

Althea Copper Corp.

N/A

Current Price: N/A

Fair Value: N/A

Risk*: 5

A High-Grade Copper Junior Nearing IPO: Introductory Note

Sector: Junior Resource

[Click here for more research on the company](#)

Highlights

- **Nears Public Listing:** Althea Copper is a new copper junior pursuing a reverse takeover (RTO), with the intention of listing on the CSE in the coming weeks. The company has recently **received conditional approval** from the CSE.
- **Financing Plans:** Althea plans to raise \$0.75M through the IPO, followed by \$3–\$5M later this year. With insiders holding over 70%, the stock remains tightly held, and the IPO will broaden the public float. Management brings experience from majors, including Hudbay Minerals (TSX: HBM), Kinross Gold (TSX: K), and Shell (LSE: SHEL).
- **Project Focus:** Althea is focused on delineating a maiden resource estimate on its Mink Narrows copper-polymetallic project in Manitoba, located in the Flin Flon–Snow Lake mining district, a prolific mining area dominated by Hudbay. The project is near several well-known deposits. We were among the first analysts to cover **Foran Mining (TSX: FOM)** in 2017, when its MCAP was \$40M. In February 2026, Eldorado Gold (TSX: ELD) announced plans to acquire Foran for \$3.8B, highlighting one of the region’s most notable success stories. Another regional copper junior we covered, **Rockcliff Metals**, was acquired by Hudbay in 2023.
- **Mineralization Potential:** Mink Narrows is prospective for multiple mineralization types, including copper-zinc, gold, and nickel-copper. The primary target is the Copper Reef VMS copper-zinc zone, which hosts a non-compliant high-grade historic resource. VMS deposits often occur in clusters (1–20 Mt), and can collectively form major mining districts. We believe there is significant **upside potential** beyond the historic resource, as mineralization remains open in multiple directions, and several geophysical anomalies are untested.
- **Upcoming Drill Program:** Management is planning a four-hole drill program across high-priority targets (permits in place for up to nine holes), aiming to complete a maiden resource estimate by Q4 2026.
- **Copper Market Outlook:** Copper prices have retreated from historic highs, but are still up 12% YoY, and remain at unprecedented levels. We maintain a positive outlook, anticipating US\$ weakness, slow production growth, and recent supply disruptions. The market is expected to shift from a surplus in 2025, to a deficit in 2026.
- **Valuation:** At the IPO price of \$0.30/share, we estimate Althea’s historic resources are valued at \$0.11/lb vs. the sector average of \$0.17/lb for high-grade copper juniors, a 34% discount.
- **Catalysts:** Upcoming catalysts include closing the IPO, completion of a geophysical survey, and the start of drilling.

Sid Rajeev, B.Tech, MBA, CFA
Head of Research

Nina Rose Coderis, B.Sc (Geology)
Equity Analyst

	YTD	12M
Althea	N/A	N/A
CSE	1%	39%

Company Data

52 Week Range	N/A
Shares O/S	N/A
Market Cap.	N/A
Yield (forward)	N/A
P/E (forward)	N/A
P/B	N/A

* This report is an updated version of our report dated December 2, 2025.

* Qualified Person: Ty Magee, M.Sc., P.Geo., Axiom Exploration

* **Althea Copper has paid FRC a fee for research coverage and distribution of reports. See last page for other important disclosures, rating, and risk definitions. All figures in C\$ unless otherwise specified.**



Mink Narrows Polymetallic Project, Manitoba - Option to earn a 100% interest

Althea's flagship 6,984-hectare project is located in the Flin Flon–Snow Lake mining district, a prolific greenstone belt in Canada.

The **Flin Flon–Snow Lake** mining district, spanning Manitoba and Saskatchewan, is historically a major producer of copper and zinc, with mining dating back to the early 1900s. Beyond base-metals, the district also has significant gold exploration potential. Sources indicate the region has produced **over 12 Bls of copper, 14 Blbs of zinc, and 14 Moz of gold from 29 mines.**

