



Annual Report September 30, 2022

Midland Exploration Inc.
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Midland Exploration inc.

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Midland Exploration Inc.

Message to Shareholders

For the fiscal year ended September 30, 2022

Dear Shareholders,

I am very pleased to present the 2022 Annual Report for Midland Exploration Inc. ("Midland" or the "Corporation").

Midland is a dynamic and proactive mineral exploration company that is led by a highly respected and experienced management and technical team with a strong reputation in the mining industry and a proven mine-finding track record. As always, Midland targets the excellent mineral potential and the favourable investment climate of Quebec to discover new world-class gold and base metal deposits. Midland continued to deploy its business model based on partnerships this year to conduct significant exploration work. We are as always very proud to count on reputable partners such as BHP Canada Inc. ("BHP"), Rio Tinto Exploration Canada Inc. ("RTEC"), Agnico Eagle Mines Limited, Osisko Development Corp., Probe Metals Inc. ("Probe"), Wallbridge Mining Company Ltd ("Wallbridge"), SOQUEM Inc. ("SOQUEM"), Brunswick Exploration Inc. ("Brunswick"), the Nunavik Mineral Exploration Fund, and Abcourt Mines Inc. We are currently in discussions with several potential new partners. Given the unprecedented interest for nickel and lithium in Quebec, we are confident that we will quickly conclude new option agreements in the coming months.

Midland continued to pursue its strategy of exploring in partnership across Quebec and achieved significant progress once again in 2022, with the execution of a new partnership agreement with Brunswick for lithium in the James Bay region and the discovery of several new mineralized zones on various projects. This year was particularly marked by several new gold and base metal discoveries. Major exploration work will begin in the coming weeks on these new discoveries.

One of the highlights of our exploration efforts in 2022 was certainly the joint discovery, under an option agreement with Probe, of significant Cu-Au-Ag-Mo occurrences on our La Peltre project. Recent drilling led to the discovery of a large-scale mineralized system with **Cu-Au-Ag-Mo over an interval totalling 345.5 metres grading 0.2% CuEq.**, which remains open along strike and at depth. In addition, two exploration drill holes testing regional targets intersected low-grade gold zones along the Lower Detour Zone 58N shear splay. Recent work on this property has successfully demonstrated the tremendous potential for large gold and copper mineralized systems. A drilling campaign to follow up on this new discovery is set to begin in the coming weeks.

During a prospecting program conducted on our Laflamme project in late October 2022, a follow-up investigation of an outcrop with anomalous gold identified by Midland in May 2022 led to the discovery of a high-grade gold zone. Samples collected in a shear structure with strong silica and carbonate alteration, injected with irregular quartz veining associated with 5% fine pyrite, yielded grades up to **18.9 g/t Au**. A second sample was collected in the same zone, 20 cm from the first. The latter graded **5.67 g/t Au** and shows intense silicification. This shear zone is located 500 metres northeast of gold-bearing boulders found in May 2022 (**28.7 g/t Au and 6.0 g/t Au**) and may represent the source of these boulders. A significant 3,000-metre drilling program will begin shortly to test these new gold-bearing structures.

Prospecting work conducted in the summer of 2022 under our Strategic Alliance with SOQUEM in the Labrador Trough led to the discovery of several new horizons with high-grade copper and gold mineralization, observed at surface over an area of at least 115 metres strike length by 70 metres wide. Due to the vegetative cover, the mineralization remains open in all directions and the full extent of this new mineralized system has yet to be determined. Grab samples collected on this new mineralized system graded up to **25.6% Cu, 4.9 g/t Au and 162 g/t Ag, as well as 7.14% Cu, 3.78 g/t Au and 33.5 g/t Ag**. A major exploration program will be launched in the summer of 2023, targeting Cu-Au-Ag mineralized horizons and their extensions along the volcano-sedimentary Murdoch Formation. This area has seen very little previous exploration. Recently approved follow-up work for 2023 will include soil and rock sampling, stripping, channel sampling, and an induced polarization geophysical survey.

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For the fiscal year ended September 30, 2021

Finally, major geophysical programs including magnetotelluric ("MT") surveys **and prospecting campaigns were carried out under our Strategic Alliance with BHP** in Quebec's Far North (Kuuujuaq area). **These recent efforts will be followed by a phase of fieldwork in 2023, to test potential targets identified during the MT survey. Midland was also pleased to announce, in 2022, a one-year extension of the Generative Phase as well as an additional \$1.4 million in funding under the Strategic Alliance.**

Here are the main highlights of our past year of activities:

- New Cu-Au-Mo-Ag discovery (0.21% CuEq./345.5 m) with Probe on La Peltrie;
- New high-grade gold structures (18.9 g/t Au) discovered on Laflamme;
- New option agreement with Brunswick on Mythril and Elrond for their lithium potential;
- New discovery of high-grade Cu-Au under the Labrador Alliance with SOQUEM;
- One-year extension of the Generative Phase of our Strategic Alliance with BHP (\$1.4 million) and major MT survey recently conducted under the Ni Alliance;
- New discovery of a high-grade gold boulder (28.7 g/t Au) on the Laflamme property;
- Option payments completed with Wallbridge (\$110,000) and Probe (\$55,000);
- 5,000 metres of drilling completed in the Detour belt with partners;
- Major VTEM survey conducted with RTEC on our Tête Nord Ni project;
- New strategic acquisition of the Nickel Square Ni-Cu property in the Abitibi belt.

Midland intends to continue aggressively exploring its various projects for gold and base metals in 2023, to discover world-class deposits. An ambitious exploration program, one of the most substantial since the Corporation was founded, will be deployed on the Corporation's best projects and recent new discoveries. Midland will continue to generate several new projects and seek to quickly conclude additional partnership agreements for properties acquired in recent years. In addition, we also continue to increase visibility for Midland throughout 2023 by taking part in numerous promotional events to attract new and important shareholders.

Midland also intends to continue assessing interesting business opportunities as they arise in 2023. Midland has a very strong financial position, with more than \$9M in adjusted working capital as at December 1, 2022, after completing its \$3.5M private placement.

On behalf of the management team and the Board of Directors, I would like to express our sincere acknowledgements for your trust, your patience, and your renewed support throughout 2022. I would also like to take this opportunity to welcome the new shareholders who joined us during the year. Midland is a company that relies on a high-calibre Board of Directors and a dynamic, motivated, and talented technical team who will spare no effort in 2023 to make one or many significant discoveries in Quebec.

(s) Gino Roger

Gino Roger, P. Eng.

President and CEO

Midland Exploration Inc.
Management Discussion & Analysis
For the year ended September 30, 2022

The following discussion and analysis (the “MD&A”) of the financial condition and results of the operations of Midland Exploration Inc. (“Midland” or “the Corporation”) constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for the year ended September 30, 2022, as well as the performance of its wholly owned subsidiary Midland Base Metals Inc. This MD&A should be read in conjunction with the Corporation’s audited consolidated financial statements as at September 30, 2022 (the “Financial Statements”) prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures are in Canadian dollars unless otherwise noted.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from www.sedar.com.

Abbreviation	Period
Fiscal 20	October 1, 2019 to September 30, 2020
Q1-21	October 1, 2020 to December 31, 2020
Q2-21	January 1, 2021 to March 31, 2021
Q3-21	April 30, 2021 to June 30, 2021
Q4-21	July 1, 2021 to September 30, 2021
Fiscal 21	October 1, 2020 to September 30, 2021
Q1-22	October 1, 2021 to December 31, 2021
Q2-22	January 1, 2022 to March 31, 2022
Q3-22	April 30, 2022 to June 30, 2022
Q4-22	July 1, 2022 to September 30, 2022
Fiscal 22	October 1, 2021 to September 30, 2022
Q1-22	October 1, 2022 to December 31, 2022
Q2-22	January 1, 2023 to March 31, 2023
Q3-22	April 30, 2023 to June 30, 2023
Q4-22	July 1, 2023 to September 30, 2023
Fiscal 23	October 1, 2022 to September 30, 2023

1. NATURE OF ACTIVITIES

Midland, incorporated on October 2, 1995, and operating under the Business Corporations Act (Québec), is a company in the mining exploration business. The Corporation’s operations include the acquisition and exploration of mining properties. The Corporation’s shares are listed on the TSX Venture Exchange (the “Exchange”) under the MD ticker.

2. OVERALL PERFORMANCE

2.1 Highlights of exploration work in Fiscal 22

- New option agreement with Rio Tinto Exploration Canada Inc. (“RTEC”) for Tête Nord Ni-Cu project in the Grenville – VTEM surveys completed; several new exploration targets identified and prospecting in progress. Maiden drilling program (3,750m) commencing in November 2022.
- Magnetotelluric surveys (“MT”) completed with BHP Group PLC (“BHP”) in Nunavik for Ni-Cu; 3D modeling of MT results in progress.
- New Cu-Au-Ag discovery in Labrador trough with SOQUEM Inc. (“SOQUEM”), up to 25.6% Cu, 4.9 g/t Au and 162 g/t Ag (grab).
- New high-grade gold floats (28.7 g/t Au) discovered on Laflamme JV; follow-up works (soils--IP-Mag) completed and drilling in Q2-23.
- New Ni-Cu acquisition in Abitibi: Nickel Square property.

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More details can be found in section 4.

2.2 Working capital

Midland has a working capital of \$5,935,098 as of September 30, 2022 (\$7,505,431 as of September 30, 2021) which will allow the Corporation to execute its exploration program for at least the following year.

2.3 Private placements

On December 7 and 21, 2021, the Corporation completed private placements of 2,458,875 flow-through shares at \$0.80 per share for total gross proceeds of \$1,967,100. In addition, on December 7, 2021, the Corporation completed, with an originator of flow-through donation financing, a private placement of 760,870 flow-through shares at \$0.92 per share for total gross proceeds of \$700,000. In connection with the private placements, the Corporation incurred \$137,364 share issue expense, of which \$84,930 was paid as finder's fees. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$189,000 under the same terms as other investors.

On January 14, 2022, the Corporation completed a private placement of 170,000 shares at a price of \$0.55 per share for total gross proceeds of \$93,500. BHP has exercised its right to maintain its ownership to 5.0% by acquiring 170,000 shares. This right had been granted to BHP on April 18, 2019 pursuant to an Investor Rights Agreement with the Corporation.

On November 17 and December 1, 2022, the Corporation completed private placements of 4,034,000 flow-through shares at \$0.50 per share for total gross proceeds of \$2,017,000. In addition, on November 17 and December 1, 2022, the Corporation completed, with an originator of flow-through donation financing, a private placement of 1,268,400 flow-through shares at \$0.70 per share for total gross proceeds of \$887,880. Finally, on December 1, 2022, the Corporation completed a private placement of 1,450,000 shares at a price of \$0.40 per share for total gross proceeds of \$580,000. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$203,000 under the same terms as other investors.

2.4 Outstanding share data:

	As at December 8, 2022	As at September 30, 2022
	Number	Number
Common shares	82,420,197	75,667,797
Options	5,570,000	5,570,000
	87,990,197	81,237,797

2.5 Update on agreements with partners

2.5.1 RTEC – Tête Nord

On December 1, 2021, and as amended, the Corporation signed an option agreement with RTEC for its Tete Nord property. Under this new agreement, RTEC may earn an initial 50% interest (First Option) in the Tête Nord property over a period of four years, by fulfilling the following conditions:

- Exploration expenditures totalling \$4,000,000, including a minimum of \$500,000 in the first year;
- Cash payments totalling \$500,000, including \$100,000 within 60 days of execution of the agreement.

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After earning an initial 50% interest, RTEC may elect to increase its interest to 70% (Second Option) over a period of four years by fulfilling the following conditions:

- Exploration expenditures totalling up to \$10,000,000 and cash payments totalling \$500,000, gaining interest on the following schedule:
 - An additional 1% interest (for a total of 51%) by funding an additional \$250,000 of exploration expenditures;
 - An additional 1% interest for each additional \$500,000 of exploration expenditures (for a total of up to 69%);
 - An additional 1% (for a total of 70%) by funding an additional \$750,000 of exploration expenditures.

RTEC retains the right to act as operator for the First and the Second Option; or at its discretion elects to have the Corporation act as operator on RTEC's behalf. RTEC chose to be the operator for the first year of the option agreement.

2.5.2 BHP Alliance (Ni)

Under the initial agreement executed in August 2020, during the Generative Phase (Phase I), BHP agreed to fund 100% of an annual amount of up to \$1,400,000 for a minimum of two years until August 21, 2022. On July 11, 2022, an amendment was signed which provides a one-year extension of the Generative Phase (Phase I) which comes with an additional annual funding of up to \$1,400,000 and extends until August 21, 2023. The Corporation will continue to act as the project operator, and the main objective of this phase is to generate, identify and secure, within the area of interest, exploration projects to be advanced to a drill-ready stage through further exploration work. BHP may, at its discretion, propose additional exploration work of up to \$700,000 before advancing a project to the second phase.

2.5.3 Option agreement with Brunswick Exploration Inc. ("Brunswick") on Mythril and Elrond

On November 22, 2022, the Corporation signed an option agreement Brunswick whereby Brunswick has the option to acquire exploration rights for critical minerals including lithium (excluding copper, nickel, zinc, lead, gold, silver, platinum and palladium) on the Mythril and Elrond properties. Under this new agreement, Brunswick may acquire an initial 50% interest ("Option 1") in the Mythril property over a three-year period, at the following conditions:

	Payment in cash	Payments in shares	Exploration work
	\$	\$	\$
Upon signature	25,000	25,000	-
On or before November 22, 2023	50,000	50,000	300,000
On or before November 22, 2024	70,000	70,000	300,000
On or before November 22, 2025	-	210,000	900,000
Total	145,000	355,000	1,500,000

Option to earn an additional 35% undivided interest in the claims (the "Option 2") in the properties over an additional two-year period, at the following conditions:

- Aggregate consideration of \$200,000 payable according to the following schedule: 1st Anniversary: \$100,000 in cash or stock, at BRW's option; 2nd anniversary: \$100,000 in cash or stock, at BRW's option;
- Requirement to spend an additional amount of \$2,000,000 in exploration expenditures, in cash or in shares, at BRW's option, according to the following schedule: 1st anniversary after exercising Option 1: amount of \$1,000,000; and 2nd anniversary after exercising Option 1: additional amount of \$1,000,000.

