**Series 2 Convertible Debentures**” means, collectively, the series 2 secured convertible debentures, in the initial aggregate principal amount of up to US\$20,000,000.00, that bear interest at 10.5% per annum payable quarterly in arrears, issued during the period commencing June 17, 2022 and ending on the date that is 45 days thereafter (or such later date as SPRSR may agree in its sole discretion) and convertible at the option of the holder into common shares of BHMC, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“**SPRSR**” means Sprott Private Resource Streaming and Royalty (Collector), LP, a limited partnership formed under the laws of the Province of Ontario, and its successors and assigns.

- (2) Capitalized terms used in this Agreement that are not defined in it have the meanings given to them in the Royalty Convertible Debenture.
- (3) Headings of the articles and sections hereof are inserted for convenient reference only and shall not affect the construction and interpretation of this Agreement.
- (4) Words importing the singular number include the plural and vice versa. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. All forms of “include” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall have the same meaning and effect as “shall”.
- (5) Unless the context requires otherwise (i) reference to any Person shall be construed to include such Person’s successors and assigns; and (ii) “herein”, “hereof” and “hereunder”, and similar words shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof;

## **Section 2 Joint and Several Obligations**

- (1) All obligations designated as being obligations of BHMC or Mine Owner, or either one of them, including all representations and warranties, covenants and payment obligations of BHMC and Mine Owner are joint and several obligations of each of them, as such obligations may be modified, released, diminished or otherwise derogated from in any manner by any reason of any actions or omissions of, any instruments or agreements entered into by, or any rights granted by the Royalty Holder, including any settlement, discharge, compromise, modification, amendment, extension, indulgence, waiver, release or other similar change to the obligations. Each Obligor will, as a separate and independent obligation, perform each such obligation as primary obligor.

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- (2) Each Obligor irrevocably waives any claim, remedy or other right which it may now have or hereafter acquire against the other that arises from the existence, payment, performance or enforcement of their respective obligations under this Agreement, including any right of subrogation, reimbursement, exoneration, indemnification or any right to participate in any claim or remedy of the Royalty Holder (or any other Sprott Entity) against Mine Owner or BHMC, as applicable, or its property and assets, whether or not such claim, remedy or other right is reduced to judgment or is liquidated, unliquidated, fixed, contingent, matured, unmatured, deposited, undisputed, secured or unsecured and whether or not such claim, remedy or other right arises in equity or under contract, statute or common law.

### **Section 3 Grant of Option to Purchase the Royalty.**

- (1) Each Obligor hereby grants to and in favour of the Royalty Holder, in its capacity as holder of the Royalty Convertible Debenture, and following the issuance of the Royalty, in its capacity as holder of the Royalty, the irrevocable right (but not the obligation) to require BHMC to purchase the Royalty for the Royalty Purchase Price, upon the terms and conditions of this Agreement (the “**Royalty Put Option**”). Upon the exercise of such right in accordance with the terms of this Agreement, BHMC shall purchase the Royalty from the Royalty Holder, for the Royalty Purchase Price.
- (2) Following the issuance of the Royalty to the Royalty Holder and upon occurrence of an Event of Default, the Royalty Holder shall have the irrevocable right (but not the obligation) to elect to require BHMC to purchase the Royalty from the Royalty Holder for an amount equal to the Principal Amount (the “**Royalty Purchase Price**”) by giving a written notice (the “**Exercise Notice**”) to the Obligors substantially in the form of the notice attached as Schedule A.
- (3) BHMC shall pay the Royalty Purchase Price to the Royalty Holder in cash in immediately available funds within five (5) Business Days following the delivery by the Royalty Holder of any such Exercise Notice at the place and to the account designated by the Royalty Holder in the Exercise Notice and the Royalty Purchase Price shall become immediately due and payable at such time.
- (4) Upon receipt of the Royalty Purchase Price and any other amounts owing hereunder, the Royalty Holder will transfer the Royalty to BHMC on an “as is where is” basis and without any representation and warranty except as provided in Section 4, by execution of a transfer substantially in the form attached as Schedule B.

### **Section 4 Representations, Warranties and Covenants of Royalty Holder.**

- (1) The Royalty Holder represents and warrants to the Obligors, and acknowledges that the Obligors are relying upon the following representations and warranties in connection with the transactions which are the subject of this Agreement, that at the time of the transfer of the Royalty in accordance with the Exercise Notice:
  - (a) the Royalty Holder has not granted any charges, liens or security interests in or to its rights and interests under the Royalty; and
  - (b) the Royalty Holder will have good right, full power, and authority to transfer all of its right, title and interest in and to the Royalty to BHMC.
- (2) The representations and warranties set forth above shall survive the execution and delivery of this Agreement.