District-scale land package

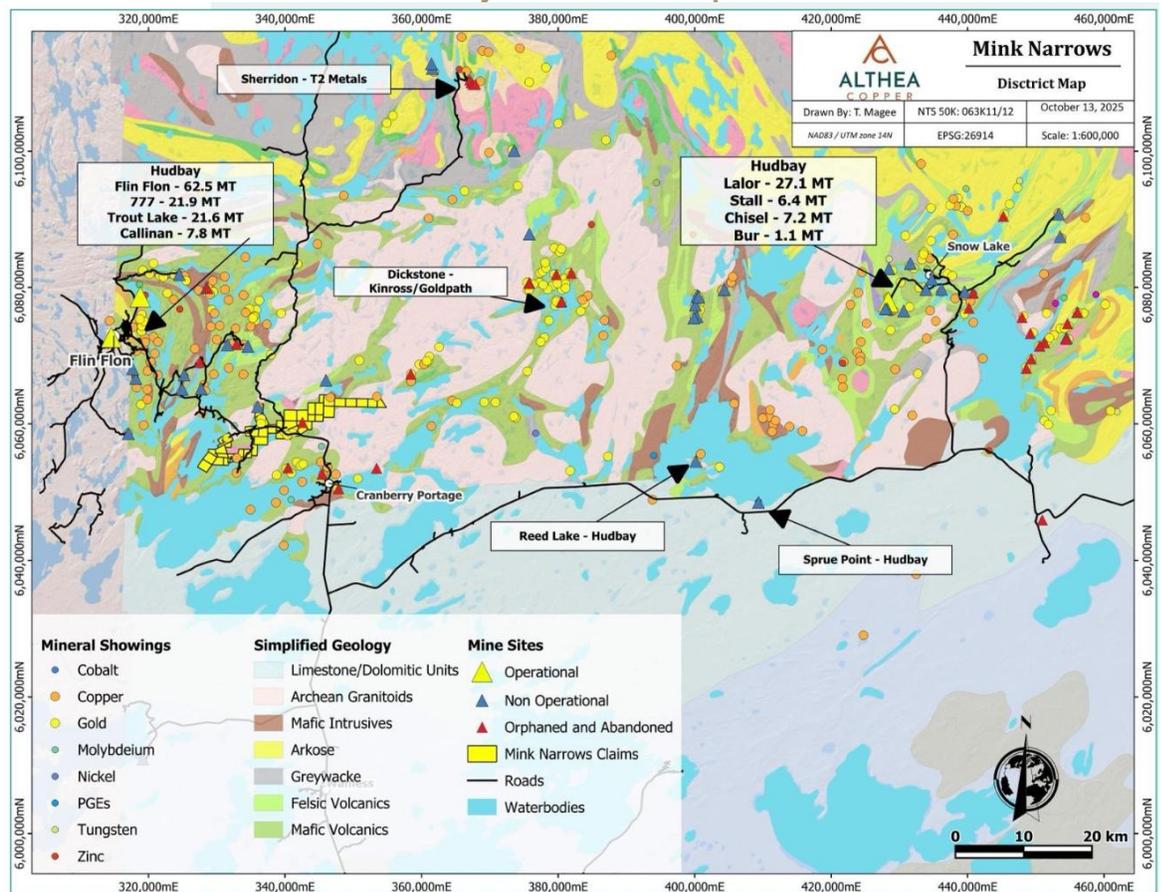
Located 24 km southeast of Flin Flon, Manitoba, near several well-known projects held by majors

~150 Mt mined from 30+ deposits in Flin Flon–Snow Lake, with 100+ deposits identified

Hudbay dominates the region

Excellent infrastructure in place, including access to roads, rail, water, power, and a skilled workforce

Project Location Map



Source: Company

History, Mineralization and Historic Resource

With exploration dating back to the 1920s, Mink Narrows hosts multiple mineralization types: VMS **copper-zinc**, epigenetic **gold**, and magmatic **nickel-copper**.



