FORM 5A

ANNUAL LISTING SUMMARY

Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

General Instructions

(a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Listed Issuer Name: FORMATION METALS INC. (the "**Issuer**") **Website:** www.formationmetalsinc.com **Listing Statement Date:** October 18, 2024 **Description(s) of listed securities(symbol/type):** FOMO / Common Shares
Brief Description of the Issuer's Business: The Issuer is a North American mineral acquisition and exploration company focused on the development of quality properties that are drill-ready with high-upside and expansion potential. The Issuer's flagship asset is the N2 Gold Project.
Description of additional (unlisted) securities outstanding: Stock Options 9,600,000 Warrants 39,093,737 RSU 5,850,000
Jurisdiction of Incorporation: British Columbia
Fiscal Year End: March 31
Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled): August 29, 2025
Financial Information as at: March 31, 2026

	Current	Previous
Cash	5,337,009	1,305,758
Current Assets	7,380,535	1,883,638
Non-current Assets	6,499,264	947,944
Current Liabilities	284,612	142,480
Non-current Liabilities	-	-
Shareholders' Equity	13,595,187	2,689,102
Revenue	-	-
Net loss	(7,349,359)	(3,133,327)
Net Cash Flow used in Operations	(6,083,731)	(939,383)

SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

1. Related Party Transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

Respecting (a) through (f), see the Issuer's Financial Statements (Note 7), hereto attached as **Schedule "A".**

2. **Summary of securities issued and options granted during the period.**

Provide the following information for the Listed Issuer's fiscal year:

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Issue / Exercise Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
04-Apr-25	Common Shares	Exercise of Warrants	25,000	$0.30	$7,500	Cash	Arm's Length	N/A
			100,000	$0.20	$20,000			
11-Apr-25	Common Shares	Exercise of Warrants	150,000	$0.20	$30,000	Cash	Arm's Length	N/A
17-Apr-25	Common Shares	Exercise of Warrants	175,000	$0.20	$35,000	Cash	Arm's Length	N/A
		Exercise of RSUs	250,000	$0.42	N/A	N/A	Arm's Length	N/A
25- Apr-25	Common Shares	Exercise of Warrants	200,000	$0.20	$40,000	Cash	Arm's Length	N/A
29-Apr-25	Common Shares	Exercise of Warrants	21,000	$0.20	$4,200	Cash	Arm's Length	N/A
9-May-25	Common Shares	Exercise of Warrants	140,000	$0.20	$28,000	Cash	Arm's Length	N/A
		Exercise of RSUs	800,000	$0.38	N/A	N/A	Arm's Length	N/A
16-May-25	Common Shares	Exercise of RSUs	250,000	$0.38	N/A	N/A	Arm's Length	N/A
23-May-25	Common Shares	Exercise of Warrants	100,000	$0.20	$20,000	Cash	Arm's Length	N/A
29-May-25	Common Shares	Exercise of Warrants	100,000	$0.20	$20,000	Cash	Arm's Length	N/A
		Exercise of RSUs	150,000	$0.38	N/A	N/A		
13-Jun-25	Common Shares	Private Placement	4,701,286	$0.35	$1,645,450.10	Cash	Arm's Length	$115,181.50 and 329,090 Finder's Warrants.
	Warrants		4,701,286	$0.60	N/A			
	Common Shares	Exercise of RSUs	385,000	$0.35	N/A	N/A	Arm's Length	N/A
20-Jun-25	Common Shares	Exercise of Warrants	350,000	$0.20	$70,000	Cash	Arm's Length	N/A
		Exercise of RSUs	200,000	$0.35	N/A	N/A	Arm's Length	N/A
July 4, 2025	Common Shares	Exercise of Warrants	450,000	$0.20	$90,000			N/A
		Exercise of RSUs	200,000	$0.385	N/A	N/A	Arm's Length	N/A
11-Jul-25	Common Shares	Exercise of Warrants	140,000	$0.20	$28,000	Cash	Arm's Length	N/A
18-Jul-25	Common Shares	Private Placement	1,434,000	$0.35	$501,900	Cash	Arm's Length	$35,133 and 100,380 Finder's Warrants
	Warrants		1,434,000	$0.60	N/A			
	Common Shares	LIFE Offering	2,185,000	$0.50	$1,092,500	Cash	Arm's Length	$17,723.97 and 56,700 Finder's Warrants
	Warrants		2,185,000	$0.60	N/A			
	Common Shares	Private Placement	1,724,138	$0.435	$750,000.03	Cash	Arm's Length	
	Warrants		1,724,138	$0.60	N/A			

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Issue / Exercise Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
6-Aug-26	Common Shares	Exercise of Warrants	100,000	$0.20	$20,000	Cash	Arm's Length	N/A
	Common Shares	Private Placement	928,381	$0.435	$403,845.74	Cash	Arm's Length	N/A
	Warrants		928,381	$0.60	N/A			
8-Aug-25	Common Shares	Exercise of RSUs	250,000	$0.355	N/A	N/A	Arm's Length	N/A
15-Aug-25	Common Shares	Private Placement	43,000	$0.35	$15,050	Cash	Arm's Length	$35,133 and 100,380 Finder's Warrants
	Warrants		43,000	$0.60	N/A			
	Common Shares	Exercise of Warrants	250,000	$0.20	$50,000	Cash	Arm's Length	N/A
5-Sep-25	Common Shares	Exercise of RSUs	100,000	Nil	N/A	N/A	Arm's Length	N/A
18-Sep-25	Common Shares	Exercise of Stock Options	50,000	$0.21	$10.500	Cash	Arm's Length	N/A
19-Sep-25	Common Shares	Exercise of Warrants	100,000	$0.20	20.000	Cash	Arm's Length	N/A
		Exercise of RSUs	100,000	Nil	N/A	N/A	Arm's Length	N/A
26-Sep-25	Common Shares	Exercise of Warrants	400,000	$0.20	$80,000	Cash	Arm's Length	N/A
			400,000	$0.30	$120,000	Cash	Arm's Length	N/A
8-Oct-25	Common Shares	Exercise of Warrants	350,000	$0.20	$70,000	Cash	Arm's Length	N/A
15-Oct-25	Common Shares	Exercise of Warrants	290,000	$0.20	$58,000	Cash	Arm's Length	N/A
	Common Shares	LIFE Offering	17,312,891	$0.37	$6,405,769.67	Cash	Arm's Length	$150,079.90 and 127,573 Finder's Warrants
	Warrants		17,312,891	$0.54	N/A			
	Common Shares	Private Placement	4,528,341	$0.41	$1,856,619.81	Cash	Arm's Length	
	Warrants		4,528,341	$0.62	N/A			
20-Oct-25	Common Shares	Exercise of Warrants	100,000	$0.20	$20,000	Cash	Arm's Length	N/A
21-Oct-25	Common Shares	Exercise of Warrants	400,000	$0.20	$80,000	Cash	Arm's Length	N/A
	Common Shares	Exercise of Warrants	150,000	$0.20	$30,000	Cash	Arm's Length	N/A
24-Oct-25	Common Shares	LIFE Offering	524,947	$0.37	$194,230.39	Cash	Arm's Length	N/A
	Warrants		524,947	$0.54	N/A			
3-Nov-25	Common Shares	Exercise of Warrants	8,104,000	$0.20	1,620,800	Cash	Arm's Length	N/A
15-Jan-26	Common Shares	Option Agreement	1,000,000	0.33	$330,000	Cash	Arm's Length	N/A
16-Jan-26	Common Shares	Exercise of RSUs	100,000	Nil	N/A	N/A	Arm's Length	N/A
19-Jan-26	Common Shares	Exercise of RSUs	1,075,000	Nil	N/A	N/A	Arm's Length	N/A
27-Jan-26	Common Shares	Exercise of Warrants	200,000	$0.30	$60,000	Cash	Arm's Length	N/A
4-Feb-26	Common Shares	Exercise of Warrants	150,000	$0.30	$45,000	Cash	Arm's Length	N/A
10-Feb-26	Common Shares	Exercise of Stock Options	500,000	$0.20	$100,000	Cash	Arm's Length	N/A

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Issue / Exercise Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
17-Feb-26	Common Shares	Exercise of Stock Options	100,000	$0.21	$21,000	Cash	Arm's Length	N/A
3-Mar-26	Common Shares	Exercise of Warrants	175,000	$0.30	$52,500	Cash	Arm's Length	N/A
	Common Shares	Exercise of RSUs	500,00	Nil	N/A	N/A	Arm's Length	N/A

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
November 25, 2025	3,000,000		Consultant	$0.25	November 25, 2027	$0.25
December 11, 2025	500,000		Consultant	$0.26	December 11, 2027	$0.26
March 20, 2026	500,000		Consultant	$0.35	March 20, 2029	$0.345
September 18, 2025	1,700,000		Consultant	$0.345	September 18, 2028	$0.345
February 5, 2026	300,000		Consultant	$0.38	February 5, 2028	$0.38
TOTAL: 6,000,000						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

As at March 31, 2026, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 97,802,458 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Quarterly Listing Statement), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

(b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

The Issuer adopted a 10% rolling stock option plan (the “Option Plan”) which was initially adopted by the Board on September 19, 2023. The Company obtained approvals to certain amendments to the Option Plan from the Board on July 2, 2024 and by the disinterested shareholders at the Company’s annual general meeting held on August 30, 2024 (the “Amended Option Plan”).On July 23, 2025, the Board further amended the Amended Option Plan and the 10% rolling amended restricted share unit plan (the “Amended RSU Plan”), and the Amended Option Plan and the Amended RSU Plan were ratified, confirmed and approved by the shareholders at the annual general meeting held on August 29, 2025.