### **Section 5 Representations and Warranties of the Obligors.**

- (1) The Obligors represent and warrant to SPRSR as follows and acknowledge that the Royalty Holder is relying upon the following representations and warranties in connection with the transactions which are the subject of this Agreement:

- (a) the Obligors have the corporate power and capacity to enter into, and to perform each of its obligations under this Agreement;
  - (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action on by each of the Obligors; and
  - (c) this Agreement has been duly executed and delivered by the Obligors and is a valid and binding obligation of the Obligors, enforceable against each of them in accordance with its terms, subject to the usual exceptions as to bankruptcy, insolvency and the availability of equitable remedies.
- (2) The representations and warranties set forth above shall survive the execution and delivery of this Agreement.

## **Section 6 Covenants**

Each Obligor covenants and agrees with SPRSR that:

- (a) upon either Obligor becoming aware of the occurrence of either an Event of Default or Pending Event of Default, the Obligors shall promptly deliver to SPRSR a notice specifying the nature and date of occurrence of such Event of Default or Pending Event of Default, the Obligors' assessment of the duration and effect thereof and the action which the Obligors propose to take with respect thereto; and
- (b) upon exercise of the Royalty Put Option and the transfer of the Royalty by the Royalty Holder to BHMC hereunder, the Royalty shall be immediately terminated and cancelled by Mine Owner, released and discharged from title to the Property and may not be re-issued, transferred or assigned to any other Person.

## **Section 7 Overdue Payments**

Any payment not made by an Obligor when due shall incur interest from the due date until such payment is made in full at a per annum rate equal to ELEVEN percent (11.0%) per annum calculated daily and on the basis of the actual number of days elapsed, and a year of 356 or 366 days, as applicable, and compounded monthly and payable on demand by the Royalty Holder.

## **Section 8 Expenses.**

The Obligors will reimburse the Royalty Holder within thirty (30) days of the Royalty Holder providing, or causing to provide, a written invoice and supporting documentation in respect thereof, all of Royalty Holder's reasonable out-of-pocket costs and expenses incurred in respect of the negotiation, registration, enforcement of, or the preservation of rights under the Royalty and this Agreement, including the reasonable fees and expenses of legal counsel for the Royalty Holder in connection herewith.

## **Section 9 Notice.**

Any notice or written communication given pursuant to or in connection with this Agreement shall be in writing and shall be given by delivering the same personally or by prepaid courier or email, addressed to the party to be notified at the following address of such party or at such other address of which such party has given notice to the other party hereto:

- (1) if to the Royalty Holder

Sprott Private Resource Streaming and Royalty (Collector), LP  
Royal Bank Plaza  
200 Bay Street, Suite 2600  
Toronto, Ontario  
M5J 2J1  
Attention: [Redacted – personal information]  
Email: [Redacted – personal information]

(2) if to an Obligor:

Bunker Hill Mining Corp.  
82 Richmond St East  
Toronto, ON, M5C 1P1  
Attention: David Wiens, CFO & Corporate Secretary  
Email: [Redacted - personal information]

Any such notice will be deemed to have been given and received:

- (a) if delivered by hand or courier in accordance with Section 11.6(1), then on the day of delivery to the recipient Party if such date is a Business Day and such delivery is received before 5:00 pm at the place of delivery; otherwise such notice will be deemed to have been given and received on the first Business Day following the date of delivery; and
- (b) if sent by email transmission in accordance with Section 11.6(1) and successfully transmitted prior to 5:00 pm on a Business Day (recipient Party time), then on that Business Day, and if successfully transmitted after 5:00 pm or if transmitted on a day that is not a Business Day then such notice will be deemed to be given and received on the first Business Day immediately following the date of transmission.

#### **Section 10 Further Assurances.**

Each of the Parties shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other may require from time to time for the purpose of giving effect to this Agreement and shall use all reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

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#### **Section 11 Entire Agreement, Project Finance Document.**

This Agreement, the Second Omnibus Amendment and the Royalty Convertible Debenture constitute the entire agreement between the Parties hereto with respect to the subject matter hereof and supersede any and all prior agreements or understandings, written or oral, with respect thereto. The Parties confirm, agree and designate that this Agreement constitutes a “Project Finance Document” for the purposes of the Security.

#### **Section 12 Time.**

Time is and will be of the essence of each and every provision of this Agreement.

