

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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025

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

For the transition period from _____ to _____

Commission file number: 001-41320

**IDAHO STRATEGIC RESOURCES,
INC.**

(Name of small business issuer in its charter)

Idaho

(State or other jurisdiction of incorporation or organization)

82-0490295

(I.R.S. employer identification No.)

201 N. Third Street, Coeur d'Alene, ID 83814
(Address of principal executive offices) (zip code)

(208) 625-9001

Registrant's telephone number, including area code

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
<u>Common Stock, No par value</u>	<u>IDR</u>	<u>NYSE American</u>

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 Section 15(d) of the Act. Yes No

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained herein, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

Indicate by check mark whether the filings included in this filing by the registrant as defined in Rule 12b of the Exchange Act include any corrections of an error to previously issued financial statements Yes No

Indicate by check mark whether any of those corrections (if any) are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b) Yes No

The aggregate market value of all common stock held by non-affiliates of the registrant, based on the average of the bid and ask prices on June 30, 2025 was \$168,504,500.

On March 1, 2026 there were 15,806,301 shares of the registrant’s Common Stock outstanding.

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS	3
GLOSSARY OF SIGNIFICANT MINING TERMS	4
PART I	
ITEM 1. DESCRIPTION OF THE BUSINESS	6
ITEM 1A. RISK FACTORS	9
ITEM 1B. UNRESOLVED STAFF COMMENTS	21
ITEM 1C. CYBERSECURITY	21
ITEM 2. DESCRIPTION OF PROPERTIES	22
ITEM 3. LEGAL PROCEEDINGS	37
ITEM 4. MINE SAFETY DISCLOSURES	37
PART II	
ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS	38
ITEM 6. [RESERVED]	39
ITEM 7. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	39
ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	42
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	43
ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	62
ITEM 9A. CONTROLS AND PROCEDURES	62
ITEM 9B. OTHER INFORMATION	62
ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	62
PART III	

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE	63
ITEM 11. EXECUTIVE COMPENSATION	66
ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS	68
ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	69
ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES	69
PART IV	
ITEM 15. EXHIBITS	70
ITEM 16. FORM 10-K SUMMARY	70
SIGNATURES	71

[Table of Contents](#)

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K and the exhibits attached hereto contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws, including statements about anticipated future operating and financial performance, financial position and liquidity, growth opportunities and growth rates, pricing plans, acquisition and divestiture opportunities, business prospects, strategic alternatives, business strategies, regulatory and competitive outlook, investment and expenditure plans, financing needs and availability and other similar forecasts and statements of expectation and statements of assumptions underlying any of the foregoing. The words “aims,” “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “seeks,” “should” and variations of these words and similar expressions are generally intended to identify these forward-looking statements. These forward-looking statements are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Idaho Strategic Resources, Inc.’s (“IDR”, “Idaho Strategic”, or “the Company”) control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

Forward-looking statements by the Company are based on estimates, projections, beliefs and assumptions of management and are not guarantees of future performance. Such forward-looking statements may be contained in this Annual Report on Form 10-K under *Item 1 Description of the Business*, *Item 1A Risk Factors*, and *Item 7 Management’s Discussion and Analysis of Financial Condition and Results of Operations*, or in the Current Reports on Form 8-K, among other places. Some of other risk factors include, but are not limited to, the following:

- adverse effects of climate changes or natural disasters;
- adverse effects of global or regional pandemic disease spread or other crises;
- global economic and capital market uncertainties;
- the speculative nature of gold or mineral exploration, including risks of diminishing quantities or grades of qualified resources;
- operational or technical difficulties in connection with exploration, processing or mining activities;
- costs, hazards and uncertainties associated with precious metal based activities, precious metal exploration, resource development, economic feasibility assessment and cash generating mineral production;
- contests over title to the Company’s properties;
- potential dilution to our shareholders from our stock issuances, recapitalization and balance sheet restructuring activities;
- potential inability to comply with applicable government regulations or law;
- adoption of or changes in legislation or regulations adversely affecting the Company’s business;
- permitting constraints or delays;
- ability to achieve the benefits of business opportunities that may be presented to, or pursued by, us, including those involving the ability to successfully identify, finance, complete and integrate acquisitions, joint ventures, strategic alliances, business combinations, asset sales, and investments that the Company may be party to in the future;
- changes in the United States or other monetary or fiscal policies or regulations;
- interruptions in our production capabilities due to capital constraints;
- equipment failures;
- fluctuation of prices for gold or certain other commodities (such as rare earth elements, water, diesel, gasoline and alternative fuels and electricity);
- changes in generally accepted accounting principles;
- adverse effects of war, mass shooting, terrorism and geopolitical events;

- potential inability to implement the Company's business strategies;
- potential inability to grow revenues;
- potential inability to attract and retain key personnel;
- interruptions in delivery of critical supplies, equipment and raw materials due to credit or other limitations imposed by vendors;
- assertion of claims, lawsuits and proceedings against the Company;
- potential inability to satisfy debt and lease obligations;
- potential inability to maintain an effective system of internal controls over financial reporting; and
- work stoppages or other labor difficulties.

Occurrence of such events or circumstances could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows, or the market price of its securities. All subsequent written and oral forward-looking statements by or attributable to the Company or persons acting on the Company's behalf are expressly qualified in their entirety by these factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated, or expected. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Except as may be required by securities or other law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

The Company qualifies all the forward-looking statements contained in this Annual Report by the foregoing cautionary statements.

[Table of Contents](#)

GLOSSARY OF SIGNIFICANT MINING TERMS

Ag- Silver.

Au- Gold.

Alluvial- Adjectivally used to identify rocks or minerals deposited over time by moving water.

Argillites- Metamorphic rock containing clay minerals.

Arsenopyrite- An iron-arsenic sulfide. Common constituent of gold mineralization.

Ball Mill- A large rotating cylinder usually filled to about 45% of its total volume with steel grinding balls. The mill rotates and crushed rock is fed into one end and discharged through the other. The rock is pulverized into small particles by the cascading and grinding action of the balls.

Bedrock-Solid rock underlying overburden.

Cu- Copper.

CIL- A standard gold recovery process involving the leaching with cyanide in agitated tanks with activated carbon. CIL means "carbon-in-leach."

Crosscut- A nominally horizontal mine passageway, generally driven at right angles to the strike of a vein.

Dip- Angle made by an inclined surface with the horizontal, measured perpendicular to strike.

Deposit- A mineral deposit is a mineralized body that has been intersected by sufficient closely spaced drill holes or underground sampling to support sufficient tonnage and average grade(s) of metal(s) to warrant further exploration or development activities.

Drift- A horizontal mine opening driven on the vein. Driving is a term used to describe the excavation of a mine passageway.

Exploration Stage- As defined by the United States Securities and Exchange Commission ("SEC")-includes all issuers engaged in the search for mineral deposits (reserves), which are not in the production stage.

Fault- A fracture in the earth's crust accompanied by a displacement of one side of the fracture with respect to the other and in a

direction parallel to the fracture.

Flotation- A physiochemical process for the separation of finely divided solids from one another. Separation of these (dissimilar) discrete solids from each other is affected by the selective attachment of the particle surface to gas bubbles.

GPT- grams per metric tonne.

Galena- A lead sulfide mineral. The most important lead mineral in the Coeur d'Alene Mining District.

Grade- A term used to assign the concentration of metals per unit weight of ore. An example-ounces of gold per ton of ore (opt). One troy ounce per short ton is 34.28 parts per million or 34.28 grams per metric tonne.

Mill- A general term used to denote a mineral processing plant.

Mineralization- The presence of minerals, usually of potential economic significance, in a specific area or geologic formation.

Mineral Reserve- An estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted.

Mineral Resource- A concentration or occurrence of material of economic interest in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. A mineral resource is a reasonable estimate of mineralization considering relevant factors such as cut-off grade, likely mining dimensions, location or continuity, that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. It is not merely an inventory of all mineralization drilled or sampled.

[Table of Contents](#)

Net Smelter Return (“NSR”)- The Net Smelter Return from a processed ore is the value recouped from the mineral products less the costs associated with smelting, refining, and transport to the smelter. The NSR specifically does not permit the deduction of mining and milling costs.

Ore- A mineral or aggregate of minerals that can be mined and treated at a profit. A large quantity of ore that is surrounded by waste or sub-ore material is called an orebody.

Patented Claim- A mineral claim where the title has been obtained from the U.S. federal government through the patent process of the 1872 Mining Law. The owner of the patented claim is granted title to the surface and mineral rights.

Production Stage- As defined by the SEC, includes all issuers engaged in the exploitation of a mineral deposit (reserve).

Proven Reserve- The economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource.

Pyrite- An iron sulfide mineral that usually has no commercial value but is commonly associated with mineral deposits of gold, copper, and other metals.

Quartz- Crystalline silica (SiO₂). An important rock-forming and gangue material in veins or other types of mineral deposits.

Quartzites- Metamorphic rock containing significant amounts of quartz.

Raise- An underground opening driven upward, generally on the vein.

Ramp- An underground opening usually driven downward, but not always, to provide access to an orebody for rubber-tired equipment such as loaders and trucks. Typically, ramps are inclined at a slope grade of approximately 15%.

Rare Earth Elements- Comprised of 15 elements that range in atomic number from 57 (lanthanum) to 71 (lutetium) on the periodic table. Most of the rare earth elements are not as rare as the group’s name suggests. Although rare earth elements are relatively abundant in the Earth’s crust, they are rarely concentrated into mineable ore deposits. These elements are in demand because they

are essential for a diverse and expanding array of high-technology applications and emerging alternative energy uses.

Royalty or NSR Royalty- A mineral royalty is a percentage of the value extracted from an ore that is paid to an interest holding party, usually a claim owner. The NSR Royalty is calculated based on the value of the processed ore after deducting the costs of smelting, refining, and transport to a smelter. However, the cost of mining and milling is not deducted. Typical NSR Royalty rates in the United States are on the order of 1–5%.

Shoot- A body of ore, usually of elongated form, extending downward or upward in a vein.

Stope- An underground void created by the mining of ore.

Strike- The bearing or azimuth of the line created by the intersection of a horizontal plane with an inclined rock strata, vein or body.

Tellurium- Relatively rare chemical element found with gold and silver that can form minerals known as tellurides.

Tetrahedrite- Sulfosalt mineral containing copper, antimony, and silver.

Vein- A zone or body of mineralized rock lying within boundaries separating it from neighboring wallrock. A mineralized zone having a more or less regular development in length, width and depth to give it a tabular form and commonly inclined at a considerable angle to the horizontal.

Unpatented Claim- A mineral claim staked on United States Public Domain (“USPD”) that is open for mineral entry. Unpatented lode claims can be no more than 1,500 feet long by 600 feet wide. The claimant owns the mineral rights, but does not own the surface, which is USPD. Unless otherwise allowed, subsurface exploration or mining on the claim must first be submitted in a plan of operations for approval to the appropriate federal land management entity.

Wallrock- Usually barren rock surrounding a vein.

[Table of Contents](#)

PART I

ITEM 1. DESCRIPTION OF THE BUSINESS

History and Organization

Idaho Strategic Resources, Inc. (“the Company”, “Idaho Strategic” or “IDR”) was incorporated under the laws of the State of Idaho on July 18, 1996. The Company’s head office and registered records office is located at 201 N. 3rd St. Coeur d’Alene, ID 83814. On December 6, 2021, the Company changed its name to Idaho Strategic Resources, Inc. (formerly New Jersey Mining Company (“NJMC”)) to better reflect its corporate focus, Idaho-based operations and being domiciled in Idaho. IDR is one of the few resource-based companies (public or private) possessing the combination of officially recognized U.S. domestic rare earth element properties (in Idaho) and Idaho-based gold production located in an established mining community.

Any Bankruptcy, Receivership or Similar Proceedings

There have been no bankruptcy, receivership, or similar proceedings.

Any Material Reclassification, Merger, Consolidation, or Purchase or Sale of a Significant Amount of Assets Not in the Ordinary Course of Business.

There have been no material reclassifications, mergers, consolidations, purchases, or sales not in the ordinary course of business for the past three years.

General Description of the Business

Idaho Strategic produces gold at the Golden Chest Mine located in the Murray Gold Belt (“MGB”), the northern portion of the world-class Coeur d’Alene Mining District, north of the prolific Silver Valley. With over 20,000 acres of patented and unpatented land, the Company has the largest private land and mineral claim position in the area following its consolidation of the Murray Gold Belt for the first time in over 100-years.

The Company is an established gold producer, with prior surface and current underground mining operations at its 100-percent owned Golden Chest Mine and conducts milling operations at its majority-owned New Jersey Mill. In addition to gold and gold production, the Company maintains an important strategic presence in the U.S. Critical Minerals sector, specifically focused on the

more “at-risk” rare earth elements (“REE”). The Company’s Mineral Hill, Lemhi Pass, and Diamond Creek properties are included the U.S. national REE inventory as listed in United States Geologic Survey (“USGS”), Idaho Geologic Survey (“IGS”) and Department of Energy (“DOE”) publications. All three projects are in central Idaho near the Company’s field office in Salmon, Idaho.

The Company focuses its exploration and production efforts in historical mining districts mostly located within the state of Idaho. Its portfolio of mineral properties includes:

- The Golden Chest Mine, a producing gold mine located in the Murray Gold Belt of North Idaho;
- Niagara, an intermediate-stage copper-silver exploration property located in the Murray Gold Belt of North Idaho;
- Little Baldy, an intermediate-stage gold exploration property located in the Murray Gold Belt of North Idaho;
- Approximately 1,510 acres of additional patented mineral property and over 14,880 acres of nearby and adjacent unpatented mineral property. These holdings are considered early-stage exploration properties and located within the Murray Gold Belt, many of which include historic gold mines and known gold mineralization;
- REE Projects—located in the Idaho Rare Earth Element-Thorium (“REE-Th”) Belt near Salmon, Idaho. Projects include;
 - Mineral Hill – Nationally recognized and high grade REE property in the northern portion of the Idaho REE-Th Belt
 - Lemhi Pass – Significant land package with high value REE potential—USGS also recognized as the #1 thorium prospect in the U.S.
 - Diamond Creek – Nationally recognized rare earth prospects in the US
- A significant portfolio of early-stage exploration properties throughout Idaho.

In addition to its portfolio of exploration, pre-development, and producing properties, the Company is also the manager and majority-owner of the New Jersey Mill, which currently processes ore from the Golden Chest Mine. The New Jersey Mill can process gold and silver ore through a 360-tonne per day flotation plant.

[Table of Contents](#)

The Company has focused its efforts on underground development and growing production at the Golden Chest Mine and exploration at its extensive land holdings within the MGB area. With all debt associated with land acquisition and the start-up of operations behind it, the Company significantly increased its exploration and growth initiatives in the Murray Gold Belt. This progress, combined with the existing infrastructure and development, has created a solid foundation of value regardless of market cycles.

Competitive Business Conditions

While there has been a market for gold and precious metals historically, the Company competes on several different fronts within the minerals exploration industry. The Company may find the need to compete with other junior mining companies for the capital necessary to sustain its exploration and development programs. IDR has focused its gold operations at and near the Golden Chest Mine, however if it chose to expand to other geographic areas it may compete with other mining companies for exploration properties and mining assets. The Company has been successful in resuming operations at the New Jersey Mill, consolidating 100% ownership of the Golden Chest Mine, and assembling one of the largest rare earth element landholdings in the US. In October 2016 production at the Golden Chest resumed with the Company as the sole owner and operator.

Generally, the Company is subject to economic conditions and risks inherent to the mineral industry. A primary risk of mineral exploration is the low probability of finding a major ore deposit. The Company attempts to mitigate this risk by focusing its efforts in areas known to host significant and/or economic mineral deposits, and by relying on its experienced management team to drive analysis, evaluation, and acquisition of properties that it feels have a higher-than-average probability of success. In addition to deal essentials, such as cost, terms, timing, and market considerations, the Company’s process of property acquisition involves screening target properties based on geological, economic, engineering, environmental, and metallurgical factors. In all its operations the Company competes for skilled labor within the mining industry.

The risks associated with the Company’s mining and milling operations include other risks typical of the mining industry, such as: operational effectiveness in the processing plant that could result in lower recovery of the economic metals, mechanical failure of equipment that could increase costs or decrease efficacy, ability to hire and retain qualified operators, and risks that the mining operations are unable to economically extract material due to lower grade material, ground or slope failures or other development challenges that can increase costs. The Company manages these risks with engineering and geologic analysis, detailed mine planning, a preventive maintenance program, and installing experienced and technically proficient management.

Another significant risk in the mining industry is the price of metals such as gold and silver. If the prices of these metals were to fall

substantially, in addition to an impact on economics and/or profitability, it could lead to a loss of investor interest in the mining sector which could make it more difficult to raise capital if considered necessary for the Company to move exploration and development plans forward.

Customer Dependence and Product Distribution

The Company sold all its flotation gold concentrate to H&H Metals Corporation (“H&H Metals” or “H&H”) of New York, NY which accounted for 98% of gold sales in 2025. The remaining gold sales were gold doré which was sold to a western U.S. refinery. H&H Metals is also an IDR shareholder. Although not expected, if H&H Metals could not purchase the gold concentrate, it is anticipated another customer could be found readily as the flotation gold concentrate is a high-value concentrate with minor deleterious element content.

Effect of Existing or Probable Governmental Regulations on the Business

The mining business is subject to extensive federal, state, and local laws and regulations governing development, production, labor standards, occupational health, waste disposal, the use of toxic substances, environmental regulations, mine safety and other matters. The Company is subject to potential risks and liabilities occurring from mineral exploration and production activities. Insurance against environmental risk (including potential liability for pollution or other hazards from the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

All operating and exploration plans have been made in consideration of existing governmental regulations. Regulations that most affect operations are related to surface water quality and access to public lands. An approved plan of operations (“POO”) and a financial bond are usually required before exploration or mining activities can be conducted on public land that is administered by the United States Bureau of Land Management (“BLM”) or United States Forest Service (“USFS”).

[Table of Contents](#)

The Golden Chest Mine, and other nearby properties may be part of an expanded Bunker Hill Superfund Site. Current plans for expanded cleanup do not include any IDR projects. There is no known evidence that previous operations at Company properties caused any groundwater or surface water pollution. Should such a liability emerge for the Company, its exposure would likely be to clean up or cover historic mine waste. The Company could conceivably be required to conduct cleanup operations at its own expense; however, the Environmental Protection Agency’s (“EPA”) Record of Decision for the Bunker Hill Mining and Metallurgical Complex Operating Unit 3 does not include any cleanup activities at the Company’s projects.

Costs and Effects of Compliance with Environmental Laws (Federal, State and Local)

No major Federal permits are required for the Golden Chest because the operations are on private land and there are no process discharges to surface waters. However, any exploration program conducted by the Company on unpatented mining claims, usually administered by the BLM or USFS, requires a POO to be submitted. The Company’s exploration programs on public land can be delayed for significant periods of time (one to two years) because of the slow permitting process applied by the USFS. The Company believes that such permitting delays are caused by insufficient manpower, complicated regulations, competing priorities, and sympathy for environmental groups who oppose all mining projects.

The Company is also subject to the rules of the U.S. Department of Labor, Mine Safety and Health Administration (“MSHA”) for the New Jersey Mill and Golden Chest Mine operations. When an underground mine or mill is operating, MSHA performs a series of regular quarterly inspections to verify compliance with mine safety laws and can assess financial penalties for violations of MSHA regulations. A typical mine citation order for a violation that is not significant or substantial is about \$200.

The New Jersey Mill has two State of Idaho permits. The first is a permit for its tailings storage facility with the Idaho Department of Water Resources (“IDWR”). The Company submitted an engineered design for the tailings storage facility and constructed a buttress and Phase 5 lift in 2022, and the Phase 6 lift in 2023. IDWR inspected and approved the tailings storage facility for tailings disposal in Phase 5 and Phase 6. The Company posted a reclamation bond of \$107,000 for the tailings storage facility. An Idaho Cyanidation Permit was granted for the New Jersey Mill on October 10, 1995 [No. CN-000027]. Construction of the concentrate leach plant at the New Jersey Mill was completed in November of 2007. The Idaho Cyanidation permit requires quarterly surface water and groundwater monitoring. In 2022 the Company submitted a Closure Plan for the cyanidation permit since it no longer uses the cyanidation process. The closure plan was approved by the Idaho Department of Environmental Quality (“IDEQ”) and calls for continued surface and groundwater monitoring for as long as tailings are deposited in the tailings storage facility and for a post-closure period of five years. IDR estimates the cost of water-monitoring associated with the concentrate leach plant to be

approximately \$10,000 per year. The New Jersey Mill also has an EPA general stormwater permit.

The Company is in the process of permitting a new Tailings Storage Facility (“TSF”) with the IDWR for a new mill at the Golden Chest Mine in Murray, Idaho. The reclamation bond amount will be determined at the completion of the permitting process, but is expected to be approximately \$200,000.

The Idaho Department of Lands (“IDL”) approved a surface mining reclamation plan for the New Jersey Mine in 1993. The plan calls for grading of steep fill slopes and planting of vegetation on the area disturbed by the open pit mine. IDR pays an annual reclamation fee of \$133 to IDL for surface disturbance associated with the New Jersey Mine open pit. The Company has estimated its costs to reclaim the New Jersey Mine and Mill site to be \$117,000.

The Company submitted a reclamation plan to IDL for its past open pit mining operation at the Golden Chest Mine. The plan was approved, and the Company was required to post a reclamation bond of \$103,320. This plan also calls for the grading of steep fill slopes and re-vegetation of disturbed land as well as erosion control measures utilizing best practices. Surface water monitoring is also performed at the Golden Chest and results are reported to IDEQ on a quarterly basis. The Company estimates the cost of this water monitoring at \$12,000 annually. The Golden Chest Mine also has an EPA general stormwater permit.

When the Company plans an exploration drilling program on public lands, it must submit a POO to either the BLM or USFS. Compilation of the plan can take as much as several months of professional time and a reclamation bond is usually required to start drilling once the plan is approved. Bond costs vary directly with surface disturbance area. As an example, IDR’s core drilling at Diamond Creek on USFS administered land required a bond of \$85,800 for minimal disturbance with drill pads adjacent to an existing road (bond returned following reclamation). If a plan requires road building, the bond amount can increase significantly. Upon completion of site reclamation and approval by the managing agency, the bond is returned to the Company.

The Company complies with local building codes and ordinances as required by law.

[*Table of Contents*](#)

Number of Total Employees and Number of Full Time Employees

The Company's total number of full-time employees at December 31, 2025 is 62.

REPORTS TO SECURITY HOLDERS

The Company is not required to deliver an annual report to shareholders; however, its 10K is available digitally on the Company website and through other public sources.

The SEC maintains an internet site (<http://www.sec.gov>) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Commission and SEC.

The Company maintains a website where recent press releases and other information can be found. A link to the Company’s filings with the SEC is provided on the Company’s website www.idahostrategic.com.

ITEM 1A. RISK FACTORS

The following risks and uncertainties, together with the other information set forth in this report, should be carefully considered by those who invest in the Company’s securities. Any of the following material risk factors could adversely affect its business, financial condition or operating results and could decrease the value of its common stock. These are not all the risks the Company may face, and other factors not currently believed to be immaterial may also affect the business if they occur.

Financial Risks

Diversity in application of accounting literature in the mining industry may impact reported financial results.

The mining industry has limited industry-specific accounting literature and, as a result, the Company understands diversity in practice exists in the interpretation and application of accounting literature to mining-specific issues. As diversity in mining industry accounting is addressed, the Company may need to restate its reported results if the resulting interpretations differ from current accounting practices.

The Company’s accounting and other estimates may be imprecise.

Preparing consolidated financial statements requires management to make estimates and assumptions that affect the reported

amounts and related disclosure of assets, liabilities, revenue, and expenses at the date of the consolidated financial statements and reporting periods. The more significant areas requiring the use of management assumptions and estimates relate to:

- mineral reserves, resources, and exploration targets that are the basis for future income and cash flow estimates and units-of-production depreciation, depletion and amortization calculations;
- future ore grades, throughput and recoveries;
- future metals prices;
- future capital and operating costs;
- environmental, reclamation and closure obligations;
- permitting and other regulatory considerations;
- asset impairments;
- valuation of business combinations;
- future foreign exchange rates, inflation rates and applicable tax rates;
- reserves for contingencies and litigation; and
- deferred tax asset valuation allowance.

Future estimates and actual results may differ materially from these estimates from using different assumptions or conditions.

You may lose all or part of your investment.

If the Company is unable to effectively develop, mine, recover and sell adequate quantities of gold or generate cash flows from other diversified precious and strategic metals properties (including, but not limited to, metals exploration, engineering, resource development, economic feasibility assessments, mineral production, metal processing and related ventures), it is unlikely that the cash generated from the Company's internal operations will suffice as a source of the liquidity necessary for anticipated working capital requirements. There is no assurance that the Company's initiatives to improve its liquidity and financial position will be successful. Accordingly, there is substantial risk that the Company will be unable to continue as a going concern. In the event of insolvency, liquidation, reorganization, dissolution or other winding up of the Company, the Company's creditors would be entitled to payment in full out of the Company's assets before holders of common stock would be entitled to any payment, and the claims on such assets may exceed the value of such assets.

[Table of Contents](#)

Because the Company may never earn significant revenues from its mine operations or other diversified precious metal-based and strategic metal properties, the business may fail.

The Company recognizes that if it is unable to generate significant revenues from the exploration and exploitation of mineral reserves or other diversified precious and strategic metals properties in the future, it will not be able to earn profits or continue operations. The Company is generating positive operating income; however, there can be no assurance that this will continue. There is no history upon which to base any assumption as to the likelihood that the Company will prove successful, and the Company can provide no assurance that it will generate significant revenues to sustain profitability. If the Company is unsuccessful, its business will fail, and investors may lose all their investment in the Company.

The Company will not be successful unless it recovers precious or strategic metals and sells them for a profit.

The Company's success depends on the ability to recover precious or strategic metals, process them, and successfully sell them for more than the cost of production. The success of this process depends on the market prices of metals in relation to the costs of production. The Company may not be able to generate a profit on the sale of gold or other minerals because of the limited control over costs and not having the ability to control the market prices. The total cash costs of production at any location are frequently subject to great variation from year to year due to a number of factors, such as the changing composition of the grade of the mineralized material mined for production, and metallurgy and exploration activities in response to the physical shape and location of the mineral deposit. In addition, costs are affected by the price of commodities, such as fuel and electricity. Such commodities are at times subject to volatile price movements, including increases that could make production unprofitable. A material increase in production costs or a decrease in the price of gold or other minerals could adversely affect the Company's ability to earn a profit on the sale of gold or other minerals.

Cost estimates and timing of new projects are uncertain, which may adversely affect the Company's expected production and profitability.