The Amended Option Plan is a rolling plan under which a maximum of 10% of the issued and outstanding common shares at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding, are reserved for issuance.

Options granted under the Option Plan may have a maximum term of 10 years, provided that where the expiry date falls within a trading Blackout Period it is extended to 9 business days following expiration of that Blackout Period. The exercise price of options granted under the Option Plan shall be determined by the Issuer's directors on the effective date of the Option, provided that such price shall not be less than the Discounted Market Price, determined in accordance with the CSE policies. Stock options granted under the Option Plan may be subject to vesting terms that are set at the discretion of the directors at the time of grant.

The Issuer adopted a 10% rolling restricted share unit plan (the "RSU Plan") as initially adopted by the Board on September 23, 2023 and approved by the disinterested shareholders on August 30, 2024, as further amended by the Board on July 23, 2025 and approved by shareholders on August 29, 2025. The Amended RSU Plan is a rolling plan under which a maximum of 10% of the issued and outstanding common shares at the time an RSU is granted, less shares reserved in respect of RSUs then outstanding, are reserved. Each RSU represents the right to receive one common share for no additional consideration upon vesting, and RSUs vest on the later of the Trigger Date and satisfaction of the applicable Performance Condition.

Options: As at March 31, 2026, the following Options were outstanding entitling holders to purchase Common shares in the capital of the Issuer as summarized below:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Recorded Value
November 8, 2024	2,600,000	$0.20	November 8, 2026	251,280
January 3, 2025	800,000	$0.23	January 3, 2027	103,452
February 5, 2025	200,000	$0.21	February 5, 2027	23,191
September 18, 2025	1,700,000	$0.345	September 18, 2028	280,263
November 25, 2025	3,000,000	$0.25	November 25, 2027	264,492
December 11, 2025	500,000	$0.26	December 11, 2027	44,564
February 5, 2026	300,000	$0.38	February 5, 2028	39,547
March 20, 2026	500,000	$0.35	March 20, 2029	57,138
TOTAL	**9,600,000**			1,063,927

RSUs: As at March 31, 2026, the following RSUs were outstanding entitling holders to purchase Common shares in the capital of the Issuer as summarized below:

Date of Grant	Number of RSUs	Exercise Price	Expiry Date	Recorded Value
January 6, 2025	300,000	N/A	December 31, 2028	75,000
February 5, 2025	150,000	N/A	December 31, 2028	31,500
May 1, 2025	550,000	N/A	December 31, 2028	228,219
September 1, 2025	250,000	N/A	September 1, 2028	91,250
October 15, 2025	250,000	N/A	December 31, 2028	82,500
December 11, 2025	400,000	N/A	December 31, 2028	104,000
December 31, 2025	1,350,000	N/A	December 31, 2028	432,000
February 5, 2026	700,000	N/A	February 5, 2029	259,000
March 6, 2026	1,000,000	N/A	March 6, 2029	380,000
March 20, 2026	600,000	N/A	March 20, 2029	207,000
March 31, 2026	300,000	N/A	March 31, 2029	103,500
TOTAL	**5,850,000**			1,993,969

Warrants: As at March 31, 2026, the following warrants were outstanding entitling holders to purchase Common shares in the capital of the Issuer as summarized below:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
January 31, 2025	5,095,000	$0.30	January 31, 2027	Nil
June 13, 2025	4,701,286	$0.60	June 13, 2027	*
June 13, 2025	329,090	0.60	June 13, 2027	*
July 18, 2025	5,343,138	$0.60	July 18, 2027	*
July 18, 2025	157,080	0.60	July 18, 2027	*
August 6, 2025	928,381	$0.60	August 6, 2027	*
August 15, 2025	43,000	$0.60	August 15, 2027	*
August 15, 2025	3010	0.60	August 15, 2027	*
October 15, 2025	17,312,891	$0.54	October 15, 2028	*
October 15, 2025	105,633	0.54	October 15, 2028	*
October 15, 2025	4,528,341	$0.62	October 15, 2027	*
October 15, 2025	21,940	0.62	October 15, 2027	*
October 24, 2025	524,947	$0.54	October 24, 2028	*
TOTAL	**39,093,737**			1,040,749*

* Per Note 8 to the audited financial statements, the aggregate recorded value of the warrants is $1,040,749, comprising $976,598 allocated to the common share purchase warrants attached to the fiscal 2026 flow-through unit placements and $64,151 in respect of agents'/finders' warrants. Per-tranche allocations are not separately disclosed in the financial statements. The recorded value of the January 31, 2025 warrants is nil.

Convertible Securities: As at March 31, 2026, the Issuer did not have any other outstanding convertible securities.

(c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

There are no shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.

Name	Position with Issuer	Date of Appointment
Deepak Varshney	Director	Mar. 1, 2022
	President CEO and Corp Secretary	Mar. 1, 2022 Feb. 24, 2023
Khalid Naeem	CFO	Feb. 24, 2023
Navin Varshney	Director	Feb. 24, 2023
David Ellett	Director	Feb. 24, 2023

5. Financial Resources

a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

The Issuer's principal business objective for the forthcoming 12-month period is the continued advancement of its flagship N2 Gold Project in Quebec, including completion of the Phase 1 drill program and continuation of the expanded, fully funded 75,000-metre drill program; completion of a maiden NI 43-101 mineral resource estimate at N2; and continued evaluation of the base-metal (Cu-Zn) potential identified at N2. The Issuer also intends to assess initial work programs for its Rio Titanium and Nicobat projects and to maintain its obligations under the Wallbridge option agreement in respect of N2. See "Outlook and Planned Activities" in the MD&A attached as Schedule "B".

b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

(i) Continuation and completion of the expanded 75,000-metre drill program at N2 — ongoing throughout the 12-month period; fully funded from the net proceeds of the private placement completed in May 2026 (aggregate gross proceeds of approximately $22.4 million) and existing working capital.

(ii) Completion of a maiden NI 43-101 mineral resource estimate at N2 — targeted for the fourth quarter of calendar 2026; to be funded from existing working capital.

(iii) Second-anniversary obligations under the Wallbridge option agreement for N2 — on or about January 2027: a cash payment of $50,000 and the issuance of 1,000,000 common shares. The cumulative work-expenditure commitment through the second anniversary ($1,000,000) has already been exceeded by exploration expenditures incurred to date.

(iv) Incurrence and renunciation of qualifying Canadian exploration expenditures in respect of the flow-through securities issued under the May 2026 offering — renunciation effective no later than December 31, 2026, with qualifying expenditures of not less than the aggregate gross proceeds of the flow-through securities to be incurred on or before December 31, 2027 (see Note 14 to the financial statements attached as Schedule "A").

(v) Assessment of initial work programs for the Rio Titanium and Nicobat projects — during the 12-month period; preliminary evaluation costs to be funded from existing working capital.

(vi) The nature, extent, timing and costs of these events are subject to exploration results, contractor availability, permitting and prevailing market conditions; see the forward-looking statements advisory in Schedule "B".

c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

(iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

(i) As at March 31, 2026, the Issuer had consolidated working capital of $7,095,923 (current assets of $7,380,535 less current liabilities of $284,612), per the audited financial statements attached as Schedule "A". As of June 30, 2026, being the most recent month end prior to the filing of this Annual Listing Summary, the Issuer's estimated consolidated working capital was approximately $27,400,000, reflecting the net proceeds of the May 2026 private placement described in (ii) below, less expenditures incurred since March 31, 2026. ii) Subsequent to March 31, 2026, the

Issuer completed a non-brokered private placement in two tranches on May 19 and May 21, 2026, for aggregate gross proceeds of approximately $22,439,577 through the issuance of 49,821,291 units, comprising approximately $15,612,096 of flow-through and charity flow-through securities and approximately $6,827,482 of hard-dollar units, less cash finders' fees of $816,768 (see Note 14 to the financial statements attached as Schedule "A"). The Issuer has no revenue from operations; its funds available consist of its working capital, the net proceeds of the foregoing offering, and any proceeds from the future exercise of outstanding warrants and stock options, of which there is no assurance.

(iii) The Issuer intends to use its funds available principally as follows: (a) exploration expenditures at the N2 Gold Project, including completion of the expanded 75,000-metre drill program and the maiden mineral resource estimate — the Issuer has committed to incur qualifying Canadian exploration expenditures of not less than the aggregate gross proceeds of the flow-through securities (approximately $15.6 million) on or before December 31, 2027; (b) the second-anniversary cash payment of $50,000 under the Wallbridge option agreement; (c) preliminary evaluation of the Rio Titanium and Nicobat projects; and (d) general and administrative expenses and unallocated working capital, to be funded from the hard-dollar portion of the offering and existing working capital. Flow-through proceeds may only be applied to qualifying Canadian exploration expenditures and are not available for general and administrative purposes.

6. Status of Operations

During the fiscal year, did the Listed Issuer

(a) reduce or impair its principal operating assets; or

No

(b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

No

7. Business Activity

a) Activity for a mining or oil and gas Listed Issuer

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or $50,000 in exploration or development expenditures?

Provide details.

Yes.

The Company did not generate positive cash flow from operating activities or revenue from operations during the most recent fiscal year, as it remains in the exploration stage. However, during the year ended March 31, 2026, the Company incurred $4,535,626 in additions to exploration and evaluation assets (acquisition costs of $410,000 and exploration expenditures of $4,125,626, per Note 6 to the audited financial statements attached as Schedule “A”), primarily on the N2 Gold Project in Quebec, which exceeds the CSE’s $50,000 threshold.

(ii) If the response to (i) above is “no”, for the three most recent fiscal years did the Listed Issuer have an aggregate of $100,000 in exploration or development expenditures?

N/A

b) Activity for industry segments other than mining or oil & gas

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or $100,000 in revenue from operations or $100,000 in development expenditures?