Any Brunswick share issuance during Option 1 and Option 2 is subject to a minimum price of \$0.254 per share.

Brunswick would hold a right of first refusal on the 15% remaining interest held by the Corporation and the Corporation would not be required to participate in exploration and development expenditures until a mine is constructed to extract all metals or minerals except precious metals (gold, platinum, palladium and silver) and base metals (copper, zinc, nickel and lead).

2.5.4 SOQUEM - Gatineau

On April 6, 2022, the Corporation received from SOQUEM a notice to terminate the Alliance contract signed on April 13, 2021, on the Gatineau property.

2.5.5 List of agreement with partners

As at September 30, 2022, the following properties are under agreements with partners:

- | | |
|---------------------|--|
| • Casault | Wallbridge Mining Company Ltd ("Wallbridge") |
| • Gaudet | Probe Metals Inc. ("Probe") |
| • La Peltre | Probe |
| • Laflamme | Abcourt Mines Inc. ("Abcourt") |
| • Maritime Cadillac | Agnico Eagle Mines Ltd ("Agnico Eagle") |
| • Tête Nord | RTEC |
| • Eleonore JV | Osisko Development Corp. ("Osisko") |
| • BHP Alliance Ni | BHP |
| • Labrador Through | SOQUEM |
| • Soissons | Nunavik Mineral Exploration Funds ("NMEF") |

2.6 Initiatives in sustainable development, certification, health and safety

Sustainable Development Policy

The Corporation has a Sustainable Development Policy to create long-term value in mineral exploration, mineral resource extraction and metal production. The Corporation works in collaboration with all stakeholders to ensure that the principles of governance, health and safety, environment, human rights, community, and transparency are respected and exemplary in all our activities.

UL ECOLOGO® 2723 Certification

The Corporation has been in the accreditation process to obtain the ECOLOGO® UL 2723 certification for mineral exploration. This certification helps to promote the application of best environmental, social, and economic practices in the mining exploration industry. All employees are involved in the review and improvement of exploration practices. Throughout 2022, employees integrated the new normative requirements in preparation for the audit.

Health and safety at work:

Following the implementation in 2020 of the Emergency Measure Plan, the Prevention Program and the environmental and safety Field Guide, the external firm Urgence Industrielle Dan Ouellet Inc, in January 2022, continued its mandate in order to update all documentation and to do the June 2021 accident feedback with all employees as well as with the services providers involved, with a view to continuous improvement. No accidents have been reported for Fiscal 22.

3. RESULTS OF OPERATIONS

As operator, Midland incurred exploration expenditures totalling \$5,068,401 (\$7,207,380 in Fiscal 21), on its properties of which \$2,244,701 was recharged to its partners (\$1,838,076 in Fiscal 21). The operating partners incurred \$3,114,180 of exploration expenses (\$2,784,334 in Fiscal 21). Also, the Corporation invested \$510,255 (\$793,440 in Fiscal 21) to complete several property acquisitions in Quebec or maintained them, of which \$28,495 was recharged to its partners (\$169,977 in Fiscal 21).

The Corporation reported a loss of \$1,900,085 in Fiscal 22 compared to \$1,023,800 for Fiscal 21.

Project management fees increased to \$210,412 (\$202,218 in Fiscal 21). The BHP alliance started in August 2020 and generated most of the project management fees. Also, the Labrador Trough SOQUEM alliance started in February 2021.

Operating expenses increased at \$3,000,883 for Fiscal 22 compared to \$1,926,852 in Fiscal 21, and following are the explanations for the main variances:

- Conference and investors relations \$285,318 (\$131,190 in Fiscal 21). Midland also retained Independent Trading Group ("ITG") to provide market making services in accordance with the Exchange policies. ITG will trade the securities of Midland on the Exchange for the purposes of maintaining an orderly market. In consideration of the services provided by ITG, Midland started paying a monthly cash fee of \$5,000 on February 1, 2021. Also, Midland retained Renmark Financial Communications Inc. ("Renmark") to provide investor relations services for a monthly cash consideration of \$6,000 from March 1, 2022 to September 30, 2022. Finally, the Midland team started to travel again to participate at conferences.
- Professional fees: \$304,373 (\$408,506 in Fiscal 21). During Fiscal 21, fees of \$81,276 (none in Fiscal 22) were incurred relating to the mandate given to an external firm to develop rules and procedures related to health and safety. During Fiscal 21, fees of \$21,544 were incurred (none during Fiscal 22) relating to the analysis of management and directors' compensation, its comparison to market and recommendations from Perrault Consulting, the Corporation's external advisor. Finally, professional fees were incurred in Fiscal 21 to set up the BHP alliance.
- Impairment of exploration and evaluation assets: \$1,208,289 (\$201,717 in Fiscal 21). The main impairment arises from the Pallas property write off for \$694,694. In addition, the Corporation dropped certain claims and partially impaired mainly the following properties: BJ Eleonor for \$65,614, BJ Au for \$59,796, Mythril for \$190,066 and Willbob for \$110,837. During Fiscal 21, the impairments were spread across several properties. See section 4 for more details.

The Corporation recorded an unfavorable change in fair value – listed shares of \$39,631 (favorable of \$7,765 in Fiscal 21).

- An unfavorable change of \$29,000 (\$10,752 in Fiscal 21) was recorded on the Niobay Metals Inc. ("Niobay") shares composed of an unfavorable change in fair value of \$29,000. In Fiscal 23, the change in fair value was unfavorable for \$98,000, compensated by a realized gain for \$87,248 following the sale of 100,000 shares of Niobay;
- An unfavorable change in fair value of \$10,631 (\$18,517 favorable in Fiscal 21) was recorded on the share of Probe composed of an unfavorable change in fair value of \$35,848 (\$18,517 favorable in Fiscal 21) and a realized gain of \$25,217 (none in Fiscal 21) following the sale of 35,423 share of Probe.

Those shares were received as part of option agreement on properties.

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A \$856,355 (\$603,174 in Fiscal 21) recovery of deferred income taxes (non-cash item) was recognized to record the amortization, in proportion of the work completed, of the premium related to flow-through shares following the November 2020 private placement (December 2019 in Fiscal 20). All exploration work imposed by the November 2020 flow-through financing was completed before June 30, 2021. The balance on flow-through financing not spent according to the restrictions imposed by the December 2021 financings represents \$308,636 as at September 30, 2022; the Corporation has to dedicate these funds to Canadian mining properties exploration.

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4. EXPLORATION ACTIVITIES

Deferred exploration expenses Fiscal 22	Balance Sept. 30, 2021	Geology	Geo-physics	Drilling	Geo-chemistry	Sub total	Stock-based comp.	Recharge	Tax credits	Option Payment	Write-off	Net change	Balance Sept. 30, 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Abitibi													
Abitibi Au	-	7,474	-	-	-	7,474	-	-	(91)	-	-	7,383	7,383
Adam	415,688	20,040	-	-	10,010	30,050	499	0	(191)	-	-	30,358	446,046
Casault Au	2,164,225	4,865	-	11,501	-	16,366	-	(16,366)	-	(109,656)	-	(109,656)	2,054,569
Fleuribieu	3 915	3,588	46,119	-	-	49,707	1,854	-	(653)	-	-	50,908	54,823
Gaudet	631,744	45,784	42,372	4,947	5,101	98,204	3,213	(1,738)	(16 793)	-	-	82,886	714,630
Guyberry	65,182	-	2,750	-	-	2,750	-	-	(928)	-	-	1,822	67,004
Heva Au	278,508	601	92,034	300	739	93,674	-	-	(729)	-	-	92,945	371,453
Jeremie	121,140	-	-	-	-	-	-	-	-	-	-	-	121,140
Jouvex Au	685,020	41,455	-	-	10,692	52,147	-	-	(3 871)	-	-	48,276	733,296
La Peltre Au	1,106,671	6,950	-	1,049	-	7,999	-	(7,999)	-	(61,563)	-	(61,563)	1,045,108
Lac Esther	74,109	-	-	-	-	-	-	-	(182)	-	-	(182)	73,927
Laflamme Au	3,118,720	85,244	94,420	18,019	28,996	226,679	1,452	-	(942)	-	-	227,189	3,345,909
Lewis	306,302	106,449	109,485	1,511	63,558	281,003	4,947	-	(10 728)	-	-	275,222	581,524
Mar.Cadillac Au	499,918	-	-	-	-	-	-	-	-	-	-	-	499,918
Mistaouac	414,648	6,064	712	-	313	7,089	499	-	-	-	-	7,588	422,236
Nickel Square	-	4,337	-	-	-	4,337	-	-	-	-	-	4,337	4,337
Nomans	11,212	125,329	-	-	19,499	144,828	1,947	-	(49 833)	-	-	96,942	108,154
Noyelles	3,840	69,691	101,857	-	12,149	183,697	2,225	-	(5 949)	-	-	179,973	183,813
Olga	-	571	-	-	-	571	-	-	-	-	-	571	571
Patris Au	362,825	68,710	226,305	5,366	17,264	317,645	2,336	-	(3 386)	-	-	316,595	679,420
Samson	1,959,727	18,178	24,211	827	5,140	48,356	4,833	-	(20 059)	-	-	33,130	1,992,857
Turgeon	202,050	-	-	-	-	-	-	-	-	-	-	-	202,050
Wawagasic	32,949	-	-	-	-	-	-	-	-	-	-	-	32,949
Grenville													
Gatineau JV	274,914	54,215	-	711	-	54,926	-	(201)	(11 608)	-	-	43,117	318,031
Tete Nord	81,274	13,979	-	-	5,188	19,167	-	-	(2 906)	-	-	16,261	97,535
Weedon Cu Zn Au	901,401	3,107	-	-	-	3,107	499	-	(1 473)	-	-	2,133	903,534
James Bay													
BJ Eleonore Au	1,793,168	66,833	-	-	2,069	68,902	1,390	-	(4 585)	-	-	65,707	1,858,875
BJ Gold	496,698	31,214	-	-	7,511	38,725	-	-	(7 499)	-	-	31,226	527,924
Elrond	140,885	60,256	-	-	3,178	63,434	2,027	-	(2 092)	-	-	63,369	204,254
Fangorn	15,950	-	-	-	-	-	-	-	-	-	-	-	15,950
Helms	65,026	-	-	-	-	-	-	-	-	-	-	-	65,026
JV Eleonore Au	617,865	-	-	-	-	-	-	-	-	-	-	-	617, 865

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Deferred exploration Expenses Fiscal 22	Balance Sept. 30, 2021	Geology	Geo-physics	Drilling	Geo-chemistry	Sub total	Stock-based comp.	Recharge	Tax credits	Option Payment	Write-off	Net change	Balance Sept. 30, 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Komo	64,243	49,087	-	-	-	49,087	-	-	(462)	-	-	48,625	112,868
McDuff	35,213	-	-	-	-	-	-	-	-	-	-	-	35,213
Moria	134,573	13,982	-	-	-	13,982	-	-	-	-	-	13,982	148,555
Mythril	5,842,099	276,571	-	9,203	7,355	293,129	6,015	-	(54 247)	-	-	244,897	6,086,996
Shire	243,885	85,321	-	-	-	85,321	-	-	-	-	-	85,321	329,206
Wookie	27,110	571	-	-	-	571	-	-	-	-	-	571	27,681
North													
BHP Ni	-	745,357	1,063,375	-	28,965	1,837,697	-	(1,837,697)	-	-	-	-	-
Labrador Trough	243,476	709,362	66,878	-	87,520	863,760	6,397	(380,352)	(45 812)	-	-	443,993	687,469
Pallas PGE	542,649	-	-	-	-	-	-	-	-	-	(542,649)	(542,649)	-
Soissons	106,746	-	-	-	-	-	-	-	-	-	-	-	106,746
Soissons Nmef	101,998	30,090	-	-	-	30,090	-	(348)	(2 097)	-	-	27,645	129,643
Willbob Au	3,240,131	35,012	-	33,500	5,415	73,927	-	-	(8 672)	-	-	65,255	3,305,386
Generation	37,318	-	-	-	-	-	-	-	-	-	(37,318)	(37,318)	-
TOTAL	27,465,015	2,790,287	1,870,518	86,934	320,662	5,068,401	40,133	(2,244,701)	(255 788)	(171,219)	(579,967)	1,856,859	29,321,874

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Deferred exploration expenses Fiscal 21	Balance Sept. 30, 2020	Geology	Geo-physics	Drilling	Geo-chemistry	Sub total	Stock-based comp.	Recharge	Tax credits	Option Payment	Write-off	Net change	Balance Sept. 30, 2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Abitibi													
Adam	277,523	36,081	-	-	119,674	155,755	1,900	-	(19,490)	-	-	138,165	415,688
Casault Au	2,270,451	3,740	-	12,126	-	15,866	2,964	(15,866)	-	(109,190)	-	(106,226)	2,164,225
Coigny	1,066	-	-	-	-	-	-	-	-	-	(1,066)	(1,066)	-
Fleuribleu	-	3,915	-	-	-	3,915	-	-	-	-	-	3,915	3,915
Gaudet	152,523	10,312	192,470	502,266	73,383	778,431	-	(1,610)	(297,600)	-	-	479,221	631,744
Guyberry	1,238	8,778	55,166	-	-	63,944	-	-	-	-	-	63,944	65,182
Heva Au	277,022	786	-	700	-	1,486	-	-	-	-	-	1,486	278,508
Jeremie	92,875	17,009	-	-	20,127	37,136	-	-	(8,871)	-	-	28,265	121,140
Jouvex Au	678,490	8,714	-	-	-	8,714	-	-	(2,184)	-	-	6,530	685,020
La Peltre Au	1,105,925	1,322	-	998	-	2,320	-	(998)	(576)	-	-	746	1,106,671
Lac Esther	5,671	14,822	32,374	-	46,355	93,551	-	-	(25,113)	-	-	68,438	74,109
Laflamme Au	3,111,173	7,716	-	1,929	301	9,946	735	-	(3,134)	-	-	7,547	3,118,720
Lewis	74,460	175,351	110,020	-	14,908	300,279	1,501	-	(69,938)	-	-	231,842	306,302
Mar.Cadillac Au	481,033	1,883	-	11,454	4,252	17,589	1,296	-	-	-	-	18,885	499,918
Mistaouac	253,865	46,303	63,138	-	95,231	204,672	1,339	-	(45,228)	-	-	160,783	414,648
Nomans	-	15,610	-	-	849	16,459	-	-	(5,247)	-	-	11,212	11,212
Noyelles	3,165	675	-	-	-	675	-	-	-	-	-	675	3,840
Patris Au	241,217	16,598	95,408	4,693	4,024	120,723	885	-	-	-	-	121,608	362,825
Samson	805,247	164,968	215,929	692,691	247,023	1,320,611	11,200	-	(177,331)	-	-	1,154,480	1,959,727
Turgeon	202,050	-	-	-	-	-	-	-	-	-	-	-	202,050
Wawagasic	32,949	-	-	-	-	-	-	-	-	-	-	-	32,949
Grenville													
Gatineau JV	80,215	198,913	-	704	-	199,617	-	(1,547)	(3,371)	-	-	194,699	274,914
Tete Nord	-	79,296	1,275	-	1,863	82,434	-	-	(1,160)	-	-	81,274	81,274
Weedon Cu Zn Au	755,893	21,138	111,232	-	11,799	144,169	1,339	-	-	-	-	145,508	901,401
James Bay													
BJ Eleonore Au	1,779,453	22,311	-	-	-	22,311	400	-	(8,996)	-	-	13,715	1,793,168
BJ Gold	474,613	41,706	-	-	-	41,706	494	-	(20,115)	-	-	22,085	496,698
Elrond	80,653	85,471	-	-	18,229	103,700	885	-	(44,353)	-	-	60,232	140,885
Fangorn	15,950	-	-	-	-	-	-	-	-	-	-	-	15,950
Helms	65,026	-	-	-	-	-	-	-	-	-	-	-	65,026
JV Eleonore Au	617,865	-	-	-	-	-	-	-	-	-	-	-	617,865
Komo	52,950	8,813	-	-	6,517	15,330	-	-	(4,037)	-	-	11,293	64,243
McDuff	34,138	1,575	-	-	-	1,575	-	-	(500)	-	-	1,075	35,213
Minas Tirith	41,895	-	-	-	-	-	-	-	-	-	(41,895)	(41,895)	-