The capital expenditures and time required to acquire, develop, and explore the Company's projects are considerable and changes in costs, construction schedules or both, can adversely affect project economics and expected production and profitability. There are many factors that can affect costs and construction schedules, including, among others:

- availability of labor, energy, transportation, equipment, and infrastructure;

- changes in input commodity prices and labor costs;
- fluctuations in currency exchange rates;
- availability and terms of financing;
- changes in anticipated tonnage, grade and metallurgical characteristics of the mineralized material to be mined and processed;
- recovery rates of gold and other metals from mineralized materials;
- difficulty of estimating construction costs over a period of a year;
- delays in completing any environmental review or in obtaining environmental or other government permits;
- weather and severe climate impacts; and
- potential delays related to health, social, political and community issues.

The Company's ability to execute its strategic plan depends on many factors, some of which are beyond its control.

The Company's strategic plan is focused on high-value, cash-generating, precious and strategic metal-based activities, including, but not limited to, precious and strategic metal exploration, resource development, economic feasibility assessments and cash-generating mineral production. Many of the factors that impact the Company's ability to execute its strategic plan, such as the advancement of certain technologies, legal and regulatory obstacles and general economic conditions, are beyond its control. Changes in value or a lack of demand for the sale of non-core assets would negatively affect the Company's financial condition and performance. Its inability to identify successful joint venture candidates and to complete joint ventures or strategic alliances as planned or to realize expected synergies and strategic benefits could impact its financial condition and performance. Its inability to deploy capital to maximize shareholder value could impact our financial performance. The Company cannot give assurance that it will be able to execute any or all of its strategic plan. Failure to execute any or all of the strategic plan could have a material adverse effect on our financial condition, results of operations, and cash flows.

[Table of Contents](#)

Risks Associated with Operations, Climate, Development, Exploration, and Acquisition Risks

Exploration activities involve a high degree of risk, and exploratory drilling activities may not be successful.

The Company's future success will largely depend on the success of the exploration drilling programs at the Golden Chest Mine, adjacent properties, and other exploration properties. Participation in exploration drilling activities involves numerous risks, including the significant risk that no commercially marketable minerals will be discovered. The mining of minerals and the manufacture of mineral products involves numerous hazards, including:

- Ground or slope failures;
- Pressure or irregularities in formations affecting ore or wall rock characteristics;
- Equipment failures or accidents;
- Adverse weather conditions;
- Compliance with governmental requirements and laws, present and future;
- Shortages or delays in the availability and delivery of equipment; and
- Lack of adequate infrastructure, including access to roads, electricity and available housing.

Poor results from the Company's drilling activities would materially and adversely affect the Company's future cash flows and results of operations.

Transportation and weather interruptions may affect and delay proposed mining operations and impact the Company's business plans.

The Company's mining properties are accessible by road. The climate in the area is hot and dry in the summer but cold and subject to snow and other precipitation in the winter, which could, at times, hamper accessibility depending on the winter season precipitation levels. As a result, the Company's exploration and mining plans could be delayed for several months each year. Such delays could affect its anticipated business operations and increase expenses.

Moreover, extreme weather events (such as increased frequency or intensity of storms or prolonged drought, flooded or frozen terrain) have the potential to disrupt operations at the Company's projects. Extended disruptions to supply lines due to extreme weather could result in interruption of activities at the project sites, delay or increase the cost of construction of the projects, or otherwise adversely affect its business.

Supplies and equipment needed for exploration may not always be available. If the Company is unable to secure raw materials and exploration supplies, it may have to delay anticipated business operations.

Competition, the imposition of tariffs and other trade sanctions, and unforeseen limited sources of supplies needed for the Company's proposed exploration work could result in occasional shortages of supplies of certain products, equipment, or materials. There is no guarantee the Company will be able to obtain certain products, equipment and/or materials as and when needed, without interruption, or on favorable terms, if at all. Such delays could affect the Company's anticipated business operations and increase expenses.

The mining industry is highly competitive and there is no assurance that the Company will continue to be successful in acquiring mineral properties, claims, or leases. If the Company cannot continue to acquire properties to explore for mineral resources, it may be required to reduce or cease exploration activity and/or operations.

The mineral exploration, development, and production industry is largely un-integrated. The Company competes with other exploration companies looking for mineral properties and the minerals that can be produced from them. While the Company competes with other exploration companies in the effort to locate and license mineral properties, it does not compete with them for the removal or sales of mineral products from its claims if a discovery is made in quantities sufficient to make production economically feasible. Readily available markets exist worldwide for the sale of gold and other mineral products, subject to market conditions and prices. Therefore, the Company will likely be able to sell any gold or mineral products that are identified and produced; however, such sales are subject to market fluctuations that may materially and adversely affect the Company's future cash flows and results of operations.

Many of the Company's competitors have greater financial resources and technical facilities. Accordingly, the Company will attempt to compete primarily through the knowledge and experience of its management. This competition could adversely affect its ability to acquire suitable prospects for exploration in the future. Accordingly, there can be no assurance that the Company will acquire any interest in additional mineral properties that might yield reserves or result in commercial mining operations.

[Table of Contents](#)

The estimation of the ultimate recovery of gold and other metals is subjective. Actual recoveries may vary from the Company's estimates.

The Company utilizes a conventional flotation process to produce a bulk sulfide flotation concentrate that is sold to smelters in South Korea and/or Asia. Ore is crushed, ground and valuable minerals are separated using the flotation process which is longstanding and well understood metallurgical process. However, the Company's estimates of gold recovery can vary from actual gold recovery because of several factors such as oxidation, hardness of the ore, deleterious mineralogy, and gold grade estimation errors due to the nugget effect. Also, final payment is determined by sampling of the concentrate at the smelter which could lead to variations from provisional sampling at the mill facility. Sampling procedures at the mill have been modified to try to increase correlation with smelter samples such as by increasing the sample mass collected for the provisional sample at the mill. Due to the complexity of the estimation process and the number of steps involved, among other things, actual recoveries can vary from estimates, and the amount of the variation could be significant and could have a material adverse impact on the Company's financial condition and results of operations.

Resource and other mineralized material statements are estimates only and are subject to uncertainty due to factors including metal prices, inherent variability of the mineral deposits and recoverability of metal in the mining and beneficiation processes.

The Company's reports of mineral resources and other mineralized material depend upon geological interpretation and statistical inferences or assumptions drawn from drilling and sampling analysis, which may prove to be unpredictable. There is a degree of uncertainty attributable to the calculation of mineral resources and corresponding grades. Until mineral resources and other mineralized materials are actually mined and processed, the quantity of mineralized material and grades must be considered as an estimate only. In addition, the quantity of mineral resources and mineral reserves may vary depending on metal prices. Any material changes in the quantity of mineral resources, mineral reserves, mineralization, grade or stripping ratio may affect the economic viability of the Company's properties. In addition, the Company can provide no assurance that gold recoveries or other metal recoveries experienced in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

The Company's mining and metal production depends on the availability of sufficient water supplies.

The Company's mining and milling operations require significant quantities of water for mining, processing, and related support facilities. Continuous production at its mines and mill is dependent on the ability to maintain water rights and claims, and the continuing physical availability of water.

The Company may experience increased costs or losses resulting from the hazards and uncertainties associated with mining.

The exploration for natural resources and the development and production of mining operations are activities that involve a high level of uncertainty. These can be difficult to predict and are often affected by risks and hazards outside of the Company's control. These factors include, but are not limited to:

- environmental hazards, including discharge of metals, concentrates, pollutants or hazardous chemicals;
- industrial accidents, including in connection with the operation of mining transportation equipment, milling equipment and/or conveyor systems, and accidents associated with the preparation and ignition of large-scale blasting operations, milling, processing and transportation of chemicals, explosives or other materials;
- surface or underground fires or floods;
- unexpected geological formations or conditions (whether in mineral or gaseous form);
- ground and water conditions;
- fall-of-ground accidents in underground operations;
- failure of mining pit slopes and tailings dam walls;
- seismic activity; and
- other natural phenomena, such as lightning, severe rain or snowstorms, floods, or other inclement weather conditions.

Climate change could negatively or positively impact the Company's operations and financial performance.

Climate change is expected to create more extreme weather patterns that can increase the frequency of droughts and increase the amount of rainfall, circumstances that require careful water management. Potential key material physical risks to the Company from climate change include but are not limited to: increased volumes of mine contact water requiring storage and treatment, increased design requirements for stormwater diversion and associated water management systems, and reduced freshwater availability due to potential drought conditions. Warmer winters may make it easier to operate the mine in the winter and extend the exploration drilling season. The Company has identified opportunities and risks with the advent of technologies that support decarbonization and renewable energy sources, such as: electric vehicles and energy storage that may require the metals the Company produces, or seeks to produce in the future. These technologies may not have the same reliability as conventional technologies and costs may increase to produce such technologies, which could negatively impact the Company's financial performance.

[Table of Contents](#)

The Company's operations are subject to a range of risks related to climate change and transitioning the business to meet regulatory, societal and investor expectations for operating in a low-carbon economy.

Climate change is expected to create more extreme weather patterns that can increase the frequency or severity of forest fires and droughts and sudden heavy rainfall. These latter two events require careful water management. Potential key material physical risks to the Company from climate change include, but are not limited to:

- increased volumes of mine contact water requiring storage and treatment;
- increased design requirements for stormwater diversion and associated water management systems;
- reduced freshwater availability due to potential drought conditions;
- damage to roads and other infrastructure at our sites due to extreme weather events, including intense rainfalls and related events such as landslides; and
- unpermitted or otherwise non-compliant discharge of wastewater due to an increased frequency of extreme weather events exceeding the design capacity of existing tailings storage facilities and other stormwater management infrastructure.

Such events can temporarily slow or halt operations due to physical damage to assets, reduced worker productivity for safety protocols on-site related to extreme weather events, worker aviation, and transport to or from the site, and local or global supply route disruptions that may limit the transport of essential materials and supplies. Additional financial impacts could include increased capital or operating costs to increase water storage and treatment capacity, obtain or develop maintenance and monitoring technologies, increase resiliency of facilities and establish supplier climate resiliency and contingency plans. The occurrence of weather and climate events have in the past and could in the future cause the Company to incur unplanned costs, which may be material, to address or prevent resulting damage.

In addition, potential opportunities and risks have been identified for the Company as the U.S. shifts toward a low-carbon economy. Technologies that support decarbonization include renewable energy sources, electric vehicles, and energy storage, all of which require the metals the Company produces and/or is exploring for. However, renewable energies currently may not have the same reliability as conventional energy sources. Thus, as the U.S. transitions toward renewable energy sources, the Company could experience a possible curtailment of its energy supply, and these new energy sources may cost more in the future than current supplies, which could negatively impact the Company's financial performance. Further, transitioning to a lower-carbon economy will require significant investment and may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, focus, and jurisdiction of these changes, transition risks may pose varying levels of financial and reputational risk to the Company's business.

Policy and regulatory risk related to actual and proposed changes in climate and water-related laws, regulations and taxes developed to regulate the transition to a low-carbon economy may result in increased costs for the Company's operations, third-party smelters and refiners, and its suppliers, including increased energy, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Regulatory uncertainty may cause higher costs and lower economic returns than originally estimated for new development projects and operations, including closure reclamation and remediation obligations.

The development and deployment of technological improvements or innovations will be required to support the transition to a low-carbon economy, which could result in write-offs and early retirement of existing assets, increased costs to adopt and deploy new practices and processing including planning and design for mines, development of alternative power sources, site level efficiencies and other capital investments.

A failure to meet the Company's climate strategy commitments and/or societal or investor expectations could also result in damage to its reputation, decreased investor confidence and challenges in maintaining positive community relations, which can pose additional obstacles to the Company's ability to conduct its operations and develop its projects, which may result in a material adverse impact on the Company's business, financial position, results of operations and growth prospects.

[Table of Contents](#)

Risks Related to the Company

The cost of the Company's exploration, development and acquisition activities is substantial, and there is no assurance that the quantities of minerals and metals discovered, acquired or recovered will justify commercial operations or replace reserves.

Mineral exploration, development and beneficiation, particularly for gold and other strategic metals, is highly speculative in nature and frequently is nonproductive. There can be no assurance that the Company's exploration, development and/or acquisition activities will be commercially successful. Substantial expenditures are required to acquire existing gold properties, to establish mineral reserves through drilling and analysis, to develop metallurgical processes to extract metal from the mineralized material and, in the case of new properties, to develop the processing facilities and infrastructure at any site chosen for mineral exploration. There can be no assurance that any gold reserves or mineralized material that may be discovered or acquired in the future, if any, will be in sufficient quantities or of adequate grade to justify continued commercial operations, or that the funds required for mineral production operation can be obtained on a timely or reasonable basis, if at all. Mining companies must continually replace mineral reserves depleted by production. There can be no assurance that the Company will be successful in replacing any reserves or mineralized material acquired or established in the future.

The prices of gold and other strategic metals fluctuate on a regular basis and a downturn in price could negatively impact the Company's operations and cash flow.

Our operations will be significantly affected by changes in the market price of gold. Gold prices can fluctuate widely and may be affected by numerous factors, such as expectations for inflation, levels of interest rates, currency exchange rates, purchases and sales by governments and central banks, monetary policies employed by the world's major central banks, fiscal policies employed by the world's major industrialized economies, forward selling or other hedging activities, demand for diversified precious and strategic metals, global or regional political and economic crises, and production costs in major gold-producing regions, such as but not limited to South Africa and the Russian Federation. The aggregate effect of these factors, all of which are beyond the Company's control, are impossible to predict. If gold prices decline substantially, it could adversely affect the realizable value of the Company's assets and, potentially, future results of operations and cash flow.

As opportunities rise, the Company expects to continue to acquire properties with gold and strategic metals reserves or mineralized material with exploration potential. The price that is paid to acquire these properties will be influenced, in large part, by the price of gold and other strategic metals at the time of the acquisition. The Company expects its potential future revenues to be derived from the production and sale of gold and strategic metals from these properties or from the sale of some of these properties. The value of any mineralized material, and the value of any potential mineral production therefrom, will vary in direct proportion to variations in those mineral prices. The price of gold and strategic metals has fluctuated widely due to numerous factors beyond the Company's control. The effect of these factors on the price of gold and strategic metals, and therefore the economic viability of the Company's projects, cannot accurately be predicted. Any drop in the price of gold or strategic metals would negatively affect the Company's asset values, cash flows, potential revenues, and profits.

The use of hedging instruments may not prevent losses being realized on subsequent price decreases or may prevent gains being realized from subsequent price increases.

The Company may, from time to time, sell some future production of gold pursuant to hedge positions. If the gold price rises above

the price at which future production has been committed under these hedge instruments, the Company will have an opportunity loss. If the gold price falls below that committed price, the Company may experience losses if a hedge counterparty defaults under a contract when the contract price exceeds the gold price.

Competition from other mineral exploration and mining companies with greater resources may impact the Company.

The Company competes with other mineral exploration and mining companies or individuals, including large, established metals and mining companies with substantial capabilities and far greater financial resources, to acquire rights to mineral properties, metal processing technology and other methods for extracting and processing precious, and other metals and minerals. There is a limited supply of desirable lands available for claim staking, lease or other acquisition. There can be no assurance that the Company will be able to acquire such properties when competing against competitors with substantially greater financial resources. Increases in the amount of gold and associated minerals sold by competitors of the Company may also result in price reductions and/or reduced margins, and the Company may not be able to compete effectively against current and future competitors.

[Table of Contents](#)

The construction of the Company's mine(s) are subject to all of the risks inherent in start-up operations.

These risks include potential delays, cost overruns, shortages of material or labor, construction defects, and injuries to persons and property. The Company expects to engage, or hire, employees in order to continue the development of its mine(s). While the Company anticipates taking all measures that deemed reasonable and prudent in connection with the production phase, there is no assurance that the risks described above will not cause delays or cost overruns in connection with such development, production, or operation. Any delays would postpone the Company's anticipated receipt of revenue and adversely affect its operations, which in turn may adversely affect the price of its stock.

The Company's business requires substantial capital investment and it may be unable to raise additional funding on favorable terms.

The construction and operation of potential future projects and various exploration projects will require significant funding. The Company's operating cash flow and other sources of funding may become insufficient to meet all of these requirements, depending on the timing and costs of development of these and other projects. As a result, new sources of capital may be needed to meet the funding requirements of these investments and fund ongoing business activities. The ability to raise and service significant new sources of capital will be a function of macroeconomic conditions, future gold and strategic metal prices, the Company's operational performance and its current cash flow and debt position, among other factors. In the event of lower gold and strategic metal prices, unanticipated operating or financial challenges, or a further dislocation in the financial markets as experienced in recent years, the Company's ability to pursue new business opportunities, invest in existing and new projects, fund ongoing operations and retire or service outstanding debt could be significantly constrained.

Owning real estate and water rights carries inherent risks.

The Company is susceptible to the following real estate industry risks beyond its control:

- Changes in national, regional and local economic conditions and outlook;
- Economic downturns in the areas where the properties are located;
- Adverse changes in local real estate market conditions such as an oversupply of properties, reduction in demand, intense competition for buyers and/or demographic changes;
- Changes in business or consumer preferences that reduce the attractiveness of our properties;
- Changes in zoning, regulatory restrictions or tax laws;
- Changes in interest rates or availability of financing.

These conditions could adversely affect the Company's financial position, results of operations and cash flows, or the market price of its stock.

Illiquidity of real estate investments could significantly impede the Company's ability to respond to changes in economic and other conditions.

The Company's ability to sell one or more of its properties in response to changing economic, financial and investment conditions may be limited. The Company cannot predict whether it will be able to sell any of its properties for the price or terms it set, or whether any price or other terms offered by a prospective buyer would be acceptable. The Company also cannot predict the length of time needed to find a willing buyer and to close the sale of an asset. The real estate market is affected by many factors that are beyond the Company's control.

The Company may undertake joint ventures, investments, joint projects and other strategic alliances and such undertakings may be unsuccessful and may have an adverse effect on its business.

The Company continually evaluates and explores strategic opportunities as they arise, including product, technology, business or asset transactions. Such undertakings may not be successful or may take a substantially longer period than initially expected to become successful, and the Company may never recover its investments or achieve desired synergies or economies from these undertakings. Nevertheless, the Company may, in the future, seek to grow its operations in part by entering into joint ventures, or undertaking investments, joint projects or other strategic alliances with third parties in diversified precious and strategic metals production and processing industries. These activities involve challenges and risks in negotiation, execution, valuation and integration, and closing of the transactions could be delayed or prevented by regulatory approval requirements, including permitting issues, or other conditions.

[Table of Contents](#)

Any future agreements that the Company may enter into also could expose it to new operational, regulatory, market, litigation and geographical risks as well as risks associated with significant capital requirements, the diversion of management and financial resources, unforeseen operating difficulties and expenditures, sharing of proprietary information, loss of control over day-to-day operations, non-performance by a counterparty, potential competition and conflicts of interest. In addition, the Company may not be successful in finding suitable targets on terms that are favorable, or at all. Even if successfully negotiated and closed, expected synergies from a joint venture, investment or other strategic alliance may not materialize, may not advance the Company's business strategy, may fall short of expected return-on-investment targets or may not prove successful or effective for its business. The Company may also encounter difficulty integrating the operations, personnel, and financial and operating systems of an acquired business into its current business.

The Company may need to raise additional debt funding or sell additional equity securities to enter into such joint ventures or make such acquisitions. However, the Company may not be able to obtain such debt funding or sell equity securities on terms that are favorable, or at all. The raising of additional debt funding, if required and available, would result in increased debt service obligations and could result in additional operating and financing covenants, or liens on the Company's assets, that would restrict its operations. The sale of additional equity securities, if required and available, could result in dilution to the Company's shareholders.

The Company's business depends on a limited number of key personnel, the loss of whom could have a negative impact.

The Company's officers and employees are important to its success. If any of them becomes unable or unwilling to continue in their respective positions, and the Company is unable to find suitable replacements, its business and financial results could be materially negatively affected.

Legal, Regulatory and Compliance Risks

The Company's ability to execute its strategic plans depends upon success in obtaining a variety of required governmental approvals that may be opposed by third parties.

The Company's operations may be delayed, hindered, or prevented to the extent that it is unable to obtain the governmental permits or approvals necessary to conduct the full extent of the operations contemplated by its strategic plan in a timely fashion or at all. This inability may occur due to a variety of factors, including opposition by third parties, such as members of the public or environmental groups. The Company expects that future permit and approval applications and issuances will meet with similar opposition. The Company may encounter delays and added costs if permits and approvals are challenged.

The Company is subject to complex laws and regulations, including environmental regulations that can adversely affect the cost, manner or feasibility of doing business.

The Company's production, development and exploratory mining operations are subject to numerous federal, state and local laws and regulations governing the operations, discharge, emission, or release of materials into the environment and the protection of the environment and human health and safety, including the Federal Clean Water Act ("CWA"), Clean Air Act ("CAA"), Endangered Species Act ("ESA"), Safe Drinking Water Act ("SDWA"), Migratory Bird Treaty Act ("MBTA"), National Environmental Policy Act ("NEPA"), Resource Conservation and Recovery Act ("RCRA"), and Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). Federal initiatives are often also administered and enforced through state agencies operating under parallel state statutes and regulations. Failure to comply with such rules and regulations could result in substantial penalties or construction or operational delays or requirements to cease production and have an adverse effect on the Company. These laws and regulations may, among other things:

- Require that the Company obtain permits before commencing mining work and to comply with ongoing permit requirements;
- Restrict the substances that can be released into the environment in connection with mining work and require remediation of substances that are released;

- Impose obligations to reclaim land in order to minimize long term effects of land disturbance; and
- Limit or prohibit mining work on protected areas.

Under these laws and regulations, the Company could be liable for personal injury and clean-up costs and other environmental and property damages, as well as administrative, civil, and criminal penalties. The Company maintains limited insurance coverage for sudden and accidental environmental damages. Accordingly, the Company may be subject to liability, or it may be required to cease production from properties in the event of environmental damages. Compliance with environmental laws and regulations and future changes in these laws and regulations may require significant capital outlays, cause material changes or delays in the Company's current and planned operations and future activities and reduce the profitability of operations.

[Table of Contents](#)

At the state level, surface mining operations in Idaho are regulated by IDL. The surface mining regulations require water monitoring to protect surface and ground water and results are submitted to IDEQ. If any degradation of existing water quality is found, regulations require the Company to work with the state regulators to mitigate any impacts on water quality. In addition, we are required to hold Idaho reclamation permits required under Idaho law. These permits mandate concurrent and post-mining reclamation of mines and require the posting of reclamation bonds sufficient to guarantee the cost of mine reclamation. Other Idaho regulations govern operating and design standards for the construction and operation of any source of air contamination and landfill operations. Any changes to these laws and regulations could have a negative impact on our financial performance and results of operations by, for example, requiring changes to operating constraints, technical criteria, fees or surety requirements.

It is possible that future changes in these laws or regulations could increase operating costs or require capital expenditures in order to remain in compliance. Any such changes could have an adverse effect on the Company's business, financial condition and results of operations.

The Company is subject to the Federal Mine Safety and Health Act of 1977 and regulations promulgated thereto, which impose stringent health and safety standards on numerous aspects of their operations.

The Company's exploration, development and mining is subject to the Federal Mine Safety and Health Act of 1977, which imposes stringent health and safety standards on numerous aspects of mineral extraction and processing operations, including the training of personnel, operating procedures, operating equipment and other matters, and the costs associated with compliance with such laws and regulations can be substantial. The Company's failure to comply with these standards could have a material adverse effect on its business, financial condition or otherwise impose significant restrictions on its ability to conduct mining work.

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.

Many governments or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on the Company, its partners and its suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Any adopted future climate change regulations could also negatively impact the Company's ability to compete with other companies situated in areas not subject to such limitations. Given the emotion, political significance, and uncertainty around the impact of climate change and how it should be dealt with, the Company cannot predict how legislation and regulation will affect its financial condition, operating performance and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by the Company or other companies in its industry could harm its reputation. The potential physical impacts of climate change on the Company's operations are highly uncertain and would be particular to the geographic circumstances in areas in which it operates. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. These impacts may adversely impact the cost, production, and financial performance of the Company's operations.

The Company's activities are inherently hazardous and any exposure may exceed insurance limits or may not be insurable.

The Company's business is subject to many risks and hazards generally, including adverse environmental conditions, environmental or industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena, such as inclement weather conditions, floods, hurricanes and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the property of others, delays in construction or mining, monetary losses, and possible legal liability.

The nature of these risks is such that liabilities might exceed any applicable liability insurance policy limits. It is also possible that the liabilities and hazards might not be insurable, or the Company could elect not to insure itself against such liabilities because of

the high premium costs, in which event, it could incur significant costs that could have a material adverse effect on its financial condition.

The Company's insurance and surety bonds for environmental-related issues are limited.

The Company's insurance and surety bonds against environmental risks are limited as to the maximum protection against potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production. Further, there is no assurance that insurance carriers or surety bond providers will be able to meet their obligations under the Company's arrangements with them. If the Company's environmental liabilities and costs exceed the coverage provided by its insurance carriers and surety bond providers, or such parties are unable to meet their obligations, the Company would have limited funds available to us to remedy such liabilities or costs, or for future operations. If the Company is unable to fund the cost of remedying an environmental problem, it may be required to enter into an interim compliance measure pending completion of the required remedy.

[Table of Contents](#)

The Company is subject to federal and state laws that require environmental assessments and the posting of bonds, which add significant costs to its operations and delays in its projects.

Mining companies must post a bond or other surety to guarantee the cost of post-mining reclamation. These requirements could add significant additional cost and delays to any mining project undertaken by the Company. The Company's mineral exploration operations are required to be covered by reclamation bonds deemed adequate by regulators to cover these risks.

The Company may be subject to litigation.

The Company may be subject to legal proceedings. Due to the nature of its business, the Company may be subject to a variety of regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges, and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Company's business.

Title claims against the Company's properties could require compensation to parties making such claims, if successful, and divert management's time from operations.

There may be challenges to the Company's title in the properties in which it holds material interests. If there are title defects with respect to any of its properties, the Company might be required to compensate other persons or perhaps reduce its interest in the affected property. The validity of unpatented mineral claims, which constitute a large portion of the Company's strategic mineral holdings in the United States, is often uncertain and may be contested by the federal government and other parties. The validity of an unpatented mineral claim, in terms of both its location and its maintenance, depends on strict compliance with a complex body of federal and state, statutory and decisional law. Although the Company has attempted to acquire satisfactory title to its properties, title opinions or title insurance have not been obtained with respect to the acquisition of the unpatented mineral claims. The investigation and resolution of title issues would divert management's time from ongoing operations.

The Company is exposed to global health, economic and market risks that are beyond its control, which could adversely affect financial results and capital requirements.

If any of the Company's facilities or the facilities of its suppliers, third-party service providers, or customers is affected by natural disasters, such as earthquakes, floods, fires, power shortages or outages, public health crises (such as pandemics and epidemics), political crises (such as terrorism, war, political instability or other conflict), trade and other geopolitical instability due to tariffs or other trade sanctions, or other events outside of the Company's control, its operations or financial results could suffer. Any of these events could materially and adversely impact the Company in many ways, including through decreased production, increased costs, decreased demand for its products due to reduced economic activity or other factors, or the failure by counterparties to perform under contracts or similar arrangements.