Provide details.

N/A

(ii) If the response to (i) above is “no”, for the three most recent fiscal years, did the Listed Issuer have either $200,000 in operating revenues or $200,000 in expenditures directly related to the development of the business?

Provide details.

N/A

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Form 5A Annual Listing Summary.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5A Annual Listing Summary is true.

Dated July 29, 2026

Deepak Varshney
Name of Director or Senior Officer

"*Deepak Varshney*"
Signature

President, CEO and Director
Official Capacity

Issuer Details Name of Issuer Formation Metals	For Year Ended March 31, 2026	Date of Report YY/MM/DD 2026/07/29
Issuer Address Unit 401, 90 Adelaide Street W, Toronto, Ontario M5H 3V9, Canada		
City/Province/Postal Code Toronto, ON M5H 3V9	Issuer Fax No. 604.251.6320	Issuer Telephone No. 778.899.1780
Contact Name Deepak Varshney	Contact Position President, CEO and Director	Contact Telephone No. 778.899.1780
Contact Email Address info@formationmetalsinc.com	https://www.formationmetalsinc.com	

SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS

FORMATION METALS INC.

FINANCIAL STATEMENTS

Years Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

Horizon
Assurance LLP

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Formation Metals Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Formation Metals Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2026 and 2025, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026 and 2025, and its financial performance and its cash flows for the yearS then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 1 in the financial statements, which describes the events or conditions that indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter of the Material Uncertainty Related to Going Concern described above, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis for the year ended March 31, 2026, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit, including any:

- Significant deficiencies in internal control;
- Identified fraud or suspected fraud; and
- Other matters related to fraud that are, in our judgment, relevant to the responsibilities of those charged with governance.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Julia Zhou.

Horizon Assurance LLP

July 29, 2026
Markham, Ontario

Chartered Professional Accountants
Licensed Public Accountants

FORMATION METALS INC.
Statements of Financial Position
As at
(Expressed in Canadian dollars)

	March 31, 2026	March 31, 2025
ASSETS		
Current		
Cash and cash equivalents (Note 5)	$ 5,337,009	$ 1,305,758
Receivables	705,702	66,129
Prepaid expenses	1,337,824	511,751
	7,380,535	1,883,638
Investments (Note 10)	261,133	-
Exploration advance (Note 6)	869,546	114,985
Exploration and evaluation assets (Note 6)	5,368,585	832,959
	$ 13,879,799	$ 2,831,582
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 284,612	$ 142,480
	284,612	142,480
Shareholders' equity		
Share capital (Note 8)	20,355,083	4,718,552
Reserves (Note 8)	3,908,153	1,364,931
Deficit	(10,668,049)	(3,394,381)
	13,595,187	2,689,102
	$ 13,879,799	$ 2,831,582

Nature of business and continuing operations (Note 1)
Subsequent events (Note 14)

Approved on Behalf of the Board on July 29, 2026:

"Deepak Varshney"
Deepak Varshney, Director

"Navin Varshney"
Navin Kumar Varshney, Director

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

FORMATION METALS INC.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
EXPENSES		
Consulting fees	$ 1,194,445	$ 176,750
Management fees	85,000	37,500
Office and miscellaneous	144,220	43,275
Professional fees (Note 7)	74,096	70,497
Travel and entertainment	23,445	6,923
Regulatory and filing fees	64,221	37,756
Rent and administration charges	65,000	30,000
Share-based payments (Note 8)	2,816,480	2,655,612
Shareholder communication and marketing	3,272,704	96,801
Transfer agent fees	5,283	2,010
	7,744,894	3,157,124
Recovery of flow through share premium liability	(115,805)	-
(Gain) or loss on investments (Note 10)	(111,533)	-
Other income	(200)	(400)
Interest income	(167,997)	(23,397)
Loss and comprehensive loss for the period	$ 7,349,359	$ 3,133,327
Basic and diluted loss per common share (Note 9)	$ 0.10	$ 0.10
Weighted average number of common shares outstanding - basic and diluted (Note 9)	71,640,542	31,193,792

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

FORMATION METALS INC.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Share Capital Shares	Share Capital Amount	Reserves	Deficit	Total Shareholders' Equity
Balance, March 31, 2024	28,480,474	$ 1,478,471	$ -	$ (261,054)	$ 1,217,417
Shares issued for mineral claims (Note 8b)	1,000,000	210,000	-	-	210,000
Stock options exercised (Note 8c)	2,840,000	535,181	(151,781)	-	383,400
Share-based payments (Note 8c)	-	-	2,655,612	-	2,655,612
Restricted share units converted (Note 8c)	6,190,000	1,138,900	(1,138,900)	-	-
Warrants exercised (Note 8d)	6,780,000	1,356,000	-	-	1,356,000
Loss and comprehensive loss for the year	-	-	-	(3,133,327)	(3,133,327)
Balance, March 31, 2025	45,290,474	$ 4,718,552	$ 1,364,931	$ (3,394,381)	$ 2,689,102
Shares issued for private placement (Note 8b)	33,381,984	12,865,366	-	-	12,865,366
Allocated value to attached warrants for private placement		(976,598)	976,598		-
Flow-through premium liability (Note 8b)	-	(115,805)	-	-	(115,805)
Share issue costs (Note 8b)	-	(585,248)	64,151	-	(521,097)
Shares issued for mineral claims (Note 8b)	1,000,000	360,000	-	-	360,000
Stock options exercised (Note 8c)	650,000	197,216	(65,716)	-	131,500
Stock options expired (Note 8c)	-	-	(23,191)	23,191	-
Share-based payments (Note 8c)	-	-	2,816,480	-	2,816,480
Restricted share units converted (Note 8c)	4,360,000	1,172,600	(1,172,600)	-	-
Restricted share units expired (Note 8c)			(52,500)	52,500	-
Warrants exercised (Note 8d)	13,120,000	2,719,000	-	-	2,719,000
Loss and comprehensive loss for the period	-	-	-	(7,349,359)	(7,349,359)
Balance, March 31, 2026	97,802,458	$ 20,355,083	$ 3,908,153	$ (10,668,049)	$ 13,595,187

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

FORMATION METALS INC.
Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	$ (7,349,359)	$ (3,133,327)
Adjustment for item not involving cash:		
Share-based payments	2,816,480	2,655,612
Recovery of flow through share premium liability	(115,805)	-
Unrealized gain on investments	(111,533)	-
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(639,573)	(57,915)
(Increase) decrease in prepaid expenses	(826,073)	(511,751)
Increase in accounts payable and accruals	142,132	107,998
Net cash and cash equivalents used in operating activities	(6,083,731)	(939,383)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(149,600)	
Exploration advance	(754,561)	-
Exploration and evaluation assets	(4,175,626)	(207,675)
Net cash and cash equivalents used in investing activities	(5,079,787)	(207,675)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share issue costs	(521,097)	-
Proceeds from the issuance of share capital	15,715,866	1,739,400
Net cash and cash equivalents provided in financing activities	15,194,769	1,739,400
Increase (decrease) in cash and cash equivalents for the period	4,031,251	592,342
Cash and cash equivalents, beginning of period	1,305,758	713,416
Cash and cash equivalents, end of period	$ 5,337,009	$ 1,305,758
Cash and cash equivalents paid during the period for interest	$ -	$ -
Cash and cash equivalents paid during the period for income taxes	$ -	$ -

Supplemental information:

During the year ended March 31, 2026, the Company issued 1,000,000 common shares valued at $360,000 pursuant to agreement to acquire exploration and evaluation asset (Note 6).

During the year ended March 31, 2025, the Company issued 1,000,000 common shares valued at $210,000 pursuant to agreement to acquire exploration and evaluation asset (Note 6).

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Formation Metals Inc. (the "Company") was incorporated on March 1, 2022 under the laws of British Columbia. The Company's head office address is Unit 401, 90 Adelaide Street W, Toronto, Ontario M5H 3V9, Canada. The registered and records office address is #400 – 1681 Chestnut Street, Vancouver BC, V7Y 1G5, Canada.

The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol FOMO, the OTCQB Venture Market ("OTCQB") under the symbol FOMTF, and in Germany under the symbol VF1. The Company's principal business activities include the acquisition and exploration of mineral property assets. Its portfolio includes Nicobat, a Nickel-Copper-Cobalt property in Ontario ("Nicobat"), and the N2 Gold project in Quebec ("N2").

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company presently has three properties it is exploring: the Nicobat Nickel-Copper-Cobalt property ("Nicobat"), the N2 Gold-Copper-Zinc property ("N2"), and the Rio Titanium property ("Rio").

The Company's exploration and evaluation properties are at the exploration stage. The business of exploring for minerals and mining involves a high degree of risk. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

The Company has a loss of $7,349,359 (2025 - $3,133,327) for the year ended March 31, 2026, which resulted in an accumulated deficit of $10,668,049 (March 31, 2025 - $3,394,381) as at March 31, 2026. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs.

These audited financial statements have been prepared on a going concern basis, which presumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at March 31, 2026, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. While the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favorable terms. An inability to raise additional funds may cast significant doubt on the Company's ability to continue as a going concern.

In addition, there are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include but are not limited to the inflationary pressures, rising interest rates, the global financial climate and the conflicts in Ukraine and the Middle East are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to secure future funding.

These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

3. BASIS OF PRESENTATION

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

In addition, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2). The amendments require the disclosure of 'material' rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 4 in certain instances.

(a) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

(b) Share capital

Common shares are classified as share capital. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects. The proceeds from the issue of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

(c) Basic and diluted loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

(d) Financial instrument measurement and valuation

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

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

The measurement of the Company's financial instruments is disclosed in Note 13 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of profit or loss in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities and equity: Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Amortized cost – This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes financial liability when its contractual obligations are discharged, cancelled or expire.