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Deferred exploration Expenses Fiscal 21	Balance Sept. 30, 2020	Geology	Geo-physics	Drilling	Geo-chemistry	Sub total	Stock-based comp.	Recharge	Tax credits	Option Payment	Write-off	Net change	Balance Sept. 30, 2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Moria	133,830	1,087	-	-	-	1,087	-	-	(344)	-	-	743	134,573
Mythril	5,110,948	278,600	142,871	658,390	101,786	1,181,647	15,210	-	(464,000)	-	(1,706)	731,151	5,842,099
Shire	243,885	-	-	-	-	-	-	-	-	-	-	-	243,885
Wookie	22,202	4,500	-	-	1,616	6,116	-	-	(1,208)	-	-	4,908	27,110
North													
BHP Ni (2021 amended)	-	310,497	1,249,042	-	21,145	1,580,684	-	(1,580,684)	-	-	-	-	-
Labrador Trough	-	404,050	138,881	-	4,383	547,314	-	(237,371)	(66,467)	-	-	243,476	243,476
Nachicapau	15,778	-	-	-	-	-	-	-	-	-	(15,778)	(15,778)	-
Pallas PGE	542,124	525	-	-	-	525	-	-	-	-	-	525	542,649
Soissons	106,746	-	-	-	-	-	-	-	-	-	-	-	106,746
Soissons Nmef	69,180	56,517	-	-	2,288	58,805	-	-	(25,987)	-	-	32,818	101,998
Willbob Au	3,196,684	33,529	-	34,708	51	68,288	-	-	(24,841)	-	-	43,447	3,240,131
Generation	37,318	-	-	-	-	-	-	-	-	-	-	-	37,318
TOTAL	23,545,289	2,083,111	2,407,806	1,920,659	795,804	7,207,380	40,148	(1,838,076)	(1,320,091)	(109,190)	(60,445)	3,919,726	27,465,015

Midland Exploration Inc.
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Exploration and evaluation expenses	Actual Fiscal 21			Actual Fiscal 22			Budget Fiscal 22			Budget Fiscal 23		
Properties	Midland	Partners	Total	Midland	Partners	Total	Midland	Partners	Total	Midland	Partners	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
100 % Midland												
Abitibi Gold	-	-	-	8,130	-	8,130	20,000	-	20,000	20,000	-	20,000
Adam	155,755	-	155,755	30,050	-	30,050	28,000	-	28,000	205,000	-	205,000
Fleuribleu	3,915	-	3,915	49,707	-	49,707	53,000	-	53,000	50,000	-	50,000
Guyberry	63,944	-	63,944	2,750	-	2,750	6,000	-	6,000	-	-	-
Heva Au	1,486	-	1,486	93,674	-	93,674	118,000	-	118,000	200,000	-	200,000
Jeremie	37,136	-	37,136	-	-	-	8,000	-	8,000	14,000	-	14,000
Jouvex	8,714	-	8,714	52,147	-	52,147	55,000	-	55,000	130,000	-	130,000
La Peltrie	1,322	-	1,322	-	-	-	-	-	-	-	-	-
Lac Esther	93,551	-	93,551	-	-	-	8,000	-	8,000	25,000	-	25,000
Lewis	300,279	-	300,279	281,003	-	281,003	340,000	-	340,000	255,000	-	255,000
Mistaouac	204,672	-	204,672	7,089	-	7,089	9,000	-	9,000	100,000	-	100,000
Nickel Square	-	-	-	4,337	-	4,337	15,000	-	15,000	150,000	-	150,000
Nomans	16,459	-	16,459	144,828	-	144,828	150,000	-	150,000	45,000	-	45,000
Noyelles	675	-	675	183,697	-	183,697	173,000	-	173,000	5,000	-	5,000
Olga	-	-	-	571	-	571	-	-	-	-	-	-
Palatin	-	-	-	-	-	-	-	-	-	35,000	-	35,000
Patris	120,723	-	120,723	317,645	-	317,645	335,000	-	335,000	700,000	-	700,000
Samson	1,320,611	-	1,320,611	48,356	-	48,356	54,000	-	54,000	80,000	-	80,000
Turgeon	-	-	-	-	-	-	-	-	-	-	-	-
Valmond	-	-	-	-	-	-	4,000	-	4,000	5,000	-	5,000
Gatineau Zn	-	-	-	309	-	309	-	-	-	5,000	-	5,000
Ski	-	-	-	-	-	-	5,000	-	5,000	-	-	-
Tête Nord	82,434	-	82,434	19,167	-	19,167	10,000	-	10,000	-	-	-
Weedon Cu-Zn-Au	144,169	-	144,169	3,107	-	3,107	30,000	-	30,000	10,000	-	10,000
BJ Éléonore Au	22,311	-	22,311	68,902	-	68,902	107,000	-	107,000	20,000	-	20,000
BJ Gold	41,706	-	41,706	38,725	-	38,725	80,000	-	80,000	90,000	-	90,000
Elrond	103,700	-	103,700	63,434	-	63,434	132,000	-	132,000	5,000	-	5,000
Fangorn	-	-	-	-	-	-	-	-	-	-	-	-
Helms	-	-	-	-	-	-	5,000	-	5,000	5,000	-	5,000
Komo	15,330	-	15,330	49,087	-	49,087	83,000	-	83,000	-	-	-
McDuff	1,575	-	1,575	-	-	-	5,000	-	5,000	5,000	-	5,000
Minas Tirith	-	-	-	675	-	675	4,000	-	4,000	-	-	-
Moria	1,087	-	1,087	13,982	-	13,982	5,000	-	5,000	5,000	-	5,000
Mythril	1,181,647	-	1,181,647	293,129	-	293,129	280,000	-	280,000	145,000	-	145,000
Shire	-	-	-	85,321	-	85,321	55,000	-	55,000	-	-	-
Wookiee	6,116	-	6,116	571	-	571	-	-	-	-	-	-
Nachicapau	-	-	-	400	-	400	-	-	-	-	-	-
Pallas EGP	525	-	525	-	-	-	10,000	-	10,000	-	-	-
Soissons	-	-	-	-	-	-	-	-	-	5,000	-	5,000
Willbob	68,288	-	68,288	73,927	-	73,927	42,000	-	42,000	30,000	-	30,000
Project generation	-	-	-	-	-	-	4,000	-	4,000	20,000	-	20,000
	3,998,130	-	3,998,130	1,934,720	-	1,934,720	2,233,000	-	2,233,000	2,364,000	-	2,364,000

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Exploration and evaluation expenses	Actual Fiscal 21			Actual Fiscal 22			Budget Fiscal 22			Budget Fiscal 23		
Properties	Midland	Partners	Total	Midland	Partners	Total	Midland	Partners	Total	Midland	Partners	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Option												
Casault - Wallbridge	-	1,230,338	1,230,338	-	721,850	721,850	-	500,000	500,000	-	1,200,000	1,200,000
La Peltre – Probe	-	447,245	447,245	-	1,291,562	1,291,562	-	700,000	700,000	-	-	-
Mythril-Elrond – Brunswick	-	-	-	-	-	-	-	-	-	-	300,000	300,000
Tête Nord – Rio Tinto	-	-	-	-	843,605	843,605	-	900,000	900,000	-	3,200,000	3,200,000
	-	1,677,583	1,677,583	-	2,857,017	2,857,017	-	2,100,000	2,100,000	-	4,700,000	4,700,000
Joint venture												
BHP Ni Alliance (2021amended)	-	1,580,684	1,580,684	-	1,837,697	1,837,697	-	2,000,000	2,000,000	-	500,000	500,000
Lab.Trought – SOQUEM 0%	309,943	309,943	619,886	483,408	483,409	966,817	500,000	500,000	1,000,000	650 000	650,000	1,300,000
Gatineau JV 50%	198,070	198,070	396,140	54,416	54,416	108,832	50,000	50,000	100,000	-	-	-
Gaudet-Fenelon – Probe 50%	776,821	779,019	1,555,840	96,466	96,599	193,065	85,000	85,000	170,000	135 000	135,000	270,000
JV Eleonore Osisko 50%	-	-	-	-	-	-	-	-	-	40 000	-	40,000
Laflamme Au– Abcourt 21%	9,946	-	9,946	226,679	-	226,679	285,000	-	285,000	790 000	-	790,000
Maritime-Cadillac AEM 51\$	17,589	18,306	35,895	-	-	-	9,000	10,000	19,000	5 000	-	5,000
Soissons NMEF 50%	58,805	58,805	117,610	29,742	29,743	59,485	30,000	30,000	60,000	50 000	50,000	100,000
	1,371,174	2,944,827	4,316,001	890,711	2,501,864	3,392,575	959,000	2,675,000	3,634,000	1 670 000	1,335,000	3,005,000
Grand total	5,369,304	4,622,410	9,991,714	2,825,431	5,358,881	8,184,312	3,192,000	4,775,000	7,967,000	4 034 000	6,035,000	10,069,000

Concerning the table in the previous page:

- When the work is done and paid by the partners, the expenses are not included in the Midland accounts. The previous table shows all the work being done on Midland's properties including work done and paid by operating partners.
- This table excludes stock-based compensation that has been capitalized.

Gino Roger, geological engineer, president and chief executive officer of Midland, qualified person under NI 43-101, has reviewed the following technical disclosure.

ABITIBI

4.1 Abitibi Gold (Au)

Property Description

As at September 30, 2022, the property consists of 15 claims covering a surface area of about 846 hectares included in five properties located in Lac Nicobi area and also in 31N14, 32C03, 32G03, 32G05 NTS sheets in Abitibi.

Exploration work on the property

Compilation works were completed in Lac Nicobi area.

4.2 Adam (Cu-Au)

Property Description

The Adam property is wholly owned by Midland and is located about 65 kilometres west of the town of Matagami. As at September 30, 2022, it consists of 188 claims covering a surface area of about 10,457 hectares in the Abitibi region of Quebec.

The Adam property has strong gold and copper potential located about 15 kilometres east of the B26 zone held by SOQUEM and about 20 kilometres east of the former Selbaie mine, which historically produced 56.5 Mt grading 1.9% Zn, 0.9% Cu, 38.0 g/t Ag and 0.6 g/t Au.

Exploration work on the property

In the spring of 2021, a black spruce bark biogeochemistry survey covering the entire Adam property was completed. The results highlighted several areas with anomalous Au, As, Cu and Zn values, some of which are located along the same stratigraphic level as the B26 deposit, i.e., just north of the regional fault marking the contact between the Enjalran and Brouillon groups. In addition, several of these anomalies coincide with new untested helicopter-borne VTEM-type electromagnetic anomalies.

A 1,000 metres drilling program is in preparation and will be conducted during the winter of 2023. This program will be aiming to test the best VTEM targets located along the eastern extension of the B26 base metal and gold deposit.

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4.3 Casault (Au), option agreement with Wallbridge, operated by Wallbridge

Property Description

The Casault property is located about 40 kilometres to the east of the Detour Lake gold project located north of the city of La Sarre, Abitibi and as at September 30, 2022, this property consists in 327 claims covering an area of approximately 18,002 hectares. Some claims are subject to a 1% net smelter return ("NSR") royalty; Midland may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR.

On June 16, 2020, the Corporation signed an option agreement with Wallbridge, amended November 4, 2022, whereby Wallbridge may earn a 50% interest in the Casault property in consideration of the following:

	Cash payments		Exploration work	
	Commitment	Completed	Commitment	Completed
	\$	\$	\$	\$
Upon signature	100,000	100,000	-	-
On or before June 30, 2021	110,000	110,000	750,000	750,000
On or before June 30, 2022	110,000	110,000	1,000,000	1,000,000
On or before December 31, 2023	130,000	-	1,250,000	215,702
On or before June 30, 2024	150,000	-	2,000,000	-
Total	600,000	320,000	5,000,000	1,965,702

Wallbridge is the operator.

After exercising this first option to earn a 50% interest, Wallbridge may increase its interest to 65% (the second option) over a period of 2 years in consideration of exploration expenditures or cash payment totalling \$6,000,000.