For example, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, including the implementation of travel bans, quarantine periods and social distancing, have caused material disruptions to global business and an economic downturn. Global equity markets have experienced significant volatility and weakness. Governments and their central banks have reacted with significant fiscal and monetary interventions designed to mitigate the impacts and stabilize economic conditions.

Attempts to mitigate global health, economic and market risks of natural disasters may result in decreased economic activity which would adversely affect the broader global economy. Pandemics or other significant public health events will most likely have a material adverse effect on the Company's business and results of operations. It is not currently possible to reliably estimate the

length and severity of the impact on the Company's financial condition, and that of its subsidiaries and partners in future periods.

[Table of Contents](#)

Uncertainties regarding the global economic and financial environment could lead to an extended national or global economic recession. A slowdown in economic activity caused by a recession would likely reduce demand for assets that the Company holds for sale and result in lower commodity prices for long periods of time.

The Company ships its gold concentrate overseas to smelters in South Korea and/or Japan. If trade wars, sanctions or other tariffs are imposed, H&H Metals or other international purchasers or refiners may not be able to purchase the Company's gold concentrates. Tariffs or other trade sanctions may affect relationships with international partners, making current partnerships unsustainable or unaffordable. This would require the Company to seek new partnerships and may cause a disruption in its business and operations. Geopolitical instability can lead to significant disruption in supply chain efficiency, adding costs and delays. Any changes in U.S. trade policy could trigger retaliatory actions by affected countries, resulting in 'trade wars,' and increased costs for goods imported into or exported out of the United States, which may reduce demand for the Company's concentrates if the tariffs increase prices or costs. If these consequences are realized, the volume of economic activity in the United States, including demand for concentrates from U.S. companies, may be materially reduced. Such a reduction may materially and adversely affect the Company's sales and our business.

Mineral operations are subject to applicable law and government regulation. Even if the Company discovers a mineral reserve in a commercially exploitable quantity, these laws and regulations could restrict or prohibit the exploitation of that mineral reserve. If the Company cannot exploit any mineral reserve that it might discover on its properties, its business may fail and you may lose your investment.

Both mineral development and extraction may require permits from various foreign, federal, state, and local governmental authorities and are governed by laws and regulations, including those with respect to prospecting, mine development, mineral production, transport, export, taxation, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. There can be no assurance that the Company will be able to obtain or maintain any of the permits required for the continued exploration of its mineral properties or for the construction and operation of a mine on its properties at economically viable costs. If the Company cannot accomplish these objectives, its business could face difficulty and/or fail.

The Company believes that it is in compliance with all material laws and regulations that currently apply to its activities but there can be no assurance that it can continue to do so. Current laws and regulations could be amended, and the Company might not be able to comply with them, as amended. Further, there can be no assurance that the Company will be able to obtain or maintain all permits necessary for future operations, or that they will be able to be obtained on reasonable terms. To the extent such approvals are required and are not obtained, the Company may be delayed or prohibited from proceeding with planned development or production of its mining activity.

Environmental hazards unknown to the Company, which have been caused by previous or existing owners or operators of the properties, may exist on the properties in which the Company holds an interest. Many of the Company's properties in which it has ownership rights are located within the Coeur d'Alene Mining District, which is currently the site of a Federal Superfund cleanup project. It is possible that environmental cleanup or other environmental restoration procedures could remain to be completed or mandated by law, causing unpredictable and unexpected liabilities to arise. At the date of this Annual Report, the Company is not aware of any environmental issues or litigation relating to the properties.

The laws of the State of Idaho and the Company's Articles of Incorporation may protect its directors from certain types of lawsuits.

The laws of the State of Idaho provide that the Company's directors will not be liable to the Company or its shareholders for monetary damages for all but certain types of conduct as directors of the Company. The Company's Articles of Incorporation permit the Company to indemnify its directors and officers against all damages incurred in connection with its business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing shareholders from recovering damages against the Company's directors caused by director negligence, poor judgment, or other circumstances. The indemnification provisions may require the Company to use its limited assets to defend its directors and officers against claims, including claims arising out of the Company's negligence, poor judgment, or other circumstances.

Risks Related to Investments in the Company's Common Stock

The price of the Company's common stock has and may continue to fluctuate significantly, which could negatively affect the Company and holders of its common stock.

The market price of the Company's common shares is subject to volatility, has fluctuated, and may continue to fluctuate significantly due to, among other things, changes in market sentiment regarding the Company's operations, financial results or business prospects, the mining, metals, or environmental remediation industries generally, coordinated trading activities, large derivative positions or the macroeconomic outlook. The price of the Company's common stock has been, and may continue to be, highly volatile. Certain events or changes in the market or the Company's industries generally are beyond its control.

In addition to the other risk factors contained or incorporated by reference herein, factors that could impact the Company's trading price include:

- actual or anticipated operating and financial results, including how those results vary from the expectations of management, securities analysts and investors;
- changes in financial estimates or publication of research reports and recommendations by financial analysts or actions taken by rating agencies with respect to the Company or other industry participants;
- reports in the press or investment community generally or relating to the Company's reputation or the mining industry;
- developments in the Company's business or operations or our industry sectors generally;
- any future offerings by the Company of its common stock;
- any coordinated trading activities or large derivative positions in the Company's common stock, for example, a "short squeeze" (a short squeeze occurs when a number of investors take a short position in a stock and have to buy the borrowed securities to close out the position at a time that other short sellers of the same security also want to close out their positions, resulting in surges in stock prices, i.e., demand is greater than supply for the stock shorted);
- legislative or regulatory changes affecting the mining industry generally or the Company's business and operations specifically;
- the operating and stock price performance of companies that investors consider to be comparable to the Company;
- announcements of strategic developments, acquisitions, restructurings, dispositions, financings and other material events by the Company or its competitors;
- expectations of (or actual) equity dilution, including the actual or expected dilution to various financial measures, including earnings per share, that may be caused by equity offerings;
- actions by the Company's current shareholders, including future sales of common shares by existing shareholders, including directors and executive officers;
- proposed or final regulatory changes or developments;
- anticipated or pending regulatory investigations, proceedings, or litigation that may involve or affect the Company; and
- other changes in U.S. or global financial markets, global economies and general market conditions, such as interest or foreign exchange rates, stock, commodity prices, credit or asset valuations or volatility.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research about the Company, its stock price and trading volume could decline.

The trading market for the Company's common stock will depend in part on the research and reports that securities or industry analysts publish. The Company has relatively little research coverage by securities and industry analysts. If no additional industry analysts commence coverage of the Company, the trading price for its common stock could be negatively impacted. If one or more of the analysts who cover the Company downgrades its common stock, or publishes inaccurate or unfavorable research, the Company's stock price would likely decline. If one or more of these analysts cease coverage or fail to publish reports on a regular basis, demand for the Company's common stock could decrease, which could cause its stock price and trading volume to decline.

The Company does not expect to pay any cash dividends for the foreseeable future.

The Company expects to retain all available funds and future earnings, if any, for use in the operation and growth of its business and do not anticipate paying any cash dividends in the foreseeable future. Any future determination to pay cash dividends will be at the discretion of the Company's board of directors, subject to compliance with applicable law, the Company's organizational documents and any contractual provisions, including under agreements for indebtedness it may incur, that restrict or limits the ability to pay dividends, and will depend upon, among other factors, the Company's results of operations, financial condition, earnings, capital requirements and other factors that its Board of Directors deems relevant. Investors seeking cash dividends in the foreseeable future should not purchase the Company's common stock.

The Company may issue additional common stock or other equity securities in the future that could dilute the ownership interest of existing shareholders.

The Company is currently authorized to issue 200,000,000 shares of common stock, of which 15,705,199 shares were issued and outstanding as of December 31, 2025, and 1,000,000 shares of preferred stock, of which no preferred shares are outstanding as of December 31, 2025. To maintain its capital at desired levels or to fund future growth, the Company's board of directors may decide, from time to time, to issue additional shares of common stock, or securities convertible into, exchangeable for or representing rights to acquire shares of common stock. New investors in other equity securities issued by the Company in the future may also have rights, preferences, and privileges senior to, that may adversely impact, the Company's current shareholders.

If a large number of shares of the Company's common stock are sold in the public market, the sales could reduce the trading price of its common stock and impede the ability to raise future capital.

The Company cannot predict what effect, if any, future issuances of its common stock or other equity will have on the market price of its common stock. Any shares that the Company may issue may not have any resale restrictions, and therefore could be immediately sold by the holders. The market price of the Company's common stock could decline if certain large holders of its common stock, or recipients of its common stock, sell all or a significant portion of their shares of common stock or are perceived by the market as intending to sell these shares other than in an orderly manner. In addition, these sales could also impair the Company's ability to raise capital through the sale of additional common stock in the capital markets.

Risks Related to Cybersecurity

The Company's information technology systems may be vulnerable to cyber-attack or other disruption, which could place its systems at risk for data loss, operational failure, or compromise of confidential information.

The Company relies on various information technology systems. These systems remain vulnerable to disruption, damage, or failure from a variety of sources, including, but not limited to, errors by employees or contractors, computer viruses, cyber-attacks, including phishing, ransomware, and similar malware, misappropriation of data by outside parties, and various other threats. Techniques used to obtain unauthorized access to or sabotage the Company's systems are under continuous and rapid evolution, and the Company may be unable to detect efforts to disrupt its data and systems in advance. Breaches and unauthorized access carry the potential to cause losses of assets or production, operational delays, equipment failure that could cause other risks to be realized, inaccurate recordkeeping, or disclosure of confidential information, any of which could result in financial losses and regulatory or legal exposure and could have a material adverse effect on the Company's business, financial condition, or results of operations. The Company may incur material losses relating to cyber-attacks or other information security breaches in the future. Risks and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As such threats continue to evolve, the Company may be required to expend additional resources to modify or enhance any protective measures or to investigate and remediate any security vulnerabilities.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity risk management is part of the Company's overall risk management program. Management is responsible for identifying, considering, and assessing material cybersecurity risks on an ongoing basis, establishing processes to the best of their ability to ensure that such potential cybersecurity risk exposures are monitored, putting in place reasonably appropriate mitigation measures and maintaining cybersecurity programs. The Company's cybersecurity programs are under the direction of its Treasurer with assistance from the management team. Any significant Cyber incidents that they become aware of are reported to the board of directors.

There were no material cyber security incidents discovered in 2025. While cybersecurity risks have not materially affected the Company's business, operations, or financial condition to date, the Company recognized that an increase in cyber threats, data breaches, or system vulnerabilities could have a material impact on future operations.

[Table of Contents](#)

ITEM 2. DESCRIPTION OF PROPERTIES

Note on New SEC Mining Disclosure Rules

Information concerning the Company's mining properties in this Annual Report on Form 10-K has been prepared in accordance

with the requirements of subpart 1300 of Regulation S-K, which first became applicable to the Company for the fiscal year ended December 31, 2021. These requirements differ significantly from the previously applicable disclosure requirements of SEC Industry Guide 7. Among other differences, subpart 1300 of Regulation S-K requires the Company to disclose its mineral resources, in addition to its mineral reserves, as of the end of its most recently completed fiscal year both in the aggregate and for each of its individually material mining properties. Readers are cautioned that mineral resources do not have demonstrated economic value. Mineral resources are subject to further exploration and development, are subject to additional risks, and no assurance can be given that they will ever convert to mineral reserves. Inferred resources have more uncertainty than Measured or Indicated as the estimation parameters assume mineralized continuity over greater distances which may or may not accurately reflect the actual mineralization.

Summary

The map below shows the locations of the Company’s operations and its exploration properties.

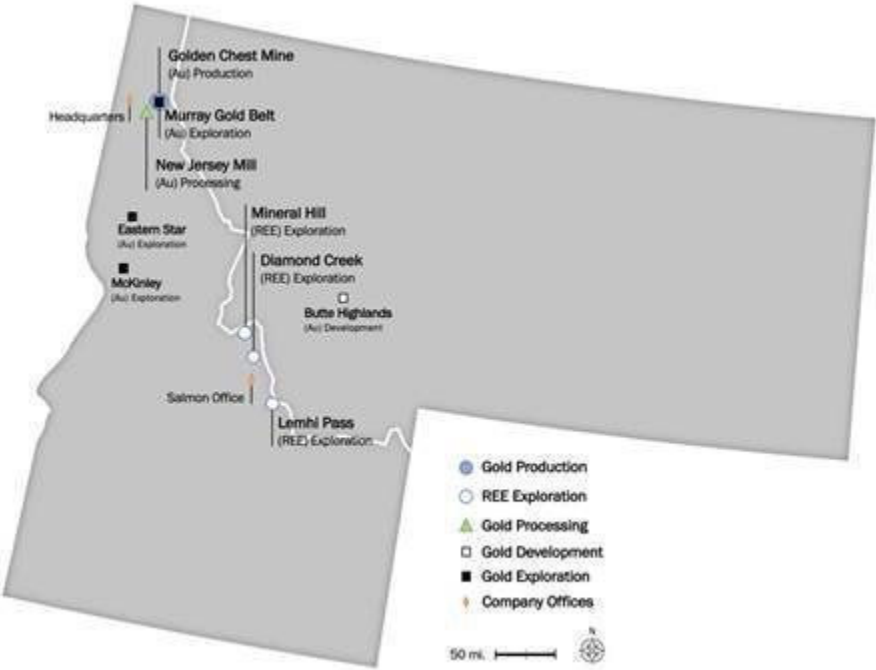


Figure 1 - Property Location Map

[Table of Contents](#)

The following table summarizes the Company’s aggregate metal quantities produced and sold, which only includes the quantities produced and sold from the Golden Chest Mine (the Company’s only producing mine) for the last three years:

		Year Ended December 31,		
		2025	2024	2023
Gold -	Ounces produced	12,538	11,915	8,247
	Payable ounces sold	11,834	11,169	7,673

The following table summarizes the Company’s total in-situ proven and probable mineral reserves (the Golden Chest Mine is the Company’s only property with calculated reserves) as of December 31, for the last three years:

Classification	Year	Tonnes	Grade (grams gold per tonne)	Cut-off (grams gold per tonne)	Metallurgical Recovery
Proven and Probable Reserves	2023	127,477	6.74	3.2	93%
Proven and Probable Reserves	2024	170,819	8.99	4.0	93%
Proven and Probable Reserves	2025	338,521	6.95	4.0	93%

The following table summarizes the Company's total in-situ mineral resources (the Golden Chest Mine is the Company's only property with calculated mineral resources) for the last two years as of December 31, 2025.

Classification	Year	Tonnes	Gold Grade (grams gold per tonne)	Cutoff (grams gold per tonne)	Metallurgical Recovery
Measured	2024	374,389	4.16	2.0 UG & 1.4 OP	93.0% UG 85% OP
Indicated	2024	859,458	3.24	2.0 UG & 1.4 OP	93.0% UG 85% OP
Measured + Indicated	2024	1,233,887	3.52	2.0 UG & 1.4 OP	93.0% UG 85% OP
Inferred	2024	823,172	2.82	2.0 UG & 1.4 OP	93.0% UG 85% OP
Measured	2025	384,351	4.33	2.0 UG & 1.4 OP	93.0% UG 85% OP
Indicated	2025	702,152	3.96	2.0 UG & 1.4 OP	93.0% UG 85% OP
Measured + Indicated	2025	1,086,503	4.09	2.0 UG & 1.4 OP	93.0% UG 85% OP
Inferred	2025	582,878	2.98	2.0 UG & 1.4 OP	93.0% UG 85% OP

More information on the Company's mineral reserves and resources is provided in Exhibit 96.1, the Technical Report Summary on the Golden Chest Mine, prepared by the Qualified Persons ("QP") under Section 1300 of SEC Regulation S-K, Grant A. Brackebusch, P.E., Robert J. Morgan, PG, PLS., and Andrew A. Brackebusch, P.E.

[Table of Contents](#)

The table below summarizes the Company's production and exploration-stage properties.

Property	State & County	Ownership	Claims	Permit Conditions	Stage	Mine Type	Commodity	Mineralization Style
Golden Chest Mine	Idaho, Shoshone	100%	34 patented claims (449 acres) and 217 unpatented claims (4,300 acres)	Private land and public land administered by USFS and BLM. All permits required for production in place.	Production	Underground/ Open Pit	Au, Ag	Orogenic gold, veins.
New Jersey Mill	Idaho, Shoshone	Joint Venture (65% Assets, 3,000 tonnes per month)	Private land (35 acres) and 10 unpatented claims (50 acres).	Private land, all permits required for production in place. Unpatented claims administered by BLM.	Production	Not Applicable (N/A)	N/A	N/A
Mineral Hill	Idaho, Lemhi	100%	118 unpatented claims (2,360 acres).	Public land administered by USFS. Plan of Operations required.	Exploration	Underground	Rare earth elements	Carbonatite dike, veins

Lemhi Pass	Idaho, Lemhi & Montana, Beaverhead	100%	State lease (565 acres) and 678 unpatented claims (13,560 acres).	Public land administered by State of Idaho, BLM and USFS. Plan of Operations required.	Exploration	Underground/ Open Pit	Rare earth elements, Thorium	Carbonatite dike, veins
Diamond Creek	Idaho, Lemhi	100%	244 unpatented claims (4,900 acres).	Public land administered by USFS, Plan of Operations in place.	Exploration	Underground	Rare earth elements, Au	Replacement carbonatite dike, veins
Eastern Star	Idaho, Idaho	100%	11 patented claims (220 acres) and 71 unpatented claims (1,420 acres).	Private land and public land administered by BLM and USFS. POO required.	Exploration	Underground	Au, Ag	Orogenic gold, veins
Butte Highlands	Montana, Silver Bow	25% Joint Venture Interest	Patented claims (135 acres) and unpatented claims.	Private land with operating permits from Montana DEQ and USFS.	Development	Underground	Au, Ag	Skarn
New Jersey Mine	Idaho, Shoshone	100%	Private land (250 acres) and unpatented claims (130 acres).	Private land and public land administered by the BLM. Surface mining permit with Idaho.	Exploration	Underground/ Open Pit	Au, Ag	Orogenic gold, veins
Murray Area	Idaho, Shoshone	100%	84 patented claims (1,510 acres) and 744 unpatented claims (14,880 acres).	Private land and public land administered by the BLM and USFS. POO required on public lands.	Exploration	Underground	Au, Ag	Orogenic gold, veins
McKinley	Idaho, Idaho	100%	28 unpatented claims (560 acres).	Public land administered by USFS. POO required on public lands.	Exploration	Underground	Au, Ag	Orogenic gold, veins
Park Copper/ Gold	Idaho, Shoshone	100%	5 patented claims (91 acres).	Private land	Exploration	Underground	Cu, Au, Ag	Vein
Oxford	Idaho, Clearwater	100%	State lease (2,500 acres) and 26 unpatented claims (537 acres).	Public land administered by USFS and State of Idaho. POO required on public lands.	Exploration	Underground	Cu, Au, Ag	Vein



Figure 2 – Aerial Photo of Golden Chest Mine in February 2020

The Golden Chest Mine (“Golden Chest”) is the Company’s only Production Stage mine and is comprised of an underground mine, an open pit mine (no longer producing), and an exploration property located about 1.5 miles east of Murray, Idaho. The Golden Chest includes 34 patented mining claims (449 acres) and 217 unpatented claims (4,300 acres). The open pit mine is permitted with IDL and the Company has posted a reclamation bond for an approved reclamation plan. IDR is the operator and owns 100% of Golden Chest, LLC (owner of the Golden Chest). Production from the Golden Chest and an adjacent Area of Interest is subject a 2% NSR payable to Equinox Gold Corporation (“Equinox”) (formerly Calibre Mining Corporation and formerly Marathon Gold Corporation). The mineralization occurs as gold-quartz veins associated with an orogenic deposit type. Ore from the Golden Chest is processed off-site at the New Jersey Mill in Kellogg, Idaho. For more information concerning the Golden Chest, please refer to the information set forth under the caption “Individual Properties-MATERIAL OPERATING PROPERTIES” and under the caption “Golden Chest Mine” in this Item 2.

NEW JERSEY MILL

Property Location

The New Jersey Mill is a fully permitted, 360-tonne per day, flotation mill located two miles east of Kellogg, Idaho, in the Coeur d’Alene Mining District. The Company had a concentrate leach plant (“CLP”) at the New Jersey Mill which was decommissioned in 2024, but the cyanidation permit with IDEQ is still active until final reclamation of the Tailings Storage Facility is complete. The mill is located on the same property as the New Jersey Mine, adjacent to U.S. Interstate Highway 90 and easily accessed year-round by local roads. Three-phase electrical power is supplied to the New Jersey Mill by Avista Utilities.

Property Ownership and Operation

The New Jersey Mill is operated by IDR. In 2011, IDR signed a joint venture (“JV”) agreement with Crescent Silver, LLC (“Crescent”) to increase the capacity of the New Jersey Mill. Crescent funded the expansion in return for a 35% interest in JV assets plus the right to process 7,000 tonnes of its ore per month. IDR is the JV manager and retains a 65% interest in JV assets as well as the right to process its own ore at the rate of 3,000 tonnes per month and to allocate unused and excess capacity in its role as manager. The property covered by the JV agreement includes the crushing circuit, grinding circuit, gravity circuit, flotation circuit, CLP, buildings, and surface rights over the patented mill site claim. Unpatented mill site claims are also part of the JV. Crescent has not produced or processed ore at the New Jersey Mill in more than a decade.

Present Condition of Plant & Equipment

Mill Expansion and Crescent Ore Processing

The expansion of the New Jersey Mill was completed in 2012, rendering it capable of processing 360 tonnes of sulfide ore per day to produce a single flotation concentrate. The expansion cost approximately \$3.2 million, all of which was funded by Crescent under terms of the JV (Ex. 10.1). The expansion project included the installation of a new cone crusher, a new fine ore bin, new conveyors, a new 2.4-meter by 4.0-meter ball mill, additional flotation cells, a new paste thickener, associated pumps, and a new building.

Current Ore Processing Operations

In October 2016, the Company resumed operations at the New Jersey Mill, processing ore extracted from open pit and underground at the Golden Chest. In 2025, the New Jersey Mill processed 41,840 tonnes at an average head grade of 10.14 gpt gold with 93.0% gold recovery. Since restarting operations at the Golden Chest in October 2016, the Company has milled a total of 372,348 tonnes at the New Jersey Mill.

The New Jersey Mill recycles process water and utilizes a paste tailings disposal process patented by IDR founder Fred Brackebusch in the late 1980's to minimize impacts to the environment. By implementing paste tailings processing methods, IDR can recycle process water and prevent the discharge of process water to surface waters. At full capacity, this method saves more than 50 million gallons of water per year. IDR was recognized as a "Pollution Prevention Champion" by IDEQ in 2014 for its efforts to reduce pollution at the New Jersey Mill. Current tailings storage capacity at the existing TSF is expected to last until the Company moves mineral processing operations to a new mill at the Golden Chest Mine in 2027. The Company has also submitted a closure plan to the IDEQ.

As of December 31, 2025, the Company had a net capital cost of \$5,077,274 associated with the New Jersey Mill.

Permit Requirements

The New Jersey Mill has all the required environmental permits to operate currently and into the foreseeable future. Some permits may require modification if operating conditions change, but typically these changes can be completed without impeding the milling operation. A summary of the permits held by the Company are found in following table:

Permit Descriptions

Permit Description	Reference
Idaho Cyanidation Permit for New Jersey Mill	#CN-0026-001 Idaho Department of Environmental Quality
Tailings Storage Facility New Jersey Mill	94-7509 Idaho Department of Water Resources
Air Quality Exemption (Crushing) for New Jersey Mill	Idaho Department of Environmental Quality

RARE EARTH OVERVIEW

Idaho Strategic controls and operates three REE properties known as Mineral Hill, Lemhi Pass, and Diamond Creek. The three properties together make up approximately 21,385 acres of unpatented lode mining claims, and one State of Idaho mineral lease, within Idaho's 70-mile long REE-Th Belt. All three of Idaho Strategic's properties have seen substantive historic exploration conducted by the USGS in the 1950s, and more recently by the IGS. IDR has completed numerous geologic mapping programs, surface sampling programs, and has completed one drill program and one trenching program to date on its REE land holdings. While each of the three properties IDR controls are early-stage, the Company considers the properties material to its business due to qualitative factors such as the potential for the company's properties to be advanced toward future production on an unknown timeline, and the potential importance of REE's in advanced robotics, low-carbon technologies and national defense technologies, which could see increased demand in the future. To date, Idaho Strategic has not established any resources or reserves on its REE properties and plans to continue to advance the projects as funding and permitting allows. For more information concerning the Mineral Hill, Lemhi Pass, and Diamond Creek REE properties, please refer to the information set forth under the caption "Individual Properties-MATERIAL EXPLORATION PROPERTIES" and under their respective caption in this Item 2.

GOLDEN CHEST MINE

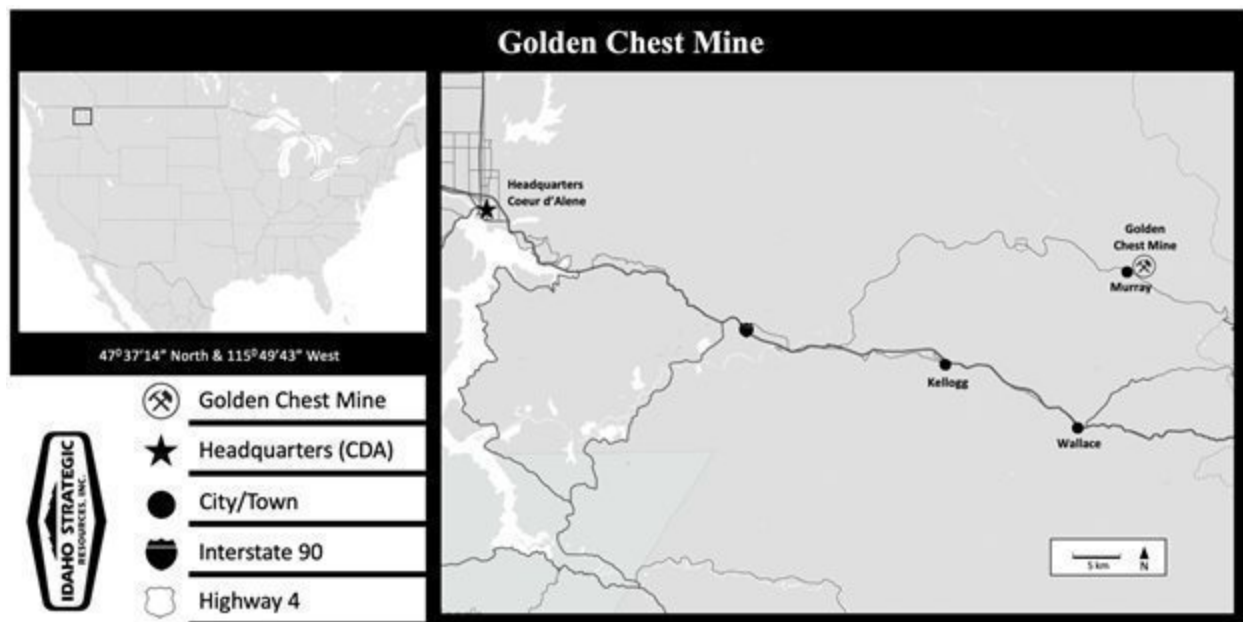


Figure 3 - Golden Chest Mine Location Map

Property and Location

The Golden Chest is a gold Production Stage property comprised of an underground mine, an open pit mine (no longer producing), and an exploration property located about 1.5 miles east of Murray, Idaho, and 115 km east of the city of Coeur d'Alene, Idaho at Latitude 47°37'14" North and Longitude 115°49'43" West. The Golden Chest includes 34 patented mining claims (449 acres) and 217 unpatented claims (4,300 acres). The surface mine is permitted with the Idaho Department of Lands and has posted a reclamation bond for an approved reclamation plan. Surface water monitoring is completed as a condition of the permit. The mine is along Forest Highway 9 and is accessible by several improved dirt roads from the paved highway. A three-phase power line, supplied by Avista Utilities, was installed in 2014 and upgraded in 2024.