Althea is primarily focused on the Copper Reef VMS target

Deposit Types

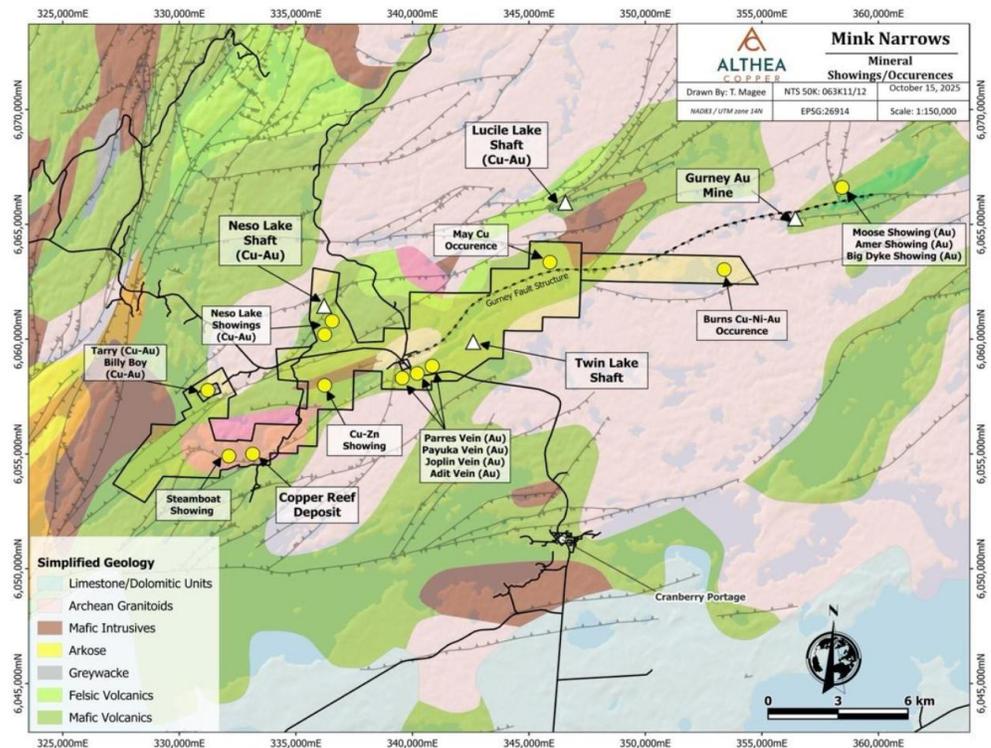
Feature	VMS Cu/Zn Deposits	Epigenetic Au Deposits	Magmatic Ni/Cu Deposits
Primary Metals	Copper (Cu) and Zinc (Zn)	Gold (Au)	Nickel (Ni) and Copper (Cu)
Associated Metals	Lead (Pb), Silver (Ag), Gold (Au)	Silver (Ag)	PGEs (Pt, Pd), Cobalt (Co)
Host Rock Type	Old underwater volcanic and sedimentary rocks	Can be any rock, often along cracks	Dark, heavy igneous rocks (Mafic/Ultramafic)
Deposit Shape/Setting	Flat layers or mounds on ancient seafloor	Veins, cracks, or replacement zones	Big blobs or spread-out at the bottom of rock intrusions
Highlights	High-grade/low-tonnage; usually occurs in clusters	High-grade with variable tonnage	High-grade/large-tonnage

Source: FRC / Various

VMS deposits often cluster, forming mining camps

A brief overview of VMS deposits: Copper sulfides form in the hotter, central parts of VMS systems, while zinc sulfides occur farther out. VMS deposits **often occur in clusters (1–20 Mt)**, and can collectively form major mining districts or camps. Canada hosts three major VMS camps: Flin Flon–Snow Lake (Saskatchewan–Manitoba), Bathurst (New Brunswick), and Noranda (Quebec). Smaller deposits (<4 Mt) are usually found from surface to ~300 m depths, whereas larger deposits (>10 Mt) commonly extend to depths of 1,000–2,000 m.

Targets



The flagship Copper Reef target accounts for 5-10% of the project area

Source: Company

FRC FAIR VALUE MODEL PICKS PORTFOLIO

Built using FRC's proprietary fair value algorithm, this equally weighted portfolio holds 20 stocks that our model has identified as highly undervalued across 10 major market sectors.

EXPLORE THIS FEATURE



A 1969 study delineated a high-grade, small-tonnage VMS deposit, containing 16.5 Mlbs of copper, and 5.5 Mlbs of zinc (18.5 Mlbs CuEq)

Copper Reef: Historic Resources (1969)

Area	Depth	Tonnage (tons)	Grade
A	200-600 feet (60-180 m)	120,345	1.5% Cu; 0.6% Zn
B	600-1550 feet (180-465 m)	383,089	1.49% Cu; 0.47% Zn
Total		503,434	1.50% Cu; 0.50% Zn