#### **Section 13 Governing Law and Jurisdiction.**

Each Obligor agrees that any legal proceeding with respect to this Agreement or to enforce any judgment obtained against the Obligor may be brought by SPRSR in the courts of the Province of Ontario, Canada or in the courts of any jurisdiction where an Obligor may have assets or carries on business, and each Obligor hereby irrevocably submits to

the non-exclusive jurisdiction of each such court and acknowledges its competence. Each Obligor agrees that a final judgment against it in any such legal proceeding will be conclusive and may be enforced in any other jurisdiction by suit on the judgment (a certified or exemplified copy of which judgment will be conclusive evidence of the fact and of the amount of the Obligations hereunder) or by such other means provided by law.

#### **Section 14 Modification.**

No amendment of this Agreement shall be binding unless in writing and signed by all of the Parties hereto.

#### **Section 15 Successors And Assigns, Confirmation and Acknowledgement.**

- (1) Neither Obligor may transfer, assign or convey any of its rights or obligations under this Agreement to any Person without the prior written consent of SPRSR.
- (2) Royalty Holder may transfer all or any of its rights under this Agreement, without any prior consent, to any transferee or assignee of the Royalty Convertible Debenture or the Royalty and any such transferee or assignee shall have the same rights and to the same extent as though such transferee was an original party hereto as SPRSR and Royalty Holder in the first instance. Upon any such transfer and the request of the Royalty Holder, the Obligors will confirm in writing in favour of the transferee or assignee the rights of the transferee and assignee as Royalty Holder hereunder.
- (3) This Agreement shall be binding upon each Obligor and its successors and permitted assigns and shall enure to the benefit of SPRSR and its successors and assigns. Any reference herein to SPRSR shall include its successors and assigns as if specifically named.

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#### **Section 16 Termination**

This Agreement shall terminate upon the indefeasible payment in full of:

- (a) all indebtedness, liabilities and other obligations of the Obligors under all of the Series 1 Convertible Debentures and Series 2 Convertible Debentures (except for certain contingent obligations which by their terms are intended to survive such indefeasible payment in full and in respect of which no amounts are due or owing); and
- (b) if the Royalty Holder elected to exercise the Royalty Put Option in accordance with the terms of this Agreement, the Royalty Purchase Price and any other Obligations owing hereunder.

#### **Section 17 Currency.**

All references to dollars in this Agreement shall be to US dollars.

#### **Section 18 Counterparts.**

This Agreement and any schedules, certificates or other writing delivered in connection herewith, may be executed in any number of counterparts and by facsimile or electronic means, with the same effect as if all parties had all signed the same document, and all such counterparts and adopting instruments will be construed together and will constitute one and the same instrument. The execution of this Agreement and any other writing by any Party hereto or thereto will not become effective until counterparts hereof or thereof, as the case may be, have been executed by all the parties hereto or thereto.

*[Signature pages immediately follow]*

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**DATED** this 22<sup>nd</sup> day of July, 2022.

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (COLLECTOR), LP**, by its general partner, **SPROTT RESOURCE STREAMING AND ROYALTY CORP.**

Per: [Redacted – personal information]

Name: [Redacted – personal information]

Title: [Redacted – personal information]

*Royalty Put Option Signature Page*

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**BUNKER HILL MINING CORP.**

Per: (signed) “Samuel Ash”

Name: Samuel Ash

Title: CEO

**SILVER VALLEY METALS CORP.**

Per: (signed) “Samuel Ash”

Name: Samuel Ash

Title: President

*Royalty Put Option Signature Page*

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**Schedule A**  
**Royalty Put Option Exercise Notice**

Bunker Hill Mining Corp.  
82 Richmond St East  
Toronto, ON M5C 1P1

Re: Exercise of Royalty Put Option

Reference is made to the following:

- (a) the royalty agreement dated as of [●] between [●], as grantee and royalty holder, and Silver Valley Metals Corp., as grantor, and Bunker Hill Mining Corp. (the “**Royalty**”); and

- (b) the royalty put option agreement dated as of July 22, 2022 between Sprott Private Resource Streaming and Royalty (Collector), LP, Bunker Hill Mining Corp. and Silver Valley Metals Corp. (the “**Put Option Agreement**”); and
- (c) the occurrence of the event of default referred to in section [●] of Series [●] Convertible Debenture.

Capitalized terms used in this notice and not defined have the same meaning as in the Put Option Agreement.