Property Ownership

The core of the Golden Chest is a contiguous group of 34 patented claims where all modern mining has taken place to date. The Company owns the rights to both the surface and subsurface minerals on all patented claims at the Golden Chest directly and through its 100% held subsidiary Golden Chest, LLC ("GCLLC"), excluding the Joe Dandy Claim where IDR owns only the subsurface mineral rights. The total patented claim position covers 449 acres. As these patented claims are considered private lots, legal access is allowed. Property taxes on patented claims are assessed by Shoshone County each year and IDR has paid the taxes in full.

IDR currently maintains 217 unpatented mining claims covering 4,300 acres. The claims have been filed with the BLM agency and at the Shoshone County Courthouse. Annual maintenance fees are paid to the BLM by September 1, and the Golden Chest unpatented claim fees have been paid and are in good standing.

Production from the Golden Chest and an adjacent Area of Interest is subject to a 2% NSR payable to Equinox.

Property History

The Golden Chest was developed in the late 1800's through the early 1900's as part of the first gold production from the Coeur d'Alene Mining District. Historical accounts vary, but the district is believed to have produced approximately 300,000 ounces of gold from placer sources. It is estimated that the historic hard rock mining at the Golden Chest (prior to IDR's ownership) produced approximately 65,000 ounces of gold, primarily from shallow, underground, high-grade veins. The Golden Chest Mine is the largest historic lode producer of gold in northern Idaho.

Modern exploration of the Golden Chest area began in the late 1970's with several companies, including Cominco-American and Golden Chest Inc. ("GCI"), targeting gold and massive sulfides. Drill tests by GCI included a 200-foot hole from surface that intersected a 60-foot zone containing multiple low-grade gold-bearing quartz veins.

Newmont Exploration Ltd. ("Newmont") followed GCI's discovery by evaluating the veins for bulk mineable potential in the

late-1980's. Newmont drilled 35 shallow reverse-circulation and five core holes. In 2010 and 2011, a JV between IDR and Equinox drilled 18,300 meters of core and published a resource report in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101).

[Table of Contents](#)

In September 2013, the Skookum Shoot portion of the Golden Chest property was leased to Juniper Mining Company ("Juniper"). Juniper began construction in Q3 2014, spending an estimated \$7 to \$9 million on mine development and infrastructure, building a modern gold mine that reached production in May 2015. Mining activities continued until September 2015 when Juniper ceased operations and terminated its lease, forfeiting the mine and infrastructure back to GCLLC.

Present Condition, Work Completed, and Exploration Plans

Current Underground Operations

The Golden Chest underground mine is accessed by a primary decline or main access ramp ("MAR") with a complimentary escape-way incline ramp, and a series of ventilation raises. The primary mining method is underhand drift-and-fill utilizing cemented rock-fill ("CRF"). During 2025, IDR mined a total of 41,840 tonnes of ore at an average grade of 10.14 gpt gold. The ore came from stopes on the H-Vein. The MAR was extended at depth during 2025 to the 724 sublevel which required about 315 meters of ramp development and 116 meters of associated development for sumps, muck-bays, and escape raises. Additionally, 700 meters of stope access ramps were completed during the year.

Current Open-Pit Operations

No open-pit operations took place during 2025.

Exploration Plans and Results

Modern exploration, including over 70,000 meters of drilling, reveals six ore shoots at the Golden Chest that demonstrate strong periodicity, consistent width and spacing, along the Idaho Fault. Most historic production came from the northernmost of these shoots, the Katie-Dora and the Klondike. Current underground mining occurs within the H-Vein. Excellent exploration potential remains in unmined portions of the northern shoots as well as in the unmined Paymaster and Joe Dandy areas to the south. During 2025, a total of 19,362 meters of core drilling were completed at the Golden Chest. Drilling was completed in five different shoots or areas at the Golden Chest including the Paymaster, H-Vein, Reds Star, Jumbo Vein, and the Klondike. Most of the meters drilled (65%) were targeted to help delineate reserves and resources in the Paymaster and H-Vein areas. One highlight of the 2025 exploration program was when exploration drifting was restarted in the Jumbo Pit portal and the Jumbo Vein was found by drifting a short distance eastward. Drifting on the vein for 25 meters of strike length revealed a vein with an average thickness of 0.52 meters at a gold grade of 85 gpt. Exploration plans for 2026 include more drilling of the Paymaster shoot at depth, and drilling at the Katie-Dora and Klondike areas on the northern part of the mine property.

Present Condition of Plant & Equipment

The Golden Chest underground main access ramp was originally developed in 2013 at nominal 4-meter by 4.5-meter cross-section. Additional development by IDR in the MAR has been completed recently. There are several metal buildings on the mine surface constructed from 2012 through 2021 including a core shed with offices, a mine shop, and associated mine dry and warehouse. In 2025, IDR completed the construction of a 80' by 150' metal building to house a paste backfill plant. Plans are underway to use the remaining space in the paste plant building to construct a new flotation mill with 360 metric tonnes per day of capacity and major equipment has been ordered with some already delivered. Permitting is underway for a new TSF located at the Golden Chest to store the tailings produced from the new mill. Also, a new warehouse/dry building was nearly complete at the end of December 2025. The mine electrical service is a three-phase, 1,000 kilo-volt-ampere ("kVA") service after Avista Utilities ("Avista") completed the installation of a 500 kVA service to the new mill building in autumn of 2025. In late 2025 the Company contracted with Avista to double the electrical service in 2026 to 2,000 kVA to support mine expansion activity and the new mill.

As of December 31, 2025, the Company had a net capitalized development and investment cost of \$14,774,667 associated with the Golden Chest.

Geology & Mineralization

Gold mineralization occurs in veins associated with multiple faulting and folding events in the Coeur d'Alene Mining District. The mineralization occurs as gold- quartz veins associated with an orogenic deposit type. The orogenic system at the Golden Chest appears to have an association with igneous rock activity. Hence, the vein deposits may be described as intrusion-related orogenic gold. The principal vein exploited at the Golden Chest in the recent past has been the Skookum Shoot. It is associated with the Idaho Fault and juxtaposes the quartzites of the upper Prichard Formation against finer-grained argillites which is also of the upper Prichard Formation. In mid-2023 after successful drifting on the H-Vein which is approximately 60 meters west of, and in the

hangingwall, of the Idaho Fault, mining was shifted to this vein. The H-Vein occupies the same type of lithologic contrast as the Idaho Vein and is also associated with the Timberking Fault. The H-Vein has demonstrated significantly higher gold grades than the Skookum Shoot.

Veins occur adjacent to the Idaho Fault both in its footwall, and in its hangingwall where the H-Vein is found. The mineralization occurs in two types of quartz veins, banded and massive. These veins are generally conformable to bedding in the Proterozoic age Prichard Formation. The banded veins, which occur primarily in argillite, contain, pyrite, arsenopyrite, galena, sphalerite, and visible gold. Thicker, massive veins occur in quartzite and contain pyrite, galena, chalcopyrite, sphalerite, scheelite and visible gold.

[Table of Contents](#)

The table below summarizes the Company’s Mineral Reserves for the past three years.

Classification	Year	Tonnes	Grade (grams gold per tonne)	Cut-off (grams gold per tonne)	Metallurgical Recovery
Proven Reserves	2023	78,935	7.21	3.2	93%
Probable Reserves	2023	48,542	5.98	3.2	93%
Total Proven and Probable Reserves	2023	127,477	6.74	3.2	93%
Proven Reserves	2024	69,520	9.49	4.0	93%
Probable Reserves	2024	101,299	8.65	4.0	93%
Total Proven and Probable Reserves	2024	170,819	8.99	4.0	93%
Proven Reserves	2025	62,648	10.18	4.0	93%
Probable Reserves	2025	275,872	6.21	4.0	93%
Total Proven and Probable Reserves	2025	338,520	6.95	4.0	93%

Notes:

1. Classification of Mineral Reserves is in accordance with S-K 1300 classification system.
2. Mineral Reserves were estimated by Idaho Strategic Resources and reviewed and accepted by the QP’s.
3. Mineral Reserves are 100% attributable to Idaho Strategic Resources
4. Mineral Reserves are estimated at a cutoff of 4.0 Au PPM (grams/tonne)
5. Mineral Reserves are estimated using a 3-year trailing average gold price of \$2,040/troy ounce.
6. Mineral Reserves are contained within the H-Vein, Jumbo Vein, Paymaster Veins, and the Idaho Vein.
7. An average mining width of 3 m was used for the Reserves reporting for the Jumbo Vein, Paymaster Veins, and Idaho Vein.
8. H-Vein Reserves were diluted to a 2.4 m minimum mining width.
9. Minimum mining width dilution is accounted for in the estimate.
10. Numbers may not add due to rounding.

The 2025 Mineral Reserve increased over the previous year because more drill holes were completed through the H-Vein and Paymaster Veins and drifting was completed on the Jumbo Vein. This activity resulted in the conversion from Mineral Resources to Mineral Reserves.

Two cut-off grades are used for stope planning, the go/no-go cut-off and the in-stope cut-off. The go/no-go cut-off represents any material that has the potential to be mined but does not have to be mined as part of the operational plan. The go/no-go cut-off is used for initial stope planning as any given stope or sublevel does not have to be mined and should only be mined if it is economic. The go/no-go cut-off equation is presented in Equation 1.

Equation 1 go/no-go cut-off

$$go - no go = \frac{Cost_{mining} + Cost_{backfill} + Cost_{haulage} + Cost_{milling}}{Gold Price * Milling Recovery * Smelter Payment * (1 - Royalty)}$$

Underground Mining Cut-off		
Variable	Value	Unit
Mining Cost *G&A included	155	\$/tonne
Backfill Cost	50	\$/tonne
Mill Haul Cost	16	\$/ore tonne
Milling Cost	60	\$/ore tonne
Metallurgical Recovery	93	%
Smelter Recovery (Payment)	93	%
Royalty	2	%
Gold Price	2,580	\$/troy ounce
In-Stope Cutoff (Mining Cost Sunk)	1.79	Au grams/tonne
Go/No-Go (Mining Decision)	4.00	Au grams/tonne

[Table of Contents](#)

The in-stope cut-off is used when material in a defined stope must be mined to reach higher grades. In this scenario the mining cost is considered sunk and is omitted from Equation 1 as the cost was incurred regardless of the ore/waste determination at the face. Evaluating equation 1 omitting mining cost yields a value of 4.00 gpt for the Mineral Reserves.

The table below summarizes the Company's mineral resources for the past three years ending December 31, 2025.

Classification	Year	Tonnes	Gold Grade (grams gold per tonne)	Cutoff (grams gold per tonne)	Metallurgical Recovery
Measured	2023	406,605	4.10	2.0 UG & 1.4 OP	93.0% UG & 85% OP
Indicated	2023	665,550	4.00	2.0 UG & 1.4 OP	93.0% UG & 85% OP
Measured + Indicated	2023	1,072,155	4.04	2.0 UG & 1.4 OP	93.0% UG & 85% OP
Inferred	2023	743,793	3.23	2.0 UG & 1.4 OP	93.0% UG & 85% OP
Measured	2024	374,389	4.16	2.0 UG & 1.4 OP	93% UG & 85% OP
Indicated	2024	859,498	3.24	2.0 UG & 1.4 OP	93% UG & 85% OP
Measured +Indicated	2024	1,233,887	3.52	2.0 UG & 1.4 OP	93% UG & 85% OP
Inferred	2024	823,172	2.82	2.0 UG & 1.4 OP	93% UG & 85% OP
Measured	2025	384,351	4.33	2.0 UG & 1.4 OP	93% UG & 85% OP
Indicated	2025	702,152	3.96	2.0 UG & 1.4 OP	93% UG & 85% OP
Measured +Indicated	2025	1,086,503	4.09	2.0 UG & 1.4 OP	93% UG & 85% OP
Inferred	2025	582,878	2.98	2.0 UG & 1.4 OP	93% UG & 85% OP

Notes:

1. Classification of Mineral Resources is in accordance with the S-K classification system.
2. Mineral Resources were estimated by IDR staff and reviewed and accepted by the QP's.
3. Mineral Resources are exclusive of Mineral Reserves.
4. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
5. Revenues produced at the Golden Chest are subject to a 2% NSR Royalty.
6. Bulk density was calculated based on laboratory testing of representative vein samples and applied to the vein shapes.
7. Mineral Resources are estimated using 2 grams per tonne (gpt) for each of the underground (UG) zones. The surface portion of the resource was optimized using Vulcan pit optimizer with open pit mining costs from the operation and results in a surface resource with a cut-off grade of 1.4 gpt.

8. Cutoff values used were calculated using the three-year trailing average gold price of \$2,580 USD/Troy Oz and adjusted by IDR staff based on mining experience at the Golden Chest.
9. Numbers may not add due to rounding.

For more information, see Section 12 of Exhibit 96.1, the Technical Report Summary on the Golden Chest, Idaho, prepared for the Company by the Qualified Persons under Section 1300 of SEC Regulation S-K, Grant A. Brackebusch, P.E., Robert J. Morgan, PG, PLS, and Andrew A. Brackebusch, P.E.

Permit Requirements

The Golden Chest Mine has all the required environmental permits to operate currently and into the foreseeable future. Some permits may require modification if operating conditions change, but typically these changes can be completed without impeding the mining operation. A summary of the permits held by the Company are found in the following table:

Permit Descriptions

Permit Description	Reference
Idaho Surface Mine Reclamation Plan for Golden Chest	#S312900 Idaho Department of Lands
US EPA Stormwater Pollution Prevention Plan For New Jersey Mill and Golden Chest Mine	Multi-Sector General Permit
Idaho Shallow Injection Well for Golden Chest	#S94X-0026-001 Idaho Department of Water Resources

In 2025, MSHA issued one citation for a Section 104 S&S violation at the New Jersey Mill. No S&S citations were issued at the Golden Chest Mine in 2025. Reference is made to Exhibit 95 to this report.

[Table of Contents](#)

Individual Properties–MATERIAL EXPLORATION PROPERTIES

MINERAL HILL

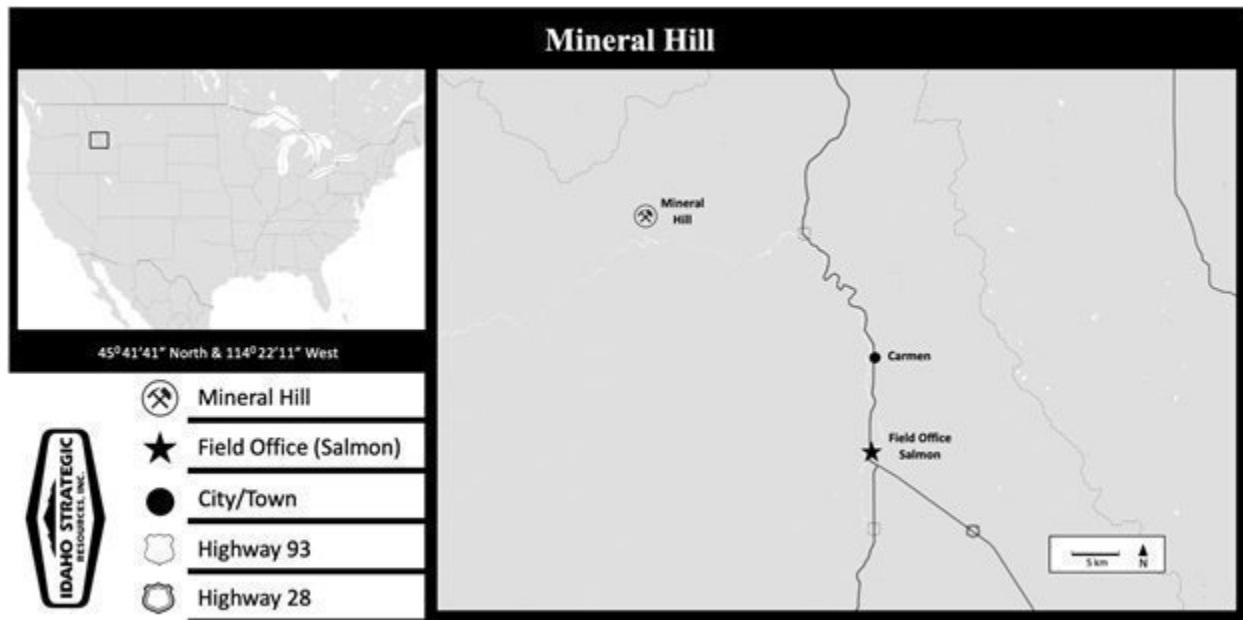


Figure 4 – Mineral Hill Project Location Map

Overview & History

The Mineral Hill Project is a REE exploration stage property located approximately 48 kilometers (30 miles) northwest of the town

of Salmon, Idaho. Mineral Hill is operated by IDR and consists of 118 unpatented lode mining claims situated in the greater Mineral Hill District in Township 24N, Range 19E, Sections 3, 4, 9, 10, 11, 13, 14, 15, 16, 22, 23, 24, and makes up approximately 2,380 acres. The project is located in the northern portion of the Idaho REE-Th Belt. The Mineral Hill mineral claims are located on public land, which is managed by the USFS. The claims require an annual maintenance fee of \$200 per claim per year which must be paid to the BLM by September 1 of each year. The claims fees necessary to obtain and hold the mineral rights at Mineral Hill as well as the investments to explore the project are expensed each year that they are paid. Therefore, Mineral Hill does not show on the Company's books and does not qualify as a material property for financial purposes, rather the Company considers Mineral Hill material to its business due to qualitative factors such as the potential for the Company's projects to be advanced toward future production on an unknown timeline, and the potential importance of rare earth elements in low-carbon technology and national defense technology, which could see increased demand in the future. To date, Idaho Strategic has not established any known reserves on the Mineral Hill property.

Idaho Strategic initially staked the mining claims comprising the Mineral Hill Project in early 2020. Throughout Idaho Strategic's ownership of the project, the Company has staked additional claims at its discretion based upon exploration conducted to date. 109 of the 118 unpatented lode claims are wholly owned by IDR and there are no underlying royalties. In 2025, IDR leased 9 additional unpatented lode claims from a private, 3rd party, which are subject to a 2% NSR.

The Mineral Hill Project and the greater Mineral Hill District was historically prospected for gold and copper in the early 1900's. In the early 1950's rare earth mineralization was discovered and documented by Abbott (1954) and Anderson (1958) from the Idaho Geological Survey and Kaiser (1956) with the USGS. Abbott (1954) reported cutting a 2.5-foot sample across the lode at the Robert Lode which returned 21.5% combined rare earth oxides and thoria.

Geology and Mineralization

The REE mineralization at the Mineral Hill Project is associated with a unique group of igneous rocks known as carbonatites. Carbonatites are carbonate rocks sourced from magmatic origins, with primary carbonate compositions exceeding 50%. The Mineral Hill Project contains three of the eight known carbonatite occurrences within the Mineral Hill District. The first carbonatite can be found in a northwest-trending seam which measures approximately 400 meters (1,300 feet) long and 90 meters (300 feet) wide; the other two occurrences appear to be smaller carbonatite plugs, measuring about 200 meters in diameter.

[Table of Contents](#)

Infrastructure and Facilities

The Mineral Hill Project currently does not contain any facilities on-site. The project is accessible by road for approximately 8 months out of the year via National Forest Road 036 (Indian Creek Road). Idaho Strategic utilizes a combined shop and office building located in the town of Salmon, Idaho, to stage equipment, log and process samples, house company employees, and conduct all other rare earth exploration activities relating to Mineral Hill.

Present Condition & Recent Activities

From 2020 to present, Idaho Strategic has conducted surface sampling, geophysical surveys and geologic mapping on select areas of its mineral claims. The Mineral Hill Project has three carbonatite prospects with REE mineralization: Roberts, Cardinal, and Lee Buck. The Roberts occurrences outcrop along a northwest strike for greater than 400 meters and demonstrate high-grade REE mineralization in a number of surface samples. One sample taken by Company geologists returned assays of combined rare earth elements oxide in excess of 34%, including 3% neodymium. The Company's samples show critical REEs like neodymium, praseodymium, and samarium in abundance. Similarly, as with IDR's Diamond Creek property, REE's are not the only valuable commodities. Gold and niobium may also be in profitable concentration as by-products. Recent samples collected from the Mineral Hill property, show assays with gold values up to 8.8 grams per ton and niobium as high as 0.50%. Exploration plans include further geologic mapping, sampling, and geophysical surveys in order to prepare the project for its inaugural drill program. The permitting process for a drill program at Mineral Hill is underway and any future drilling activities will be subject to permit approval and funding.

Moving forward, Idaho Strategic plans to advance the Mineral Hill Project by developing drill targets aimed at verifying the extent and grade of the carbonatites that the Company's geologists have identified and mapped from the surface. There is no timeline for drill permit approval or projected timing of work. To date, there has not been a technical report, feasibility study, or resource estimate conducted by Idaho Strategic. The Company has provided a summary of exploration activities in order to provide an overview of Mineral Hill and why the Company views this project favorably. Idaho Strategic has excluded exploration results from this report which either did not return the targeted mineralization, did not aid in providing a brief overview of the project, or for which the Company has not received the results back from lab testing.

Quality Control Procedures

The procedures taken to ensure quality and reliability of the Company’s samples and assays are as follows:

Representative surface outcrop samples collected over time, in the normal course of business and reported by the company, come from geologic outcrops identified during surface reconnaissance and are mapped/recorded by on-site professional geologist. The samples are identified by a “one-of-a-kind” label and bagged for secure “chain-of-command” transport to a certified assay laboratory. Idaho Strategic geologists use the assay results to interpret geologic mapping, geophysics and geochemistry to help make an informed decision for targeting purposes. The samples that Company geologists determined warranted further analysis were sent for assay to either ALS Minerals or ActLabs. ALS Minerals utilizes Ore Grade REE analysis (ME-MS81h), while ActLabs utilizes the 8-REE Assay Package (FUS-MS) and the 8-Nb205 – XRF Option.

[Table of Contents](#)

LEMHI PASS

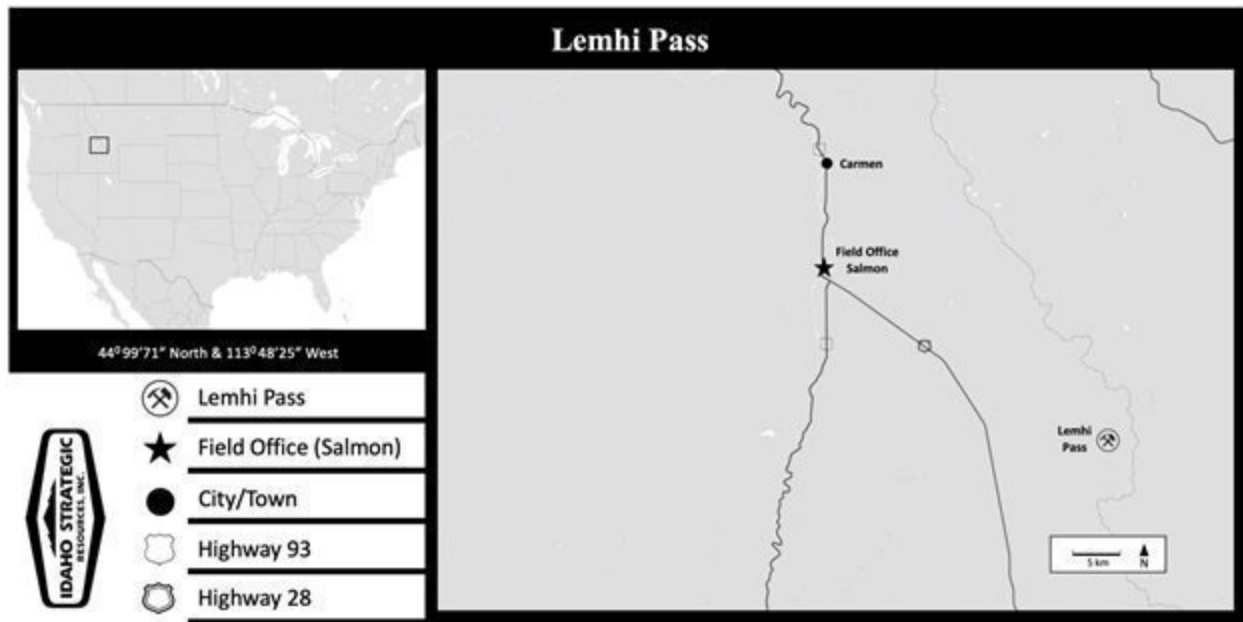


Figure 5 – Lemhi Pass Project Location Map

Overview & History

The Lemhi Pass Project is a REE and thorium exploration stage property located approximately 41 kilometers (25 miles) southeast of the town of Salmon, Idaho and stretches into Montana. Lemhi Pass is operated by IDR and consists of 678 total unpatented lode mining claims situated in the McDevitt Mining District, Lemhi County, Idaho in Township 18N, Range 25E, Sections 10, 20, 21, 28, 29, 32, 33; Township 19N, Range 24E, Sections 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 27; Township 19N, Range 25E, Sections 4, 5, 6, 7, 8, 9, 10, 15, 21, 22, 27, 28 (Boise Meridian) and in the Bloody Dick Mining District, Beaverhead County, Montana in Township 10S, Range 15W, Sections 20, 21, 22, 27, 28, 29, 34, 35 and Township 11S, Range 15W, Sections 10, 11, 14, 15, PB 38. Additionally, IDR has a mineral lease on 565 acres with the State of Idaho for Township 19N, Range 25E, Section 16. The project is in the southern portion of the Idaho REE-Th Belt and straddles the ID-MT border. The property package is mainly contiguous and makes up approximately 13,560 acres. 491 unpatented lode claims are situated in Idaho, while the remaining 187 unpatented lode claims are situated in Montana.