Exploration work on the property

Between July and September 2021, Wallbridge completed a drill program totaling 13 drill holes, testing a variety of grassroots exploration targets at Casault. Drilling has focused on the unexplored northern part of the property, within 1 to 2 kilometres north of the Sunday Lake Deformation Zone. The first drill hole (CAS-21-123) has intersected new gold mineralization with a visible gold-bearing interval returning 6.85 g/t Au over 2.00 metres from 254.50 to 256.50 metres. This intersection is considered significant, as it is located in the northern, largely untested part of the Casault property, where no gold zone has been known so far, approximately 2 kilometres from the nearest anomalous gold intersections both on the Casault and Martiniere properties. Two (2) other drillholes (128 and 130) completed about 2 kilometres to the SE of hole CAS-21-123 intersected:

CAS-21-128

- 2.40 g/t Au over 0.60 m (197.40 to 198.00 m)
- 2.30 g/t Au over 0.60 m (298.90 to 299.50 m)

CAS-21-130

- 4.34 g/t Au over 1.00 m (242.00 to 243.00 m)
- 1.85 g/t Au over 0.65 m (380.25 to 380.90 m)

Three holes totalling 1,098 metres were completed during Q3-22. This program targeted below hole CAS-21-123 which had returned 6.85 g/t Au over 2.0 metres (CAS-22-136 and 137). A third hole, CAS-22-138 tested the same structure at about 700 metres to the east.

The best results obtained are:

CAS-22-136

- 70.4–70.9 m 0.36 g/t Au

CAS-22-137

- 192.0-193.5 m 0.10 g/t Au
- 197.5-198.5 m 0.23 g/t Au
- 198.5-199.5 m 0.20 g/t Au
- 199.5-201.0 m 0.10 g/t Au

CAS-22-138

- 121.3-122.3 m 0.25 g/t Au
- 122.3-123.3 m 0.19 g/t Au

During Q4-22, Wallbridge completed a drone magnetic survey as well as a till sampling program over the eastern block of the Casault property. The magnetic data shows interesting geological and structural features close to a sedimentary basin. The results of the till samples are pending. For 2023, Wallbridge is planning a larger till sampling program over the entire property as well as diamond drilling.

4.4 Coigny (Au)

Property Description

The new Coigny property (100% Midland) consists of 40 claims (2,225 hectares) as at September 30, 2022 and is located about 20 km to the southeast of the Geant Dormant mine. On September 2021, the Corporation decided to drop the claims and wrote-off the property for \$4,183.

4.5 Fleuribleu (Au)

Property Description

The Fleuribleu property consists in one claim block totalling 196 claims (10,880 hectares) as at September 30, 2022. It covers, over a strike length of more than 15 kilometres, the interpreted eastward extension of the Sunday Lake Fault, approximately 40 kilometres east of the new Wallbridge discovery. The Fleuribleu property covers a major contact zone between the Manthet and Brouillan-Fenelon groups, marked by a series of electromagnetic Input anomalies.

Exploration work on the property

A high-resolution magnetic survey was completed during Q2-22 in the southern portion of the property. The final report was received and submitted to the Ministère de l'Énergie et des Ressources naturelles ("MERN") for statutory works.

For Q2-23, Midland is planning a bark sampling program to cover the southern portion of the property where the new magnetic data shows interesting features possibly associated with the Sunday Lake deformation zone.

4.6 Gaudet (Au), in partnership avec Probe, operated by Probe

Property Description

The Gaudet-Fenelon property consists of one claim block totalling 226 claims (12,530 hectares) as at September 30, 2022. The claim block is located less than 5 kilometres south of the Area 51-Fenelon discovery. This claim block is located south of the Sunday Lake Fault and mainly covers a volcano-sedimentary sequence of the Rivière Turgeon Formation, as well as a 10-kilometre-long segment of the Lower Detour Fault.

Some claims are subject to a 1% NSR royalty.

On July 29, 2020, the Corporation signed a joint venture agreement with Probe over the Gaudet and Samson North West properties from the Corporation as well as the Fenelon-Nantel property of Probe. Probe is the operator.

Exploration work on the property

Over the course of August and September 2021, fourteen drill holes totalling 4,483 metres were completed to test induced polarization anomalies coinciding with biogeochemical anomalies and structures interpreted from the magnetic survey. No significant results were received but a new anomalous gold-bearing zone was intersected in two drillholes on the Gaudet block of the JV.

An induced polarisation ("IP") survey has been approved and is planned to begin during the winter of 2023. This grid will cover an area where biogeochem anomalies have been identified in the SE portion of the JV. This IP geophysical survey will begin during Q1-23, as soon as the access is frozen.

4.7 Guyberry (Au)

Property Description

The new Guyberry property consists of one claim block totaling 51 claims (1,957 hectares) as at September 30, 2022.

Exploration work on the property

A magnetic survey (Drone Mag) was completed over the property during Q4-21. The high-resolution of this survey led to the identification of new structures.

4.8 Heva (Au)

Property Description

The Heva West block consists of 4 contiguous claims adjacent to the west of the Maritime-Cadillac property, currently a 49% Midland / 51% Agnico Eagle. The Heva East block is located about 4 kilometres to the southeast and consists of 30 contiguous claims largely covering sedimentary rocks of the Cadillac Group just north of the Piché Group. Some claims are subject to a 2% NSR royalty to the original holders, half of the royalty can be bought back for a payment of \$1,000,000.

Exploration work on the property

An IP grid with lines at 100 metres spacing started during Q3-22 in the southern portion of the project. This survey will have to be completed later in 2022 when the ground is frozen. Up to now, about 15 km has been completed on a total of 27 km. At least two anomalies of interest have been detected in areas showing a structural complexity.

A drilling program is planned for Q2-23 to test a minimum of three (3) IP targets identified last summer. This program will consist of 3-4 holes for a meterage of approximately 1,200 metres.

4.9 Jeremie (Au)

Property Description

The Jeremie block totals 42 claims (2,173 hectares) as at September 30, 2022 and covers a surface area of approximately 30 square kilometres. It is located approximately 10 kilometres northwest of Wallbridge's new Area 51-Fenelon gold discovery. The Jeremie property covers the northwest contact of the Jeremie Pluton. In October 2019, Wallbridge reported drill results from its Fenelon property (Tabasco zone), with grades reaching 27.0 g/t Au over 38.39 metres, 20.89 g/t Au over 8.54 metres, and 17.58 g/t Au over 11.04 metres (*see press release by Wallbridge dated October 21, 2019*).

Exploration work on the property

During Q3-21, Midland completed a biogeochemical survey covering a portion of the Jeremie property. The final results of the bark sampling were received but no obvious anomaly has been identified.

A second bark survey is planned for Q2-23. This one will cover the southern portion of the claims block closer to the Wallbridge Fenelon Gold project.

4.10 Jouvex (Au)

Property Description

The Jouvex property is located about 50 kilometres to the southwest of Matagami and as at September 30, 2022 is composed of 374 claims covering an area of approximately 20,871 hectares. Some claims are subject to a 1% NSR royalty; Midland may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR.

On April 7, 2021, the Corporation completed the acquisition from SOQUEM of two blocs of claims contiguous to the Jouvex property by paying \$60,000 and by issuing a 1% NSR royalty; the Corporation may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% royalty.

Exploration work on the property

A biogeochem (black spruce barks) sampling survey was completed during Q2-22 in the southern portion of the property to the northwest of the Douay deposit. This survey identified a gold anomalous area closely associated with an interpreted NE structure. This sector is also located in an area interpreted as being south of the Douay-type altered felsic rocks.

In Fiscal 23, Midland is planning a follow-up on this new bark anomaly as well as other local surveys to cover other areas of interest on the property.

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4.11 La Peltre (Au), option agreement with Probe, operated by Probe

Property Description

As at September 2022, the La Peltre property comprises 482 claims covering a surface area of about 26,056 hectares and encompasses possible subsidiary faults to the south of the regional Lower Detour Fault over a distance of more than 10 kilometres. Some claims are subject to a 1% Gross Metal royalty.

On July 9, 2020, the Corporation signed an option agreement with Probe whereby Probe may earn a 50% interest in the La Peltre property in consideration of the following:

	Cash payments		Exploration work	
	Commitment	Completed	Commitment	Completed
	\$	\$	\$	\$
Upon signature	50,000	50,000 ¹⁾	-	-
On or before July 31, 2021	55,000	55,000 ²⁾	500,000	500,000
On or before July 31, 2022	70,000	70,000 ³⁾	700,000	700,000
On or before July 31, 2023	100,000	-	1,200,000	753,269
On or before July 31, 2024	125,000	-	1,100,000	-
Total	400,000	175,000	3,500,000	1,953,269

1) In July 2020, the Corporation received 37,879 shares of Probe based on a 5 days VWAP calculation to total \$50,000.

2) In July 2021, the Corporation received 32,544 shares of Probe based on a 5 days VWAP calculation to total \$55,000.

3) In July 2022, the Corporation received \$70,000 in cash.

Probe is the operator.

After exercising this first option to earn a 50% interest, Probe may increase its interest to 65% (the second option) over a period of 2 years in consideration of exploration expenditures or cash payment totalling \$5,000,000.

The Wawagasic property (57 claims as of September 30, 2022 covering 3,162 hectares) is included in the Probe option agreement.

Exploration work on the property

A biogeochem (black spruce barks) sampling program was completed and covered the southeast portion of the property. Five IP grids were completed to cover historical VTEM targets.

A drilling program was completed by Probe Metals in September 2022 to test the best IP anomalies combined with biogeochem anomalies. There was a total of 7 drill holes completed, totalling 2,388 m. Apart for some isolated gold values ranging from 0.1 g/t Au to 1.0 g/t Au, no significant gold intercepts were obtained during this program. Base metals analysis are still pending.

4.12 Lac Esther (Au)

Property Description

The Lac Esther property is located less than 30 kilometres to the north of the municipality of Lebel-sur-Quevillon, in Quebec and as at September 30, 2022 comprises 264 claims (14,802 hectares) . This important land position covers a strategic area straddling the southern contact of the syntectonic Waswanipi-South Pluton and the junction between two major regional faults, namely the Casa Berardi and Lamarck regional fault zones. These fault zones host several historical gold showings and deposits located near the Lac Esther property.

Some claims of the Lac Esther property are subject to two 2% NSR royalty of which 1% can be bought back in tranches for an aggregate of \$2,000,000.

Some claims were dropped in Fiscal 2022, therefore the Corporation impaired partially for \$2,335 the exploration property cost.

Exploration work on the property

During Q3-21, Midland completed a Mag Drone survey covering a small block of claims in the western portion of the Lac Esther property.

A soil survey (B-horizon) was completed during Q3-21 east of the former Lac Rose mine. A few new local gold anomalies were identified.

4.13 Laflamme (Au-Ni-Cu-PGE), in partnership with Abcourt Mines Inc. and operated by Midland

Property Description

The Laflamme property is located about 25 kilometres west of Lebel-sur-Quévillon in the Abitibi region. As at September 30, 2022, the Laflamme property consists of a total of 494 claims covering an area of approximately 26,638 hectares and Midland holds 79% of the property.

On August 17, 2009, the Corporation signed an agreement with Aurbec Mines Inc. ("Aurbec"), (previously a subsidiary of North American Palladium Ltd.) and on June 17, 2016, Abcourt Mines Inc. ("Abcourt") acquired the interest in the property following the bankruptcy of Aurbec. Abcourt does not contribute to the exploration programs and is therefore being diluted.

Some claims were dropped in Fiscal 2021, therefore the Corporation impaired partially for \$12,865 the exploration property cost.

Exploration work on the property

During a prospecting program a high-grade gold boulder was discovered approximately 700 metres southeast of the historical Notting Hill gold showing. This boulder graded 28.7 g/t Au and is characterized by an intense stockwork of quartz-ankerite veins containing up to 15% pyrite mineralization. Another sample collected from a similar boulder located 1 metre apart yielded a grade of 6.0 g/t Au in a country rock completely altered to ankerite and containing 5% pyrite mineralization, which represents the stockwork host rock.

Given the angular shape of this boulder and known glacial flow directions in this part of the Abitibi, the potential source of these erratic boulders is interpreted as being at a short distance to the NNE. The target area has never been drill-tested and corresponds to a magnetic low that remains untested over a distance of more than 1.5 kilometres.

Prospecting also yielded several anomalous gold values on outcrops with grades between 0.1 and 1.0 g/t Au, in grab samples associated with new shear zones with strong carbonate alteration, supporting the gold potential in the vicinity of the discovery boulder.

In the summer 2022, geophysical and geological work were undertaken in an effort to locate the source of the gold-bearing boulders, directly north of the latter. This work included a very detailed high-resolution drone-supported magnetic survey with flight lines spaced every 25 metres. This survey was followed, by a dipole-dipole IP survey along lines at a 100-metre spacing. In addition to these geophysical surveys, a prospecting and soil/till sampling program was also conducted. Several new IP anomalies, as well as new soil anomalies (Au-Bi-W) were identified north of the high-grade gold floats and represent high priority drilling targets.

A drilling program is planned for Q2-23 on Laflamme. This program (3,000 m) will test the best targets in the vicinity of the high-grade gold floats as well as some untested BHEM conductors close to the Copernick Ni-Cu showing. A 3D-Model of the Copernick showing is currently ongoing.

4.14 Lewis (Au)

Property Description

As of September 30, 2022, the Lewis property consists of 173 claims (9,649 hectares) and covers a strategic position characterized by a regional flexure proximal to the Guercheville-Opawica deformation zone. The Lewis property is located approximately 60 kilometres northwest of the Nelligan deposit, jointly held by Iamgold Corporation (75%) and Vanstar Mining Resources (25%). Some claims were dropped in Fiscal 2021, therefore the Corporation impaired partially for \$1,505 the exploration property cost.

Exploration work on the property

Following the discovery made this past summer by prospecting at the Golden Nest showing, where grab samples yielded grades of 10.2 g/t Au and 2.1 g/t Au, mechanical stripping and channel sampling were completed in September 2021. The best results from the channel sampling completed on Golden Nest returned 0.46 g/t Au over 8.0 metres including 0.98 g/t Au over 3.0 metres and 0.65 g/t Au over 6.0 metres including 1.06 g/t Au over 2.0 metres.

A high-resolution magnetic survey was completed over the most part of the property. This high-quality survey was successful in identifying a new structural pattern around the 2020 and 2021 new showings. This mag survey will help position the next phases of exploration works.

A soil geochem sampling program was completed in the extension of the Red Giant and Golden Nest gold showings. A total of 455 samples were collected and several Au-As anomalies were identified and prospected during Q4-22.

A drilling program (1,500 m) is currently in preparation. This program will test the two known showings (Golden Nest and Red Giant) as well as other IP targets and soil anomalies. This program is scheduled to begin during Q2-23.