Source: Company

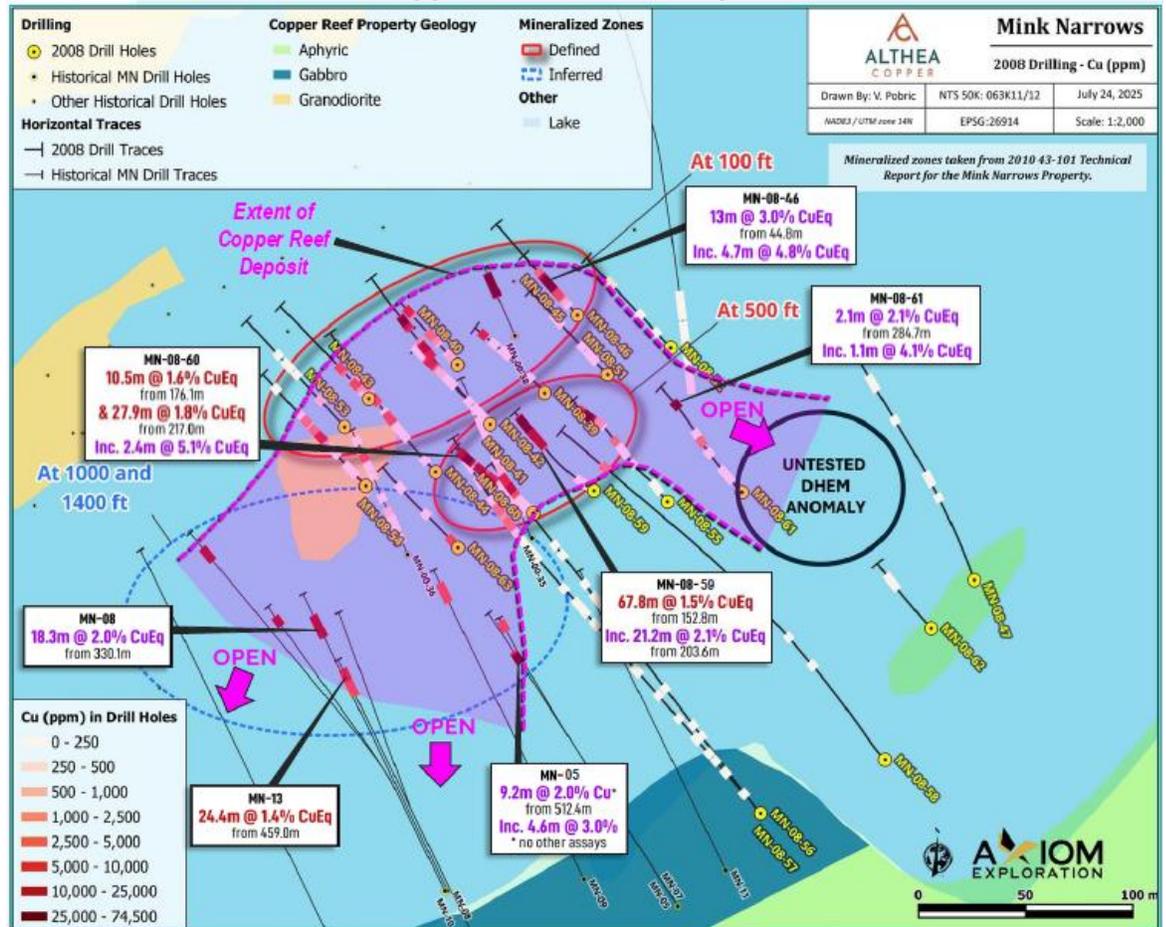
For context, grades of copper mines globally typically range between 0.4% and 1.0%

Post-2000 drill programs reported large bulk-tonnage style intercepts, including up to 67.8 m grading 1.5% CuEq, and **several high-grade intercepts** such as: 4.0 m at **4.95% Cu**, 19.7 g/t Ag, 0.32 g/t Au, and 3.1 m at **13.9 g/t Au**, 1.7% Cu, 2.0% Zn.

The Copper Reef target hosts multiple high-grade VMS-style shoots

Mineralization has been traced to over 500 m in depth, and remains open in several directions