The claims fees and lease fees necessary to obtain and hold the mineral rights at Lemhi Pass as well as the investments to explore the project are expensed each year that they are paid. Therefore, Lemhi Pass does not show on the Company’s books and does not qualify as a material property for financial purposes, rather the Company considers Lemhi Pass material to its business due to qualitative factors such as the potential for the Company’s projects to be advanced toward future production on an unknown timeline, and the potential importance of rare earth elements and thorium in low-carbon technology and national defense technology, which could see increased demand in the future. To date, Idaho Strategic has not established any known reserves on the Lemhi Pass Project.

Idaho Strategic initially staked the mining claims comprising the Lemhi Pass Project in October 2021 and have added claims based upon exploration activities. 611 of the 678 unpatented lode claims are wholly owned by IDR and there are no underlying royalties.

In 2025, IDR leased 67 additional unpatented lode claims from a private, 3rd party, which are subject to a 2% NSR. The Lemhi Pass mineral claims are located on BLM land and require an annual maintenance fee of \$200 per claim per year which must be paid to the BLM by September 1 of each year. The State of Idaho mineral lease has a term of 20 years with an annual rent of \$1,695, increased annually by 3%. The State of Idaho mineral lease has a minimum annual royalty of \$1,000 in years 1 through 5 and \$2,500 in years 6 through 20.

The Lemhi Pass Project was historically prospected for gold and copper until 1949 when its unique geologic setting was recognized by the USGS and the IGS during the U.S. government sponsored country-wide exploration for raw materials related to nuclear power. These campaigns resulted in the discovery of thorium in several areas of Lemhi County, including the REE occurrences in the Lemhi Pass area. Several other companies have undertaken minor thorium-related exploration programs on the property, including historic reports of past thorium production. Lemhi Pass is mentioned in numerous reports including the 2009 USGS Circular 1336 titled “*Thorium Deposits of the United States – Energy Resources for the Future?*” which features parts of the Company’s Lemhi Pass Project on its cover page.

[Table of Contents](#)

Geology and Mineralization

The Company initially staked the Lemhi Pass Project to target an area with the greatest concentration of known veins where the Lemhi Pass, Dan Patch, and Bull Moose faults intersect or approach one another. REE and thorium mineralization at Lemhi Pass is occasionally found in the REE mineral monazite. Monazite is a phosphate mineral and most of the Company’s strongest REE values are associated with phosphorus. The monazite at Lemhi Pass occurs as opaque, subhedral, yellow-green to reddish-brown crystals which are mostly microscopic in size, making it hard to detect with the naked eye. Samples taken by the USGS of 31 vein samples, showed TREO contents ranging from 0.073% to 2.20% Staatz (1972a). IDR sampling showed total rare earths assays up to 6% validating Company belief that the Lemhi Pass District is largely underexplored for REE’s; since their discovery in the district was ancillary, to the government’s search for nuclear related fuels in the 1950’s.

Infrastructure and Facilities

The Lemhi Pass Project currently does not contain any facilities on-site. Portions of the Lemhi Pass Project are accessible year-round by properly equipped vehicles. There are numerous well maintained forest service roads which provide further access to the project; however, those roads are not well maintained during the winter months. There is power nearby to the project including a regional powerline which runs across the project. Idaho Strategic utilizes a combined shop and office building located in the town of Salmon, Idaho to stage equipment, log and process samples, house company employees, and conduct all other rare earth and thorium exploration activities relating to Lemhi Pass.

Present Condition & Recent Activities

To date, Idaho Strategic has conducted surface sampling, geologic mapping, and trenching programs throughout its ownership of the mineral claims from 2021 to present. Select Idaho Strategic sample and trench results have revealed rare earth grades ranging from 0.67% TREO to 6% TREO from areas of the project that had not been well tested for REE’s in the past.

Moving forward, Idaho Strategic will continue its surface exploration efforts to gather enough information to warrant a drill program. The land stewardship in the Lemhi Pass District has areas under both BLM, USFS and State jurisdiction. To date, there has not been a technical report, feasibility study, or resource estimate conducted by Idaho Strategic. The Company has provided a summary of exploration activities to provide an overview of Lemhi Pass and why the Company views this project favorably. Idaho Strategic has excluded exploration results from this report which either did not return the targeted mineralization, did not aid in providing a brief overview of the Project, or for which the Company has not received the results back from lab testing.

Quality Control Procedures

The procedures taken to ensure quality and reliability of the Company’s samples and assays are as follows:

Representative surface outcrop samples collected over time, in the normal course of business and reported by the company, come from geologic outcrops identified during surface reconnaissance and are mapped/recorded by on-site professional geologist. The samples are identified by a “one-of-a-kind” label and bagged for secure “chain-of-command” transport to a certified assay laboratory. Idaho Strategic geologists use the assay results to interpret geologic mapping, geophysics and geochemistry to help make an informed decision for targeting purposes. The samples that Company geologists determined warranted further analysis were sent for assay to either ALS Minerals or ActLabs. ALS Minerals utilizes Ore Grade REE analysis (ME-MS81h), while ActLabs utilizes the 8-REE Assay Package (FUS-MS) and the 8-Nb205 – XRF Option.

DIAMOND CREEK

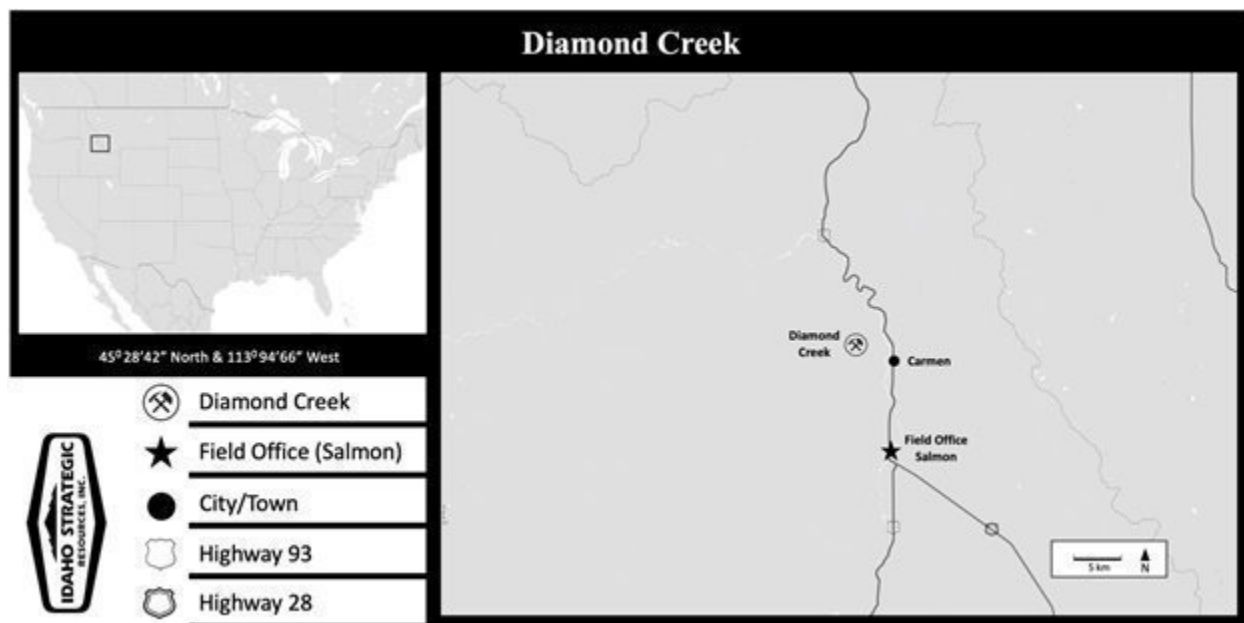


Figure 6 – Diamond Creek Project Location Map

Overview & History

The Diamond Creek Project is a REE exploration stage property located approximately 13 kilometers (8 miles) north-northwest of the town of Salmon, Idaho. Diamond Creek is operated by IDR and consists of 244 unpatented lode mining claims situated in the Eureka Mining District Lemhi County, Idaho in Township 23N, Range 21E, Sections 2, 3, 10, 11, 14, 15, 23, 25, 26, 27, 34, 35; Township 22N, Range 21E, Sections 1 and 2 (Boise Meridian) and makes up approximately 4,900 acres.

The Diamond Creek Project is located in the central portion of the Idaho REE-Th Belt. The Diamond Creek mineral claims are located on public lands managed by the USFS. The claims require an annual maintenance fee of \$200 per claim per year which must be paid to the BLM by September 1 of each year. The claims fees necessary to obtain and hold the mineral rights at Diamond Creek as well as the investments to explore the project are expensed each year that they are paid. Therefore, Diamond Creek does not show on the Company's books and does not qualify as a material property for financial purposes, rather the Company considers Diamond Creek material to its business due to qualitative factors such as the potential for the Company's projects to be advanced toward future production on an unknown timeline, and the potential importance of rare earth elements in low-carbon technology and national defense technology, which could see increased demand in the future. To date, Idaho Strategic has not established any known mineral reserves or resources on the Diamond Creek Project.

Idaho Strategic initially staked the mining claims comprising the Diamond Creek Project in April 2020 and added claims to the group in January 2023. The unpatented lode claims are wholly owned by IDR and there are no underlying royalties on the unpatented lode claims.

The Diamond Creek Project was historically prospected for gold, until the 1950's when U.S. government sponsored country-wide exploration for raw materials related to nuclear power resulted in the discovery of unique thorium and REE mineralization at Diamond Creek by the USGS and the IGS. Several other companies have undertaken minor rare earths exploration programs on the property including one stage of limited core drilling with some notable REE mineralization encountered. Diamond Creek is mentioned in numerous reports including a USGS report written in 1979 by M.H. Staatz.

Geology and Mineralization

The REE mineralization at Diamond Creek is found in two types: fracture filling and replacement veins/bodies. The replacement bodies are composed of bright and varied oxides. There are at least eight known veins, and they range in width from 0.15 m to 7.6 m in thickness. Vein widths appear best developed in the metasediments and can be traced on the surface for distances ranging from 33.5 m to 780 m. The known rare earth elements mineralization occurs along a 2-mile stretch of the Diamond Creek Fault. The project consists of four distinct areas identified from north to south as: Contact, Lucky Gem, Simer, and Frank Burch.

[Table of Contents](#)

Samples taken by the USGS show total REE oxide contents ranging from 0.59% to 5.5%. Work by the USGS in 1979 reported that three samples cut across one of the larger veins were assayed for gold and contained 0.5, 2.4 and 11.9 grams per tonne Au. Down-dip extensions of these mineralized veins have never been sufficiently tested.

Infrastructure and Facilities

The Diamond Creek Project currently does not contain any facilities on-site. The project is easily accessible by road for approximately 8 months out of the year by nearly any vehicle and is accessible year-round by properly equipped vehicles. There are numerous well maintained forest service roads which provide access to all four distinct areas of the project. There is power nearby to the project including a powerline which runs along U.S. Highway 93 approximately 3 miles from Diamond Creek. Idaho Strategic utilizes a combined shop and office building located in the town of Salmon, Idaho to stage equipment, log and process drill core, house company employees, and conduct all other rare earth exploration activities relating to Diamond Creek.

Present Condition & Recent Activities

To date, Idaho Strategic has conducted surface sampling programs and geologic mapping throughout its ownership of the mineral claims from 2020 to present. On November 3, 2022, IDR completed its inaugural 12-hole Diamond Creek drill program which targeted REE mineralization on the northern portion of the project known as the Contact and Lucky Gem areas. The positive results of the drill program were reported, and highlights from hole DC 22-8 drilled from the Lucky Gem area in the north-central portion of the project, were reported to include 11.3 meters (m) of 1.3% total rare earth oxide (“TREO”) from 2.9 m to 14.2 m. The drill results included intervals of 1.1 m from 13.1 m to 14.2 m which returned grades of 2.2% TREO. Also discovered in hole DC 22-8 were significant concentrations of niobium. The Company reported 0.7% niobium over 10.1 m from 2.9 m to 13.0 m including the following higher-grade interval of 1.0% niobium over 0.5 m from 9.6 m to 10.1 m. Hole DC 22-8 drilled down dip through the shallow dipping replacement body where mineralization continued for 50.3 meters before the hole was lost.

In addition to the Company’s drill program, Idaho Strategic conducted surface sampling along a 32-meter trench that exposed REE mineralization at the surface during drill pad reclamation at the Lucky Gem drill pad located in the north-central portion of the project. Vertical channel samples were taken every 1 meter for the first 20 meters of exposure, then every 2 meters for the last 12 meters. The exposed geology displayed evidence of dynamic fluid movement along shears and fracture zones forming both replacement and fracture-filling type deposits.

The results include 32 continuous meters averaging 1.28% TREO, including high values of 2.0% TREO at 8 m and 12 m. In addition to REEs, 12 m niobium mineralization that assayed greater than 0.5% Nb was located between 5 and 16 m.

The Company previously obtained all necessary permits to drill the Diamond Creek Project in 2022. After drilling, all reclamation was completed and approved by the USFS. An additional drilling POO has been submitted and approved by the USFS for the 2025 and 2026 field seasons. The new POO will expand on the 2022 results at Lucky Gem and Contact areas as well as additional drilling targeting REE mineralization on the southern end of the Diamond Creek Project in the area known as Simer. To date, there has not been a technical report, feasibility study, or resource estimate conducted by Idaho Strategic. The Company has provided a summary of exploration activities to provide an overview of Diamond Creek and demonstrate why the Company views this project favorably. Idaho Strategic has excluded exploration results from this report which either did not return the targeted mineralization, did not aid in providing a brief overview of the Project, or for which the Company has not received the results back from lab testing, if any.

Quality Control Procedures

The procedures taken to ensure quality and reliability of the Company’s samples and assays are as follows:

Representative surface outcrop samples collected over time, in the normal course of business and reported by the company, come from geologic outcrops identified during surface reconnaissance and are mapped/recorded by on-site professional geologist. The samples are identified by a “one-of-a-kind” label and bagged for secure “chain-of-command” transport to a certified assay laboratory. Idaho Strategic geologists use the assay results to interpret geologic mapping, geophysics and geochemistry to make an informed decision for targeting purposes. The samples that Company geologists determined warranted further analysis were sent for assay to ALS Minerals. ALS Minerals utilized Ore Grade REE analysis (ME-MS81h).

Drill core samples at Diamond Creek were taken from the drill rig to a secure, Company-owned facility prior to logging by Company geologists. The core is then logged and samples for assay are obtained by sawing the core in half longitudinally while trying to ensure a representative sample is submitted to the laboratory for analysis. All the samples that have been publicly released were analyzed by ALS Minerals using Ore Grade REE analysis (ME-MS81h) and reported niobium results were analyzed using Fusion XRF- NB Ore Grade (Nb-XRF10).

[Table of Contents](#)**Internal Controls on Exploration and Development Drilling Programs**

Exploration and development drilling programs are performed using industry standard quality control methods for drilling, logging, sampling, and analytical procedures. The laboratory used by IDR for sample preparation and analyses is: American Analytical Services, Inc. ("AAS"), located at 59148 Silver Valley Rd, Osburn, ID 83849. AAS is ISO 17025 Certified for Mineral and Ore Chemical Testing. Fire assaying is the only method used to quantify gold in core samples and muck samples. Occasionally, Inductively Coupled Plasma ("ICP") is used for multi-element analysis.

IDR's Quality Assurance/Quality Control ("QA/QC") program has been in place since the GCLLC JV in 2011. The QA/QC program consists of inserting blanks and commercially certified standards into the sample stream. A blank or a standard is inserted into the sample sequence at least every 10 samples. All standards are commercially certified and have been prepared in advance by accredited labs. The QP's reviewed the results of blank assays and only 3 of 591 samples returned an assay greater than the detection limit for fire assay, 0.060 gpt gold, which were considered acceptable results.

For all the samples processed by AAS on behalf of GCLLC/IDR, the following methods were used to obtain a fire assay for gold. Samples received at AAS are sorted and coded. They are then placed in the sample drying room and dried at 60°C. All drill samples are collected from the rig daily by mine staff and transported to the locked and secure mine office/core shed building. Sample security has relied upon the fact that the samples were always attended or locked in appropriate sample storage areas. Samples remain within the custody of staff up to the moment the samples are delivered to the laboratory at which time AAS assumes custody. Chain of custody procedures include filling out sample submittal forms that are sent to the laboratory with sample shipments to make certain that all samples are received by the laboratory.

The sampling methods meet industry standard practices and are adequate for mineral resource and mineral reserve estimation and mine planning purposes. Sampling was conducted by appropriately qualified personnel under direct supervision of appropriately qualified geologists. Sample collection procedures used meet industry best practices. Sample preparation procedures meet industry best practices. QA/QC results produce acceptable results. Security procedures are consistent with industry standards. The databases are managed in a secure area using modern, commonly used software by trained staff. The staff are experienced in the nuances of narrow vein mining and treat the model with their experience in mind.

Drillhole logs are completed using Microsoft Excel and are only accessible by mine technical staff and timestamped at the last time of change. Geologic interpretation and solid modeling are accomplished using Leapfrog. Survey volumes, block modeling, and estimation of Mineral Reserves is accomplished using Maptek's Vulcan. Data is stored at the mine site and backed up to a separate server stored at the corporate office quarterly.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. MINE SAFETY DISCLOSURES

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this report.

[Table of Contents](#)**PART II****ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS****Market Information**

The Company's common stock currently trades on the American tier of the NYSE Market under the symbol "IDR".

As of March 1, 2026, there were approximately 250 shareholders of record of the Company's common stock.

Dividend Policy

The Company has not declared or paid cash dividends or made distributions in the past and the Company does not anticipate that it will pay cash dividends or make distributions in the foreseeable future. The Company currently intends to retain and reinvest future earnings, if any, to finance its operations.

Transfer Agent

The transfer agent for the Company's common stock is Equiniti Trust Company, LLC: 48 Wall Street, Floor 23, New York, NY 10005.

Securities Authorized for Issuance Under Equity Compensation Plans

In April 2014 the Board of Directors of the Company established a stock option plan ("2014 Equity Incentive Compensation Plan") to authorize the granting of stock options to officers and employees. Upon exercise of the options, shares are issued from the available authorized shares of the Company.

In May 2023, a new equity incentive plan ("2023 Equity Incentive Compensation Plan") was voted on, and approved, by the shareholders of the Company. This plan allows for the issuance of up to 1,225,600 shares of the Company's common stock in the form of stock options (which may be incentive stock options or nonqualified stock options) or other stock-based awards, such as stock appreciation rights, restricted stock, restricted stock units and performance shares. As of December 31, 2025, 400,000 options have been granted under this new plan.

No additional fees are paid for attendance at Board of Directors' meetings, committee membership or committee chairmanship.

Equity Compensation Plan Information

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</u>
2014 Equity Incentive Compensation Plan approved by the board	0	0	0
2023 Equity Incentive Compensation Plan approved by the board and shareholders	329,375	\$ 11.50	825,600
Equity compensation plans not approved by the board	0	0	0
Total	<u>329,375</u>	<u>\$ 11.50</u>	<u>825,600</u>

Recent Sales of Unregistered Securities

If the Company pays for goods and services with restricted common stock, the policy is to determine the fair value of the goods or services to determine the number of corresponding shares to be issued. When applicable, an agreed upon price for the Company's common stock is used that considers the bid/offer price as quoted by the NYSE-American.

There were no sales of unregistered securities in 2025.

[Table of Contents](#)

ITEM 6. [RESERVED]

Not Applicable.

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

Plan of Operation

Idaho Strategic is a gold producer and critical minerals exploration company focused on a diversified asset base and cash flows from operations. Its portfolio of mineral properties are located in the historic producing silver and gold districts of the Coeur d'Alene Mining region of north Idaho and the Elk City region of north-central Idaho, as well as the historic REE-Th Belt located near the city of Salmon in central Idaho.

The Company's plan of operation is to generate positive cash flow, increase its gold production and asset base over time while being mindful of corporate overhead. The Company's management is focused on utilizing its in-house technical and operating skills to build a portfolio of producing mines and milling operations with a focus on gold production and critical minerals exploration.

The Company's gold properties include: the Golden Chest (currently in production), and the New Jersey Mill (majority ownership interest), as well as the Little Baldy and Niagara exploration properties and other less advanced properties. The Company's primary focus as it relates to its gold properties is to continue to grow production at the Golden Chest Mine and look to reinvest the cash flow into both the Golden Chest, the New Jersey Mill, and furthering its exploration efforts near the Golden Chest, as well as at its REE properties.

In addition to its gold properties, Idaho Strategic has three REE exploration properties in Idaho known as Mineral Hill, Lemhi Pass, and Diamond Creek. The Company's expansion into REE's came about in an effort to diversify its holdings towards the anticipated demand for these elements in advanced robotics, low-carbon technologies, and a renewed focus on the United States' domestic critical minerals supply chain security for national defense. To date, Idaho Strategic has conducted numerous exploration programs on its REE properties which include mapping, sampling, trenching, and drilling of certain areas within the Company's 21,385-acre landholdings.

Idaho Strategic has been able to leverage its track record of operations and experience in mining, milling, and exploring at the Golden Chest to develop relationships with different state government agencies, universities, national labs, and other government and non-government entities to advance its REE exploration activities on multiple fronts. Idaho Strategic plans to continue to look for additional partnerships to find mutually beneficial solutions to advance the U.S.' domestic REE supply chain.

Critical Accounting Estimates

The SEC has requested that all registrants address their most critical accounting policies. The SEC has indicated that a "critical accounting policy" is one which is both important to the representation of the registrant's financial condition and results and requires management's most difficult, subjective, or complex judgments, often because of the need to make estimates about the effect of matters that are inherently uncertain. The Company bases its estimates on experience and on various other assumptions that management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results will differ and may differ materially from these estimates under different assumptions or conditions. Additionally, changes in accounting estimates could occur in the future from period to period. Company management has discussed the development and selection of the most critical financial estimates with the Audit and Finance Committee of the Company's Board of Directors. The following paragraphs identify the most critical accounting policies:

The Company's concentrate sales sometimes involve variable consideration, as they can be subject to changes in metals prices between the time of shipment and their final settlement. However, the transaction price can be reasonably estimated for the concentrate sales at the time of shipment using forward prices for the estimated month of settlement, and previously recorded sales and accounts receivable are adjusted to estimated settlement metals prices until final settlement for financial reporting purposes. The embedded derivative contained in the Company's concentrate sales is adjusted to fair value through earnings each period prior to final settlement. It is unlikely a significant reversal of revenue for any one concentrate lot will occur. As such, the expected value method is used to price the concentrate until the final settlement date occurs, at which time the final transaction price is known. At December 31, 2025, metals that had been sold but not final settled included 6,103 ounces of gold of which 5,089 ounces were sold at a predetermined price with the remaining 1,014 ounces exposed to future price changes until prices are locked in based on the month of settlement. The Company has received provisional payments on the sale of these ounces with the remaining amount due reflected in gold sales receivable.

[Table of Contents](#)

The asset retirement obligation and asset on the balance sheet is based on an estimate of the future cost to recover and remediate Company properties as required by permits upon cessation of operations and may differ when operations actually cease. At December 31, 2025, the Company made an estimate that the cost of the machine and man hours probable to be needed to put its properties in the condition required by permits once operations cease would be \$104,000 for the Golden Chest Mine property and \$224,000 for the New Jersey Mine and Mill. For purposes of the estimate, the Company evaluated the expected life in years and

costs that, initially, are comparable to rates that would be presently incurred. The Company is adding to the liability each year, and amortizing the asset over the estimated life, which decreases net income in total each year. Periodic reviews are made of the remaining life of the mine and other operations, and the estimated remediation costs upon closure, and account balances are adjusted accordingly. At this time, the Company thinks that an adjustment in its asset recovery obligation is not required, and an adjustment in future periods would not have a material impact in the year of adjustment but would change the amount of the annual accretion and amortization costs charged to expenses by an undetermined amount.

Amortization of development costs is calculated using the units-of-production method over the expected life as per the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification 360-10-35-4. This includes the cost to define proven and probable reserves and measured and indicated resources accessible via the Main Access Ramp (“MAR”). Measured resources are 90-100% interpolated, and indicated resources 75-80% interpolated, using a 2 grams per tonne gold cut-off grade at the diluted minimum mining width. Conservative estimation parameters (three samples within 25 meters for measured, two within 50 meters for indicated) and economic factors ensure viability. Inferred resources are excluded to reduce uncertainty, and therefore, the volumes are risk-adjusted. Assumptions are regularly evaluated, with material deviations disclosed to ensure a systematic and rational cost allocation. More information on the Company’s reserves and resources can be found in the Technical Report Summary For the Golden Chest Mine which is included as Exhibit 96.1 to this Form 10-K.

Golden Chest Highlights for 2025 include:

- Produced a total of 12,538 ounces of gold contained in concentrates and doré.
- Mining was focused on the high-grade H-Vein at the Golden Chest mine.
- Mined 41,840 tonnes of ore from the H-Vein underground at the Golden Chest Mine at an average grade of 10.14 gpt gold and completed 315 meters of development on the MAR and 116 meters of related development for sumps, muck-bays, and escape raises. Additionally, about 700 meters of stope access ramps were completed during the year.
- Processed 41,840 dry metric tonnes at the Company’s New Jersey Mill with an average gold head grade of 10.14 gpt and gold recovery of 93.0%.
- Completed 19,362 meters of core drilling at the Golden Chest at the Paymaster, H-Vein, Red Star, Jumbo, and Klondike areas. About half of the meterage was dedicated to converting Paymaster Mineral Resources to Mineral Reserves.
- A highlight of 2025 exploration was drifting from the Jumbo Pit portal that intercepted the Jumbo vein and found 25 meters of vein strike length with an average thickness of 0.52 meters at a gold grade of 85 gpt.