4.15 Maritime-Cadillac (Au) in partnership with Agnico Eagle and operated by Agnico Eagle

Property Description

The property is located in the Abitibi region in Quebec, along the Cadillac-Larder break and is composed of 7 claims. The Corporation holds 49% of the Maritime-Cadillac property located south of the Lapa mine. This property is subject to a 2% NSR royalty; half of the royalty can be bought back for a payment of \$1,000,000.

As per the agreement signed in June 2009 and amended in November 2012 and May 2013, Agnico Eagle and the Corporation are in a joint venture and future work are shared 51% Agnico Eagle - 49% the Corporation.

Exploration work on the property

Midland is reviewing the 3D-Model in order to propose a drilling program aiming to test the best remaining openings found in the vicinity of the best gold intersections.

4.16 Mistaouac (Au)

Property Description

The Mistaouac property is located about 75 kilometres to the south-west of Matagami in Abitibi, Quebec and consists of 170 claims (9,482 hectares) as at September 30, 2021. This bloc is located less than 5 kilometres to the northeast of the Estrades Zn-Cu-Au deposit to the east of Casa Berardi.

Some claims were dropped therefore the Corporation impaired partially for \$5,673 in Fiscal 2021.

Exploration work on the property

A black spruce bark biogeochemistry survey was completed to cover the entire property. Several anomalies were identified, one of which is of particular interest along the contact of the Orvilliers pluton. This kilometre-scale anomaly is characterized by elevated values in Au, Ag, Cu, Mo, Sb and Te.

Midland is currently planning some small geophysical IP surveys to cover the best bark gold anomalies identified in the southern portion of the claim block.

4.17 Nickel Square (Ni-Cu)

Property Description

This new property, dubbed Nickel Square, extends over a total surface area of approximately 300 square kilometres with strong yet underexplored potential for Ni-Cu-Co-PGE. It covers the Maizerest Intrusions, a series of ultramafic intrusions that are locally associated with untested historical electromagnetic (INPUT) conductors. In the north part of the Nickel Square property, a historical grab sample collected by the MERN in ultramafic rocks of the Maizerest with minor sulphide mineralization yielded anomalous values of 0.20% Ni, 450 ppm Cu, 110 ppm Co, 117 ppb Pd and 68 ppb Pt. As of September 30, 2022, the property consists of 448 claims covering 25 031 hectares.

Exploration work on the property

During Q3-22, a compilation of historical works was completed over the whole property. Few historical drilling was done on this property which hosts a large volume of ultramafic rocks that has never been worked for its nickel-copper potential.

This property will be covered with a high-resolution magnetic survey during Q3-23. Field follow-up consisting in prospecting and soil sampling will be undertaken during Q4-23.

4.18 Nomans (Au)

Property Description

As at September 30, 2022, the Nomans property consists of 776 claims (42,062 hectares) located approximately 60 kilometres east of the town of Matagami, Abitibi, Quebec, and adjacent to the west of the Chebistuan property held by Kenorland Minerals and currently optioned to Newmont Corporation.

This gold project consolidates a strategic position acquired by Midland along the possible extension of the Sunday Lake Fault in northern Abitibi, approximately 130 kilometres east of the Fenelon and Tabasco deposits held by Wallbridge.

Exploration work on the property

The survey completed on Nomans consisted of a total of 187 till samples (1 kg each) collected approximately every 300 to 500 metres along grid lines spaced 2 km apart and oriented NW-SE, i.e., perpendicular to the glacial flow direction.

Based on analytical results of the fine fraction (<63 microns), four significant gold signals were identified, ranging from 11 ppb to 31 ppb Au. In plan view, these anomalies form a narrow corridor about 20 kilometres long that is parallel to the dominant SSW ice flow direction. This alignment of gold anomalies is interpreted as a ribbon-shaped dispersal train with the highest value, at 31 ppb Au, located at the northern end of the glacial flow. This gold value is also associated with an anomalous sulfur value, suggesting the possibility of a local source.

Another sample from this survey showed a multi-element anomaly with elevated Li-Cs-Ba-K-Rb values indicating the presence of complex pegmatite in the north part of the property.

Midland is currently planning a follow-up campaign on these new (Au, Li) anomalies for the fall of 2022 that will include prospecting work and till sampling along a tighter grid, around the 31 ppb Au anomaly and the sample indicating lithium potential.

4.19 Noyelles (Au)

Property Description

The Noyelles property is located approximately 20 kilometres south of the town of Matagami, in Abitibi, Quebec and consists of 188 claims (10,510 hectares) as at September 30, 2022. This property provides control over more than 30 kilometres of structures with strong gold potential, within and proximal to the northern contact of the sedimentary Taibi Group along the Casa Berardi deformation zone.

Exploration work on the property

Compilation of historical works and high-resolution magnetic survey were completed during Q2-22.

Results from the bark sampling program have been received. In the west part of the project, a trend can be seen with regional anomalies in Sb and Te. More interpretation must be done with these results.

4.20 Patris (Au)

Property Description

The Patris property is located about 30 kilometres to the north-east of Rouyn-Noranda and as at September 30, 2022 consists of 298 claims (11,717 hectares). Some claims are subject to NSR royalties varying from 1% to 2% that can be bought back in tranches for an aggregate of \$7,000,000.

Exploration work on the property

A bark survey was completed in the southeastern portion of the Patris property. This survey covered a new Camflo-Type target area along the La Pause Fault. The results show a possible gold anomaly located near the La Pause fault and in the vicinity of the "Z" fold seen on the mag.

Two IP grids totalling about 57 km with line-spacing at 100 metres, were completed during Q3-22. Several new chargeability anomalies were detected but they are often associated with high resistivity anomalies, which could be explained by the presence of shallow bedrock. A more detailed interpretation of these results was completed, and a drilling campaign has been approved.

The Q1-23 and Q2-23 drilling program will consist of 15 drillholes totalling approximately 3,000 metres. Most of the targets consists in new IP targets located along the favorable gold-bearing structure that hosts the Gadoury, Patris and Lac Bellot West showings. Target also includes the wide alteration zone (100m) identified in the eastern extension of the Fayolle deposit.

4.21 Samson (Au)

Property Description

As at September 30, 2022, the Samson property consists of 280 claims covering a surface area of about 15,545 hectares about 50 kilometres west of the town of Matagami, in Abitibi.

Exploration work on the property

As a follow-up to the new gold discovery made in July 2020 at Golden Delilah on the Samson property, a second drilling campaign consisting of seven (7) drill holes totalling 1,810 metres was completed in September 2020.

Drill hole SAM-20-15, collared approximately 350 metres southeast of the Golden Delilah zone, intersected a new gold-bearing zone grading 23.0 g/t Au over 1.05 metre from 317.10 to 318.15 metres. This new zone is included within a wider interval with anomalous gold and arsenic over more than twenty metres, from 314.95 to 337.25 metres. This new zone, hosted at the contact of ultramafic rocks with pyrite and arsenopyrite mineralization, coincides with a fold nose clearly outlined by the magnetic survey and remains open in all directions.

Upon reception and interpretation of analytical results in early 2021, the geochemical affinity of numerous dykes and an intrusive stock was confirmed as being alkaline. Compositions range from monzonites to quartz monzonites, monzodiorites and monzogabbros. All of the main mineralized zones observed in 2020 drill holes are intimately associated with these dykes of alkaline affinity. The mineralized zones also exhibit brecciated textures and brittle faulting, typical of mineralization emplaced at shallow depths, in epithermal conditions. The Golden Delilah zone (see below) shows an uncommon metal assemblage with silver-gold-lead-antimony-arsenic, also typical of neutral epithermal mineral deposit types. These observations strongly suggest that mineral occurrences observed on Samson in 2020 represent the external parts of a magmatic-hydrothermal system associated with alkaline dykes, either of the syenite-associated disseminated gold (Robert, 2001) or of the intrusion-related gold (Hart et al., 2007) variety.

A biogeochemical and an IP survey were completed. The results of the IP survey were received as well as the results of the bark sampling. A new biogeochem anomaly (Au) was identified about 2 km to the south-east of Golden Delilah. This area has never been drilled. Moreover, a new IP anomaly was identified about 2 km north-east of Golden Delilah. This new area located along the Lower Detour fault has never been drilled either.

A seven (7) holes drilling program totalling 2,405 metres was completed during Q3-21. The best results came from a porphyry intrusion in hole SAM-21-18 to the north-east of Golden Delilah that returned 3.2 g/t Au over 0.50 metre from 65.05 to 65.55 metres. A new Au-bearing structure /breccia was identified near surface in hole SAM-21-22 and near the fold hinge. That zone returned 0.3 g/t Au over 5.05 metres from 101.95 to 107.00 metres. The other best results include 0.47 g/t Au over 0.45 metres in hole SAM-21-23 from 140.5 to 140.95 metres and 0.26 g/t Au over 3.0 metres from 245.0 to 248.0 metres in hole SAM-21-24.

A black spruce bark biogeochemistry survey was conducted in the winter of 2021 in the vicinity of the new high-grade gold discovery at Golden Delilah, which graded up to 99.1 g/t Au over 0.40 metre (DDH SAM-20-10; 106.45-106.85 m) and 23.0 g/t Au over 1.05 metres (DDH SAM-20-15; 317.10-318.15 m). This biogeochemistry survey identified a new gold anomaly located approximately 2 kilometres southeast of the Golden Delilah showing. This new area has never been drill-tested and is located near the western contact of a felsic pluton, where identified gold anomalies are aligned along structures mainly trending NW-SE and N-S.

During Q2-23, a geophysics IP survey will be conducted immediately south of the IP Grid that will be completed on our Gaudet-Fenelon JV with Probe.

4.22 Turgeon (Au)

Property Description

The Turgeon property is wholly owned by Midland and is located 150 kilometres to the south-west of Matagami. As at September 30, 2022, it consists of 8 claims (448 hectares) in the Abitibi region of Quebec.

Some claims were dropped therefore the Corporation impaired partially for \$35,256 in Fiscal 2021 and for \$4,346 in Fiscal 2022.

Exploration work on the property

No exploration work on the ground was conducted on Turgeon during Fiscal 22. Midland is currently looking for a new partner for this property.

4.23 Valmond (Au)

Property Description

The Corporation acquired claims by map staking about 50 kilometres to the west of the town of Matagami, Abitibi. As at September 30, 2022, this property consists in 44 claims covering an area of approximately 2,449 hectares.

Exploration work on the property

No exploration work on the ground was conducted on Valmond during Fiscal 22. Midland is currently looking for a new partner for this property.

4.24 Vezza (Au)

Property Description

The Vezza property is wholly owned by Midland and is located 3 kilometres west of the Vezza mine. As at September 30, 2022, it consists of 6 claims (2 blocks of 3 claims) covering a surface area of about 335 hectares in the Abitibi region of Quebec.

Exploration work on the property

No exploration work conducted on Vezza during Fiscal 22. Midland is currently looking for a new partner for this property.

GRENVILLE-APPALACHES

4.25 Gatineau (Zn)

Property Description

The Gatineau property is a land position for zinc, including as at September 30, 2021, 259 claims (15,282 hectares) distributed in the Gatineau Area, approximately 200 kilometres northwest of the city of Montreal.

On February 20, 2020, the Corporation signed a strategic alliance with SOQUEM, in which SOQUEM transferred to the Corporation its 50% interest in the Casault and Jouvex properties in exchange for:

- A 1% NSR royalty; Midland may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR; and
- 50% undivided interest in a joint venture relating to seven existing mining properties forming the Gatineau project.

On April 6, 2022, the Corporation received from SOQUEM a notice to terminate the Alliance contract signed on April 13, 2021, on the Gatineau property.

Some claims were dropped therefore the Corporation impaired partially for \$3,382 in Fiscal 2022.

Exploration work on the property

The final interpretation of the results (soils) and a final report for the 2021 exploration program were completed by SOQUEM during Q2-22. The results do not show any significant results from this soil sampling program.

4.26 Ski

Property Description

The Ski property staked, consists of 5 claims as of September 30, 2022, and is located in the 31J02 NTS sheet in the Vallee de la Gatineau.

Exploration work on the property

No exploration work conducted on Vezza during Fiscal 22. Midland is currently looking for a new partner for this property.

4.27 Tête Nord (Ni-Cu), option agreement with Rio Tinto, operated by Rio Tinto

Property Description

The Corporation assembled the Tête Nord property through map staking and acquisition. This property is located about 15 km east of the town of La Tuque.

56 claims were acquired by purchase on November 13th, 2020 from Les Ressources Tectonic Inc. for \$100,000 of which \$30,000 is payable upon signature, \$35,000 on the first anniversary and \$35,000 on the second anniversary; these payments were completed before November 13, 2022. These 56 claims are subject to 2% NSR royalty, the Corporation can buy it back the royalty for \$1,500,000 per 1.0% tranche for a total of \$3,000,000.

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In March 2021, the Corporation signed four agreements with different prospectors whereby it acquired blocs of claim for cash payments totalling \$41,050. The Corporation issued three 2% NSR royalties to the prospectors. The Corporation may, at any time, buy back each royalty, in all or in part, by making a cash payment of \$2,000,000 per royalty, \$1,000,000 per tranche of 1% royalty. For the fourth agreement, the Corporation agreed to make a \$25,000 payment if a resources estimate is completed on the bloc acquired or on the 40 contiguous claims owned by the Corporation.

See section 2.5 for a description on the option agreement signed with Rio Tinto for its Tête Nord property located in the Grenville geological Province, near the town of La Tuque in Haute-Mauricie.

Rio Tinto may earn an initial 50% interest (First Option) in the Tête Nord property over a period of four years, by fulfilling the following conditions:

	Cash payments		Exploration work	
	Commitment	Completed	Commitment	Completed
	\$	\$	\$	\$
Upon signature	100,000	100,000	-	-
On or before November 1, 2022	-	-	500,000	500,000
On or before December 1, 2022	100,000 ¹⁾	-	-	343,605
On or before December 1, 2023	100,000	-	-	-
On or before December 1, 2024	100,000	-	-	-
On or before December 1, 2025	100,000	-	3,500,000	-
Total	500,000	100,000	4,000,000	843,605

1) \$100,000 received before December 1, 2022.