Copper Reef Resource Upside



Source: Company

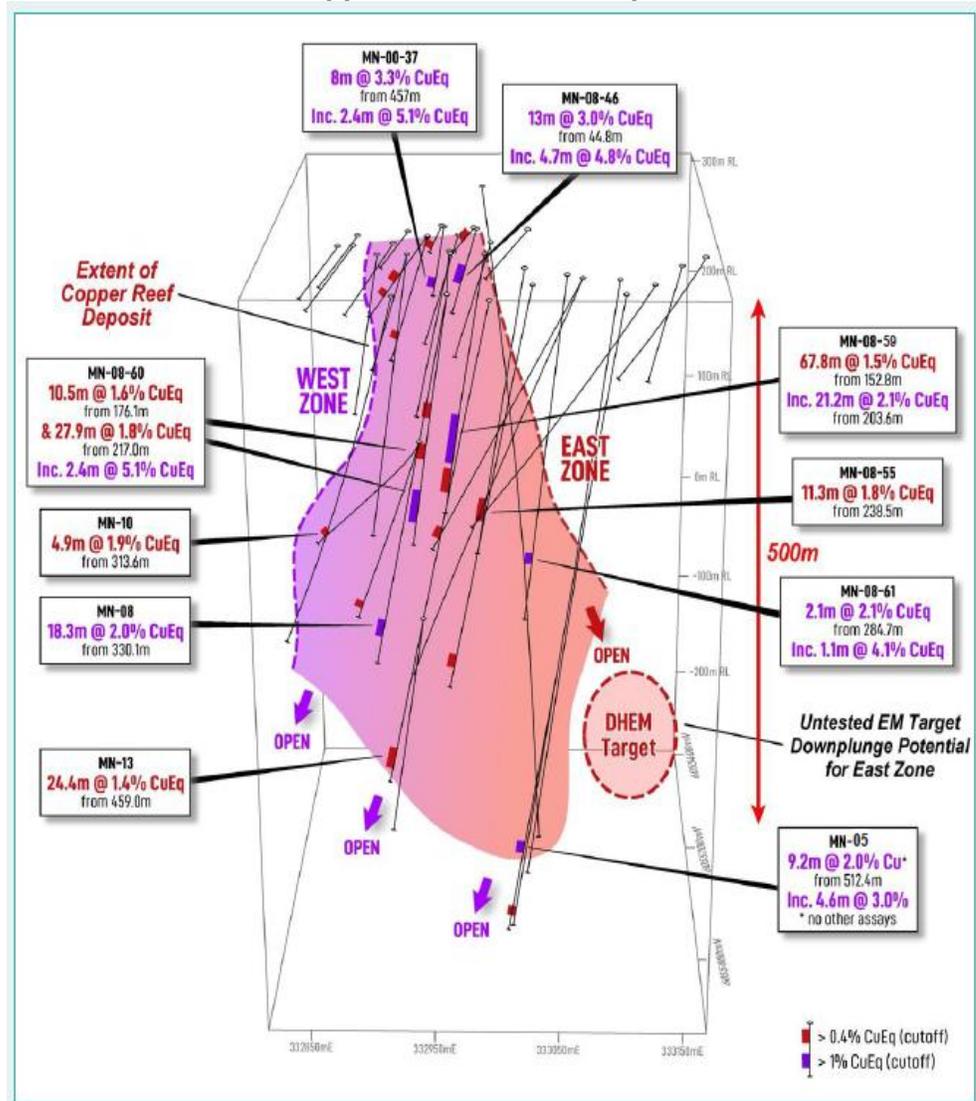


Gold & silver
potential

The historic 1969 resource **only included copper and zinc**. However, later drilling has demonstrated the presence of significant gold and silver, which is typical of VMS deposits. Althea plans to include these metals in future resource estimates. In comparable deposits, gold and silver can contribute around 30% of total metal value, meaning the historic resource of 18.5 Mlbs CuEq could potentially **increase to approximately 26 Mlbs CuEq**, when these credits are included.

We believe there is significant expansion potential beyond the historic resource, as mineralization is open along multiple directions, and several geophysical anomalies remain untested

Copper Reef Resource Upside

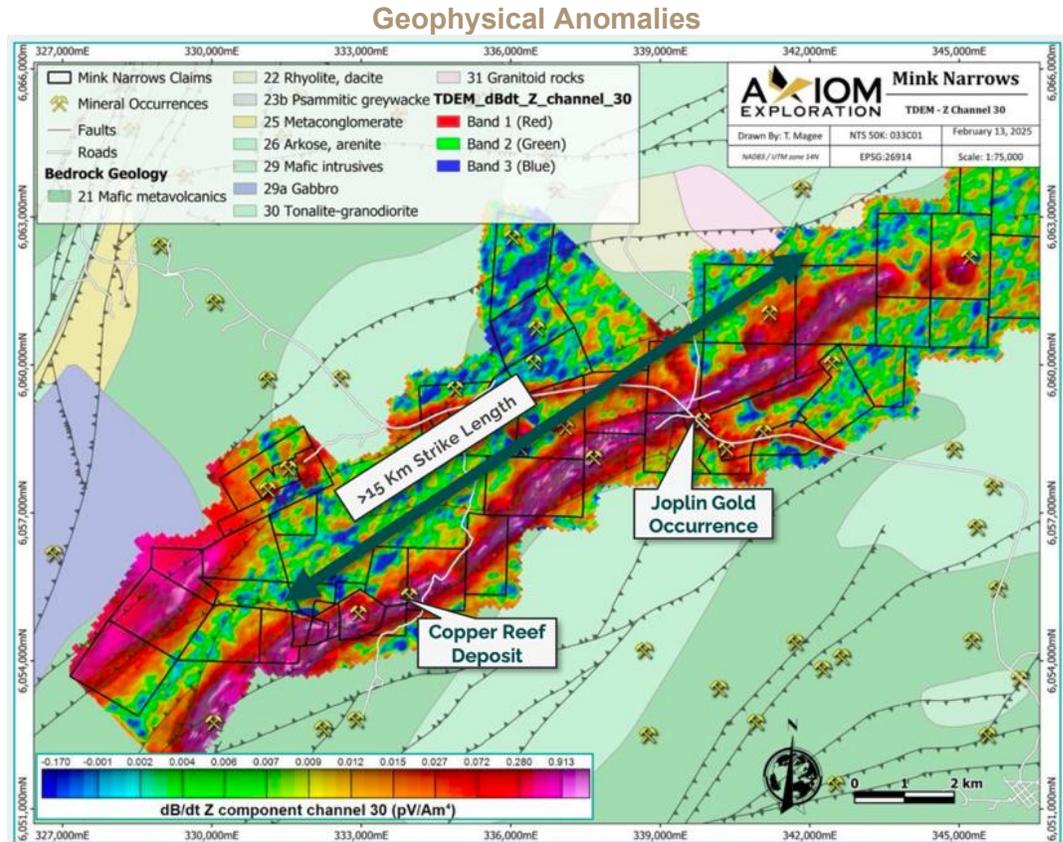


Source: Company

Last year, Althea completed a property-wide geophysical survey, delineating a major conductive body over 15 km long and open at depth, along with several new targets.