REE Exploration Highlights for 2025 include:

- During the year the Company executed a long-term lease agreement for the mineral claims comprising approximately 1,500 acres of various in-holdings within the Company’s Mineral Hill and Lemhi Pass REE projects. Key prospects covered by the mineral claims leased by the Company include Cardinal (Mineral Hill), Lucky Horseshoe (Lemhi Pass, Idaho), Silver Queen (Lemhi Pass, Idaho), Last Chance (Lemhi Pass, Montana), Trapper (Lemhi Pass, Montana), and other prospects. Later in the year, Idaho Strategic sampled greater than 17.6% total REEs from the Cardinal prospect.
- Idaho Strategic announced the signing of a Memorandum of Understanding with Clean Core Thorium Energy, Inc. (“CCTE”) to evaluate the feasibility of thorium mining, processing, and fuel fabrication to facilitate a “Made in America” thorium-based nuclear fuel supply chain utilizing thorium from the Company’s Lemhi Pass project and CCTE’s ANEEL fuel- an advanced nuclear fuel comprised of thorium and high assay low-enriched uranium for use in existing nuclear reactors.
- The Company announced the discovery of a carbonatite with strong REE mineralization at the Lucky Horseshoe prospect within the Lemhi Pass project. Initial samples taken from outcrop assayed up to 6.14% total rare earth oxides with ratios of 65% magnet rare earth oxides (Nd, Pr, Dy, Tb) and 11% SEG oxides (Sm, Eu, Gd).
- Idaho Strategic initiated a large-scale geophysics program across its Mineral Hill and Lemhi Pass projects including LiDAR, magnetics, and radiometrics surveys.
- The Company initiated a soil sampling program covering many key prospects across the Idaho portion of its Lemhi Pass project. Initial success of the program at identifying areas of anomalous REEs in soils has led to an extension of the project scope. Soil sampling work will be utilized to aid in the planning of drill programs and other future exploration work.
- Idaho Strategic completed its inaugural phase 1 drill program at a single prospect at Lemhi Pass. The program drilled 2,056 meters during the fourth quarter with logging and sampling ongoing.

Results of Operations

Idaho Strategic’s financial performance for the years ended December 31, 2025, and 2024 is summarized below:

- Revenue from concentrate sales increased 64.6% to \$42,406,253 for the year ending December 31, 2025, compared to \$25,765,373 for the comparable period in 2024. The increase was due to 665 more ounces of gold sold during the year, as well as higher realized gold prices recognized on concentrate sales. Realized gold price for 2025 was \$3,583.43 vs \$2,306.86 in 2024. Ore from the H-vein is anticipated to be the primary source of ore for 2026 as it was in 2025.
- Gross profit for the year ended December 31, 2025 was \$26,205,927 compared to a gross profit of \$12,950,493 in 2024. This resulted in an increase in gross profit as a percentage of sales from 50.3% in 2024 to 61.8% in 2025. This increase is attributable to the higher head grade from H-Vein ore processed at the Company's New Jersey Mill, as well as higher gold prices recognized on concentrate sales.
- Net income for the year ended December 31, 2025 was \$16,631,198 compared to net income for the year ended December 31, 2024 of \$8,753,377. The increase was primarily due to higher gold prices.
- The consolidated net income included non-cash charges of \$4,556,936 (\$1,973,746 in 2024) as follows: depreciation and amortization of \$2,338,100 (\$1,953,388 in 2024), accretion of asset retirement obligation of \$20,042 (\$18,761 in 2024), loss on disposal of equipment of \$343,945 (\$1,431 in 2024), equity income on investment in Buckskin Gold and Silver, Inc. \$3,646 (\$2,667 in 2024), write down of reclamation bond \$0 (\$300 in 2024) stock-based compensation of \$1,505,244 (\$0 in 2024), unrealized gain on equity securities and mutual funds of \$110,092 (\$0 in 2024), amortization of discount on US treasury notes of \$37,197 (\$2,080 in 2024), and accrued income tax liability of \$426,146 (\$0 in 2024).
- Cash cost per ounce increased \$116.80 compared to 2024 due to slightly higher input costs.
- All-in sustaining cost per ounce increased \$417.74 compared to 2024 due to increased exploration at the Golden Chest which also increased sustaining capital. Adjusted all-in sustaining cost per ounce without exploration was \$1,494.75 and \$1,256.16 for 2025 and 2024, respectively.
- Gold sales receivable increased to \$3,912,922 from \$1,578,694 at December 31, 2025 compared to 2024.
- The Company saw an increase in exploration expenses of \$4,716,900 for 2025 due to the expanded drilling program at the Golden Chest mine for development and exploration purposes.

[Table of Contents](#)

Cash Costs and All-In Sustaining Costs Reconciliation to Generally Accepted Accounting Principles ("GAAP")

Reconciliation of cost of sales and other direct production costs and depreciation, depletion, and amortization (GAAP) to cash cost per ounce and All-In Sustaining Costs ("AISC") per ounce (non-GAAP).

The table below presents reconciliations between the most comparable GAAP measure of cost of sales and other direct production costs and depreciation, depletion, and amortization to the non-GAAP measures of cash cost per ounce produced and AISC per ounce produced for the Company's gold production for the years ended December 31, 2025, and 2024. The cost per ounce calculations are based on ounces produced. Upon sale, the Company typically receives payment at an average rate of 94% of ounces produced after smelting and refining charges are deducted.

Cash cost per ounce is an important operating measure that we utilize to measure operating performance. AISC per ounce is an important measure that we utilize to assess net cash flow after costs for pre-development, exploration, reclamation, and sustaining capital. Current GAAP measures used in the mining industry, such as cost of goods sold do not capture all the expenditures incurred to discover, develop, and sustain gold production. During 2024, the Company adjusted the method of calculating sustaining capital to better reflect actual costs required to sustain mining operations. Prior periods have been restated in the table below to reflect this change. Idaho Strategic calculates sustaining capital by including depreciation and amortization as an estimate of property, plant, and equipment wear and tear necessary to maintain production capacity, plus Golden Chest capitalized development costs, net of current period amortization, to reflect expenses for sustaining mine access and gold production.

	December 31,	
	2025	2024
Cost of sales and other direct production costs and depreciation, depletion, and amortization	\$ 16,200,326	\$ 12,814,880
Less depreciation, depletion, amortization and stock-based compensation	(3,265,706)	(1,953,388)
Change in inventory	(65,188)	(23,243)
Cash Cost	\$ 12,869,432	\$ 10,838,249
Exploration	7,637,435	2,920,535
Less non-gold exploration and stock-based compensation	(2,659,417)	(324,333)
Sustaining capital	5,974,247	3,385,893
General and administrative	1,092,822	763,040
Less stock-based compensation and other non-cash items	(769,124)	(20,058)
AISC	\$ 23,719,249	\$ 17,563,326
Divided by ounces produced	12,538	11,915

Cash cost per ounce	\$ 1,026.43	\$ 909.63
AISC per ounce	<u>\$ 1,891.79</u>	<u>\$ 1,474.05</u>

Financial Condition and Liquidity

	For the Years Ended	
	December 31,	
	2025	2024
Net cash provided (used) by:		
Operating activities	\$ 19,101,691	\$ 10,840,886
Investing activities	(61,458,139)	(20,762,889)
Financing activities	<u>51,139,312</u>	<u>8,741,905</u>
Net change in cash and cash equivalents	8,782,864	(1,180,098)
Cash and cash equivalents, beginning of period	<u>1,106,901</u>	<u>2,286,999</u>
Cash and cash equivalents, end of period	<u>\$ 9,889,765</u>	<u>\$ 1,106,901</u>

The Company has retained earnings of approximately \$8.3 million at December 31, 2025 and earned a consolidated net profit in 2025 of \$16,631,198. The Company's working capital at December 31, 2025 is \$47,669,136. The Company is currently producing from underground at the Golden Chest. During 2025, production generated positive cash flow from operations of \$19,101,691 compared to a positive cash flow from operations of \$10,840,886 in 2024. Planned production for the next 18 months indicates a positive cash flow from operations will continue as underground mining of the H-Vein and Jumbo vein remains the primary source of ore feed for the mill. In prior years, the Company has been successful in raising required funds for ongoing operations from sale of its common stock or borrowing. Management believes it can meet its contractual obligations with continuing cash flows from operations, existing cash, and potential financings for the next 18 months.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required for smaller reporting companies.

[Table of Contents](#)

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the board of directors of Idaho Strategic Resources, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Idaho Strategic Resources, Inc. (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, changes in stockholders' equity and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company *as of* December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly,

we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.



We have served as the Company's independent auditor since 2003.

Assure CPA, LLC
Spokane, Washington
March 23, 2026
PCAOB Firm ID: 444

[Table of Contents](#)

Idaho Strategic Resources, Inc.

Table of Contents

	Page
Consolidated Balance Sheets, December 31, 2025 and 2024	45
Consolidated Statements of Operations for the years ended December 31, 2025 and 2024	46
Consolidated Statement of Changes in Stockholders' Equity For the years ended December 31, 2025 and 2024	47
Consolidated Statements of Cash Flows for the years ended December 31, 2025 and 2024	48
Notes to Consolidated Financial Statements	49-61

[Table of Contents](#)

Idaho Strategic Resources, Inc.

Consolidated Balance Sheets

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,889,765	\$ 1,106,901
Investment in US treasury notes	27,679,881	7,775,193
Investment in equity securities	4,129,521	-
Investment in mutual funds	3,957,497	-
Gold sales receivable	3,912,922	1,578,694
Inventories	965,112	899,924
Joint venture receivable	12,760	2,892
Other current assets	799,261	378,469
Total current assets	51,346,719	11,742,073

Property, plant and equipment, net of accumulated depreciation	19,503,962	12,904,065
Mineral properties, net of accumulated amortization	15,742,370	10,573,349
Investment in Buckskin Gold and Silver, Inc.	345,082	341,436
Investment in joint venture	435,000	435,000
Investment in US treasury notes, non-current	27,651,843	7,208,930
Reclamation bonds	355,220	249,110
Deposits	858,534	567,667
Total assets	<u>\$116,238,730</u>	<u>\$ 44,021,630</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,904,589	\$ 1,006,078
Accrued payroll and related payroll expenses	409,212	564,090
Notes payable, current portion	1,029,336	709,381
Income taxes payable	334,446	-
Total current liabilities	<u>3,677,583</u>	<u>2,279,549</u>
Asset retirement obligations	325,451	305,409
Notes payable, long term	1,302,048	1,023,358
Deferred income tax liability	91,700	-
Total long term liabilities	<u>1,719,199</u>	<u>1,328,767</u>
Total liabilities	<u>5,396,782</u>	<u>3,608,316</u>
Commitments and Contingencies (Note 5 and 12)	-	-
Stockholders' equity:		
Preferred stock, no par value, 1,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, no par value, 200,000,000 shares authorized; 15,705,199 and 13,665,058 shares issued and outstanding, respectively	99,828,021	46,059,318
Retained earnings (accumulated deficit)	8,341,721	(8,373,953)
Total Idaho Strategic Resources, Inc. stockholders' equity	<u>108,169,742</u>	<u>37,685,365</u>
Non-controlling interest	2,672,206	2,727,949
Total stockholders' equity	<u>110,841,948</u>	<u>40,413,314</u>
Total liabilities and stockholders' equity	<u>\$116,238,730</u>	<u>\$ 44,021,630</u>

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

[Table of Contents](#)

**Idaho Strategic Resources, Inc.
Consolidated Statements of Operations
For the Years Ended December 31, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Revenue-gold sales	\$ 42,406,253	\$ 25,765,373
Cost of sales:		
Cost of sales and other direct production costs	13,862,226	10,861,492
Depreciation and amortization	2,338,100	1,953,388
Total cost of sales	<u>16,200,326</u>	<u>12,814,880</u>
Gross profit	<u>26,205,927</u>	<u>12,950,493</u>

Other operating expenses:		
Exploration	7,637,435	2,920,535
Loss on disposal of equipment	343,945	1,431
Management	945,579	407,715
Professional services	585,145	432,237
General and administrative	1,092,822	763,040
Total other operating expenses	10,604,926	4,524,958
Income from operations	15,601,001	8,425,535
Other (income) expense:		
Equity income on investment in Buckskin Gold and Silver, Inc.	(3,646)	(2,667)
(Gain) loss on investment in equity securities and mutual funds	(110,092)	453
Timber revenue	(9,679)	(19,406)
Dividend income	(50,881)	-
Interest income	(1,282,045)	(389,517)
Interest expense	-	83,295
Total other (income) expense	(1,456,343)	(327,842)
Income before income taxes	17,057,344	8,753,377
Income tax provision	426,146	-
Net income	16,631,198	8,753,377
Net loss attributable to non-controlling interest	(84,476)	(83,308)
Net income attributable to Idaho Strategic Resources, Inc.	\$ 16,715,674	\$ 8,836,685
Net income per common share-basic	\$ 1.15	\$ 0.68
Weighted average common shares outstanding-basic	14,489,196	13,026,487
Net income per common share-diluted	\$ 1.14	\$ 0.67
Weighted average common shares outstanding-diluted	14,701,346	13,197,308

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

[Table of Contents](#)

Idaho Strategic Resources, Inc.
Consolidated Statements of Changes in Stockholders' Equity
For the Years Ended December 31, 2025 and 2024

	Common Stock Shares	Common Stock Amount	Retained Earnings (Accumulated Deficit) Attributable to Idaho Strategic Resources, Inc.	Non- Controlling Interest	Stockholders' Equity
Balance, December 31, 2023	12,397,615	\$ 34,963,739	\$ (17,210,638)	\$ 2,782,497	\$ 20,535,598
Contribution from non-controlling interest in New Jersey Mill Joint Venture	-	-	-	28,760	28,760
Issuance of common stock for cash, net of issuance costs	766,293	9,120,521	-	-	9,120,521
Issuance of common stock for warrants exercised	289,294	1,695,047	-	-	1,695,047

Issuance of common stock for stock options exercised	50,002	280,011	-	-	280,011
Issuance of common stock for cashless stock options exercised	161,854	-	-	-	-
Net income (loss)	-	-	8,836,685	(83,308)	8,753,377
Balance, December 31, 2024	<u>13,665,058</u>	<u>\$ 46,059,318</u>	<u>\$ (8,373,953)</u>	<u>\$ 2,727,949</u>	<u>\$ 40,413,314</u>
Contribution from non-controlling interest in New Jersey Mill Joint Venture	-	-	-	28,733	28,733
Stock-based compensation	-	1,505,244	-	-	1,505,244
Issuance of common stock for cash, net of issuance costs	1,941,499	52,027,149	-	-	52,027,149
Issuance of common stock for stock options exercised	31,500	236,310	-	-	236,310
Issuance of common stock for cashless stock options exercised	67,142	-	-	-	-
Net income (loss)	-	-	16,715,674	(84,476)	16,631,198
Balance, December 31, 2025	<u>15,705,199</u>	<u>\$ 99,828,021</u>	<u>\$ 8,341,721</u>	<u>\$ 2,672,206</u>	<u>\$ 110,841,948</u>

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

[Table of Contents](#)

**Idaho Strategic Resources, Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Net income	\$ 16,631,198	\$ 8,753,377
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,338,100	1,953,388
Accretion of asset retirement obligation	20,042	18,761
Loss on disposal of equipment	343,945	1,431
Unrealized (gain) on investment in equity securities and mutual funds	(110,092)	-
Loss on investment in equity securities	-	453
Equity income on investment in Buckskin Gold and Silver, Inc.	(3,646)	(2,667)
Write down of reclamation bond	-	300
Stock-based compensation	1,505,244	-
Amortization of discount on US treasury notes	37,197	2,080
Deferred tax expense	91,700	-
Change in operating assets and liabilities:		
Gold sales receivable	(2,334,228)	(539,827)
Inventories	(65,188)	(23,243)
Joint venture receivable	(9,868)	(812)
Other current assets	(420,792)	(141,632)
Accounts payable and accrued expenses	898,511	521,857
Accrued payroll and related payroll expenses	(154,878)	297,420
Income taxes payable	334,446	-
Net cash provided by operating activities	<u>19,101,691</u>	<u>10,840,886</u>
Cash flows from investing activities:		
Purchases of property, plant, and equipment	(6,714,393)	(2,219,147)
Proceeds from sale of equipment	66,155	6,372
Deposits on equipment	(945,786)	(1,178,185)
Additions to mineral properties	(5,096,281)	(2,392,822)
Purchase of mineral property	(300,000)	-
Purchase of reclamation bonds	(106,110)	(5,000)
Refund of reclamation bonds	-	6,900
Purchase of US treasury notes	(51,759,798)	(17,465,887)

Maturity of US treasury notes	11,375,000	2,479,684
Proceeds from sale of investment in equity securities	-	5,196
Purchase of equity securities	(4,026,781)	-
Purchase of mutual funds	(3,950,145)	-
Net cash used by investing activities	<u>(61,458,139)</u>	<u>(20,762,889)</u>
Cash flows from financing activities:		
Proceeds from sale of common stock, net of issuance costs	52,027,149	9,120,521
Proceeds from issuance of common stock for warrants exercised	-	1,695,047
Proceeds from issuance of common stock for stock options exercised	236,310	280,011
Principal payments on notes payable	(1,152,880)	(2,382,434)
Contributions from non-controlling interest	28,733	28,760
Net cash provided by financing activities	<u>51,139,312</u>	<u>8,741,905</u>
Net change in cash and cash equivalents	8,782,864	(1,180,098)
Cash and cash equivalents, beginning of year	1,106,901	2,286,999
Cash and cash equivalents, end of year	<u>\$ 9,889,765</u>	<u>\$ 1,106,901</u>
Supplemental disclosure of cash flow information:		
Non-cash investing and financing activities:		
Deposit on equipment applied to purchase	\$ 654,919	\$ 895,597
Notes payable for equipment	2,615,677	1,148,521
Note payable for mineral property	-	650,000
Note payable assumed by 3 rd party	792,779	-
Principal payments on notes payable paid by 3 rd party	71,373	-

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

[Table of Contents](#)

Idaho Strategic Resources, Inc.
Notes to Consolidated Financial Statements

1. Description of Business

Idaho Strategic was incorporated as an Idaho corporation on July 18, 1996. The Company's primary business is exploring for, developing, and extracting gold, and to a lesser extent, silver, and base metal mineral resources in the greater Coeur d'Alene Mining District of North Idaho. From an operational perspective, the Company produces gold at the Golden Chest Mine located in the Murray Gold Belt area of the world-class Coeur d'Alene Mining District, north of the prolific Silver Valley. Following its consolidation of the Murray Gold Belt for the first time in over 100-years, the Company has the largest private land position in the area.

In addition to gold and gold production, the Company maintains an important strategic presence in the U.S. Critical Minerals sector, specifically focused on the more "at-risk" rare earth elements "(REE)"s. Its business strategy is to grow its asset base and mineral production over time while advancing its REE projects. The Company's Mineral Hill and Diamond Creek REE properties are included the U.S. national REE inventory as listed in United States Geological Survey ("USGS"), Idaho Geological Survey ("IGS"), and Department of Energy ("DOE") publications. Both projects are located near Salmon, Idaho.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiary, the New Jersey Mill JV ("NJMJV"). Intercompany accounts and transactions are eliminated. The portion of NJMJV partially owned by another investor is presented as non-controlling interest on the consolidated balance sheets, statements of operations, and statement of changes in stockholders' equity.

Accounting for Investments in Joint Ventures ("JVs") and Equity Method Investments

Investment in JVs

For JVs where the Company holds more than 50% of the voting interest and has significant influence, the JV is consolidated with the presentation of non-controlling interest. In determining whether significant influence exists, the Company considers its

participation in policy-making decisions and its representation on the venture’s management committee.

For JVs in which the Company does not have joint control or significant influence, the cost method is used. For those JVs in which there is joint control between the parties, the equity method is utilized whereby the Company’s share of the ventures’ earnings and losses is included in the statement of operations as earnings in JVs and its investments therein are adjusted by a similar amount. The Company periodically assesses its investments in JVs for impairment. If management determines that a decline in fair value is other than temporary it will write-down the investment and charge the impairment against operations.

Equity Method Investments

Investments in companies and JVs in which the Company exercises significant influence, but do not control, are accounted for under the equity method of accounting. In determining whether significant influence exists, the Company considers its participation in policy-making decisions and representation on governing bodies. Under the equity method of accounting, the Company’s share of the net earnings or losses of the investee are included in net income (loss) in the consolidated statements of operations. Upon investment, the Company assesses whether a step up in basis of the investee’s net assets has occurred and, if so, adjust its share of net earnings or losses by related depreciation and amortization expense. The Company evaluates equity method investments whenever events or changes in circumstance indicate the carrying amounts of such investments may be impaired. If a decline in the value of an equity method investment is determined to be other than temporary, a loss is recorded in earnings in the current period. As changes in ownership percentage of the Company’s investments occur, the Company assesses whether we can exercise significant influence and account for under the equity method. If the Company’s ownership percentage of the company or venture in which it has an investment changes, a gain or loss on the investment is recognized in the period of change. At December 31, 2025, the Company's 37% common stock holding of Buckskin Gold and Silver, Inc. (“Buckskin”) is accounted for using the equity method (Note 9).

At December 31, 2025 and 2024, the Company’s percentage ownership and method of accounting for each JV and equity method investment is as follows:

JV/Equity	December 31, 2025			December 31, 2024		
	% Ownership	Significant Influence?	Accounting Method	% Ownership	Significant Influence?	Accounting Method
NJMJV	65%	Yes	Consolidated	65%	Yes	Consolidated
Butte Highlands JV	50%	No	Cost	50%	No	Cost
Buckskin	37%	Yes	Equity Method	37%	Yes	Equity Method

[Table of Contents](#)

Idaho Strategic Resources, Inc. Notes to Consolidated Financial Statements

2. Summary of Significant Accounting Policies (continued)

Non-controlling Interest

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company’s stockholders’ equity and its net income (loss). Non-controlling interests represent non-controlling investor’s initial contribution at the date of the original acquisition, ongoing contributions, and percentage share of earnings and losses since inception.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the US 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, depreciation lives and methods, potential impairment of long-lived assets and equity method investments, deferred income taxes, settlement pricing of gold sales, fair value of stock based compensation, estimation of asset retirement obligations and reclamation liabilities. Estimates are based on experience and various other assumptions that the Company believes are reasonable. Actual results may differ from those estimates.

Revenue Recognition

Gold Revenue Recognition and Receivables: Sales of gold sold directly to customers are recorded as revenues and receivables upon completion of the performance obligations and transfer of control of the product to the customer. For concentrate sales, the performance obligation is met, the transaction price can be reasonably estimated, and revenue is recognized generally at the time of shipment at estimated forward prices for the anticipated month of settlement. The embedded derivative contained in our concentrate sales is adjusted to fair value through earnings each period prior to final settlement. Due to the time elapsed from shipment to the

customer and the final settlement with the customer, prices at which sales of our concentrates will be settled are estimated. Previously recorded sales and accounts receivable are adjusted to estimated settlement metals prices until final settlement by the customer. For sales of doré and metals from doré, the performance obligation is met, the transaction price is known, and revenue is recognized at the time of transfer of control of the agreed-upon metal quantities to the customer by the refiner.

Sales and accounts receivable for concentrate shipments are recorded net of charges by the customer for treatment, refining, smelting losses, and other charges negotiated with the customers. Charges are estimated upon shipment of concentrates based on contractual terms, and actual charges typically do not vary materially from estimates. Costs charged by customers include fixed costs per ton of concentrate and price escalators. Refining, selling, and shipping costs related to sales of doré and metals from doré are recorded to cost of sales as incurred. See Note 13 for more information on the sales of products.

Other Revenue Recognition: Revenue from harvest of raw timber is recognized when the performance obligation under a contract and transfer of control have both been completed. Sales of timber found on the Company's mineral properties are not a part of normal operations.

Inventories

Inventories include concentrate inventory and supplies inventory. Concentrate inventory is valued at the lower of full cost of production or estimated net realizable value based on current metal prices. Costs consist of mining, transportation, royalties, and milling costs including applicable overhead, depreciation, depletion, and amortization relating to the operations. Costs are allocated based on the stage at which the ore is in the production process. Supplies inventory is stated at the lower of first-in, first-out weighted average cost or estimated net realizable value.

Income Taxes

Income taxes are recognized in accordance with Accounting Standards Codification 740 Income Taxes, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. The Company's policy is to recognize interest and penalties related to income tax matters in income tax expense.

Uncertain tax positions are evaluated in a two-step process, whereby (i) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the related tax authority would be recognized.

[Table of Contents](#)

Idaho Strategic Resources, Inc. Notes to Consolidated Financial Statements

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date. At December 31, 2025, the Company's investments in equity securities and mutual funds as well as its gold receivable were measured at fair value. At December 31, 2024, only the Company's gold sales receivable was measured at fair value. Due to the time elapsed from shipment to the customer and the final settlement with the customer, management must estimate the prices at which sales of gold concentrates will be settled. Previously recorded sales and accounts receivable are adjusted to estimated settlement metals prices until final settlement by the customer. See Note 13 for further information.

Financial Instruments

The carrying amounts of financial instruments including cash and cash equivalents, reclamation bond, equity method investments, investments in US treasury notes, and notes payable approximate their fair values.

Net Income (Loss) Per Share

Net income (loss) per share is computed by dividing net income (loss) attributable to the Company excluding net income (loss) attributable to a non-controlling interest by the weighted average number of common shares outstanding during the year. Diluted net income (loss) per share reflects the potential dilution that could occur from common shares issuable through stock options, warrants, and other convertible securities. For the years ended December 31, 2025, and 2024, such common stock equivalents are included in the calculation of diluted net income per share for each period as follows:

	December 31, 2025	December 31, 2024
Net income	\$ 16,631,198	\$ 8,753,377
Weighted average shares-basic	14,489,196	13,026,487
Effect of dilutive potential common shares from stock options	212,150	118,400
Effect of dilutive potential common shares from warrants	-	52,421
Weighted average shares-diluted	14,701,346	13,197,308
Net income per share-basic	\$ 1.15	\$ 0.68
Net income per share-diluted	\$ 1.14	\$ 0.67

Cash and Cash Equivalents

The Company considers cash in banks and other deposits with an original maturity of three months or less when purchased to be cash and cash equivalents. These deposit balances may at times exceed federally insured limits. No losses have been recognized because of these balances.

Property, Plant and Equipment

Property, plant, and equipment are stated at cost. Depreciation and amortization are based on the estimated useful lives of the assets and are computed using straight-line or units-of-production methods. The expected useful lives of most of the Company's buildings are up to 50 years and equipment life expectancy ranges between 2 and 10 years. When assets are retired or sold, the costs and related allowances for depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in operations.

Mineral Properties

Significant payments related to the acquisition of mineral properties, mineral rights, and mineral leases are capitalized. If a commercially mineable ore body is discovered, such costs are amortized when production begins using the units-of-production method based on estimated reserves. If no commercially mineable ore body is discovered, or such rights are otherwise determined to have no value, such costs are expensed in the period in which it is determined the property has no future economic value.

Consideration received by the Company pursuant to joint ventures or mineral interest agreements is applied against the carrying value of the related mineral interest. When and if payments received exceed the carrying value, the excess amount is recognized as a gain in the consolidated statement of operations in the period the consideration is received.

Idaho Strategic Resources, Inc. Notes to Consolidated Financial Statements

2. Summary of Significant Accounting Policies (continued)

Interest Capitalization

When capital projects are funded within the reporting period for which cash is paid which could have been used for debt reduction an amount equal to a weighted average interest rate of qualifying outstanding debt of the capital project expenditure in interest expense is capitalized.