Exploration work on the property

The VTEM survey totalled 6,635-line kilometres and covered the majority of the optioned claim blocks, with flight lines spaced 100 metres apart and locally 50 metres apart on more detailed grids. Following the review of the preliminary results, a new block of 39 claims (Bonhomme block) was map-designated approximately 12 kilometres north of the former Lac Edouard (Ni-Cu) mine. This claim block will be included in the partnership between Rio Tinto and Midland.

Preliminary results from the VTEM survey led to the identification of several new conductors, strategically positioned proximal to or along the extensions of known Ni-Cu occurrences such as the Rochette, Savane, Lac Matte and Ghyslaine showings, as well as on the new Bonhomme claim block.

Following the helicopter-borne VTEM-type electromagnetic survey totalling 6,635 line kilometres that was completed in 2022, a drilling campaign totalling 3,750 metres is set to begin in early December 2022 to test 10 new targets, mainly consisting of new VTEM conductors. These conductors are strategically positioned along the extensions, or proximal to historical Ni-Cu occurrences such as Savane and Rochette, or in new areas of interest including the Bonhomme area located north of the former Lac Edouard Ni-Cu mine, as well as the Cabouron and Tête Sud areas.

RTEC geology crews were very active in the field during the summer of 2022, prospecting and mapping prospective areas where new VTEM conductors were identified. The Rochette showing returned 0.86% Ni and 0.16% Cu (Tenor of 4.26% Ni calculated at 100% sulfides) in a grab sample. The Lac Matte showing returned a grab sample grading 0.36% Ni and 0.18% Cu (Tenor of 6.96% Ni calculated at 100% sulfides).

Prospecting in the Bonhomme area north of Lac Edouard former mine led to the identification of several anomalous values in Ni-Cu in ultramafic intrusions. This area is also characterized by the presence of several untested VTEM conductors that will be tested during this drilling program.

4.28 Weedon (Cu-Zn-Au)

Property Description

This property is located in the Eastern Townships, about 120 km south of Quebec City and as at September 30, 2022 is comprised of 87 claims covering an approximate area of 5,589 hectares. Some claims are subject to NSR royalties varying from 0.5% to 1.5% that can be bought back in tranches for an aggregate of \$3,000,000.

Some claims were dropped therefore the Corporation impaired partially for \$31,588 in Fiscal 2021 and for \$6,484 in Fiscal 2022 of the exploration property cost.

Exploration work on the property

A till sampling survey was completed to the east of the Lingwick deposit during Q1-20. The area explored returned interesting values in gold, copper and zinc. The lack of high-quality information (geology, geochemistry, geophysics) do not help to define a precise target. However, the strong presence of quartz fragments and the gold value of 136 ppb Au in concentrate, could lead towards an IP anomaly in the vicinity of the Lingwick deposit. It is recommended to make a follow-up of these anomalies with a drilling program using a tight spacing.

During the summer of 2021, a Drone magnetic survey covered the most part of the property (Weedon and Lingwick sectors). These works led to the identification of a possible volcanic rock enclave within the intrusion that cuts the Weedon deposit. This newly identified area is also characterized by the presence of VTEM conductors from the 2008 survey that will have to be covered with additional geophysical and geochemical works.

A till survey was completed on a small grid to cover a possible volcanic enclave with the Aylmer Pluton. This survey highlighted a base metal (Zn-Cu-Pb) anomalous area directly over an untested VTEM axis. Additional prospecting is in progress in this area to try to explain the soil anomalies.

JAMES BAY

4.29 BJ Gold (Au)

Property Description

Midland owns a 100% interest on 118 claims as at September 30, 2022 covering 6,069 hectares in the James Bay Area. Some claims were dropped therefore the Corporation impaired partially for \$6,960 Fiscal 21 and \$90,126 in Fiscal 22 the property cost.

Exploration work on the property

A prospecting program was conducted during Q3-22. No significant result was obtained.

4.30 BJ Eleonore (Au)

Property Description

The Eleonore new property is divided in three distinct blocks with two of them within 25 kilometres from the Eleonore gold discovery of Newmont and one southeast 30 km further along strike. It encompasses a group of 264 claims covering an area of approximately 13,846 hectares as at September 30, 2022.

Some claims were dropped therefore the Corporation impaired partially for \$65,614 the property cost in Fiscal 22.

Exploration work on the property

A soil survey was completed on the property during Q4-21 and the results have been recently received. Polymetallic signatures (Cu-Zn) were obtained in the southern portion associated with a felsic intrusion.

4.31 Elrond (Au)

Property Description

The Elrond property consists as at September 30, 2022 of 197 contiguous claims covering a total surface area of 10,175 hectares. Some claims are subject to a 1% NSR royalty.

See section 2.5 for details on the Brunswick transaction.

Exploration work on the property

The end results of the 80 till samples collected over the summer 2021, southwest of Harfang Exploration Inc.'s Serpent gold project, have been recently received but the final interpretation is ongoing. The samples sent to ODM have completed the last stage of treatment and went through the heavy fluid separation phase. The heavy concentrates were sent to Actlabs for analysis.

Meanwhile, the final ODM report on gold grains count was received. The gold grains count (and size) gives us more detail on the till anomalies. Up to 52 gold grains count were obtained, a strong anomaly in itself for a till sample, followed by 24 gold grains. Several anomalous till samples are present in the western section of the project. The maximum pristine+modified grains obtained are 6 and are associated with the 52 total grains count sample.

Few days of prospecting were completed during Q3-22 and no significant results were received.

4.32 Fangorn (Au)

Property Description

The Fangorn property consists as at September 30, 2022 of 16 contiguous claims covering a total surface area of 816 hectares. Some claims are subject to a 1% NSR royalty.

Exploration work on the property

No exploration work conducted on Fangorn during Fiscal 22. Midland is currently looking for a new partner for this property.

4.33 Helm's Deep (Au)

Property Description

The Helm's Deep property consists as at September 30, 2022 of 70 contiguous claims covering a total surface area of 3,699 hectares. Some claims are subject to a 1% NSR royalty.

Exploration work on the property

No exploration work conducted on Helm's Deep during Fiscal 22. Midland is currently looking for a new partner for this property.

4.34 JV Eleonore (Au), in partnership with Osisko, operated by Osisko

Property Description

On June 13, 2016, a joint-venture agreement (50%-50%) was signed and is now held by Osisko whereby Osisko and the Corporation cooperate and combine their efforts to explore the JV Eleonore. The property is located 12 kilometres southeast and northwest of Newmont's Eleonore deposit. Osisko is the operator. Each partner obtained a 0.5% NSR royalty as a mutual consideration for the constitution of the joint venture.

The property is located 12 kilometres southeast and northwest of Newmont's Eleonore deposit. As at September 30, 2022, the property regroups several properties for a total of 592 claims covering a surface area of about 31,011 hectares.

Exploration work on the property

No exploration work conducted on JV Eleonore during Fiscal 22.

4.35 Komo (Au)

Property Description

As at September 30, 2022, the Komo property consists of 393 claims (20,743 hectares), located near the Patwon gold discovery made by Azimut Exploration Inc. ("Azimut") on its Elmer project (Eeyou Istchee James Bay, Quebec). The western part of the project lies approximately 7 kilometres south of the Azimut discovery.

The Komo project covers, over nearly 40 kilometres, the same volcanic belt that hosts the Patwon discovery. Azimut recently announced several significant gold-bearing drill intercepts on Patwon, namely 3.15 g/t Au over 102.0 metres, including 10.1 g/t Au over 20.5 metres (press release by Azimut dated January 14, 2020).

The Komo project also covers, over approximately 30 kilometres, the highly prospective contact between the La Grande and Opinaca/Nemiscau geological subprovinces. This contact hosts most of the known gold deposits in the James Bay region, namely the Eleonore mine (Newmont) and the La Pointe and Cheechoo deposits. The portion of the project located nearest the Patwon discovery shows a structural setting highly favourable for gold, with a folded gabbro unit located in the pressure shadow of a large-scale intrusion. A historical molybdenum-copper occurrence on the project also indicates potential for porphyry-type mineralization on Komo.

Some claims were dropped therefore the Corporation impaired partially for \$9,369 in Fiscal 21 the exploration property cost.

Exploration work on the property

A prospecting program was conducted during Q3-22. No significant results were obtained.

4.36 McDuff (Cu-Au-Mo-Ag)

Property Description

The McDuff property consists as at September 30, 2022 of 159 (8,394 hectares).

Exploration work on the property

No exploration work conducted on McDuff during Fiscal 22. Midland is currently looking for a new partner for this project.

4.37 Minas Tirith

The Minas Tirith property was dropped in Fiscal 22 and was entirely written off in Fiscal 21 for \$45,425.

4.38 Moria (Ni-Cu)

Property Description

The Moria property consists as at September 30, 2022 of 140 claims (7,400 hectares). Some claims are subject to a 1% NSR royalty.

Exploration work on the property

No exploration work conducted on Moria during Fiscal 22. Midland is currently looking for a new partner for this project.

4.39 Mythril and Mythril Regional (Au-Cu-Mo), option agreement with Brunswick, operated by Brunswick

Property Description

The Mythril property consists as at September 30, 2022 of 1,534 claims (77,910 hectares). The Corporation wrote off a project included in the Mythril property for \$6,096 in Fiscal 21 and partial impaired property cost for \$190,066 in Fiscal 22. Some claims are subject to a 1% NSR royalty.

See section 2.5 for details on the Brunswick transaction.

Exploration work on the property

An update of the 3D-Model of Mythril mineralized zone was completed. The new drilling results were incorporated into the model and modelled, including the grade envelopes and interpolation between them. This model will help in prioritizing specific areas for a possible geophysics follow-up in 2022. Midland is currently evaluating the possibility of conducting a deep geophysical survey to try to map the conglomerates that erode the tonalite and the mineralized zones.

At a regional scale, during prospecting work on the Chisaayuu claim block of the Mythril Regional project, two new high-grade gold-bearing boulders were discovered, yielding values in grab samples of 10.25 g/t Au, 8.0 g/t Ag and 7.99 g/t Au, 166 g/t Ag, 0.4% Cu, 0.07% Mo.

A prospecting program was conducted during Q3-22 following up on the high-grade gold floats discovered in 2021. A grab sample returned 2.2 g/t Au on Chisaayuu west of the gold-bearing boulder field discovered in 2021. Few others anomalous values between 0.1 g/t Au and 0.8 g/t Au were received.

4.40 Shire (Zn-Cu)

Property Description

The Shire property consists as at September 30, 2022 of 105 contiguous claims covering a total surface area of 4,582 hectares. Some claims are subject to a 1% NSR royalty. The Corporation impaired partially the property for the claims that were dropped for \$23,774 in Fiscal 22.

Exploration work on the property

A prospecting program was conducted during Q3-22 in order to follow-up VTEM conductors having a potential for Ni-Cu mineralization. This type of mineralization could be present since MERN identified ultramafic rocks in 2021 on the property. No significant results were received.

4.41 Wookie (Au)

Property Description

The Corporation holds the Wookie project totalling 188 claims (9,843 hectares), located near the recent Patwon gold discovery made by Azimut on its Elmer project (Eeyou Istchee James Bay, Quebec). The Corporation impaired partially the property for the claims that were dropped for \$9,656 in Fiscal 21.

Exploration work on the property

No significant result was received for the Wookie prospecting program conducted during Q4-20.

NORTHERN QUEBEC

4.42 BHP Alliance (NI)

Alliance Description

During Fiscal 21 and 22, a total of 1,196 claims (52 587 hectares) were map staked by Midland Base Metals ("MBM") within the AOI of the strategic alliance with BHP.

On August 20, 2020, the Corporation signed an agreement with Rio Algom Limited, a wholly-owned subsidiary of BHP, for a new strategic alliance ("Alliance") for the initial funding by BHP of a generative exploration phase and opportunities for joint contributions to advance nickel exploration within the Nunavik territory, Quebec.

Generative Phase (I)

During the first phase of the Alliance, BHP will fund at 100% up to \$1,400,000 on an annual basis for a minimum of two years. The Corporation is acting as operator and the main objective is to generate, identify and secure exploration projects to be advanced to a drill-ready stage through further exploration work. BHP may propose additional exploration work for up to 700,000 before advancing an identified project to the second phase.

Following the first phase, one or more specific exploration targets may be advanced to a second phase to be further developed as a separate designated project.

Testing Phase (II)

During this second phase, each designated project will have its own work program and budget with the objective, mainly through drilling, to test and further develop the identified targets. The Corporation will act as operator during the testing phase subject to BHP's right to become the operator of any designated project.

For each designated project, the testing phase will last up to four years, with a total budget of up to \$4,000,000 with a minimum of \$700,000 to be spent during the first year. During this phase, BHP and the Corporation will fund 75% and 25%, respectively, for approved work programs.

In addition, for each designated project, BHP will pay to the Corporation a designated project fee, structured as follows: \$250,000 on or before the first anniversary, \$250,000 on or before the second anniversary and \$500,000 on or before the third anniversary, of the testing phase, for a maximum of \$1,000,000 per designated project.

BHP has the right to cease contributing its share of the funding of a designated project in which case the Corporation would have the right to retain a 100% interest of the designated project and BHP would receive a 1% NSR royalty. The Corporation would have a right to buy-back such royalty for a one-time cash payment of \$1,500,000. Total royalty payments would be capped at \$3,000,000 per designated project.

BHP may decide to advance any designated project to the third phase as a joint venture project ("JV Project").

Joint Venture Phase (III)

For this third phase, a formal joint venture would be formed with initial participating interests being 70% BHP and 30% the Corporation. Both parties would contribute to the expenses pro-rata to their participating interests. BHP would be the operator for all JV Projects.

For each JV Project, BHP will pay to the Corporation a joint venture success fee of \$200,000 after the formation of the joint venture including transfer of tenements, data ownership and any other assets related to the JV Project to, or for the benefit of, the joint venture.

If a party's participating interest in the joint venture is diluted below 10%, such interest would be converted into a 1.5% NSR royalty on the JV Project. The non-diluted party would have a right to buy-back such royalty for a one-time cash payment of \$2,500,000. Total royalty payments would be capped at \$5,000,000 per JV Project.

On July 11, 2022, an amendment was signed which provides a one-year extension of the Generative Phase (Phase I) which comes with an additional annual funding of up to \$1,400,000 and extends until August 21, 2023. The Corporation will continue to act as the project operator, and the main objective of this phase is to generate, identify and secure, within the area of interest, exploration projects to be advanced to a drill-ready stage through further exploration work. BHP may, at its discretion, propose additional exploration work of up to \$700,000 before advancing a project to the second phase.