Four drill-ready targets along a >15 km trend



Source: Company

Exploration Strategy

According to the property's technical report completed earlier this year, approximately **25 drill holes (4,129 m)** have been completed since the historical resource estimate, **confirming and expanding the non-compliant historical resource**.

Copper Reef Exploration Strategy

1	2	3	4
<p>Phase 1 Target Definition & Initial Drilling Months 0-6 ~\$271K</p> <ul style="list-style-type: none"> Permitted 9-hole (~3,400m) with a 4-hole drill program targeting Copper Reef and East extension EM conductors Xcite AEM & magnetic data interpretation to refine targets Compilation and digitization of historic data ~5km ground TDEM survey over Copper Reef <p>Goal: Confirm district-scale upside and define drill target</p>	<p>Phase 2 District Expansion & Multi-Metal Targeting Months 6-12 ~\$422,500</p> <ul style="list-style-type: none"> HLEM and line cutting surveys (~30 km) at Copper Reef-Payuk Lake Drill testing priority VMS and Ni-Cu targets with borehole TDEM (8 holes, ~1,200 m) Basal till sampling for gold target definition, geological mapping, and prospecting to advance new targets <p>Goal: Confirm continuity and grade; establish geophysical model for expansion.</p>	<p>Phase 3 Resource Definition & Technical Work Months 12-20 ~\$1.5M</p> <ul style="list-style-type: none"> 10,000 m step-out/infill drilling + 3D modelling. Initial NI 43-101 resource + preliminary metallurgy. <p>Goal: Convert historic resource into a compliant asset.</p>	<p>Phase 4 Development & Partner Readiness Months 20-24 ~\$1.0M</p> <ul style="list-style-type: none"> Baseline ESG/environmental work and PEA-level studies. <p>Goal: Position Althea Copper for JV, strategic partner, or advanced financing.</p>

Source: Company

Total budget over 24 months: \$3.20M

FRC FAIR VALUE MODEL PICKS PORTFOLIO

Built using FRC's proprietary fair value algorithm, this equally weighted portfolio holds 20 stocks that our model has identified as highly undervalued across 10 major market sectors.

EXPLORE THIS FEATURE



*past performance is not indicative of future results. Data as of 3/2/2025. This is not financial advice. FRC and/or its analysts may hold positions in one or more of the holdings.

Althea is focused on confirming the Copper Reef mineralization, and exploring opportunities to expand the existing mineralized envelope. Upcoming work will include further **geophysical surveys**, and **an initial four-hole drill program (permits in place for up to nine holes)** at high-priority targets along the Copper Reef trend.

Management aims to complete a maiden NI 43-101 compliant resource estimate by Q4-2026

Management Projected Timelines

Q4 2025	Q1 2026	Q2 2026	Q4 2026	2027 →
IPO & Mobilization	Geophysical Expansion	Drill Results	Initial Resource & Resource Definition Financing	PEA & Development Readiness

Source: Company

Management and Board

Brief biographies of the management team, as provided by the company, follow:

Lowell Kamin, CEO, Chairman & Founder

- Founded Althea Copper Corp in 2022
- 30+ years of capital markets experience (Scotia Capital, BofA Merrill Lynch)
- Worked with Kinross, Hudbay; supported Kinross–Red Back Mining transaction

Randene Seeman, President & Director

- 25+ years in land, regulatory, compliance, and project execution
- Formerly with Shell Canada and other industry leaders
- Deep expertise in government relations, vendor management, cost optimization

Leo Horn, Technical Advisor

- 25+ years global exploration & mining experience in precious, base and critical metals as well as uranium and diamonds
- Led high-grade uranium discoveries in Athabasca Basin
- Also Technical Director at Lodestar Metals (TSX-V) and Cosmos Exploration (ASX) and technical advisor for several other companies

Doug Engdahl, Advisor

- President & CEO of Axiom Exploration
- Professional Geologist with applied geostatistics background

Richard Masson, Advisor

- 20+ years across Manitoba/Saskatchewan
- President & CEO of Boreal Gold
- Formerly with M'Ore Exploration and Voyageur Minerals

Management, Board members, and advisors hold more than 70% of the shares, maintaining a tightly held structure

The IPO will broaden the public float

The team brings experience from major companies including Hudbay, Kinross, and Shell



Capital Structure

Althea intends to raise \$0.75M through the IPO, with a subsequent larger raise of \$3–\$5M later in the year

Projected Capitalization			
	Shares	Target Share Price	Value
Pre-Money	10,000,000	\$0.30	\$3,000,000
IPO Financing	2,500,000	\$0.30	\$750,000
Post-IPO	12,500,000	\$0.30	\$3,750,000

Source: Company/FRC

The IPO is priced at \$0.30/unit, with each unit including one common share, and one-half warrant, exercisable at \$0.30 for 18 months. We believe the warrant is a **valuable bonus**, as its exercise price equals the unit price; unlike most offerings, where exercise prices are typically 30–50% higher than the stock price.