(e) Impairment of non-financial assets

Non-financial assets, including mineral properties, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to statements of comprehensive loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. These are typically the individual properties or projects.

(f) Share-based payments

Share-based payments to employees are measured at fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to contributed surplus. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(g) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

(h) IFRS 18 Presentation and Disclosure in the Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements, to replace IAS 1, Presentation of Financial Statements. This new standard sets out requirements for the presentation and disclosure of information in financial statements, including:

i) classifying all income and expense into specified categories and provide specified totals and subtotals in the statement of income or loss,

ii) how information is aggregated or disaggregated, and

iii) the disclosure of management-defined performance measures.

Retrospective application of this standard is mandatory for annual periods starting from January 1, 2027 onwards, but earlier application is permitted provided that this fact is disclosed. The Company has not applied this standard in preparing these consolidated financial statements as it plans to adopt the standard at its effective date. As at March 31, 2026, the impact of adopting this standard on the financial statements is currently under assessment.

(i) Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgments

Going concern

The Company's management has assessed the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

Asset carrying values and impairment

The Company performs impairment testing when impairment indicators are present. In the determination of carrying values and impairment charges, management considers the recoverable amount which is the greater of fair value less costs of disposal and value in use in the case of mining assets. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development, and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

(Expressed in Canadian dollars)

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets after an impairment test and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral property. If payments received exceed the capitalized cost of the mineral property, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Segment information

The Company currently operates in a single reportable operating segment involved in the acquisition and exploration of mineral property assets. All of the Company's assets and expenditures are located in Canada.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of $5,337,009 (2025 - $1,305,758) consist of:

	Year ended March 31, 2026	Year ended March 31, 2025
Cash	$ 331,243	$ 31,896
Short-term deposits	5,005,766	1,273,862
	$5,337,009	$1,305,758

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION OF ASSETS

The Company incurred expenditures on the properties as follows:

Acquisition Costs	Nicobat, Ontario	N2, Quebec	Rio, Quebec	Total
Balance, March 31, 2024	$ 528,471	$ -	$ -	$ 528,471
Issuance of common shares	-	210,000	-	210,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2025	$ 528,471	$ 260,000	$ -	$ 788,471
Issuance of common shares	-	360,000	-	360,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2026	$ 528,471	$ 670,000	$ -	$ 1,198,471
Exploration Expenditures:				
Balance, March 31, 2024	$ 1,798	$ -	$ -	$ 1,798
Field Expenses	20,000	22,500	-	42,500
Title claim fees	190	-	-	190
Balance, March 31, 2025	$ 21,988	$ 22,500	$ -	$ 44,488
License costs	796	6,664	-	7,460
Claim management fees	-	1,217	-	1,217
Government assistance	-	(8,719)	-	(8,719)
Exploration expenses	-	4,050,668	-	4,050,668
Consulting fees	-	75,000	-	75,000
Balance, March 31, 2026	$ 22,785	$ 4,147,330	$ -	$ 4,170,115
Balance, March 31, 2025	**$ 550,459**	**$ 282,500**	**$ -**	**$ 832,959**
Balance, March 31, 2026	**$ 551,256**	**$ 4,817,330**	**$ -**	**$ 5,368,585**
Exploration Advances:				
Balance, March 31, 2023 and March 31, 2024	$ -	$ -	$ -	$ -
Exploration advance	114,985	-	-	114,985
Balance, March 31, 2025	$ 114,985	$ -	$ -	$ 114,985
Exploration advance	-	754,561	-	754,561
Balance, March 31, 2025	**$ 665,444**	**$ 282,500**	**$ -**	**$ 947,944**
Balance, March 31, 2026	**$ 114,985**	**$ 754,561**	**$ -**	**$ 869,546**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Nicobat property, Ontario, Canada

Nicobat was acquired through an Arrangement Agreement (the "Arrangement") with Usha Resources Ltd. ("Usha), a company with common directors, to transfer the Nicobat property to the Company whereby USHA shareholders were issued one (1) share of the Company with respect to every five (5) shares of USHA owned on the share distribution record date (the "Share Distribution Record Date"). The Arrangement was completed on April 20, 2023 (Note 6) through the issuance of 9,480,474 common shares valued at $528,471 as consideration. Nicobat is subject to a 2% net smelter returns ("NSR") royalty of which 1.5% can be repurchased for USD$2,000,000 until the end of the five-year period commencing from the date Nicobat is put into commercial production.

N2 property, Quebec, Canada

The Company entered into an option agreement with Wallbridge Mining Company Limited ("Wallbridge"), to acquire a 100% interest in the N2 Property located in Northwestern Quebec. The Company can acquire a 100% interest in the property by paying an aggregate of $550,000 in cash to Wallbridge Mining, issuing an aggregate of 4,000,000 common shares to Wallbridge and completing $5,000,000 of work expenditures on N2 as indicated in the table below:

(Expressed in Canadian dollars)

	Common shares	Cash payment	Work commitment
Signing	1,000,000	$ 50,000	$ -
1st Anniversary	1,000,000	50,000	400,000
2nd Anniversary	1,000,000	50,000	600,000
3rd Anniversary	-	100,000	1,200,000
4th Anniversary	-	100,000	-
5th Anniversary	-	100,000	-
6th Anniversary	1,000,000	100,000	2,800,000
	4,000,000	$ 550,000	$ 5,000,000

On January 23, 2025, the Company issued 1,000,000 common shares and on January 27, 2025 paid $50,000 to Wallbridge pursuant to the option agreement.

On January 14, 2026, the Company paid $50,000 and issued 1,000,000 common shares to Wallbridge pursuant to the first anniversary payment.

Rio property, Quebec, Canada

In June 2025, the Company acquired, through direct staking, a 100% interest in the Rio Titanium Project, comprising 136 mineral claims totaling 7,440 hectares located in the Côte-Nord region of northeastern Quebec, approximately 43 kilometers northeast of Havre-Saint-Pierre and immediately adjacent to Rio Tinto's Lac Tio mine. As the claims were acquired by staking, no consideration was payable to any vendor, and the property is not subject to any option, earn-in or underlying royalty obligations.

7. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year ended March 31, 2026, $67,916 (2025 – $92,871) due to related parties was included in accounts payable and accrued liabilities:

Name of the Key management personnel	Company's Name	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Navin Varshney, Director	Individual	Reimbursement	$ 2,000	$ 2,000
Deepak Varshney, CEO	Individual	Reimbursement	59,416	21,871
Deepak Varshney, CEO	1473632 BC Ltd.	Management and exploration consulting fees	160,000	63,000
Khalid Naeem, CFO	Aterna Advisors Inc.	Accounting fees	46,970	6,000

During the year ended March 31, 2026, $3,515 (2025 – $3,515) due from USHA was included in receivables.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

As at March 31, 2026, the issued share capital was comprised of 97,802,458 common shares.

During the year ended March 31, 2026, the Company issued 52,511,984 common shares as stated below:

i) 4,360,000 restricted share units were converted.

ii) 12,170,000 warrants were exercised at a price of $0.20 per share.

iii) 950,000 warrants were exercised at a price of $0.30 per share.

iv) 150,000 stock options were exercised at a price of $0.21 per share.

v) 500,000 stock options were exercised at a price of $0.20 per share.

vi) 1,000,000 common shares issued pursuant to acquisition of 100% interest in N2 property in Quebec.

vii) 6,178,286 common shares issued pursuant to flow-through private placement at a price of $0.35 per share.

viii) 2,652,519 common shares issued pursuant to flow-through private placement at a price of $0.435 per share.

ix) 2,185,000 common shares issued pursuant to flow-through private placement at a price of $0.50 per share.

x) 4,528,341 common shares issued pursuant to flow-through private placement at a price of $0.41 per share.

xi) 17,312,891 common shares issued pursuant to flow-through private placement at a price of $0.37 per share.

xii) 524,947 common shares issued pursuant to flow-through private placement at a price of $0.37 per share.

During year ended March 31, 2026, the Company completed a private placement of 6,178,286 flow-through shares at $0.35 per share for gross proceeds of $2,162,400. On October 15, 2025, the Company closed the first tranche of its private placement, raising $8,262,389 in gross proceeds through the issuance of 17,312,891 LIFE Units at $0.37 per unit and 4,528,341 flow-through units at $0.41 per unit. On October 31, 2025, the Company closed the second tranche of its private placement, raising an additional $194,230.33 in gross proceeds through the issuance of 524,947 LIFE units. The Company calculates the tax effect of the premium related to the issuance of flow-through shares by reviewing the value of the corresponding common shares and warrants issued. As a result, no premium was recognized as a flow-through premium liability upon issuance.

The Company closed a Charity Flow-Through private placement raising gross proceeds of $1,092,500 through the issuance of 2,185,000 charity flow-through units at $0.50 per unit under the listed issuer financing exemption as per Part 5A of National Instrument 45-106 – Prospectus Exemptions to qualified investors in Canada. Each unit consisted of one flow-through common share (each a “CFT Share”) and one transferable common share purchase warrant (each a “CFT Warrant”), with each CFT Warrant entitling the holder to purchase one additional common share at an exercise price of $0.60 per Warrant Share for a period of two (2) years from the date of closing of the private placement. The Company granted 56,700 finder’s warrants to arm’s length parties, in accordance with applicable securities laws and the policies of the Canadian

(Expressed in Canadian dollars)

Securities Exchange. The Finder's Warrants are non-transferable and exercisable at $0.60 per Share until the Expiry Date. As a result of the issuance, the company recorded a flow-through premium liability of $115,805.