Exploration work in the area of interest

A three-week prospecting program was completed in September and October 2021 under the Ni-Cu Alliance with BHP. This program was mainly designed as a ground follow-up of VTEM-type electromagnetic anomalies identified during the summer 2021 survey. Final assay results for the 2021 prospecting program were received. Thirteen grab samples returned anomalous values ranging between 0.10% and 0.25% Ni along with associated Cu values in the ratio close to 1:1.

Regional MT surveys covering 232 stations in three blocks, were conducted during Q3-22. This work was designed to map and provide a preliminary assessment of the regional geological architecture. Results are being integrated in a 3D model.

A prospecting program (two phases) was completed in early September. These field programs targeted new anomalies identified during the MT survey, as well as additional geological targets that were generated during the initial targeting phase but that were not ground-checked during the 2021 program.

Assay results from the first phase were received during this month. New results, including new showings from the 2022 target list, include :

- Target 2022-22 : 0.81% Ni – 0.21% Cu (New 2022 results)
- Area 2022-22 Ultramafic boulder : 0.16% Ni (New 2022 results)
- Mantas Intrusion (North) : 0.15 % Ni – 0.11% Ni
- Bonne Une Intrusion : 0.22 % Ni – 0.23 % Cu
- A17-1: 0.20 % Ni – 0.20 % Cu

Final interpretation and 3D inversions of the MT data is still in progress. Planning for the 2023 program is currently ongoing with BHP and will be finalized during Q2-23.

4.43 Labrador Trough alliance - SOQUEM

Alliance Description

On February 18, 2021, the Corporation signed a strategic alliance with SOQUEM to jointly explore the Labrador Trough, for an amount of up to \$5,000,000 over 4 years. A joint annual budget of \$1,000,000 over a period of 4 years (firm commitment totalling \$2,000,000 for the first 2 years), for a total of up to \$4,000,000, will be provided under the alliance for the targeting and field reconnaissance phase. Midland will be the project operator in charge of exploration work during the targeting and field reconnaissance phase. An additional, firmly committed, joint budget of \$1,000,000 for the second year is provided under the agreement to explore the designated projects. The joint budgets for exploration work in the third and fourth years on the designated projects shall be approved by the project's management committee. SOQUEM will become project operator on all designated projects.

During Fiscal 21 and 22, a total of 490 claims (22,883 hectares) were map staked by Midland and SOQUEM (50%-50%) within the AOI of the strategic alliance with SOQUEM.

Exploration work in the area of interest

For the summer of 2022, Midland and SOQUEM conducted a second prospecting campaign in two phases of three weeks each, under the Labrador Trough Alliance. Several new targets were prospected, including some follow-up work on an erratic boulder discovered in the late summer of 2021, which graded 40.8 g/t Au in grab sample.

During a prospecting campaign carried out in the summer of 2022, the Midland-SOQUEM team discovered, on surface, several new mineralized horizons with high-grade copper and gold that were observed over an area of at least 160 metres by 170 metres. Given the vegetative cover, the mineralization remains open in all directions and the dimensions of this new mineralized system have yet to be determined.

- Discovery of a high-grade Cu-Au mineralized system, interpreted over an area of at least 160 metres by 170 metres, open in all directions
- Grab samples grading up to 25.6 % Cu, 4.9 g/t Au, 162 g/t Ag (29.97 % CuEq*) ;
- Channel #1: 1.49% Cu, 0.54 g/t Au and 11.4 g/t Ag (1.93% CuEq*) over 4.0 metres ;
- Channel #2: 0.90% Cu, 0.45 g/t Au and 6.5 g/t Ag (1.25% CuEq*) over 3.0 metres.
- New land position following the acquisition of 187 claims (90 sq. km)

The mineralized system was discovered during prospecting work conducted in the area south of Nachicapau Lake. This work followed up on the discovery made by Midland in 2018 of a calcite vein with bornite and malachite mineralization that graded 3.16% Cu, 5.27 g/t Au and 40.7 g/t Ag. The new discovery is located 100 metres from this showing and the surrounding area has seen very little exploration.

Geologically, the mineralized system is hosted in mafic pyroclastic rocks and chlorite-actinolite schists of the Murdoch Formation. It is defined by the presence of disseminated malachite and bornite mineralization in horizons ranging from cm-scale to several metres wide and as cm-scale pods in calcite veins. Gold mineralization is also associated with these veins. At least eight decimetric to pluri-metric mineralized horizons have been identified to date.

Additional assays results have confirmed the potential in this area with 8 new samples of interest grading up to 10.05% Cu, 0.19 g/t Au, and 62.90 g/t Ag, and 1.26% Cu, 5.80 g/t Au, and 10.90 g/t Ag in grab samples. These samples with high-grade Cu-Au-Ag values are located along the extensions of horizons and veins with malachite and bornite mineralization. A new area of interest located 350 metres south of these mineralized horizons also exhibits carbonate veining with chalcopyrite and bornite mineralization, which graded 0.11% Cu, 0.03 g/t Au, and 0.20 g/t Ag.

An exploration program will be undertaken in the summer of 2023, focusing on the immediate vicinity of the Cu-Au-Ag mineralized horizons and their extensions along the volcano-sedimentary Murdoch Formation. This area has been the focus of very little previous exploration. Upcoming work may include soil and rock sampling, stripping, channel sampling, and induced polarization surveys.

4.44 Pallas (PGE)

Property Description

As at September 30, 2022, the property totals 322 claims covering approximately 14,601 hectares in the Labrador Trough ("Trough") some 80 kilometres west of Kuujjuak, Québec. Since no exploration work are planned in the near future, the property was written off for \$694,694 in Fiscal 22. Some claims were dropped in Fiscal 21 and the Corporation impaired partially for \$8,099 the property cost.

Exploration work on the property

Midland is currently looking for a new partner for this project.

4.45 Soissons (Ni-Cu-Co)

Property description

As at September 30, 2022, the Soissons property consists of a total of 175 claims (8,226 hectares) and is located approximately 150 kilometers southeast of the town of Kuujjuak, Quebec, in the geological province of Churchill.

Exploration work on the property

A ground EM survey (SQUID-LT) was completed on the Papavoine showing during Q3-21. These works led to the identification of several conductors down to a depth of 600 metres including one that has never been drill tested.

4.46 Soissons-NMEF (Ni-Cu-Co)

Property Description

On July 27, 2018, the Corporation signed a partnership agreement (50%-50%) with the NMEF, to explore an area of the Soissons property located between 50 and 100 kilometers southeast of Kuujjuaq, Nunavik, Quebec. The NMEF will be the operator of the partnership. As at September 30, 2022, this project consists of a total of 77 claims (3,571 hectares).

On October 4, 2022, the Corporation signed an amendment to the July 27, 2018 agreement with NMEF whereby NMEF agrees to transfer its 50% in 46 mining claims for a 2 NSR royalty that can be bought back for a cash payment of \$1,500,000 for each 1% for a total amount of \$3,000,000.

Exploration work on the property

Prospecting works were carried out during Q4-21 and assay results and the final report from NMEF were received. The most interesting results came from the Northern Block 3.

A total of 43 out of 136 samples were collected on Northern Block 3. Approximately 16.8 km (excluding the soil sampling and detailed sampling area) have been walked in the vicinity of MERN's Soissons Suite intrusions.

Fifteen samples returned Ni values over the significant threshold (150 parts per million ("ppm") Ni) including one anomalous value at 2150 ppm in sample M825391. Twenty samples returned Cu values over the significant threshold (125 ppm Cu) including eleven anomalous samples with the highest value of 2450 ppm in sample M825391. Three samples returned Co values over the significant threshold (100 ppm Co) and they are associated with the three best results of Ni-Cu. These three samples: M825323 (Ni 1460 ppm, Cu: 1540 ppm & Co: 126 ppm), M825343 (Ni: 1270 ppm, Cu: 1420 ppm & Co: 103 ppm) and M825391 (Ni: 2150 ppm, Cu: 2450 ppm & Co: 135 ppm) are the three best samples of the 2020-2021 exploration campaign. All significant Ni-Cu-Co results are within gabbroic Soissons intrusions except samples M825277 (Cu: 605 ppm) and M825334 (Cu: 187 ppm) with significant copper in gneiss rock.

Two small channels were cut. The first two meters channel had samples M825343 (Ni: 1270 ppm, Cu 1420 ppm & Co: 103 ppm) and M825344 (Ni: 818 ppm, Cu: 638 ppm & Co: 89 ppm). The second channel is 3.6 meters to the southeast in line with the first channel and is two meters long with samples M825345 (Ni: 371 ppm, Cu: 353 ppm & Co: 59 ppm) and M825346 (Ni: 256 ppm, Cu: 189 ppm & Co 56 ppm). The three best Ni results were all collected within 10 meters north of the channel (M825323: 1460 ppm Ni, M825391: 2150 ppm Ni and M825392: 1290 ppm Ni).

A soil survey was completed but did not return any significant value with the best Ni value of 44.4 ppm in sample M825423 and the best Cu value of 17 ppm in sample M825426. Although the values are not significant, the highest values line up with the local Soissons intrusion in a North-Northwest trend.

4.47 Willbob (Au)

Property Description

The Willbob property in the Labrador Trough consists of 687 claims (31,483 hectares) as of September 30, 2022, and is located approximately 66 kilometres west-southwest of Kuujjuaq (Québec), near and in a geological environment similar to Midland's Pallas Project.

The Corporation owns the Willbob property and some claims are subject to the following royalties:

- 2% NSR royalty
- 2% NSR royalty of which 1% can be bought back for a payment of \$1,000,000.

In Fiscal 22, the Corporation impaired partially the property for the claims that were dropped for \$110,837.

Exploration work on the property

No exploration work conducted on Willbob during Fiscal 22. Midland is currently looking for a new partner for this project.

During Q3-21, Simon Hébert had completed two days on the field visiting the most important gold showings of the Willbob project for his M.Sc. thesis. M. Hébert has also spent a few days reviewing the core from the drilled showings at Kuujuaq. During his field trip for his master's degree about gold in the Labrador Trough, M. Hébert found free gold in a trench of the Wayne showing. Results were received during Q1-22 and one sample with visible gold returned 87,5g / t Au (gravity).

PROJECTS GENERATION

Midland continued some geological compilation programs in Quebec for the acquisition of new strategic gold and base metal properties.

Some claims were dropped therefore the Corporation impaired partially the property cost for \$16,630 in Fiscal 22.

Other Activities

Midland is proactive in the acquisition of new mineral exploration properties in Quebec. Management is constantly reviewing other opportunities and other projects to improve the portfolio of the Corporation. Acquisition opportunities outside of Quebec will also be considered. Midland prefers to work in partnership and fully intends to secure new partnerships for its properties and its 100% owned properties.

5. CASH AND INVESTMENTS FORECAST

Management is of the opinion that it will be able to maintain the status of its current exploration obligations and to keep its properties in good standing for at least the next twelve months. Advanced exploration of some of the mineral properties would require substantially more financial resources. In the past, the Corporation has been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that such financing will be available when required, or under terms that are favourable to the Corporation. The Corporation may also elect to advance the exploration and development of mineral properties through joint-venture participation.

Midland Exploration Inc.
Management Discussion & Analysis
For the year ended September 30, 2022

	Fiscal 23 forecast
	\$
Cash and investments opening	6,400,000
Exploration budget paid by Midland	(4,034,000)
Property maintenance	(394,000)
Project management fees	89,000
Payments received – option agreements and alliances	355,000
Flow-through private placement	2,905,000
Private placement	726,000
Share issue expenses	(180,000)
Operating expenses, excluding non-cash items	(1,577,000)
Interest income	245,000
Mining credits of preceding years	194,000
Cash used	(1,671,000)
Cash and investments ending	4,729,000

6. SELECTED ANNUAL INFORMATION

	Fiscal 22	Fiscal 21	Fiscal 20
	\$	\$	\$
Project management fees	210,412	202,218	23,754
Loss	(1,900,085)	(1,023,800)	(1,345,977)
Loss per share, basic and diluted	(0.03)	(0.01)	(0.02)

	As at September 30,		
	2022	2021	2020
	\$	\$	\$
Total assets	39,216,081	39,915,196	38,893,801

7. SUMMARY OF RESULTS PER QUARTERS

For the eight most recent quarters:

	Q4-22	Q3-22	Q2-22	Q1-22
	\$	\$	\$	\$
Project management fees	140,537	30,997	13,205	25,673
Net earnings (loss)	(1,087,021)	(180,374)	(369,947)	(262,743)
Loss per share	(0.01)	-	(0.01)	-
Total assets	39,216,081	41,431,312	41,821,173	40,914,031

	Q4-21	Q3-21	Q2-21	Q1-21
	\$	\$	\$	\$
Project management fees	29,086	110,898	56,574	5,660
Net earnings (loss)	(342,253)	(53,448)	(278,208)	(349,891)
Loss per share	(0.01)	-	-	(0.01)
Total assets	39,915,196	40,362,517	39,989,959	40,047,976

Midland Exploration Inc.
Management Discussion & Analysis
For the year ended September 30, 2022

Quarterly highlights:

- Q4-22
 - BHP extends the alliance for year and increase the budget for \$1,400,000.
 - New Cu-Au-Ag discovery in Labrador trough with SOQUEM, up to 25.6% Cu, 4.9 g/t Au and 162 g/t Ag (grab).
- Q3-22
 - New high-grade gold floats (28.7 g/t Au) discovered on Laflamme.
 - Prospecting in James Bay.
 - New Ni-Cu acquisition in Abitibi: Nickel Square property.
- Q2-22
 - \$93,500 hard cash financing with BHP.
 - Commencement of regional magnetotelluric surveys and prospecting in the Nunavik with BHP.
 - 2,388 metres drilling on La Peltrie with Probe.
- Q1-22
 - \$2,667,100 flow-through financing.
 - Option agreement with RTEC on the Tête Nord property.
 - New gold discovery on Casault with Wallbridge: 6.85 g/t Au over 2.0 metres.
 - New high-grade gold float (40.8 g/t Au) discovered on the Labrador Trough Alliance with SOQUEM.
 - Several high-resolution magnetic surveys commencing in Abitibi.
- Q4-21
 - 5,295 metres drilling on Casault with Wallbridge.
 - 4,483 metres drilling on Gaudet with Probe.
- Q3-21
 - 2,405 metres drilling on Samson.
 - 1 647 metres drilling on Mythril.
- Q2-21
 - SOQUEM alliance agreement signed on the Fosse trough property.
- Q1-21
 - \$2,284,750 flow-through financing and \$96,209 hard cash financing with BHP.