Comparables Valuation

At the IPO financing price of \$0.30/share, Althea's historic resources are valued at \$0.11/lb, compared with a sector average of \$0.17/lb for high-grade copper juniors, a 34% discount

Applying the sector average, we estimate a pre-IPO valuation of **\$0.46/share**, and a post-IPO valuation of **\$0.43/share**

This valuation is based solely on Althea's historic resources and excludes any potential upside

Copper Juniors	Country	EV (C\$,M)	Net Cu Equiv. Resource (Mlbs)*	EV/ Resource (C\$/lb)
Foran Mining (acquired)	Canada	\$3,344	1,856	\$1.802
Firefly Metals	Canada	\$1,084	4,688	\$0.231
Faraday Copper	U.S.	\$1,256	5,622	\$0.223
Trilogy Metals	U.S.	\$844	4,057	\$0.208
Arizona Sonoran Copper	U.S.	\$1,405	11,849	\$0.119
Althea Copper	Canada	\$3	26	\$0.114
Western Copper and Gold	Canada	\$795	9,181	\$0.087
Average (higher-grade)				\$0.173

*100% of M&I + 50% of Inferred

Source: FRC / S&P Capital IQ / Various

Conclusion

We believe Althea Copper is interesting as an early-stage, high-grade project in a region dominated by Hudbay, which has a strong track record of acquiring promising juniors. **Based on our comparable valuation, we believe the IPO is priced at a discount.** Multiple catalysts lie ahead, including the IPO, geophysical surveys, and a maiden drill program.





*We are assigning a
risk rating of 5
(Highly Speculative)*

Risks

We believe the company is exposed to the following key risks (not exhaustive):

- Commodity prices
- **Access to capital** and potential share dilution
- Exploration and development
- No NI 43-101 compliant resource
- **Permitting**

FRC FAIR VALUE MODEL PICKS PORTFOLIO

Built using FRC's proprietary fair value algorithm, this equally weighted portfolio holds 20 stocks that our model has identified as highly undervalued across 10 major market sectors.

[EXPLORE THIS
FEATURE](#)

Portfolio vs S&P 500



*past performance is not indicative of future results. Data as of 3/2/2025.
This is not financial advice. FRC and/or its analysts may hold positions in one or more of the holdings.

Fundamental Research Corp. Equity Rating Scale (ratings are not a recommendation to acquire, dispose of, or take no action regarding a security; the definitions of our ratings are explained below):

Buy – Fair value is 12% above the current market price; or risk and reward is favorable

Hold – Fair value is between 5% to 12% above the current market price

Sell – Fair value is 5% above, or less, than the current market value; or risk and reward is unfavorable

Suspended or Rating N/A— Coverage and ratings suspended until more information can be obtained from the company regarding recent events.

Fundamental Research Corp. Risk Rating Scale:

1 (Low Risk) - The company operates in an industry where it has a strong position (for example a monopoly, high market share etc.) or operates in a regulated industry. The future outlook is stable or positive for the industry. The company generates positive free cash flow and has a history of profitability. The capital structure is conservative with little or no debt.

2 (Below Average Risk) - The company operates in an industry where the fundamentals and outlook are positive. The industry and company are relatively less sensitive to systematic risk than companies with a Risk Rating of 3. The company has a history of profitability and has demonstrated its ability to generate positive free cash flows (though current free cash flow may be negative due to capital investment). The company's capital structure is conservative with little to modest use of debt.

3 (Average Risk) - The company operates in an industry that has average sensitivity to systematic risk. The industry may be cyclical. Profits and cash flow are sensitive to economic factors although the company has demonstrated its ability to generate positive earnings and cash flow. Debt use is in line with industry averages, and coverage ratios are sufficient.

4 (Speculative) - The company has little or no history of generating earnings or cash flow. Debt use is higher. These companies may be in start-up mode or in a turnaround situation. These companies should be considered speculative.

5 (Highly Speculative) - The company has no history of generating earnings or cash flow. They may operate in a new industry with new, and unproven products. Products may be at the development stage, testing, or seeking regulatory approval. These companies may run into liquidity issues and may rely on external funding. These stocks are considered highly speculative.