The Company closed a Charity Flow-Through private placement raising gross proceeds of $1,153,845 through the issuance of 2,652,519 charity flow-through units at $0.435 per unit. Each unit consisted of one flow-through common share (each a "4MH FT Share") and one transferable common share purchase warrant (each a "4MH Warrant"), with each 4MH Warrant entitling the holder to purchase one additional common share at an exercise price of $0.60 per Warrant Share for a period of two (2) years from the date of closing of the private placement. As a result of the issuance, no premium was recognized as a flow-through premium liability upon issuance.

As of March 31, 2026, the flow through premium liability outstanding relating to flow-through shares was $nil.

During year ended March 31, 2026 the Company paid cash of $521,096 as finders' fees and granted 489,170 warrants as finders' fees, exercisable at $0.60, 105,633 warrants as finders' fees, exercisable at $0.54, 21,940 warrants as finders' fees, exercisable at $0.62, for a period of two years. All finders' warrants were valued at $64,151 using the Black-Scholes option pricing model, assuming a life expectancy of two years, a risk-free interest rate of 2.42% to 2.82, a forfeiture and dividend rate of nil, and volatility of 68.73% to $81%.

As at March 31, 2025, the issued share capital was comprised of 45,290,474 common shares.

During the year ended March 31, 2025, the Company issued 16,810,000 common shares as stated below:

i) 2,840,000 stock options were exercised at a price of $0.135 per share.

ii) 2,840,000 restricted share units were converted.

iii) 2,050,000 restricted share units were converted.

iv) 1,300,000 restricted share units were converted.

v) 6,780,000 warrants were exercised at a price of $0.20 per share.

vi) 1,000,000 common shares issued pursuant to acquisition of 100% interest in N2 property in Quebec.

(c) Stock options and restricted share units

The Company maintains a Stock Option Plan under which it is authorized to grant stock options to executive officers, directors, employees, and consultants. Under this plan, the number of stock option units that may be issued is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

The exercise price of an option will be set by the board at the time such option is allocated under this plan and cannot be less than the price prescribed by the policies of the Exchange. The options can be granted for a maximum term of ten years and vest at the discretion of the Board of Directors.

The Company also maintains a Restricted Share Unit Plan under which it is authorized to grant restricted share units to executive officers, directors, employees, and consultants. Under the Plan, the number of restricted share units that may be issued is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

During the year ended March 31, 2026, the Company granted 6,000,000 stock options (2025 – 7,290,000) having a total fair value of $686,005 (2025 – $618,612) and a weighted average exercise price of $0.29 (2025 – $0.18) per option. During the year ended March 31, 2026, the Company recognized share-based compensation of $686,005 (2025 – $618,612) relating to options vested during the year.

The fair value of options granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	March 31, 2026	**March 31, 2025**
Risk-free interest rate	2.57%	2.98%

(Expressed in Canadian dollars)

Expected dividend yield	Nil	Nil
Expected stock price volatility	63.56%	88.81%
Expected life	2.37 years	2 years
Expected forfeiture rate	Nil	Nil

During the year ended March 31, 2026, 650,000 of the outstanding stock options were exercised. The corresponding amount of $59,918 was transferred from reserves to share capital.

The following stock options were outstanding and exercisable as at March 31, 2026:

	Number		Weighted Average Exercise Price
Outstanding, March 31, 2024	-	$	-
Granted	7,290,000		0.18
Exercised	(2,840,000)		0.14
Outstanding, March 31, 2025	4,450,000	$	0.21
Granted	6,000,000		0.29
Expired	(200,000)		0.21
Exercised	(650,000)		0.20
Outstanding, March 31, 2026	9,600,000	$	0.26

The following stock options were outstanding and exercisable as at March 31, 2026:

	Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date	Remaining contractual life (years)
Options	2,600,000	2,600,000	$ 0.20	November 8, 2026	0.61
Options	800,000	800,000	$ 0.23	January 3, 2027	0.76
Options	200,000	200,000	$ 0.21	February 5, 2027	0.85
Options	1,700,000	1,700,000	$ 0.345	September 18, 2028	2.47
Options	3,000,000	3,000,000	$ 0.25	November 25, 2027	1.65
Options	500,000	500,000	$ 0.26	December 11, 2027	1.70
Options	300,000	300,000	$ 0.38	February 5, 2028	1.85
Options	500,000	500,000	$ 0.35	March 20, 2029	2.97

During the year ended March 31, 2026, the Company granted 6,650,000 restricted share units (RSUs) (March 31, 2025 – nil) having a total fair market value of $2,304,500 (March 31, 2025 - $nil) and recognized a share-based compensation of $2,119,167 (March 31, 2025 – $nil) relating to RSUs vested during the year.

During the year ended March 31, 2026, 4,360,000 of the outstanding RSUs were exercised. The corresponding amount of $1,148,850 was transferred from reserves to share capital.

A summary of changes in outstanding restricted share units is as follows:

	Number

Outstanding, March 31, 2024	-
Granted	10,000,000
Converted to equity	(6,190,000)
Outstanding, March 31, 2025	3,810,000
Granted	6,650,000
Expired	(250,000)
Converted to equity	(4,360,000)
Outstanding, March 31, 2026	5,850,000

The following restricted share units were outstanding as at March 31, 2026:

	Number of RSUs outstanding	Number of RSUs exercisable	Expiry Date	Remaining contractual life (years)
RSUs	250,000	250,000	September 1, 2028	2.42
RSUs	3,000,000	3,000,000	December 31, 2028	2.67
RSUs	700,000	700,000	February 05, 2029	2.85
RSUs	1,000,000	1,000,000	March 06, 2029	2.93
RSUs	600,000	400,000	March 20, 2029	2.97
RSUs	300,000	-	March 31, 2029	3.00

(d) Warrants

As at March 31, 2026, the Company had 39,093,737 warrants outstanding.

A summary of changes in outstanding warrants is as follows:

	Warrants outstanding	Weighted Average Exercise Price
Outstanding and exercisable at March 31, 2024	19,000,000	$ 0.20
Warrants issued	6,045,000	0.30
Warrants exercised	(6,780,000)	0.20
Outstanding and exercisable at March 31, 2025	18,265,000	0.23
Warrants issued	33,998,737	0.57
Warrants expired	(50,000)	0.20
Warrants exercised	(13,120,000)	0.21
Outstanding and exercisable at March 31, 2026	39,093,737	$ 0.54

The following warrants were outstanding at March 31, 2026:

	Number of warrants	Exercise Price	Expiry Date
Warrants:			
Common share purchase warrants	5,095,000	$ 0.30	January 31, 2027
Common share purchase warrants	4,701,286	$ 0.60	June 13, 2027
Agents' warrants	329,090	$ 0.60	June 13, 2027
Common share purchase warrants	5,343,138	$ 0.60	July 18, 2027
Agents' warrants	157,080	$ 0.60	July 18, 2027
Common share purchase warrants	928,381	$ 0.60	August 6, 2027

(Expressed in Canadian dollars)

Common share purchase warrants	43,000	$ 0.60	August 15, 2027
Agents' warrants	3,010	$ 0.60	August 15, 2027
Agents' warrants	105,633	$ 0.54	October 15, 2028
Common share purchase warrants	17,312,891	$ 0.54	October 15, 2028
Common share purchase warrants	4,528,341	$ 0.62	October 15, 2027
Agents' warrants	21,940	$ 0.62	October 15, 2027
Common share purchase warrants	524,947	$ 0.54	October 24, 2028

9. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended March 31, 2026, was based on the loss attributable to common shareholders of $7,349,359 (2025 – $3,133,327) and the weighted average number of common shares outstanding of 71,640,542 (2025 – 31,193,792).

10. INVESTMENTS

During the year ended March 31, 2026, the Company invested $100,000 with Leede financials to take part in two private placements. The fair value of the investments as at March 31, 2026 is $190,733.

On February 27, 2026, the Company invested in a private placement by Bolt Metals Corp. and received 160,000 common shares valued at 0.31 for a total consideration paid of $49,600. The fair value of these shares as at March 31, 2026 is $0.44 and fair value of the investment is $70,400.

		Investment in Bolt Metal Corp.		Investment in Leede Financials Inc.
Fair value as at March 31, 2025	$	-	$	-
Additions		49,600		100,000
Fair value adjustment		20,800		90,733
Fair value as at March 31, 2026	**$**	**70,400**	**$**	**190,733**

11. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

		2026		2025
Net loss before income taxes	$	(7,349,359)	$	(3,133,327)
Canadian income tax rate		27%		27%
Expected income tax (recovery) expense		(1,984,000)		(846,000)
Permanent difference		760,000		717,000
Changes in tax benefits not recognized		1,224,000		129,000
Income tax expense	**$**	-	**$**	-

Significant components of the Company's deferred income tax assets (liabilities) not recognized are shown below:

		2026		2025
Non-capital loss carried forward	$	5,272,000	$	739,000

The Company has approximately $5,272,000 (2025 - $739,000) of non-capital losses available, which expire between 2043 and 2046 and may be applied against future taxable income for income tax purposes.

12. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes in the Company's approach to capital management during the year ended March 31, 2026.

13. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk and are disclosed as follows:

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at March 31, 2026, the Company is not exposed to currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity Risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal year. The Company intends to settle these with funds from its positive working capital position. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. The risk to the going concern assumption is outlined in Note 1.

Fair Value Measurements

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

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

The Company's financial instruments consist of cash, due to USHA balance included in receivables and accounts payable and accrued liabilities which are classified at amortized cost. The fair value approximates the carrying value because of the short-term nature of the instruments.

14. COMMITMENT

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of March 31, 2026, the Company is committed to incurring approximately $2.2 million in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2026 arising from the flow-through offerings

15. SUBSEQUENT EVENTS

On April 20, 2026, the Company appointed Michael Dehn to its Board of Directors.