The undersigned, Royalty Holder, hereby exercises the Royalty Put Option in accordance with the Put Option Agreement and demands payment of US\$ \_\_\_\_\_, being the Royalty Purchase Price, to be transferred and paid to it on \_\_\_\_\_ by wire transfer to its account with the following details:

Upon receipt of such amount together with all other amounts owing under the Put Option Agreement, the undersigned will execute and deliver the transfer form in the form appended as Schedule B to the Put Option Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_.

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (COLLECTOR), LP**, by its general partner,  
**SPROTT RESOURCE STREAMING AND ROYALTY CORP.**

Per: \_\_\_\_\_  
 Name: ●  
 Title: ●

**Schedule B  
 Royalty Transfer Form**

*RECORDING REQUESTED BY AND WHEN  
 RECORDED RETURN TO:*

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(Space Above For Recorder’s Use)

**MINERAL ROYALTY TRANSFER DEED**

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (COLLECTOR), LP, a partnership existing under the laws of the Province of Ontario, Canada [or successor or assignee entity] (“Royalty Holder”), hereby transfers unto BUNKER HILL MINING CORP., a corporation incorporated and existing under the laws of the state of Nevada (“BHMC”), all of the Royalty Holder’s right, title, and interest in and to that certain Royalty described in that certain [date] Royalty Agreement, recorded or notice of which was recorded as Instrument

# \_\_\_\_\_ on \_\_\_\_\_ in \_\_\_\_\_ County, Idaho, burdening and appurtenant to the Property and Mining Rights described in Exhibits A and B attached hereto and incorporated herein by this reference.

Royalty Holder hereby transfers, grants, conveys and quitclaims all of the Royalty Holder's right, title and interest in the Royalty to BHMC, 'as-is-where-is' and without any representation and warranty of any kind except as follows:

- (a) The Royalty Holder has not granted any charges, liens or security interest in or to its rights and interests under the Royalty; and
- (b) The Royalty Holder will have good right, full power, and authority to transfer all of its right, title and interest in and to the Royalty to BHMC.

All capitalized terms herein shall have the meaning set out in the Royalty Agreement, unless otherwise specified in this Deed.

**\*\*SIGNATURE ON FOLLOWING PAGE\*\***

*MINERAL ROYALTY TRANSFER DEED*

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IN WITNESS WHEREOF, the Royalty Holder has executed this instrument on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (COLLECTOR), LP, by its general partner, SPROTT RESOURCE STREAMING AND ROYALTY CORP. [or successor or assignee entity]

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss.

This record was acknowledged before me on \_\_\_\_\_, 2022 by \_\_\_\_\_, as the \_\_\_\_\_ of SPROTT RESOURCE STREAMING AND ROYALTY CORP. [or successee or assignee entity]

NOTARY PUBLIC FOR \_\_\_\_\_  
Residing at \_\_\_\_\_  
My Commission Expires \_\_\_\_\_



*MINERAL ROYALTY TRANSFER DEED*

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**EXHIBIT A**

**Property**

*MINERAL ROYALTY TRANSFER DEED*

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**EXHIBIT B**

**Mining Rights**

*MINERAL ROYALTY TRANSFER DEED*

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**Exhibit 31.1**

**CERTIFICATION**

I, Sam Ash, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bunker Hill Mining Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

By: /s/ Sam Ash

Sam Ash, Chief Executive Officer, President and  
Principal Executive Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.

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**Exhibit 31.2**

### **CERTIFICATION**

I, Gerbrand van Heerden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bunker Hill Mining Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

By: /s/ Gerbrand van Heerden

Gerbrand van Heerden, Chief Financial Officer,  
Principal Financial Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bunker Hill Mining Corp., (the “Company”) on Form 10-Q for the period ending September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Sam Ash, Chief Executive Officer, President and Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Bunker Hill Mining Corp.

/s/ Sam Ash DATE: November 7, 2024  
Sam Ash, Chief Executive Officer and President

A signed original of this written statement required by Section 906 has been provided to Bunker Hill Mining Corp. and will be retained by Bunker Hill Mining Corp. to be furnished to the Securities and Exchange Commission or its staff upon request.

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**Exhibit 32.2**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bunker Hill Mining Corp., (the “Company”) on Form 10-Q for the period ending September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gerbrand van Heerden, Chief Financial Officer and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Bunker Hill Mining Corp.

/s/ Gerbrand van Heerden DATE: November 7, 2024  
Gerbrand van Heerden, Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Bunker Hill Mining Corp. and will be retained by Bunker Hill Mining Corp. to be furnished to the Securities and Exchange Commission or its staff upon request.

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