Definition of FRC's Fair Value Estimate – Our fair value estimate is the theoretical value of the company's equity using widely accepted methods of valuation such as discount cash flow or comparables. IT IS NOT A TARGET PRICE or PREDICTION OF THE FUTURE STOCK PRICE.

Disclaimers and Disclosure

Analyst Certification: The views expressed in this report accurately reflect the personal views of the analyst, and no part of their compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed.

Any "forward looking statements" are our best estimates and opinions based upon information that is publicly available and that we believe to be correct, but we have not independently verified with respect to truth or correctness. There is no guarantee that our forecasts will materialize. Actual results will likely vary. The analyst and Fundamental Research Corp. "FRC" does not own any shares of the subject company, does not make a market or offer shares for sale of the subject company, and does not have any investment banking business with the subject company. Fees ranging between \$5,000 and \$10,000 have been paid to FRC by Althea Copper to commission this report, research coverage, and distribution of reports. This fee creates a potential conflict of interest which readers should consider. FRC takes steps to mitigate conflicts including setting fees in advance and utilizing analysts who must abide by CFA Institute Code of Ethics and Standards of Professional Conduct. Additionally, analysts may not trade in any security under coverage. Our full editorial control of all research, timing of release of the reports, and release of liability for negative reports are protected contractually. The issuer has agreed to a minimum coverage term and coverage cannot be unilaterally terminated. Distribution procedure: our reports are distributed first to our web-based subscribers on the date shown on this report then made available to delayed access users through various other channels for a limited time.

The distribution of FRC's ratings is as follows: BUY (71%), HOLD (3%), SELL / SUSPEND (26%).

This report contains "forward looking" statements. Forward-looking statements regarding the Company and/or stock's performance inherently involve risks and uncertainties that could cause actual results to differ from such forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products/services in the marketplace; acceptance in the marketplace of the Company's new product lines/services; competitive factors; new product/service introductions by others; technological changes; dependence on suppliers; systematic market risks and other risks discussed in the Company's periodic report filings, including interim reports, annual reports, and annual information forms filed with the various securities regulators. By making these forward-looking statements, Fundamental Research Corp. and the analyst/author of this report undertakes no obligation to update these statements for revisions or changes after the date of this report. A report initiating coverage will most often be updated quarterly while a report issuing a rating may have no further or less frequent updates because the subject company is likely to be in earlier stages where nothing material may occur quarter to quarter.

Fundamental Research Corp DOES NOT MAKE ANY WARRANTIES, EXPRESSED OR IMPLIED, AS TO RESULTS TO BE OBTAINED FROM USING THIS INFORMATION AND MAKES NO EXPRESS OR IMPLIED WARRANTIES OR FITNESS FOR A PARTICULAR USE. ANYONE USING THIS REPORT ASSUMES FULL RESPONSIBILITY FOR WHATEVER RESULTS THEY OBTAIN FROM WHATEVER USE THE INFORMATION WAS PUT TO. ALWAYS TALK TO YOUR FINANCIAL ADVISOR BEFORE YOU INVEST. WHETHER A STOCK SHOULD BE INCLUDED IN A PORTFOLIO DEPENDS ON ONE'S RISK TOLERANCE, OBJECTIVES, SITUATION, RETURN ON OTHER ASSETS, ETC. ONLY YOUR INVESTMENT ADVISOR WHO KNOWS YOUR UNIQUE CIRCUMSTANCES CAN MAKE A PROPER RECOMMENDATION AS TO THE MERIT OF ANY PARTICULAR SECURITY FOR INCLUSION IN YOUR PORTFOLIO. This REPORT is solely for informative purposes and is not a solicitation or an offer to buy or sell any security. It is not intended as being a complete description of the company, industry, securities or developments referred to in the material. Any forecasts contained in this report were independently prepared unless otherwise stated and HAVE NOT BEEN endorsed by the Management of the company which is the subject of this report. Additional information is available upon request. THIS REPORT IS COPYRIGHT. YOU MAY NOT REDISTRIBUTE THIS REPORT WITHOUT OUR PERMISSION. Please give proper credit, including citing Fundamental Research Corp and/or the analyst, when quoting information from this report. The information contained in this report is intended to be viewed only in jurisdictions where it may be legally viewed and is not intended for use by any person or entity in any jurisdiction where such use would be contrary to local regulations or which would require any registration requirement within such jurisdiction.



20+ Years of Equity Research
www.researchfrc.com

FRC FAIR VALUE MODEL PICKS PORTFOLIO

Built using FRC's proprietary fair value algorithm, this equally weighted portfolio holds 20 stocks that our model has identified as highly undervalued across 10 major market sectors.

[EXPLORE THIS FEATURE](#)

Portfolio vs S&P 500



past performance is not indicative of future results. Data as of 3/2/2025. This is not financial advice. FRC and/or its analysts may hold positions in one or more of the holdings.