On April 29, 2026, the Company announced a proposed non-brokered private placement for aggregate gross proceeds of up to $15,000,000, which was announced as fully allocated on April 30, 2026 and subsequently upsized. The offering closed in two tranches: on May 19, 2026, the Company issued 31,141,021 units (16,412,113 hard-dollar units at $0.37, 13,024,363 flow-through units at $0.44 and 1,704,545 Quebec flow-through units at $0.44) for gross proceeds of approximately $12,553,201; and on May 21, 2026, the Company issued 18,680,270 units (2,040,540 hard-dollar units at $0.37, 3,610,000 flow-through units at $0.44, 4,640,468 charity flow-through units at $0.548 and 8,389,262 Quebec charity flow-through units at $0.596) for gross proceeds of approximately $9,886,376 — in aggregate, approximately $22,439,577 through 49,821,291 units. Each unit comprises one common share (issued as a flow-through share where applicable) and one non-flow-through common share purchase warrant exercisable at $0.596 for 36 months from the applicable closing date. In connection with the offering, the Company paid cash finders' fees of $816,768 and issued 1,490,695 finder warrants on the same terms. The Company committed to renounce qualifying Canadian exploration expenditures to subscribers of the flow-through securities with an effective date of no later than December 31, 2026, in an amount not less than the aggregate gross proceeds of the flow-through securities, and to incur such expenditures on or before December 31, 2027.

On May 28, 2026, the Company announced that it had elected to rely on Coordinated Blanket Order 51-933, Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers, and move to semi-annual financial reporting (SAR).

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

FORMATION METALS INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026

The effective date of this report is July 29, 2026

Management Discussion & Analysis:

Management's discussion and analysis ("MD&A") provides a detailed analysis of the results and financial condition of Formation Metals Inc. (the "Company" or "Formation") for the year ended March 31, 2026. The following management discussion and analysis, prepared as of July 29, 2026, should be read together with the financial statements for the year ended March 31, 2026, prepared in accordance with International Financial Reporting Standards ("IFRS"). The MD&A supplements, but does not form part of the financial statements. Management is responsible for the preparation of the financial statements and the MD&A for the year ended March 31, 2026. News releases and previous filings may be found on SEDAR+ at www.sedarplus.ca.

Forward Looking Statements:

This Management Discussion and Analysis contains certain forward-looking statements and information relating to Formation that is based on the beliefs of the Company, or management, as well as assumptions made by and information currently available to the Company or management. When used in this document, the words "anticipate", "believe", "estimate", "expect", 'implied", "intend" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the current view of the Company regarding future events and are subject to certain risks, uncertainties and assumptions, including the risks and uncertainties noted with the inflationary pressures, rising interest rates, the global financial climate and the conflicts in Ukraine and the Middle East affecting current economic conditions and increasing economic uncertainty. Should one or more of these risks materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, implied, expected or intended. In each instance, forward-looking information should be considered in the light of the accompanying meaningful cautionary statements herein. Formation cautions that forward-looking statements involve risk and uncertainty.

Description of Business:

The Company was incorporated on March 1, 2022 under the laws of British Columbia. For the year ended March 31, 2026. The Company's head office address is Unit 401, 90 Adelaide Street W, Toronto, Ontario M5H 3V9, Canada. The registered and records office address is 400 – 1681 Chestnut Street, Vancouver BC, V7Y 1G5, Canada.

The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol FOMO, the OTCQB Venture Market ("OTCQB") under the symbol FOMTF, and in Germany under the symbol VF1. The Company's principal business activities include the acquisition and exploration of mineral property assets. Its portfolio comprises the Nicobat Nickel-Copper-Cobalt project ("Nicobat"), the N2 Gold-Copper-Zinc project ("N2"), and the Rio Titanium project ("Rio").

Overall Performance

The Company does not generate revenues from operations. The Company's net loss for the year ended March 31, 2026, was $7,349,359.

Working capital as at March 31, 2026, was $7,095,923 (March 31, 2025: $1,741,158), and comprised cash and cash equivalents of $5,337,009 (March 31, 2025: $1,305,758), receivables of

$705,702 (March 31, 2025: $66,129), prepaid expenses of $1,337,824 (March 31, 2025: $511,751) and accounts payable and accrued liabilities of $284,612 (March 31, 2025: $142,480).

During the year ended March 31, 2026, the Company issued 52,511,984 common shares as stated below:

i) 4,360,000 restricted share units were converted.

ii) 12,170,000 warrants were exercised at a price of $0.20 per share.

iii) 950,000 warrants were exercised at a price of $0.30 per share.

iv) 150,000 stock options were exercised at a price of $0.21 per share.

v) 500,000 stock options were exercised at a price of $0.20 per share.

vi) 1,000,000 common shares issued pursuant to acquisition of 100% interest in N2 property in Quebec.

vii) 6,178,286 common shares issued pursuant to flow-through private placement at a price of $0.35 per share.

viii) 2,652,519 common shares issued pursuant to flow-through private placement at a price of $0.435 per share.

ix) 2,185,000 common shares issued pursuant to flow-through private placement at a price of $0.50 per share.

x) 4,528,341 common shares issued pursuant to flow-through private placement at a price of $0.41 per share.

xi) 17,312,891 common shares issued pursuant to non-flow-through private placement at a price of $0.37 per share.

xii) 524,947 common shares issued pursuant to non-flow-through private placement at a price of $0.37 per share.

Following the issuance of the shares, there were 97,802,458 issued and outstanding common shares in the capital of the Company.

As at March 31, 2026, there were 984,393 (2025 – 1,476,648) shares in escrow.

Summary of Exploration and Corporate Activities

Corporate Activities

During the year ended March 31, 2026, the Company completed private placements for aggregate gross proceeds of $12,865,366 through the issuance of 33,381,984 common shares and units. This included an offering completed in two tranches on October 15, 2025, and October 31, 2025, for aggregate gross proceeds of $8,456,620, comprised of 17,837,838 units issued at $0.37 per unit ($6,600,000) and 4,528,341 flow-through units issued at $0.41 per unit ($1,856,620). During the year, the Company also received $2,719,000 from the exercise of 13,120,000 warrants and $131,500 from the exercise of 650,000 stock options.

During the year, the Company completed its listing on the OTCQB Venture Market under the symbol "FOMTF" and began trading on the Frankfurt Stock Exchange under the symbol "VF1", complementing its existing listing on the Canadian Securities Exchange.

In May 2025, the Company appointed Adrian Smith to its newly established advisory board. On February 19, 2026, the Company appointed Roger Rosmus as its second member.

In June 2025, the Company acquired, through direct staking, a 100% interest in the Rio Titanium Project. As the claims were acquired by staking, no consideration was payable to any vendor and the property is not subject to any option, earn-in or underlying royalty obligations.

Exploration Activities

At the N2 Gold Project, the Company received its final drill permits and mobilized to site in September 2025, commencing its maiden Phase 1 drill program on September 25, 2025. The planned multi-phase program of 20,000 metres was expanded to 30,000 metres on October 31, 2025, with a second drill rig mobilized in January 2026.

Assay results released during the year included 1.75 g/t Au over 30.4 metres (including 3.51 g/t Au over 10.5 metres) and 0.95 g/t Au over 61.1 metres (including 1.68 g/t Au over 26.5 metres).

On January 22, 2026, the Company announced its intention to commence a maiden NI 43-101 mineral resource estimate at N2 following completion of the ongoing Phase 1 program.

Exploration and evaluation costs incurred during the year ended March 31, 2026, were as follows:

Acquisition Costs	**Nicobat, Ontario**	**N2, Quebec**	**Rio, Quebec**	**Total**
Balance, March 31, 2024	$ 528,471	$ -	$ -	$ 528,471
Issuance of common shares	-	210,000	-	210,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2025	$ 528,471	$ 260,000	$ -	$ 788,471
Issuance of common shares	-	360,000	-	360,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2026	$ 528,471	$ 670,000	$ -	$ 1,198,471
Exploration Expenditures:				
Balance, March 31, 2024	$ 1,798	$ -	$ -	$ 1,798
Field Expenses	20,000	22,500	-	42,500
Title claim fees	190	-	-	190
Balance, March 31, 2025	$ 21,988	$ 22,500	$ -	$ 44,488
License costs	796	6,664	-	7,460
Claim management fees	-	1,217	-	1,217
Government assistance	-	(8,719)	-	(8,719)
Exploration expenses	-	4,050,668	-	4,050,668
Consulting fees	-	75,000	-	75,000
Balance, March 31, 2026	$ 22,785	$ 4,147,330	$ -	$ 4,170,115
Balance, March 31, 2025	**$ 550,459**	**$ 282,500**	**$ -**	**$ 832,959**
Balance, March 31, 2026	**$ 551,256**	**$ 4,817,330**	**$ -**	**$ 5,368,586**
Exploration Advances:				
Balance, March 31, 2023 and March 31, 2024	$ -	$ -	$ -	$ -
Exploration advance	114,985	-	-	114,985
Balance, March 31, 2025	$ 114,985	$ -	$ -	$ 114,985
Exploration advance	-	754,561	-	754,561
Balance, March 31, 2025	**$ 665,444**	**$ 282,500**	**$ -**	**$ 947,944**
Balance, March 31, 2026	**$ 114,985**	**$ 754,561**	**$ -**	**$ 869,546**

Nicobat Nickel Project

The Company's first acquisition is an 85% interest in the Nicobat Nickel-Copper-Cobalt Project and was acquired through an arrangement agreement between Usha Resources Ltd. ("USHA") and the Company whereby USHA shareholders were issued one (1) share of the Company with respect to every five (5) shares of USHA owned on April 12, 2023.