Mine Exploration and Development Costs

The Company expenses exploration costs as such in the period they occur. The exploration stage occurs up until the point ore reserves are identified. The pre-development stage begins once the Company identifies ore reserves which is based on a determination whether an ore body can be economically developed. Expenditures incurred during the pre-development stage are capitalized as deferred development costs and include such costs for drifts, ramps, and infrastructure. Costs to improve, alter, or rehabilitate primary development assets which appreciably extend the life, increase capacity, or improve the efficiency or safety of such assets are also capitalized. The pre-development stage ends when the production stage of ore reserves begins, thus entering the secondary development stage.

Drilling, and related costs are either classified as exploration, pre-development or secondary development, as defined above, and charged to operations as incurred, or capitalized, based on the following criteria:

- whether the costs are incurred to further define resources or exploration targets at and adjacent to existing reserve areas or intended to assist with mine planning within a reserve area;
- whether the drilling or development costs relate to an ore body that has been determined to be commercially mineable, and a decision has been made to put the ore body into commercial production; and
- whether, at the time the cost is incurred: (a) the expenditure embodies a probable future benefit that involves a capacity, singly or in combination with other assets, to contribute directly or indirectly to future net cash inflows, (b) we can obtain the benefit and control others' access to it, and (c) the transaction or event giving rise to our right to or control of the benefit has already occurred.

If all of these criteria are met, drilling, development and related costs are capitalized. Drilling and development costs not meeting all of these criteria are expensed as incurred. The following factors are considered in determining whether or not the criteria listed above have been met, and capitalization of drilling and development costs is appropriate:

- completion of a favorable economic study and mine plan for the ore body targeted;
- authorization of development of the ore body by management and/or the Board of Directors; and
- there is a justifiable expectation, based on applicable laws and regulations, that issuance of permits or resolution of legal issues and/or contractual requirements necessary for us to have the right to or control of the future benefit from the targeted ore body have been met.

Amortization of development costs is calculated using the units-of-production method over the expected life as per the Financial Accounting Standards Board ("FASB"). This includes the cost to define proven and probable reserves and measured and indicated resources accessible via the Main Access Ramp ("MAR"). Inferred resources are excluded to reduce uncertainty, and therefore, the volumes are risk-adjusted. Assumptions are regularly evaluated, with material deviations disclosed to ensure a systematic and rational cost allocation.

Claim Fees

Unpatented claim fees paid at time of staking are expensed when incurred. Recurring renewal fees which are paid annually are recorded as other current assets and expensed over the course of the year.

Reclassifications

Certain reclassifications have been made to conform the amounts presented in the December 31, 2024 financial statements to the current presentation. These reclassifications have no effect on the results of operations, stockholders' equity and cash flows as previously reported.

Impairment of Long-Lived Assets

The Company evaluates the carrying amounts of its long-lived assets for impairment whenever events and circumstances indicate the carrying value may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. If such events and circumstances exist, estimated undiscounted future net cash flows from each long-lived asset is calculated using estimated future production, three-year average metals prices, operating capital and costs, and reclamation costs. If the carrying value exceeds the undiscounted future net cash flows, estimated discounted future net cash flow is calculated. An impairment loss is recognized when the estimated discounted future cash flows expected to result from the use of an asset are less than the carrying amount of the specific asset group. The Company's estimates of future cash flows are subject to risks and uncertainties. It is reasonably possible that changes in estimates could occur which may affect the expected recoverability of the Company's long-lived assets.

2. Summary of Significant Accounting Policies (continued)

Asset Retirement Obligations and Remediation Costs

Mineral properties are subject to standards for mine reclamation that have been established by various governmental agencies. Asset retirement obligations are related to the retirement of the mine when a contractual obligation has been established, and a reasonable estimate of fair value can be determined. These obligations are initially measured at fair value with the resulting cost

recognized at the present value of estimated reclamation costs. The liability is accreted, and the asset amortized over the life of the related asset. Adjustments are made for changes resulting from either the timing or amount of the original estimate underlying the obligation. Separate from asset retirement obligations, the Company records liability for remediation costs when a reasonable estimate of fair value can be determined. Accrued remediation costs are not discounted.

Reclamation Bonds

Various laws and permits require that financial assurances be in place for certain environmental and reclamation obligations and other potential liabilities. In 2024, the Company deposited \$5,000 in additional bonds for a mineral lease and received \$6,900 of the remaining \$7,200 on the Diamond Creek drilling bond from 2022. The final \$300 for this bond was written off as an exploration expense during that year. The balance at December 31, 2024 was \$249,110. In 2025, the Company deposited \$106,110 in additional bonds for drilling and for a mineral lease. The balance at December 31, 2025 is \$355,220.

Stock-Based Compensation

All transactions in which goods or services are received for the issuance of shares of the Company's common stock or options to purchase shares of common stock are measured at fair value of the equity interest issued. The fair value of common stock awards is determined based upon the closing price of the Company's stock on the date of the award. The Company estimates the fair value of stock-based compensation of options using the Black-Scholes model, which requires the input of some subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them ("expected life"), the estimated volatility of the Company's common stock price over the expected term ("volatility"), the risk-free interest rate and the dividend yield. Changes in the subjective assumptions can materially affect the estimate of the fair value of stock-based compensation. Any forfeitures of stock options are recognized as they occur. If stock options are granted on a vesting schedule, the stock-based compensation is expensed on a graded schedule based on the vesting period of each tranche of stock options.

Investments in Equity Securities or Mutual Funds

Investments in equity securities are generally measured at fair value, while investments in mutual funds are generally measured at net asset value ("NAV"). Unrealized gains and losses for equity securities or mutual funds resulting from changes in fair value or NAV, respectively, are recognized in current earnings. If an equity security or mutual fund does not have a readily determinable fair value or NAV, respectively, the Company may elect to measure the investment at its cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment in the same issuer. At the end of each reporting period, the Company reassesses whether an investment in equity security or mutual fund without a readily determinable fair value or NAV, respectively, qualifies to be measured at cost less impairment, considers whether impairment indicators exist to evaluate if an investment in an equity security or mutual fund is impaired and, if so, record an impairment loss. Upon sale of an equity security or mutual fund, the realized gain or loss is recognized in current earnings. Dividends received from investments in equity securities or mutual funds are recognized in current earnings.

Investments in US Treasury Notes

The Company holds short- and long-term investments in US treasury notes and are classified as held to maturity based on management's intent and ability to hold them to maturity. Such debt securities are accounted for at cost on the acquisition date, adjusted for unamortized purchase premiums and discounts and are amortized using the effective interest method over the stated terms of the securities. Amortization of the premium or discount is included in interest income on the consolidated statement of operations. Interest income is recognized when earned.

Segment Reporting

The Company operates as a single operating segment. All financial information is presented on a consolidated basis and reviewed by the Company's Chief Executive Officer as the Chief Operating Decision Maker ("CODM"). The CODM uses consolidated net income, as presented in the consolidated statement of operations, to assess segment performance and allocate resources. The measure of segment assets is reported on the balance sheet as total consolidated assets.

2. Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

Accounting Standards Updates Adopted

In December 2023, the FASB issued Accounting Standards Update ("ASU") 2023-09, Income Taxes (Topic 740): Improvement to

Income Tax Disclosures, amending income tax disclosure requirements for the effective tax rate reconciliation and income taxes paid. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024 and are applied prospectively. Early adoption and retrospective application of the amendments are permitted. As the amendments apply to income tax disclosures only, the Company does not expect adoption to have a material impact on its consolidated financial statements and disclosures. The Company retrospectively adopted the amended tax disclosures in its financial statements for the year ended December 31, 2025.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires disclosure about the types of costs and expenses included in certain expense captions presented on the income statement. The new disclosure requirements are effective for the Company's annual periods for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted, and may be applied either prospectively or retrospectively. The Company is currently evaluating the ASU to determine its impact on the consolidated financial statements and disclosures.

Management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying financial statements.

3. Inventories

At December 31, 2025 and 2024, inventories consisted of the following:

	<u>2025</u>	<u>2024</u>
Total concentrate inventory (finished goods)	\$ 300,534	\$ 334,033
Supplies inventory		
Mine parts and supplies	549,053	475,336
Mill parts and supplies	<u>115,525</u>	<u>90,555</u>
Total supplies inventory	664,578	565,891
Total	<u>\$ 965,112</u>	<u>\$ 899,924</u>

4. Property, Plant and Equipment

Property, plant and equipment at December 31, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
Mine Equipment	12,536,011	8,223,596
Accumulated Depreciation	\$ (4,679,153)	\$ (3,845,349)
Total Mine Equipment	7,856,858	4,378,247
Mill Equipment	10,415,564	7,580,452
Accumulated Depreciation	<u>(3,277,234)</u>	<u>(2,453,673)</u>
Total Mill Equipment	7,138,330	5,126,779
Buildings	3,934,123	2,715,931
Accumulated Depreciation	<u>(404,052)</u>	<u>(295,595)</u>
Total Buildings	3,530,071	2,420,336
Land	978,703	978,703
Total	<u>\$ 19,503,962</u>	<u>\$ 12,904,065</u>

For the years ended December 31, 2025 and 2024, depreciation expense for property, plant, and equipment was as follows:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>
\$	2,110,840	\$	1,835,854

[Table of Contents](#)

Idaho Strategic Resources, Inc.
Notes to Consolidated Financial Statements

5. Mineral Properties

Mineral properties at December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Golden Chest		
Mineral Property	\$ 5,683,026	\$ 5,159,084
Infrastructure	9,594,667	4,722,328
Total Golden Chest	<u>15,277,693</u>	<u>9,881,412</u>
New Jersey	256,768	256,768
McKinley-Monarch	200,000	200,000
Potosi	150,385	150,385
Park Copper/Gold	78,000	78,000
Eastern Star	250,817	250,817
Oxford	40,000	40,000
Less accumulated amortization	<u>(511,293)</u>	<u>(284,033)</u>
Total	<u>\$ 15,742,370</u>	<u>\$ 10,573,349</u>

During 2025, the Company purchased the Little Baldy property adjacent to the Golden Chest Mine for \$300,000.

For the years ended December 31, 2025 and 2024, amortization expense for mineral properties was as follows:

December 31, 2025	December 31, 2024
\$ 227,260	\$ 117,534

For the years ended December 31, 2025 and 2024, interest expense was capitalized in association with infrastructure at the Golden Chest Mine as follows:

December 31, 2025	December 31, 2024
\$ 201,327	\$ 98,330

Golden Chest

The Golden Chest is an underground mine project currently producing for the Company located near Murray, Idaho consisting of 34 patented claims (449 acres) and 217 unpatented claims (4,300 acres). A 2% NSR is payable on production at certain portions of the Golden Chest to a former joint venture partner. Royalty expense of \$812,456 and \$510,186 was recognized as costs of sales and other direct production costs in the years ended December 31, 2025, and 2024, respectively. The greater Murray Area property package includes an additional 84 patented claims (1,510 acres) and 744 unpatented claims (14,880 acres) which is incorporated in the Golden Chest total.

New Jersey

The Coleman property is located at the New Jersey Mine area of interest and consists of 62 acres of patented mining claims, mineral rights to 108 acres of fee land, 80 acres of land for which the Company owns the surface but not the mineral rights, and approximately 130 acres of unpatented mining claims.

McKinley-Monarch

The McKinley-Monarch project is located near the town of Lucille, Idaho. The project consists of 28 unpatented claims totaling 560 acres. The Company started exploring the property in 2013.

Potosi

In 2018, the Company purchased the Potosi property near the Golden Chest. This property consists of 71 acres of patented mining claims.

Park Copper/Gold

In August 2021, the Company paid \$78,000 in cash for 91 acres of patented mineral property in Shoshone County referred to as Park Copper/Gold.

Eastern Star

In 2014 the Company purchased the Eastern Star property near Elk City, Idaho for \$250,817. This property consists of 11 patented claims (220 acres) and 71 unpatented claims (1,420 acres).

Oxford

In 2024, the Company purchased unpatented mineral claims for \$40,000. The greater Oxford property consists of 26 unpatented claims (537 acres) as well as a state mineral lease on 2,500 acres in Clearwater County, Idaho.

Table of Contents

Idaho Strategic Resources, Inc. Notes to Consolidated Financial Statements

6. Notes Payable

At December 31, 2025 and 2024, notes payable are as follows:

	2025	2024
Mine Equipment		
Weighted average interest rate of 7.30%, and weighted average remaining term of 2.5 years as of December 31, 2025	\$ 1,581,098	\$ 962,384
Mill Equipment		
Weighted average interest rate of 8.05%, and weighted average remaining term of 3.4 years as of December 31, 2025	535,766	540,773
Buildings/Land		
Weighted average interest rate of 7.00%, and weighted average remaining term of 1.4 years as of December 31, 2025	214,520	229,582
Total notes payable	2,331,384	1,732,739
Due within one year	1,029,336	709,381
Due after one year	<u>\$ 1,302,048</u>	<u>\$ 1,023,358</u>

All notes are collateralized by the property or equipment purchased in connection with each note. Future principal payments of notes payable at December 31, 2025 are as follows:

2026	\$1,029,336
2027	738,312
2028	266,533
2029	199,696
2030	97,507
Total	<u>\$2,331,384</u>

7. Asset Retirement Obligations

The Company has established asset retirement obligations associated with the ultimate closing of its mineral properties where there has been or currently is operations. Obligations were established for the New Jersey Mill in 2014 and the Golden Chest in 2016. Activity for the years ended December 31, 2025 and 2024 is as follows:

	2025	2024
Balance at January 1	\$ 305,409	\$ 286,648
Accretion expense	20,042	18,761
Balance at December 31	<u>\$ 325,451</u>	<u>\$ 305,409</u>

8. Joint Venture Arrangements

NJMJV Agreement

In January 2011, the Company and Crescent Silver, LLC ("Crescent") (formerly United Mine Services, Inc.) entered into a JV agreement relating to the New Jersey Mill. To earn a 35 percent interest in the JV, Crescent provided \$3.2 million in funding to

expand the processing plant to 15 tonnes/hr. The Company is the operator of the JV and charges operating costs to Crescent for milling its ore up to 7,000 tonnes/month, retain a milling capacity of 3,000 tonnes/month, and as the operator of the JV, receive a fee of \$2.50/tonne milled. No ore has been milled for Crescent since 2013. As of December 31, 2025 and 2024, an account receivable existed with the NJMJV from Crescent for \$12,760 and \$2,892, respectively.

Butte Highlands JV

On January 29, 2016, the Company purchased a 50% interest in Butte Highlands JV, LLC (“BHJV”) for a total consideration of \$435,000. Highland Mining, LLC (“Highland”) is the other 50% owner and manager of the JV. Under the operating agreement, Highland will fund all future project exploration and mine development costs. The Agreement stipulates that Highland is manager of the JV and will manage BHJV until such time as all mine development costs, less \$2 million are distributed to Highland out of the proceeds from future mine production. The Company has determined that because it does not currently have significant influence over the JV’s activities and accounts, it will continue to account for its investment on a cost basis.

9. Investment in Buckskin

In August 2021, the Company exchanged 45,940 shares of the Company’s common stock for 22% of Buckskin. The Company’s closing share price on the date of the agreement (August 18, 2021) was recorded as the cost basis for the investment. In October 2021 the Company exchanged an additional 30,358 shares of the Company’s common stock for an additional 15% of Buckskin. The Company’s closing share price on the date of the exchange (October 15, 2021) was recorded as the cost basis for the investment addition. This investment in Buckskin is being accounted for using the equity method and resulted in recognition of equity income on the investment of \$3,646 and \$2,667 during the years ended December 31, 2025 and 2024, respectively. The Company makes an annual payment of \$12,000 to Buckskin per a lease covering 218 acres of patented mining claims. As of December 31, 2025 and 2024, the Company held 37% of Buckskin’s outstanding shares.

[Table of Contents](#)

Idaho Strategic Resources, Inc. Notes to Consolidated Financial Statements

10. Income Taxes

In the year ended December 31, 2025, the Company recognized a provision for income taxes in the amount of \$426,100. The Company did not recognize a provision or (benefit) for income taxes for the year ended December 31, 2024, but the minimum Idaho state tax was paid.

The components of the 2025 tax provision are as follows:

	Current	
Federal		\$ 222,250
Idaho state		112,150
Total current income tax provision		334,400
Deferred		
Federal		76,460
Idaho state		15,240
Total deferred income tax provision		91,700
Total income tax provision		\$ 426,100

The significant components of net deferred tax assets at December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Deferred tax assets		
Net operating loss carry forwards	\$ 1,160,300	\$ 3,661,000
Mineral properties	438,100	201,100
Asset retirement obligation	20,500	16,000
Stock based compensation	679,900	629,000
Other	52,900	26,500
Total deferred tax assets	2,351,700	4,533,600

Valuation allowance	-	(3,176,700)
	<u>2,351,700</u>	<u>1,356,900</u>
Deferred tax liabilities		
Property, plant, and equipment	(2,443,400)	(1,356,900)
Asset retirement obligation	-	-
Total deferred tax liabilities	<u>(2,443,400)</u>	<u>(1,356,900)</u>
Net deferred tax assets (liabilities)	<u>\$ (91,700)</u>	<u>\$ -</u>

At December 31, 2025, the Company had net deferred tax assets principally arising from the net operating loss carryforward for income tax purposes. There is no valuation allowance necessary as the Company has a net deferred tax liability at December 31, 2025.

At December 31, 2024, the Company had net deferred tax assets principally arising from the net operating loss carryforward for income tax purposes. As management of the Company could not determine that it was more likely than not that the Company would realize the benefit of the deferred tax assets, a valuation allowance equal to 100% of the net deferred tax asset existed at December 31, 2024.

At December 31, 2025, the Company had net operating loss carry forwards of approximately \$5,525,295 for federal purposes, none of which will expire, but utilization is limited to 80% of taxable income in any future year. At December 31, 2025, the Company did not have any net operating loss carry forwards for state purposes.

The income tax provision (benefit) for the years ended December 31, 2025 and 2024 differ from the statutory rate of 21% as follows:

	<u>2025</u>		<u>2024</u>	
Provision (benefit) at statutory rate for the period	\$ 3,582,000	21.00%	\$ 1,838,200	21.00%
Idaho state taxes, net of federal taxes	714,100	4.19%	401,000	4.60%
Taxable grant income	-	-	106,900	1.20%
Change in state tax rate	(31,100)	(0.18%)	-	-
Stock-based compensation	265,500	1.56%	-	-
Non-deductible items	2,600	0.02%	3,400	0.04%
Depletion	(1,311,100)	(7.69%)	(958,600)	(10.94%)
Change in estimates	380,700	2.23%	(60,900)	(0.70%)
Increase (decrease) in valuation allowance	<u>(3,176,600)</u>	<u>(18.62%)</u>	<u>(1,330,000)</u>	<u>(15.20%)</u>
Total provision (benefit)	<u>\$ 426,100</u>	<u>2.50%</u>	<u>\$ -</u>	<u>-</u>

The Company is open to examination of its income tax filings in the United States and state jurisdictions for the 2023 through 2025 tax years. Tax attributes from years prior to that can be adjusted as a result of examinations. In the event that the Company is assessed penalties and or interest, penalties will be charged to other operating expense and interest will be charged to interest expense. The Company has reviewed its tax positions and believes it has not taken a position that would not be sustained under examination. During the years ended December 31, 2025 and 2024, there were no material uncertain tax positions taken by the Company.

Idaho Strategic Resources, Inc.
Notes to Consolidated Financial Statements

11. Equity

The Company has authorized 200,000,000 shares of no-par common stock at December 31, 2025 and 2024. In addition, the Company has authorized 1,000,000 shares of no-par preferred stock, none of which had been issued at December 31, 2025 or 2024.

Stock Purchase Warrants Outstanding

Transactions in common stock purchase warrants for the years ended December 31, 2025 and 2024 are as follows:

	Number of Warrants	Exercise Prices
Balance December 31, 2023	289,294	\$ 5.60-7.00
Exercised	(289,294)	\$ 5.60-7.00
Balance December 31, 2024 and 2025	<u>-</u>	<u>\$ -</u>

Stock Options

In May 2023, the 2023 Equity Incentive Compensation Plan was voted on, and approved, by the shareholders of the Company. This plan allows for the issuance of up to 1,225,600 shares of the Company's common stock in the form of stock options (which may be incentive stock options or nonqualified stock options) or other stock-based awards, such as stock appreciation rights, restricted stock, restricted stock units and performance shares.

On January 15, 2025, the Company granted 400,000 stock options to employees with an exercise price of \$11.50. These options expire on January 17, 2028, and vest equally on June 30, 2025, December 31, 2025, June 30, 2026 and December 31, 2026. The stock-based compensation expense for these options in the current year was \$1,505,244. The fair value of stock option awards granted, and the key assumptions used in the Black-Scholes valuation model to calculate the fair value of the options was as follow:

Fair value	\$1,901,360
Options issued	400,000
Exercise price	\$ 11.50
Expected term (in years)	3.0
Risk-free rate	4.34%
Volatility	64.2%

Transactions in stock options for the years ended December 31, 2025 and 2024 are as follows:

	Number of Options	Weighted Average Exercise Prices
Balance December 31, 2023	477,449	\$ 5.47
Exercised	(376,590)	\$ 5.53
Forfeited	(23,859)	\$ 5.51
Balance December 31, 2024	77,000	\$ 5.17
Granted	400,000	\$ 11.50
Exercised	(144,625)	\$ 8.26
Expired	(3,000)	\$ 5.25
Balance December 31, 2025	<u>329,375</u>	<u>\$ 11.50</u>

At December 31, 2025, the outstanding stock options have an intrinsic value of approximately \$9,486,000 (\$387,880 in 2024) and have a weighted average remaining term of 2.04 years (0.69 in 2024). The intrinsic value of stock options exercised for cash in the year ended December 31, 2025 was \$620,580 (\$263,516 in 2024). Cashless options exercised in the year ended December 31, 2025 had an intrinsic value of \$1,454,148 (\$1,958,047 in 2024). Future stock-based compensation expense will be \$138,641 for each of the first and second quarters of 2026, and \$59,418 for each of the third and fourth quarters of 2026.

12. Related Party Transactions

The Company leases office locations from certain related parties on a month-to-month basis. These related parties are NP Depot, LLC, a company owned by John Swallow, the Company's president, and Mine Systems Design, a company partially owned by Grant Brackebusch, one of the Company's vice presidents. Payments under these month-to-month lease arrangements totaled \$30,752 and \$30,684 for the years ended December 31, 2025 and 2024, respectively, and are included in general and administrative expenses on the consolidated statement of operations.

13. Sales of Products

The Company's products consist of both gold flotation concentrates which in 2025 and 2024 were sold to a broker, H&H Metals Corp. ("H&H"), and an unrefined gold-silver product known as doré which is sold to a precious metal refinery. Revenue is recognized upon the completion of the performance obligations and transfer of control of the product to the customer, and the transaction price can be determined or reasonably estimated.

For gold flotation concentrate sales, the performance obligation is met when the transaction price can be reasonably estimated, and revenue is recognized generally at the time when risk is transferred to H&H based on contractual terms. Based on contractual terms, the Company has determined the performance obligation is met and title is transferred to H&H when the Company receives its first provisional payment on the concentrate because, at that time, 1) legal title is transferred to the customer, 2) the customer has accepted the concentrate lot and obtained the ability to realize all of the benefits from the product, 3) the concentrate content specifications are known, have been communicated to H&H, and H&H has the significant risks and rewards of ownership to it, 4) it is very unlikely a concentrate will be rejected by H&H upon physical receipt, and 5) the Company has the right to payment for the concentrate. Concentrates lots that have been sold are held at the New Jersey Mill for up to 30 days, until H&H provides shipping instructions.

The Company's concentrate sales sometimes involve variable consideration, as they can be subject to changes in metals prices between the time of shipment and their final settlement. However, the Company can reasonably estimate the transaction price for the concentrate sales at the time of shipment using forward prices for the estimated month of settlement, and previously recorded sales and accounts receivable are adjusted to estimated settlement metals prices until final settlement for financial reporting purposes. The embedded derivative contained in concentrate sales is adjusted to fair value through earnings each period prior to final settlement. It is unlikely a significant reversal of revenue for any one concentrate lot will occur. As such, the Company uses the expected value method to price the concentrate until the final settlement date occurs, at which time the final transaction price is known. At December 31, 2025, metals that had been sold but not final settled included 6,103 ounces of gold of which 5,089 ounces were sold at a predetermined price with the remaining 1,014 ounces exposed to future price changes until prices are locked in based on the month of settlement. The Company has received provisional payments on the sale of these ounces with the remaining amount due reflected in gold sales receivable.

Sales and accounts receivable for concentrate shipments are recorded net of charges for treatment and other charges negotiated by us with H&H, which represent components of the transaction price. Charges are estimated by the Company upon transfer of risk of the concentrates based on contractual terms, and actual charges typically do not vary materially from estimates. Costs charged by the customer include fixed treatment, refining and costs per ton of concentrate and may include penalty charges for lead and zinc content above a negotiated baseline as well as excessive moisture.

For sales of doré and of metals from doré, the performance obligation is met, the transaction price is known, and revenue is recognized at the time of transfer of control of the agreed-upon metal quantities to the customer.

Sales of products by metal for the years ended December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Gold	\$42,862,748	\$26,406,937
Silver	234,523	121,882
Less: Smelter and refining charges	(691,018)	(763,446)
Total	<u>\$42,406,253</u>	<u>\$25,765,373</u>

Sales by significant product type for the years ended December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Concentrate sales to H&H	\$41,433,165	\$25,492,380
Doré sales to refineries	973,088	272,993
Total	<u>\$42,406,253</u>	<u>\$25,765,373</u>

In 2025, flotation concentrates sold to H&H accounted for 98% (99% in 2024) of all gold sales. The remaining 2% (1% in 2024) was doré sold to a third party. At December 31, 2025 and 2024, the Company's gold sales receivable balance related to contracts with customers of \$3,912,922 and \$1,578,694, respectively, consist only of amounts due from H&H. There is no allowance for doubtful accounts. The Company has determined its contracts do not include a significant financing component. For doré sales, payment is received at the time the performance obligation is satisfied. Consideration for concentrate sales is variable, and payment is received for a significant portion of the estimated value of concentrate parcels at the time the performance obligation is satisfied.

[Table of Contents](#)

Idaho Strategic Resources, Inc.
Notes to Consolidated Financial Statements

14. Investments in US Treasury Notes

The table below provides the components of investments in US treasury notes held to maturity at amortized cost and fair value at December 31, 2025 and 2024.

December 31, 2025				
	Amortized Cost	Gross Unrealized gains	Gross Unrealized losses	Fair value
US treasury notes, current	\$ 27,679,881	\$ 241,470	\$ (48,351)	\$ 27,873,000
US treasury notes, non-current	\$ 27,651,843	\$ 554,348	\$ (106,191)	\$ 28,100,000
Total	\$ 55,331,724	\$ 795,818	\$ (154,542)	\$ 55,973,000

December 31, 2024				
	Amortized Cost	Gross Unrealized gains	Gross Unrealized losses	Fair value
US treasury notes, current	\$ 7,775,193	\$ 34,503	\$ (3,696)	\$ 7,806,000
US treasury notes, non-current	\$ 7,208,930	\$ 86,303	\$ (14,233)	\$ 7,281,000
Total	\$ 14,984,123	\$ 120,806	\$ (17,929)	\$ 15,087,000

Fair value of investments in US treasury notes is determined using Level 1 inputs.

