



McFarlane Lake Announces Completion of Strategic Investment in iMetal Resources, Inc.

TORONTO, Aug. 17, 2026 -- McFarlane Lake Mining Limited ("**McFarlane**" or the "**Company**") (CSE: MLM, OTC: MLMLF, FRA: W2Z) is pleased to announce that, further to its press release on August 5, 2026, the Company has completed its strategic investment (the "**Strategic Investment**") in iMetal Resources, Inc. (TSXV: IMR, OTCQB: IMRFF, FRANKFURT: A7VA) ("**iMetal**"), a Canadian-based junior exploration company focused on the exploration and development of its portfolio of resource properties in Ontario and Quebec. Pursuant to the Strategic Investment, the Company acquired 14,200,852 units of iMetal ("**Units**") at a price of \$0.10 per Unit for an aggregate subscription price of \$1,420,085. The Company beneficially owns approximately 19.9% of iMetal's issued and outstanding common shares ("**iMetal Shares**"). The Strategic Investment was completed pursuant to iMetal's previously announced non-brokered private placement consisting of up to 30,000,000 Units at a price of \$0.10 per Unit for aggregate gross proceeds of up to \$3,000,000.

Under the terms of the Strategic Investment, each Unit consists of one iMetal Share and one common share purchase warrant of iMetal (each, an "**iMetal Warrant**"). Each iMetal Warrant entitles the Company to buy one iMetal Share at an exercise price of \$0.175 per iMetal Share for a period of three (3) years from the date of closing of the Strategic Investment (the "**Expiry Date**"). iMetal may accelerate the Expiry Date if the volume-weighted average trading price of the iMetal Shares on the TSX Venture Exchange ("**TSXV**") exceeds \$0.40 for 20 consecutive trading days (subject to a beneficial ownership blocker), in accordance with the terms of the warrant certificate governing the iMetal Warrants.

In connection with the Strategic Investment, the Company and iMetal entered into an investor rights agreement (the "**Investor Rights Agreement**"). The Investor Rights Agreement gives the Company the right to, among other things, nominate one director to iMetal's board of directors, participate in future equity issuances of iMetal to maintain McFarlane's pro rata equity interest and, subject to the approval of the board of iMetal, provide certain technical oversight on exploration on iMetal's Gowganda property, on the terms set out in the Investor Rights Agreement.

Early Warning Disclosure

The Company makes the following announcement in accordance with National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

Prior to the Strategic Investment, the Company did not beneficially own or exercise control or direction over, directly or indirectly, any securities of iMetal.

Pursuant to the Strategic Investment, the Company acquired 14,200,852 iMetal Shares and 14,200,852 iMetal Warrants. Following the Closing, the Company beneficially owns and exercises control or direction over 14,200,852 iMetal Shares, representing approximately 19.9% of the issued and outstanding iMetal Shares. Other than the iMetal Warrants, which are exercisable to acquire an aggregate of 14,200,852 iMetal Shares, the Company does not beneficially own or exercise control or direction over any additional options, warrants or other securities convertible into or exchangeable for iMetal Shares. Assuming the exercise in full of the iMetal Warrants held by the Company, the Company would beneficially own and exercise control or direction over 28,401,704 iMetal Shares, representing approximately 33.2% of the issued and outstanding iMetal Shares on a partially diluted basis.

The securities of iMetal were acquired by the Company for investment purposes. Pursuant to the Investor Rights Agreement, the Company has the right to, among other things, nominate one director to iMetal's board of directors, participate in future equity issuances of iMetal to maintain the Company's pro rata equity interest and, subject to the approval of the board of directors of iMetal, provide certain technical oversight in respect of exploration on iMetal's Gowganda property. In the future, the Company may, from time to time, increase or decrease its ownership, control or direction over securities of iMetal through market transactions, private agreements or otherwise, depending on market conditions, the business and prospects of iMetal and other relevant factors, and subject to the terms of the Investor Rights Agreement.