Pursuant to the arrangement agreement and on the payable date of April 20, 2023, USHA completed the transfer of the Property and distributed 9,480,474 common shares of the Company to the USHA shareholders on a pro rata basis. A 2% net smelter royalty (NSR) is held by Emerald Lake Development Corporation and Formation has the right to at any time acquire up to 1.5% of the NSR royalty, free and clear of any liens, charges or encumbrances whatsoever, upon payment of $CDN 2,000,000.

N2 Gold Project

The Company's second acquisition is an option to acquire a 100% interest in the N2 property by paying an aggregate of $550,000 in cash and issuing an aggregate of 4,000,000 common shares to Wallbridge Mining Company Limited ("Wallbridge") and completing $5,000,000 of work expenditures on the N2 property as indicated in the table below:

	Common shares	Cash payment	Work commitment
Signing	1,000,000	$ 50,000	$ -
1st Anniversary	1,000,000	50,000	400,000
2nd Anniversary	1,000,000	50,000	600,000
3rd Anniversary	-	100,000	1,200,000
4th Anniversary	-	100,000	-
5th Anniversary	-	100,000	-
6th Anniversary	1,000,000	100,000	2,800,000
	4,000,000	$ 550,000	$ 5,000,000

On January 23, 2025, the Company issued 1,000,000 common shares and on January 27, 2025 paid $50,000 to Wallbridge pursuant to the option agreement.

On January 14, 2026, the Company paid $50,000 and issued 1,000,000 common shares to Wallbridge pursuant to the first anniversary payment.

Rio Titanium Project

In June 2025, the Company acquired, through direct staking, a 100% interest in the Rio Titanium Project, comprising 136 mineral claims totaling 7,440.8 hectares located in the Côte-Nord region of northeastern Quebec, approximately 43 kilometres northeast of Havre-Saint-Pierre and immediately adjacent to Rio Tinto's Lac Tio mine. The property lies within the southern portion of the Havre-Saint-Pierre Anorthosite Complex and is prospective for ilmenite (titanium) mineralization. As the claims were acquired by staking, no consideration was payable to any vendor and the property is not subject to any option, earn-in or underlying royalty obligations.

Outlook and Planned Activities

The Company's principal focus for fiscal 2027 is the continued advancement of the N2 project. Planned activities include: completion of the Phase 1 drill program and continuation of the expanded drill program which, subsequent to year-end, was increased to a fully funded 75,000 metres following the completion of the Company's subsequent financing (see "Subsequent Events"); completion of a maiden NI 43-101 mineral resource estimate at N2, targeted for the third quarter of calendar 2026; continued evaluation of the base metal (Cu-Zn) potential identified at

N2; and the assessment of initial work programs for the Rio Titanium and Nicobat projects. The Company intends to fund its planned activities from its existing working capital and the net proceeds of the subsequent financing. The nature, extent and timing of planned activities are subject to, among other things, exploration results, the availability of contractors, permitting and prevailing market conditions, and constitute forward-looking information; see “Forward Looking Statements”.

Critical accounting policies and estimates

The preparation of the annual financial statements in accordance with International Financial Reporting Standards requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from these estimates. A detailed description of these matters, as well as the significant accounting policies adopted by the Company, are disclosed in the notes to the audited financial statements for the year ended March 31, 2026.

Financial Instruments

IFRS 9 establishes three primary measurement categories for financial assets: fair value through profit and loss (“FVTPL”), fair value through other comprehensive income (“FVOCI”) and amortized cost. The basis for classification depends on the entity’s business model and the contractual cash flow characteristics of the instrument.

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss (“FVTPL”), or fair value through other comprehensive income (loss) (“FVOCI”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial liability is classified and measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flow; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the

Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Asset or Liability	IFRS 9 Classification
Cash	Amortized cost
Receivables	Amortized cost
Prepaid expenses	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

A fuller description of financial instruments is provided in Note 4 to the audited financial statements for the year March 31, 2026.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee.

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2). The amendments require the disclosure of ‘material’ rather than ‘significant’, accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in certain instances.

Selected Annual Information

The following table sets out certain audited consolidated financial information for the Company for each of the last three fiscal years.

Fiscal year ended March 31	**2026**	**2025**	**2024**
Loss and comprehensive loss	$ 7,349,359	$ 3,133,327	$ 141,946
Exploration & evaluation assets	6,238,131	947,944	530,269
Total assets	13,879,799	2,831,582	1,251,899
Deficit	10,668,049	3,394,381	261,054

Summary of Quarterly Results & Results of Operations

The table below provides, for each of the last eight quarterly periods, a summary of corporate losses and is derived from unaudited quarterly financial statements prepared by management. The Company’s condensed interim financial statements were prepared in accordance with IFRS applicable to interim financial statements and are expressed in Canadian dollars.

	Loss per quarter	Loss per share	Property costs
April 1, 2024 – June 30, 2024	$ 15,105	$ -	$ -
July 1, 2024 – September 30, 2024	14,092	-	21
October 1, 2024 – December 31, 2024	1,081,981	0.04	-
January 1, 2025 – March 31, 2025	2,022,149	0.05	42,669
April 1, 2025 – June 30, 2025	976,981	0.02	22,514
July 1, 2025 – September 30, 2025	913,719	0.02	23,717
October 1, 2025 – December 31, 2025	2,277,266	0.04	1,386,689
January 1, 2026 – March 31, 2026	3,181,393	0.03	2,692,706

The variations in the Company's quarterly results reflect the staging of its corporate development. Through the first half of fiscal 2025, the Company had minimal activity and nominal losses. Losses increased significantly beginning in the third quarter of fiscal 2025, primarily reflecting share-based compensation and the increase in corporate activity associated with the acquisition of the N2 project and related financing and marketing initiatives. Quarterly losses remained elevated throughout fiscal 2026 and generally increased over the course of the year, driven primarily by shareholder communications and marketing expenses, consulting fees and share-based payments as the Company completed its OTCQB and Frankfurt listings, closed its financings and ramped up its drill programs at N2. Property costs rose sharply in the third and fourth quarters of fiscal 2026 ($1,386,689 and $2,692,706, respectively) as the Phase 1 drill program accelerated; these expenditures are capitalized to exploration and evaluation assets and are therefore not reflected in the quarterly losses. Quarterly loss per share has remained in the range of $nil to $0.05, as increases in quarterly losses were partially offset by growth in the weighted average number of shares outstanding.

Discussion of Operations for the year ended March 31, 2026

The Company had a net loss and comprehensive loss of $6,931,496 for the year ended March 31, 2026, (2025 – $3,133,327). The Company's significant operating expenses include the following:

- Consulting and management fees of $1,279,445 (2025 – $214,250)
- Shareholder communications' expenses of $3,272,704 (2025 – $96,801)
- Share-based payments of $2,816,480 (2025 – $2,655,612)
- Rent and administration of $65,000 (2025 – $30,000)
- Professional fees of $74,096 (2025 – $70,497)
- Regulatory and filing fees of $64,221 (2025 – $37,756)
- Office and miscellaneous of $144,220 (2025 – $43,275)

The overall expenses during the period were higher than the comparative period. The increase is mostly attributable to higher shareholder communications' and marketing expenses, consulting and management fees, share-based compensation expense, rent and administration, and professional fees.

Consulting and management fees of $1,279,445 (2025 – $214,250) relate to fees paid to consultants for the Company's business advisory, management, and corporate compliance services. These general consulting expenses cannot be directly attributed to any particular project and relate to the Company's activity; therefore, they have been expensed as general consulting. Consulting and management fees were higher than in the comparative period due to increase in corporate activity during the year, including completion of the Company's listing on the CSE, the OTCQB, and various German stock exchanges, and the acquisition and development of the N2 property.

Shareholder communications' expense of $3,272,704 (2025 – $96,801) consists of payments to arm's-length service providers for investor relations, digital marketing, advertising and investor-awareness programs in respect of the Company and its projects. The increase over the comparative period reflects the Company's significantly expanded corporate profile during the year, including its listings on the OTCQB and the Frankfurt Stock Exchange, marketing and investor-awareness engagements, and sustained news flow from the financings and the maiden drill program at the N2 Gold Project, which materially broadened the Company's investor outreach in North America and Europe.

Share-based payments of $2,816,480 (2025 – $2,655,612) relates to the vested fair value of the restricted share units and stock options issued to officers, directors and consultants of the Company pursuant to the Company's Share Option Plan.

Rent and administration expense of $65,000 (2025 – $30,000) relate to rent and office expenses. The increase from the prior year reflects the increase in activity at the Company during the year.

Professional fees of $74,096 (2025 – $70,497) consist of the legal, financial reporting, and audit expenses.

Regulatory and filing fees of $64,221 (2025 – $37,756) relates to the listing and filing fees during the year. The increase pertains to the application and related fees for listing the Company on the CSE, the OTCQB and various German stock exchanges.

Office and miscellaneous expenses of $144,220 (2025 – $43,275) consist primarily of office and administrative costs, together with insurance, bank charges, and foreign exchange. The increase from the comparative period reflects the overall increase in the Company's corporate activity, including its expanded listings, financings and marketing programs.

These expenses were partially offset by a recovery of flow-through share premium liability of $533,668 (2025 – $nil), recognized as the Company incurred qualifying exploration expenditures in respect of its flow-through share obligations, interest income of $167,997 (2025 – $23,397) earned on the Company's treasury balances, and an unrealized gain on investments of $111,533 (2025 – $nil).

During the year ended March 31, 2026, the Company granted 6,000,000 stock options (2025 – 7,290,000) having a total fair value of $686,005 (2025 – $618,612) and a weighted average exercise price of $0.29 (2025 – $0.18) per option. During the year ended March 31, 2026, the Company recognized share-based compensation of $686,005 (2025 – $618,612) relating to options vested during the year.