The maturity dates for the US treasury notes as of December 31, 2025 are as follows:

Maturity	Amortized Cost
Due within one year	\$ 27,679,881
Due one year to five years	\$ 27,651,843
Total	\$ 55,331,724

15. Investments in Equity Securities and Mutual Funds

The table below provides the components of investments in equity securities and mutual funds at cost and fair value (equity securities) or NAV (mutual funds) at December 31, 2025 and 2024.

December 31, 2025					
	Cost	Gross Unrealized gains	Gross Unrealized losses	Realized gains (losses)	Fair value or NAV
Equity securities	\$ 4,026,781	\$ 194,263	\$ (91,523)	\$ -	\$ 4,129,521
Mutual funds	\$ 3,950,145	\$ 11,493	\$ (4,141)	\$ -	\$ 3,957,497
Total	\$ 7,976,926	\$ 205,756	\$ (95,664)	\$ -	\$ 8,087,018

December 31, 2024					
	Cost	Gross Unrealized gains	Gross Unrealized losses	Realized gains (losses)	Fair value or NAV
Equity securities	\$ -	\$ -	\$ -	\$ -	\$ -
Mutual funds	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -

Fair value of investments in equity securities is determined using Level 1 inputs.

Idaho Strategic Resources, Inc.
Notes to Consolidated Financial Statements

16. Subsequent Events

Subsequent to December 31, 2025:

- Issued 36,976 shares of common stock for net proceeds of \$1,778,817.
- Issued 17,500 shares of common stock upon the exercise of outstanding stock options for \$201,250.
- Issued 46,626 shares of common stock upon the exercise of 61,375 outstanding stock options in cashless exercises by employees.

[Table of Contents](#)

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure of Controls and Procedures

At the end of the period covered by this Annual Report on Form 10-K, the Company's President, who serves as Chief Executive Officer, and the Company's Vice President, who serves as Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act"). Based upon that evaluation, it was concluded that the Company's disclosure controls were effective as of the end of the period covered by this report, to ensure that: (i) information required to be disclosed by the Company in the reports that it files under the Exchange Act is recorded, processed, summarized, and reported within required time periods specified by the SEC rules and forms, and (ii) material information required to be disclosed in reports filed under the Exchange Act is accumulated and communicated to management, including the Company's President and Vice President, as appropriate, to allow for accurate and timely decision regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

The management of Idaho Strategic is responsible for establishing and maintaining adequate internal control over financial reporting. This internal control system has been designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of the Company's published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The management of Idaho Strategic has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. To make this assessment, the Company used the criteria for effective internal control over financial reporting described in *Internal Control-Integrated Framework (2013)*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on management's assessment, it is believed that, as of December 31, 2025, the Company's internal control over financial reporting is effective.

Changes in Internal Control over Financial Reporting

There was no material change in internal control over financial reporting (as defined in Rule 15d-15(f) under the Exchange Act) that occurred during the Company's most recent quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

[Table of Contents](#)**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE**

Name & Address	Age	Position	Term
John Swallow c/o 201 N. Third Street Coeur d'Alene, ID 83814	59	Chief Executive Officer ("CEO"), President, Director & Chairman of the Board	8/29/2013 to 12/1/2014 and 5/2/2015 to present as President, 1/20/17 to present as CEO, 8/29/2013 to present as Director, 7/11/2019 to present as Chairman
Grant Brackebusch c/o 201 N. Third Street Coeur d'Alene, ID 83814	56	Chief Financial Officer ("CFO"), Vice President, & Director	7/18/1996 to present
Kevin Shiell c/o 201 N. Third Street Coeur d'Alene, ID 83814	68	Director	1/10/17 to present
Richard Beaven c/o 201 N. Third Street Coeur d'Alene, ID 83814	58	Director	1/12/2022 to present
Carolyn Turner c/o 201 N. Third Street Coeur d'Alene, ID 83814	57	Director	8/8/2023 to present
Robert Morgan c/o 201 N. Third Street Coeur d'Alene, ID 83814	58	Vice President	1/16/2018 to present
Monique Hayes c/o 201 N. Third Street Coeur d'Alene, ID 83814	60	Secretary	11/20/16 to present

Directors are elected by shareholders at each annual shareholders meeting to hold office until the next annual meeting of shareholders or until their respective successors are elected and qualified.

Executive Officers and Key Employees

John Swallow was named CEO and President on January 10, 2017. Prior to being named as CEO, Mr. Swallow was appointed as the President and a Director of the Company on August 29, 2013. Mr. Swallow resigned as president in December 2014, and subsequently reappointed as President on May 5, 2015, following the resignation of Mr. Highsmith. Following Mr. Steiner's resignation on July 11, 2019, Mr. Swallow became the Chairman of the Board. Mr. Swallow holds a B.S. in Finance from Arizona State University. Mr. Swallow was the Vice President of Timberline Drilling, Inc. from November 2011 until accepting the role of President with the Company. From September 2009, until November 2011, Mr. Swallow was self-employed. From January 2006 until September 2009, he served as chairman of Timberline Resources Corporation. He brings wide-ranging experience from within the local mineral exploration industry as well as extensive knowledge of the junior equity markets. Mr. Swallow's extensive experience in the drilling industry, his previous roles as a Chairman of a Board and as a Vice President of a corporation qualify him to sit on the Board of the Company.

Grant Brackebusch, P.E. has served as the Vice President and a Director of the Company since 1996. He holds a B.S. in Mining Engineering from the University of Idaho. He is registered in Idaho as a Professional Engineer. He has worked for Idaho Strategic since 1996 and worked for Newmont previously. Currently, he supervises the mining operation at the Golden Chest including the operation of the New Jersey Mill. He has experience with permitting, exploration, open pit, and underground mining as well as mineral processing. Mr. Brackebusch's extensive mining background, knowledge of the Company's daily operations, and industry expertise qualifies him to sit on the Board of the Company.

Kevin Shiell has more than 30 years of operating and management experience in the mining and mineral processing industries. Mr. Shiell has held executive leadership positions at several public and private mining companies, including General Manager and Vice President of Mine Operations at Stillwater Mining Company, Chief Operating Officer at MGM Gold, various mine supervisory positions at Hecla Mining Company ("Hecla"), President and Director at Gold Road Mining Corporation, and VP of Operations-Idaho for Americas Gold and Silver. Currently Mr. Shiell is Mine Operations Manager at I-80 Gold Corp's Ruby Hill Complex, and serves as an Independent Director at Idaho Strategic Resources, Inc.

Richard Beaven joined the Idaho Strategic Board on January 12, 2022. Mr. Beaven is Lead Portfolio Manager and Principal at Signia Capital Management (“Signia”). Signia is a small-cap value asset manager with a largely institutional (pension fund) client base. Prior to co-founding Signia in 2002, Rich was the Assistant Director of Research and a Portfolio Manager for a \$2B Pacific Northwest asset management firm. With blue-collar roots, Rich went on to get a BA in business administration from the University of Kentucky and an MBA from Gonzaga University. In addition, he is a Chartered Financial Analyst (“CFA”) charter holder and has served as President of the CFA Society of Spokane.

[Table of Contents](#)

Carolyn Turner was elected to the Company’s Board of Directors in August 2023. Ms. Turner is currently the owner and principal of Graham Peak Consulting, LLC in Kingston, ID where she specializes in accounting and finance consulting in the mining and heavy construction industries. Prior to her time at Graham Peak Consulting, Ms. Turner spent over 30 years in the mining industry with companies such as Silver Valley Resources (“ASARCO”), Coeur Mining, and Hecla Mining Corp. Ms. Turner’s experience includes mine operations, metals marketing, project development and financing. She previously served as the Treasurer for both Hecla and Coeur Mining where her roles were centered around quarterly and annual budgeting, rolling monthly forecasting, economic modeling, mergers and acquisitions, as well as numerous treasury and audit functions. Ms. Turner’s educational background consists of a Bachelor of Science degree in Business Administration Accounting from Montana State University–Billings, followed by a Master of Business Administration from Regis University, Denver. Ms. Turner is a licensed Certified Public Accountant and has served numerous years as an elected trustee on the Kellogg Idaho Joint School District Board.

Robert Morgan has served as the Vice President Exploration of the Company since January 2018. Mr. Morgan has over 22 years of exploration experience, including 20 years focused on gold exploration, of which 12 years were in Northern Idaho and Montana. Mr. Morgan has worked for some of the world's leading gold exploration and mining companies including Newmont and ASARCO throughout the western United States, Alaska, and South America. He is practiced in designing, implementing, and managing large exploration programs for gold, silver, base metals and REEs. His technical work has included geologic mapping, logging of drill holes, compilation, and interpretation of multiple data sets for target identification. Mr. Morgan earned his Bachelor of Science degree in geology from California State University at Chico. He has an extensive environmental background with emphasis on wetlands and water management. Mr. Morgan is a registered Professional Geologist with the State of Idaho and Professional Land Surveyor registered with the State of Montana.

Monique Hayes was appointed Corporate Secretary in November 2016. She has over 10 years of investor relations corporate governance experience in the mining industry and over 10 years of communications and brand management experience. Prior to joining Idaho Strategic, Ms. Hayes worked for Hecla, Revett Mining Company and Sterling Mining. Her advertising and communications experience includes working for Publicis Dialog Direct and White Runkle Associates where she worked with national accounts including AT&T Wireless, Bell Atlantic and NordicTrack. Ms. Hayes attended City University where she studied business management, brand strategy and communications.

Legal Proceedings

No Director or Officer has been involved in any legal action involving the Company for the past five years.

Section 16(a) Beneficial Ownership Reporting Compliance

Under Section 16(a) of the Exchange Act, as amended, and the regulations thereunder, the Company’s Directors, Executive Officers and beneficial owners of more than 10% of any registered class of the Company’s equity securities are required to file reports of their ownership of the Company’s securities and any changes in that ownership with the SEC.

Based on the Company’s review of the Forms 3, 4 and 5 filed with the SEC and the copies of such forms received, and written representations from certain reporting persons, the Company believes that during fiscal year ended December 31, 2025, all filing requirements applicable to its officers, directors and greater than 10% percent beneficial owners were complied with.

Code of Ethics

The Company adopted a Code of Ethics at a Board of Directors meeting on December 9, 2003, that applies to the Company’s executive officers. The Company also adopted a Code of Ethics for all employees at the Board of Directors meeting on February 18, 2008, which is attached hereto as Exhibit 14.

Board Nomination Procedures

There have been no material changes to the procedures by which security holders may recommend nominees to the registrant’s Board of Directors.

Audit Committee

The Audit Committee is comprised of three independent directors, Richard Beaven, Kevin Shiell and Carolyn Turner, and was established in January 2022 by the Board to meet the listing requirements for the NYSE American and for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company. The Audit Committee recommends the appointment of independent public accountants to conduct audits of our financial statements, reviews with the accountants the plan and results of the auditing engagement, approves other professional services provided by the accountants and evaluates the independence of the accountants. The Audit Committee also reviews the scope and adequacy of our system of internal controls and procedures over financial reporting. Each member of the Audit Committee is independent, as independence for audit committee members is defined in the NYSE American listing standards and the applicable rules of the SEC. The Board has determined that Richard Beaven and Carolyn Turner are “audit committee financial experts” as defined by the rules of the SEC. The Audit Committee met four times during the fiscal year ended December 31, 2025.

[Table of Contents](#)

Insider Trading

The Company adopted an Insider Trading Policy on March 26, 2025, applicable to all directors, executive officers, employees, consultants, contractors, and their household members. The policy prohibits trading in the Company’s securities while in possession of material nonpublic information and establishes black-out periods and mandatory pre-clearance procedures for directors and executive officers. It also addresses the prohibition of hedging transactions, short sales, and margin accounts, and includes procedures related to trading windows and the use of Rule 10b5-1 trading plans.

In the fiscal year ended December 31, 2025, no director or officer of the Company adopted or terminated any contract, instruction, written plan, or Rule 10b5-1 trading arrangement for the purchase or sale of the Company’s securities.

A copy of the Company’s Insider Trading Policy is filed as Exhibit 19 to this Annual Report on Form 10-K, pursuant to Item 601(b)(19) of Regulation S-K.

[Table of Contents](#)

ITEM 11. EXECUTIVE COMPENSATION

Compensation of Officers

A summary of cash and other compensation for John Swallow, the Company’s President, CEO and Chairman of the Board, Grant Brackebusch, the Company’s CFO and Vice President, and Robert Morgan, the Company’s Vice President (together the “Named Executive Officers”), for the two most recent years is as follows:

Executive Officer Summary Compensation Table

Name & Principal Position	Year	Salary ¹ (\$)	Bonus (\$)	Stock Awards ² (\$)	Option Awards ² (\$)	Nonequity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
John Swallow President, CEO, & Chairman	2025	279,650	53,550	-	109,328	-	-	-	442,528
	2024	208,500	32,000	-	-	-	-	-	240,500
Grant Brackebusch CFO & Vice President	2025	279,650	53,550	-	109,328	-	-	-	442,528
	2024	208,500	32,000	-	-	-	-	-	240,500
Robert Morgan Vice President	2025	200,400	41,750	-	61,794	-	-	-	303,944
	2024	152,100	25,000	-	-	-	-	-	177,100

(1) Salary includes fees earned as Directors.

- (2) Stock Awards and Options Awards include fees earned as Directors. The Company has valued all Stock Awards granted at fair value as computed in accordance with FASB Accounting Standards Codification Topic 718. The compensation of the Named Executive Officers has been set by disinterested members of the Board of Directors to a level competitive with other mining companies of similar size with similar types of operations. The executive stock compensation is for services as directors.

The Company does not have a retirement plan for its executive officers and there is no agreement, plan or arrangement that provides for payments to executive officers in connection with resignation, retirement, termination, or a change in control of the Company.

Outstanding Equity Awards at Fiscal Year-end

As of December 31, 2025, 38,000 stock options were vested and outstanding, and 38,000 stock options were unvested and outstanding to directors Grant Brackebusch, John Swallow, Kevin Shiell, Richard Beaven, and Carolyn Turner.

Outstanding Equity Awards at Fiscal Year-end Table

Name & Principal Position	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards:	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested (\$)	Equity Incentive Plan Awards:	Equity Incentive Plan Awards:
			Number of Securities Underlying Unearned Options (#)					Number of Shares, Units, or Rights That Have Not Vested (#)	Market Value of Unearned Shares, Units, or Rights That Have Not Vested (\$)
John Swallow, President, CEO, & Chairman	11,500(1)	11,500(2)	-	\$ 11.50	1/17/2028	-	-	-	-
Grant Brackebusch, CFO & Vice President	11,500(1)	11,500(2)	-	\$ 11.50	1/17/2028	-	-	-	-
Kevin Shiell, Director	5,000(1)	5,000(2)	-	\$ 11.50	1/17/2028	-	-	-	-
Richard Beaven, Director	5,000(1)	5,000(2)	-	\$ 11.50	1/17/2028	-	-	-	-
Carolyn Turner, Director	5,000(1)	5,000(2)	-	\$ 11.50	1/17/2028	-	-	-	-

(1) Options were granted on January 15, 2025 and 50% vested on 6/30/25 and 50% vested on 12/31/25

(2) Options were granted on January 15, 2025 and 50% vest on 6/30/26 and 50% vest on 12/31/26

Name & Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Nonequity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Kevin Shiell	2025	20,500	10,250	-	47,534	-	-	-	78,284
Director	2024	17,500	-	-	-	-	-	-	17,500
Richard Beaven	2025	20,500	10,250	-	47,534	-	-	-	78,284
Director	2024	17,500	-	-	-	-	-	-	17,500
Carolyn Turner	2025	20,500	10,250	-	47,534	-	-	-	78,284
Director	2024	17,500	-	-	-	-	-	-	17,500

No additional fees are paid for attendance at Board of Directors' meetings, committee membership or committee chairmanship. On occasion, Directors are retained for consulting services unrelated to their duties as Directors. These consulting services are either paid in cash or with unregistered common stock according to the Company's policy for share-based payment of services.

The Company does not have a retirement plan for its Directors and there is no agreement, plan or arrangement that provides for payments to Directors in connection with resignation, retirement, termination or a change in control of the Company.

Clawback Policy

The company maintains a Policy for the Recovery of Erroneously Awarded Compensation ("Clawback Policy") applicable to executive compensation in the event of misconduct on the part of executive officer, including any such misconduct that results in a restatement of its financial statements. The Clawback Policy is filed as Exhibit 97.1 to this Form 10-K. There has been no required recovery of erroneously awarded compensation pursuant to the Clawback Policy to date.

[Table of Contents](#)

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

The following table sets forth information as of March 1, 2026 regarding the shares of Company common stock beneficially owned by: (i) each person known by the Company to own beneficially more than 5% of the Company's common stock; (ii) each Director of the Company; (iii) Named Executive Officers; and (iv) all Directors and the Named Executive Officers of the Company as a group. Except as noted below, each holder has sole voting and investment power with respect to the shares of the Company common stock listed as owned by that person or entity.

Security Ownership of Certain Beneficial Owners

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class ⁽¹⁾
Common	BlackRock, Inc. 50 Hudson Yards New York, NY 10001	1,048,456(a)	6.53%
Common	State Street Corporation One Congress St, Suite 1 Boston, MA 02114	890,401(b)	5.55%
Common	The Vanguard Group 100 Vanguard Blvd Malvern, PA 19355	726,335(c)	4.52%

Security Ownership of Management

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class ⁽¹⁾
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Common	John Swallow c/o 201 N. Third Street Coeur d'Alene, ID 83814	666,090(d)	4.15%
Common	Grant Brackebusch c/o 201 N. Third Street Coeur d'Alene, ID 83814	129,052(e)	0.80%
Common	Kevin Shiell c/o 201 N. Third Street Coeur d'Alene, ID 83814	59,016(f)	0.37%
Common	Richard Beaven c/o 201 N. Third Street Coeur d'Alene, ID 83814	21,183(g)	0.13%
Common	Carolyn Turner c/o 201 N. Third Street Coeur d'Alene, ID 83814	10,980(h)	0.07%
Common	Robert Morgan c/o 201 N. Third Street Coeur d'Alene, ID 83814	46,796(i)	0.29%
Common	Monique Hayes c/o 201 N. Third Street Coeur d'Alene, ID 83814	15,393(j)	0.10%
Common	All Directors and Executive Officers as a group (7 individuals)	948,510(k)	5.91%

(1) Based upon 15,806,301 outstanding shares of common stock, vested options to purchase 50,500 shares of common stock, and unvested options to purchase 200,000 shares of common stock at March 1, 2026.

- a) From the Schedule 13G/A filed on 1/21/26 by the beneficial owner.
- b) From the Schedule 13G filed on 2/9/26 by the beneficial owner.
- c) From the Schedule 13G filed on 10/30/25 by the beneficial owner.
- d) Consists of 654,590 shares of common stock and vested options to purchase 11,500 shares of common stock.
- e) Consists of 117,552 shares of common stock and vested options to purchase 11,500 shares of common stock.
- f) Consists of 49,016 shares of common stock, vested options to purchase 5,000 shares of common stock and unvested options to purchase 5,000 shares of common stock.
- g) Consists of 11,183 shares of common stock, vested options to purchase 5,000 shares of common stock and unvested options to purchase 5,000 shares of common stock.
- h) Consists of 980 shares of common stock, vested options to purchase 5,000 shares of common stock and unvested options to purchase 5,000 shares of common stock.
- i) Consists of 33,796 shares of common stock, vested options to purchase 6,500 shares of common stock and unvested options to purchase 6,500 shares of common stock.
- j) Consists of 8,893 shares of common stock and vested options to purchase 6,500 shares of common stock.

[Table of Contents](#)

None of the Directors or Officers has the right to acquire any additional securities pursuant to options, warrants, conversion privileges or other rights. No shares are pledged as security.

Securities Authorized for Issuance under Equity Plans

In April 2014, the Company established a stock option plan to authorize the granting of stock options to officers and employees. There are no longer any shares available to grant under this plan. In May 2023, a new equity incentive plan was voted on and approved by shareholders to authorize the granting of stock options (or similar equity awards) to officers and employees. The Company occasionally pays for goods or services with unregistered Common Stock and uses the average bid price of the stock, as quoted on the NYSE American, at the time to determine the number of shares to be issued.

Changes in Control

None.

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

Certain Relationships and Related Transactions

None, other than the short-term lease arrangements described in Note 12 to the Consolidated Financial Statements.

Director Independence

The Board of Directors has determined that John Swallow and Grant Brackebusch are not independent directors. Kevin Shiell, Richard Beaven, and Carolyn Turner are independent directors pursuant to rules governing companies listed on the NYSE American Exchange.

The independent directors Kevin Shiell, Richard Beaven, and Carolyn Turner each serve as the only three members of the Board of Directors' nominating committee, compensation committee, and audit committee.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

The aggregate fees billed for professional services rendered by the Company's principal accountant for the audit of the annual financial statements included in the Company's annual report on Form 10-K for the fiscal years ended December 31, 2025 and December 31, 2024 and the review for the financial statements included in the Company's quarterly reports on Form 10-Q during those fiscal years, were \$87,790 and \$83,000 respectively.

Audit Related Fees

The Company incurred no fees during the last two fiscal years for assurance and related services by the Company's principal accountant that were reasonably related to the performance of the audit or review of the Company's financial statements, and not reported under Audit Fees above.

Tax Fees

\$10,000 in 2025 and \$8,350 in 2024 was paid to the Company's principal accountant for tax compliance, tax advice, and tax planning services.

All Other Fees

\$3,525 in other fees were incurred during 2025 and \$2,550 in 2024 for other services rendered by the Company's principal accountant.

Audit Committee Pre-Approval Policies

The Board of Directors has adopted an audit committee pre-approval policy. The audit committee is required to pre-approve the audit and non-audit services performed by the independent auditor to assure that the provision of such services do not impair the auditor's independence.

[Table of Contents](#)

PART IV

ITEM 15. EXHIBITS

Financial Statements

The following Consolidated Financial Statements of the Corporation are filed as a part of this report:

1. Report of Independent Registered Public Accounting Firm dated March 23, 2026.
2. Consolidated Balance Sheets—December 31, 2025 and 2024.
3. Consolidated Statements of Operations—Years ended December 31, 2025 and 2024.
4. Consolidated Statements of Changes in Stockholders' Equity—Years ended December 31, 2025 and 2024.
5. Consolidated Statements of Cash Flows—Years ended December 31, 2025 and 2024.
6. Notes to Consolidated Financial Statements.

Exhibits

Exhibits	Description of Document
3.0	Amended and Restated Articles of Incorporation, filed as Exhibit 3.1 to the Company's Form 8-K as filed with the Securities and Exchange Commission on October 27, 2021 and incorporated herein by reference.
3.1	Amended and Restated By-laws of Idaho Strategic Resources, Inc., filed as Exhibit 3.2 to the Company's Form 8-K as filed with the Securities and Exchange Commission on October 27, 2021 and incorporated herein by reference.

4.1	Description of Securities, filed under the Description of Common Stock in the Company's Prospectus Supplement to the Registration Statement on Form S-3, as amended, as filed with the Securities and Exchange Commission on June 8, 2022 and incorporated herein by reference.
10.1	Venture Agreement with United Mine Services, Inc. dated January 7, 2011, filed as Exhibit 10.1 to the Company's Form 10/A (Amendment No. 2) as filed with the Securities and Exchange Commission on June 4, 2014 and incorporated herein by reference.
10.2	Consent, Waiver and Assumption of Venture Agreement by Crescent dated February 14, 2014, filed as Exhibit 10.10 to the Company's Form 10-K, as filed with the Securities and Exchange Commission on March 31, 2015 and incorporated herein by reference.
10.3	Registrant's 2023 Equity Compensation Plan approved by shareholders on June 12, 2023, included as Appendix B to the Company's Schedule 14A, as filed with the Securities and Exchange Commission on May 15, 2023 and incorporated herein by reference.
10.4	Registrant's Grant of Options to Employees and Directors of the Company dated January 15, 2025, incorporated herein by reference to the Company's Form 8-K as filed with the Securities and Exchange Commission on January 17, 2025.
10.5	Sales Agreement, dated September 29, 2025, by and between the Company and Roth Capital Partners, LLC, incorporated by reference to the Company's 8-K as filed with the Securities and Exchange Commission on October 2, 2025.
10.6	Sales Agreement, dated October 15, 2025, by and between the Company and Roth Capital Partners, LLC, incorporated by reference to the Company's S-3ASR as filed with the Securities and Exchange Commission on October 16, 2025.
14	Code of Ethical Conduct, filed as Exhibit 14 to the Company's Form 10, as filed with the Securities and Exchange Commission on February 25, 2014 and incorporated herein by reference.
19*	Insider trading policy
21*	Subsidiaries of the Registrant
23.1*	Consent of Assure CPA, LLC.
23.2*	Consent of Qualified Person for Technical Report Summary of Golden Chest Mine.
23.3*	Consent of Qualified Person for Technical Report Summary of Golden Chest Mine.
23.4*	Consent of Qualified Person for Technical Report Summary of Golden Chest Mine.
31.1*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
95*	Mine safety information listed in Section 1503 of the Dodd-Frank Act.
96.1*	Technical Report Summary For the Golden Chest Mine, Idaho, U.S.A.
97.1*	Policy Relating to Recovery of Erroneously Awarded Executive Compensation
99.1	Registrant's Charter of the Audit Committee, filed as Exhibit 99.1 to the Company's Form 10-Q for the quarter ended March 31, 2022, as filed with the Securities and Exchange Commission on May 16, 2022 and incorporated herein by reference.
101.INS**	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Interactive Data File (Formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** XBRL information is furnished and not filed or a part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

ITEM 16. FORM 10-K SUMMARY

None.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IDAHO STRATEGIC RESOURCES, INC.

Date: March 23, 2026

By /s/ JOHN SWALLOW
John Swallow, President, Chief Executive
Officer

Date: March 23, 2026

By /s/ GRANT A. BRACKEBUSCH
Grant A. Brackebusch, Vice President, Chief
Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ John Swallow
John Swallow
President, Chief Executive Officer, Director
(Principal Executive Officer)

March 23, 2026
Date

/s/ Grant A. Brackebusch
Grant A. Brackebusch
Vice President, Chief Financial Officer,
Director (Principal Financial Officer and
Principal Accounting Officer)

March 23, 2026
Date

/s/ Carolyn Turner
Carolyn Turner
Director

March 23, 2026
Date

/s/ Kevin Shiell
Kevin Shiell
Director

March 23, 2026
Date

/s/ Richard Beaven
Richard Beaven
Director

March 23, 2026
Date