A copy of the early warning report to be filed by the Company in connection with the Strategic Investment may be obtained from the Company using the contact information set out below and will be available under iMetal's profile on SEDAR+. The head office of iMetal is located at Suite 550, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6, and the head office of the Company is located at 15 Kincora Crt., Sudbury, Ontario, P3E 2B9.

About McFarlane Lake Mining Limited

McFarlane Lake Mining Limited is a Canadian gold exploration company focused on advancing its flagship Jubby Gold Project, located near Gowganda, Ontario, within the established Abitibi Greenstone Belt. The Jubby Gold Project hosts a current (effective September 29, 2025) NI 43-101 (as defined hereafter) compliant Mineral Resource Estimate ("**MRE**") of 1.01 million ounces of gold in the Indicated category at an average grade of 0.98 g/t gold (31.74 million tonnes) and an additional 3.17

million ounces of gold in the Inferred category at an average grade of 0.89 g/t gold (109.48 million tonnes). The estimate was calculated using a long-term gold price of US\$2,500 per ounce, applying cut-off grades of 0.25 g/t gold for open pit and 1.85 g/t gold for underground resources.

A sensitivity analysis completed at a higher gold price of US\$3,750 per ounce resulted in an Indicated Mineral Resource of 1.20 million ounces grading 0.94 g/t gold (39.51 million tonnes) and an Inferred Mineral Resource of 4.23 million ounces grading 0.85 g/t gold (154.50 million tonnes) applying cut-off grades of 0.25 g/t gold for open pit and 1.15 g/t gold for underground resources.

The independent MRE was prepared by BBA E&C Inc. in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The full technical report supporting the resource estimate was filed on SEDAR+ on November 21, 2025, and is also available on the Company's website www.mcfarlanelakemining.com.

McFarlane is actively executing an exploration drilling program and additional technical studies at the Juby Project to further evaluate and advance this large-scale gold system.

In addition to Juby, McFarlane holds a portfolio of 100%-owned gold assets across Ontario, including the past-producing McMillan Gold Mine and Mongowin properties located approximately 70 km west of Sudbury and the Michaud/Munro properties located 115 km east of Timmins. McFarlane is a reporting issuer in Ontario, British Columbia, and Alberta.

Readers are cautioned to refer to the "Cautionary Note Regarding Forward-Looking Information" and all other disclaimers included in this news release for important information regarding the limitations and verification status of the data presented above and elsewhere herein.

To learn more, visit: <https://mcfarlanelakemining.com>.

Additional information on McFarlane can be found by reviewing its profile on SEDAR+ at www.sedarplus.ca.

Qualified Person

The scientific and technical information disclosed in this news release was reviewed and approved by Bob Kusins, P.Geo, a consultant to the Company and a qualified person as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The technical information was also reviewed by Mark Trevisiol, P.Eng., an officer of McFarlane and a qualified person under NI 43-101.

Advisors

Wildeboer Dellelce LLP acted as legal counsel for McFarlane. Cassels Brock & Blackwell LLP acted as legal counsel and Integrity Capital Partners acted as financial advisor for iMetal.

Further Information

For further information regarding McFarlane, please contact:

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Cautionary Note Regarding Forward-Looking Information:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of applicable Canadian securities legislation.

All statements in this news release, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates, projections and assumptions made by management as of the date of this news release. Forward-looking statements are often, but not always, identified by the use of words such as "expects", "anticipates", "plans", "intends", "believes", "estimates", "projects", "potential", "possible", "target", "scheduled", or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of McFarlane to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, general market and economic conditions, and those described under the heading "Risks and Uncertainties" in the Company's Management's Discussion and Analysis dated as of July 23, 2026, and other disclosure documents filed by the Company with Canadian securities regulators, all of which are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated,

estimated or intended. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof, and McFarlane disclaims any obligation to update or revise them to reflect new events or circumstances, except as required by applicable law.

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this news release.