The fair value of options granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	March 31, 2026	**March 31, 2025**
Risk-free interest rate	2.57%	2.98%
Expected dividend yield	Nil	Nil

Expected stock price volatility	63.56%	88.81%
Expected life	2.37 years	2 years
Expected forfeiture rate	Nil	Nil

During the year ended March 31, 2026, the Company granted 6,650,000 restricted share units (RSUs) (March 31, 2025 – nil) having a total fair market value of $2,304,500 (March 31, 2025 - $nil) and recognized a share-based compensation of $2,119,167 (March 31, 2025 – $nil) relating to RSUs vested during the year.

During the year ended March 31, 2026, 4,360,000 of the outstanding RSUs were exercised. The corresponding amount of $1,172,600 was transferred from reserves to share capital.

During the year ended March 31, 2025, 6,190,000 of the outstanding RSUs were exercised. The corresponding amount of $1,138,900 was transferred from reserves to share capital.

Discussion of Operations for the three months ended March 31, 2026

Loss and comprehensive loss for the three months ended March 31, 2026, was $2,763,530 (2025: 2,022,149) of which $22,410 (2025: $27,852) was spent on audit, accounting, and legal fees. Regulatory and filing fees of $27,851 (2025: $11,101) were incurred for the three months ended March 31, 2026.

The increase in the loss from the comparative quarter primarily reflects the significant expansion of the Company's shareholder communications and marketing programs and higher consulting activity following the Company's listings and financings, together with share-based payments in respect of grants to officers, directors and consultants, partially offset by higher interest income earned on treasury balances and the flow-through premium recovery.

Liquidity, Capital Resources and Capital Expenditures

As at March 31, 2026, the Company's working capital, defined as current assets less current liabilities, was $7,095,923 (2025: $1,741,158).

Other sources of funds potentially available to the Company are through:

- Exercise of the non-flow through warrants to purchase up to 5,095,000 common shares at a price of $0.30 per share expiring on January 31, 2027.
- Exercise of the non-flow through warrants to purchase up to 4,701,286 common shares at a price of $0.60 per share expiring on June 13, 2027.
- Exercise of the non-flow through warrants to purchase up to 5,343,138 common shares at a price of $0.60 per share expiring on July 18, 2027.
- Exercise of the non-flow through warrants to purchase up to 928,381 common shares at a price of $0.60 per share expiring on August 6, 2027.
- Exercise of the non-flow through warrants to purchase up to 43,000 common shares at a price of $0.60 per share expiring on August 15, 2027.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional capital. The factors considered by management are disclosed in Note 1 of the financial statements. The successful completion of such financing is not guaranteed, and depends on a number of factors, including the general sentiment in the capital markets, the strength of commodities prices and the strength of the local and global economies.

Use of Proceeds from Previous Financings

The following table compares the intended use of proceeds with the Company's actual use of proceeds to March 31, 2026, together with an explanation of variances, if any:

Financing	Intended use of proceeds	Intended amount	Actual use to March 31, 2026
Flow-through private placements – spring 2025 6,178,286 FT shares at $0.35 ($2,162,400); 2,652,519 FT shares at $0.435 ($1,153,846); 2,185,000 charity FT units at $0.50 ($1,092,500); aggregate gross $4,408,746	Qualifying Canadian exploration expenditures ("CEE"), renounced to subscribers	$4,408,746	No variance.
LIFE offering – October 15 and 31, 2025 17,837,838 LIFE units at $0.37; gross $6,600,000	General corporate and administrative expenses Investor relations Unallocated working capital Selling commissions and fees Offering costs Exploration in activities in Canada	$6,600,000	No variance.
Flow-through units – October 15, 2025 4,528,341 FT units at $0.41; gross $1,856,620	Qualifying CEE, renounced to subscribers	$1,856,620	No variance.

Contractual Obligations

The Company has no contractual obligations.

Off-balance sheet arrangements

The Company has no off-balance sheet arrangements.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2026, the Company's cash and receivables exceeded its current liabilities. In order to meet future obligations as they become due, the Company may need to access funding from the issuance of equity securities, the exercise of stock options or through other sources. The Company's access to financing is uncertain and there is no assurance of continued access to equity funding.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

a) *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

b) *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2026, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

c) *Price risk*

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

The Company's business and operations could be adversely affected by general workforces, economies and financial markets globally. Examples include but are not limited to the inflationary pressures, rising interest rates, the global financial climate and the conflicts in Ukraine and the Middle East are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to raise funds at this time. While the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favorable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

Investments

During the year ended March 31, 2026, the Company invested $100,000 with Leede Financial to take part in two private placements. The fair value of the investments as at March 31, 2026 is $190,733.

On February 27, 2026, the Company invested in a private placement by Bolt Metals Corp. and received 160,000 common shares valued at 0.31 for a total consideration paid of $49,600. The fair value of these shares as at March 31, 2026 is $0.44 and fair value of the investment is $70,400.

	Investment in Bolt Metal Corp.	Investment in Leede Financials Inc.
Fair value as at March 31, 2025	$ -	$ -
Additions	49,600	100,000
Fair value adjustment	20,800	90,733
Fair value as at March 31, 2026	**$ 70,400**	**$ 190,733**

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the year ended March 31, 2026, $67,916, (2025 – $92,871) due to related parties was included in accounts payable and accrued liabilities:

Name of the Key management personnel	Company's Name	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Navin Varshney, Director	Individual	Reimbursement	$ 2,000	$ 2,000
Deepak Varshney, CEO	Individual	Reimbursement	59,416	21,871
Deepak Varshney, CEO	1473632 BC Ltd.	Management and exploration consulting fees	160,000	63,000
Khalid Naeem, CFO	Aterna Advisors Inc.	Accounting fees	46,970	6,000

During the year ended March 31, 2026, $3,515 (2025 – $3,515) due from USHA was included in receivables.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

Outstanding Share Data

Authorized Capital

Unlimited common shares with no par value and unlimited preferred shares with no par value.

Issued and Outstanding Capital

97,802,458 common shares were issued and outstanding at March 31, 2026, and 45,290,474 as at March 31, 2025.

As at the date of this MD&A, 147,623,749 common shares were issued and outstanding, reflecting the 49,821,291 units issued under the private placement completed in May 2026 (see "Subsequent Events").

Stock Options, Restricted Share Units, and Warrants Outstanding

	Number	Exercise Price	Expiry Date
Non-flow through warrants	5,095,000	0.30	January 31, 2027
Non-flow through warrants	4,701,286	0.60	June 13, 2027
Agents' warrants	329,090	0.60	June 13, 2027
Non-flow through warrants	5,343,138	0.60	July 18, 2027
Agents' warrants	157,080	0.60	July 18, 2027
Non-flow through warrants	928,381	0.60	August 6, 2027
Non-flow through warrants	43,000	0.60	August 15, 2027
Agents' warrants	3,010	0.60	August 15, 2027
Agents' warrants	105,633	0.54	October 15, 2028
Flow through warrants	17,312,891	0.54	October 15, 2028
Flow through warrants	4,528,341	0.62	October 15, 2027
Agents' warrants	21,940	0.62	October 15, 2027
Flow through warrants	524,947	0.54	October 24, 2028
Stock options	2,600,000	0.20	November 8, 2026
Stock options	800,000	0.23	January 3, 2027
Stock options	200,000	0.21	February 5, 2027
Stock options	1,700,000	0.345	September 18, 2028
Stock options	3,000,000	0.25	November 25, 2027
Stock options	500,000	0.26	December 11, 2027
Stock options	300,000	0.38	February 5, 2028
Stock options	500,000	0.35	March 20, 2029
Restricted Share Units	250,000	-	September 1, 2028
Restricted Share Units	3,000,000	-	December 31, 2028
Restricted Share Units	700,000	-	February 05, 2029
Restricted Share Units	1,000,000	-	March 06, 2029
Restricted Share Units	600,000	-	March 20, 2029
Restricted Share Units	300,000	-	March 31, 2029

Subsequent Events

On April 20, 2026, the Company appointed Michael Dehn to its Board of Directors.

On April 29, 2026, the Company announced a proposed non-brokered private placement for aggregate gross proceeds of up to $15,000,000, which was announced as fully allocated on April 30, 2026 and subsequently upsized. The offering closed in two tranches: on May 19, 2026, the Company issued 31,141,021 units (16,412,113 hard-dollar units at $0.37, 13,024,363 flow-through units at $0.44 and 1,704,545 Quebec flow-through units at $0.44) for gross proceeds of approximately $12,553,201; and on May 21, 2026, the Company issued 18,680,270 units

(2,040,540 hard-dollar units at \$0.37, 3,610,000 flow-through units at \$0.44, 4,640,468 charity flow-through units at \$0.548 and 8,389,262 Quebec charity flow-through units at \$0.596) for gross proceeds of approximately \$9,886,376 — in aggregate, approximately \$22,439,577 through 49,821,291 units. Each unit comprises one common share (issued as a flow-through share where applicable) and one non-flow-through common share purchase warrant exercisable at \$0.596 for 36 months from the applicable closing date. In connection with the offering, the Company paid cash finders' fees of \$816,768 and issued 1,490,695 finder warrants on the same terms. The Company committed to renounce qualifying Canadian exploration expenditures to subscribers of the flow-through securities with an effective date of no later than December 31, 2026, in an amount not less than the aggregate gross proceeds of the flow-through securities, and to incur such expenditures on or before December 31, 2027.

On May 28, 2026, the Company announced that it had elected to rely on Coordinated Blanket Order 51-933, Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers, and move to semi-annual financial reporting (SAR).