8. FOURTH QUARTER

The Corporation incurred \$2,078,377 (\$1,781,852 in Q4-21) in exploration expenses of which \$1,459,676 (\$284,102 in Q4-21) was recharged to the partners. The exploration expenses incurred in Q4-22 were incurred mainly on the BHP Alliance, Laflamme and Labrador Trough with SOQUEM, whereas in Q4-21 they were mostly incurred on the BHP Alliance, Casault, Gaudet and La Peltrie.

The Corporation acquired or maintained properties for \$94,279 net (\$59,263 net in Q4-21)

The Corporation reported a loss of \$1,087,021 for Q4-22 compared to a loss of \$342,253 for Q4-21.

Project management fees increased to \$140,537 (\$29,086 in Q4-21) mainly due to increased activity level in Q4-22 on BHP Alliance versus Q4-21.

Operating expenses increased to \$1,440,694 in Q4-22 compared to \$369,354 in Q4-21:

- Conference and investors relations \$70,546 (\$27,828 in Q4-21). Midland retained Renmark to provide investor relations services for a monthly cash consideration of \$6,000 from

Midland Exploration Inc.

Management Discussion & Analysis

For the year ended September 30, 2022

March 1, 2022 to September 30, 2022. Also, the Midland team started to travel again to participate at conferences.

- Impairment of exploration and evaluation assets: \$1,004,981 (\$10,623 credit in Q4-21). The main impairment arises from the Pallas property write off for \$694,694. In addition, the Corporation dropped certain claims and partially impaired mainly Mythril for \$190,066.

A \$206,416 (none in Q4-21) recovery of deferred income taxes (non-cash item) was recognized to record the amortization, in proportion of the work completed, of the premium related to flow-through shares following the November 2020 private placement (December 2019 in Fiscal 20). All exploration work imposed by the November 2020 flow-through financing was completed before June 30, 2021. The balance on flow-through financing not spent according to the restrictions imposed by the December 2021 financings represents \$308,636 as at September 30, 2022.

9. RELATED PARTY TRANSACTIONS

The following are the related party transactions that occurred in Fiscal 22, in the normal course of operations:

- A firm in which René Branchaud (director and corporate secretary) is a partner charged legal fees amounting to \$121,171 (\$88,839 in Fiscal 21) of which \$91,265 (\$77,439 in Fiscal 21) was expensed and \$29,906 (\$11,400 in Fiscal 21) was recorded as share issue expenses;
- A company controlled by Ingrid Martin (chief financial officer) charged accounting fees totaling \$144,151 (\$140,857 in Fiscal 21) of which \$53,676 (\$49,619 in Fiscal 21) relates to her staff;
- As at September 30, 2022, the balance due to the related parties amounted to \$13,735 (\$12,772 as at September 30, 2021).

10. EVENTS SUBSEQUENT TO YEAR END

See section 2.5 on the option agreement signed with Brunswick on the Mythril and Elrond properties, and also section 4.46 for an amendment signed with NMEF on the Soissons NMEF property. Finally see section 2.3 on the private placements closed in November and December 2022.

11. STOCK OPTION PLAN

The purpose of the stock option plan is to serve as an incentive for the directors, officers and service providers who will be motivated by the Corporation's success as well as to promote ownership of common shares of the Corporation by these people. There is no performance indicator relating to profitability or risk attached to the plan.

The number of common shares granted is determined by the Board of Directors. The number of common shares reserved for issuance under the Corporation's fixed number stock option plan is 5,790,000. The exercise price of any option granted under the plan shall be fixed by the Board of Directors at the time of grant and shall not be lower than the closing price on the day preceding the grant. The term of the option will not exceed ten years from the date of grant. The options normally vest 1/6 per 3 months from the grant date, or otherwise as determined by the Board of Directors.

12. OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements.

13. COMMITMENT

In February 2016, the Corporation extended the lease for five years, from March 2017 to February 2022. The rent is \$31,432 for the first year and thereafter will be indexed annually at the highest of the increase of the consumer price index or 2.5%. The Corporation exercised its the option to renew the lease for an additional 3 year period under the same conditions. This lease is now capitalized as per IFRS 16.

14. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

See note 3 of the Financial Statements.

15. NEW ACCOUNTING STANDARDS

No new accounting standards to discuss for Fiscal 22.

16. FINANCIAL INSTRUMENTS

See notes 2.6 and 12 of the Financial Statements.

17. RISK FACTORS

The following discussions review a number of important risks which management believes could impact the Corporation's business. There are other risks, not identified below, which currently, or may in the future exist in the Corporation's operating environment.

17.1 Exploration and Mining Risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Currently, there are no known bodies of commercial ore on the mineral properties of which the Corporation intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are other risks involved in the conduct of exploration programs. The Corporation, from time to time, increases its internal exploration and operating expertise with due advice from consultants and others as required.

The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Corporation's mineral properties.

17.2 Titles to Property

While the Corporation has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

17.3 Permits and Licenses

The Corporation's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

17.4 Metal Prices

Even if the Corporation's exploration programs are successful, factors beyond the control of the Corporation may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Corporation's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

17.5 Competition

The mining industry is intensely competitive in all its phases. The Corporation competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

17.6 Environmental Regulations

The Corporation's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution.

A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to fully comply with all environmental regulations.

17.7 Conflicts of Interest

Certain directors and officers of the Corporation are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors or officers of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interest, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Corporation will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Corporation may be exposed and its financial position at that time.

17.8 Stage of Exploration

The Corporation's properties are in the exploration stage and to date none of them have a proven ore body. The Corporation does not have a history of earnings or return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

17.9 Industry Conditions

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax and mining duty increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Corporation, such as government regulations. The Corporation undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

17.10 Option, Joint Venture and Strategic Alliance Agreements

The Corporation has and may continue to enter into option, joint ventures and strategic alliance agreements as part of its business model. Any failure of any partner to meet its obligations or any disputes with respect to each partners' respective rights and obligations, could have a negative impact on the Corporation. The Corporation may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the value of these properties.

17.11 Uninsured Hazard

Hazards such as unusual geological conditions are involved in exploring for and developing mineral deposits. The Corporation may become subject to liability for pollution or other hazards, which cannot be insured against or against which the Corporation may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Corporation assets or the insolvency of the Corporation.

17.12 Capital Needs

The exploration, development, mining and processing of the Corporation's properties will require substantial additional financing. The only current source of future funds available to the Corporation is the sale of additional equity capital. There is no assurance that such funding will be available to the Corporation or that it will be obtained on terms favourable to the Corporation or will provide the Corporation with sufficient funds to meet its objectives, which may adversely affect the Corporation's business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Corporation's properties or even a loss of property interest.

17.13 Fluctuation in market value of Midland's shares

The market price of Midland shares is affected by many variables not directly related to the corporate performance of the Corporation, including the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of Midland's shares in the future cannot be predicted and may cause more dilution or difficulties in closing future financings.

17.14 Key Employees

Management of the Corporation rests on a few key officers, the loss of any of whom could have a detrimental effect on its operations.

17.15 Taxation

Taxation laws are complicated and may be subject to change. The Corporation may also be subject to review, audit and assessment in the ordinary course. Any such situations could result in higher taxes being payable or require payment of taxes due from previous years, which could adversely affect the Corporation's liquidities.

No assurance can be made that Canada Revenue Agency and provincial agencies will agree with the Corporation's characterization of expenditures as Canadian exploration expenses or Canadian development expense or the eligibility of such expenses as Canadian exploration expense under the Income Tax Act (Canada) or any provincial equivalent.

17.16 Cyber Security

The Corporation's operations depend upon information technology systems which may be subject to disruption, damage, or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks, and defects in design. Threats to information technology systems associated with cyber security risks and cyber incidents or attacks continue to grow, particularly as a result of remote work during the COVID-19 pandemic. The level of sophistication of such attacks has also increased. It is possible that the business, financial and other systems of the Corporation could be compromised, which could go unnoticed for some time. Risks associated with these threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, privacy and confidentiality breaches, and increased costs to prevent, respond to or mitigate cyber security incidents. The significance of any cyber security breach is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the Corporation's business, financial condition and results of operations.

17.17 Relationship with local communities and First Nations.

Relationship with local communities and First Nations is critical to ensure the success of exploration activities of the Corporation and their future development.

18. FORWARD-LOOKING INFORMATION

Some statements contained in this MD&A, especially the opinions, the projects, the objectives, the strategies, the estimates, the intent and the expectations of Midland that are not historical data, are forward looking statements. Such statements can be recognized by the terms “forecast”, “anticipate”, “consider”, “foresee” and other terms and similar expressions. These statements are based on information available at the time they are made, on assumptions established by the management and on the management expectation, acting in good faith, concerning future events and concerning, by their nature, known and unknown risks and uncertainties mentioned herein (see the section 17 Risks factors). The real results for Midland could differ in an important way of those which state or that these forward-looking statements show the possibility for. Consequently, it is recommended not to trust unduly these statements. These statements do not reflect the potential incidence of special events which could be announced or take place after the date of this MD&A. These statements speak only as of the date of this MD&A. Midland undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

December 8, 2022

(s) Gino Roger

Gino Roger
President and CEO

(s) Ingrid Martin

Ingrid Martin
CFO



Independent auditor's report

To the Shareholders of Midland Exploration Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Midland Exploration Inc. and its subsidiary (together, the Company) as at September 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at September 30, 2022 and 2021;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for 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 consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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. When we read the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated 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 consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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

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, actions taken to eliminate threats or safeguards applied.

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

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec
December 8, 2022

¹ CPA auditor, public accountancy permit No. A128042

Midland Exploration Inc.

Consolidated Statements of Financial Position

As at September 30, 2022 and 2021

(in Canadian dollars)

	As at September 30	
	2022	2021
	\$	\$
Assets		
Current assets		
Cash	1,895,705	1,490,860
Investments (note 4)	4,504,000	5,940,390
Accounts receivable	59,928	50,128
Sales tax receivable	84,548	135,380
Tax credits and mining rights receivable	194,878	1,320,091
Listed shares	12,000	-
Prepaid expenses	54,861	60,182
Total current assets	6,805,920	8,997,031
Non-current assets		
Listed shares	40,950	170,578
Right-of-use assets (note 5)	69,746	99,638
Advance paid for exploration work	50,000	-
Exploration and evaluation assets (note 6)		
Exploration properties	2,927,591	3,182,934
Exploration and evaluation expenses	29,321,874	27,465,015
	32,249,465	30,647,949
Total non-current assets	32,410,161	30,918,165
Total assets	39,216,081	39,915,196
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	291,906	1,253,266
Advance received for exploration work	434,135	209,993
Liability related to the premium on flow-through share	113,480	-
Lease liabilities – current portion (note 7)	31,301	28,341
Total current liabilities	870,822	1,491,600
Non-current liabilities		
Lease liabilities (note 7)	51,108	82,409
Total liabilities	921,930	1,574,009
Equity		
Capital stock	52,967,839	51,177,074
Contributed surplus	6,431,575	6,231,927
Deficit	(21,105,263)	(19,067,814)
Total equity	38,294,151	38,341,187
Total liabilities and equity	39,216,081	39,915,196

Subsequent events (note 14)

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

On behalf of the Board of Directors

(s) Jean-Pierre Janson

Jean-Pierre Janson

Director

(s) Gino Roger

Gino Roger

President, Director

Midland Exploration Inc.

Consolidated Statements of Comprehensive Loss

For the years ended September 30, 2022 and 2021

(in Canadian dollars)

	Fiscal 22	Fiscal 21
	\$	\$
Revenues		
Project management fees	210,412	202,218
Operating Expenses		
Salaries (note 9)	773,865	734,745
Stock-based compensation (note 9)	159,515	174,639
Office expenses	190,221	196,018
Regulatory fees	46,991	50,145
Conferences and investors relations	285,318	131,190
Professional fees	304,373	408,506
Depreciation (note 5)	29,892	29,892
General exploration	2,419	-
Impairment of exploration and evaluation assets (note 3)	1,208,289	201,717
Operating expenses	3,000,883	1,926,852
Other revenues (expenses)		
Interest income	80,524	98,837
Change in fair value - listed shares	(39,631)	7,765
Financing fees	(6,862)	(8,942)
	34,031	97,660
Loss before income taxes	(2,756,440)	(1,626,974)
Recovery of deferred income taxes (note 11)	856,355	603,174
Loss and comprehensive loss	(1,900,085)	(1,023,800)
Basic and diluted loss per share (note 10)	(0.03)	(0.01)

The loss and comprehensive loss are solely attributable to Midland Exploration Inc. shareholders.

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

Midland Exploration Inc.

Consolidated Statements of Changes in Equity

For the years ended September 30, 2022 and 2021

(in Canadian dollars)

	Number of shares outstanding	Capital stock \$	Warrants \$	Contribut ed surplus \$	Deficit \$	Total equity \$
Balance at October 1, 2020	70,354,043	49,399,289	749,556	5,267,584	(17,911,670)	37,504,759
Loss and comprehensive loss	-	-	-	-	(1,023,800)	(1,023,800)
Private placement	96,209	96,209	-	-	-	96,209
Flow-through private placement	1,827,800	2,284,750	-	-	-	2,284,750
Less: premium	-	(603,174)	-	-	-	(603,174)
	1,827,800	1,681,576	-	-	-	1,681,576
Warrants expired	-	-	(749,556)	749,556	-	-
Stock-based compensation	-	-	-	214,787	-	214,787
Share issue expenses	-	-	-	-	(132,344)	(132,344)
Balance as at Sept. 30, 2021	72,278,052	51,177,074	-	6,231,927	(19,067,814)	38,341,187

	Number of shares outstanding	Capital stock \$	Contribut ed surplus \$	Deficit \$	Total equity \$
Balance at October 1, 2021	72,278,052	51,177,074	6,231,927	(19,067,814)	38,341,187
Loss and comprehensive loss	-	-	-	(1,900,085)	(1,900,085)
Private placement	170,000	93,500	-	-	93,500
Flow-through private placement	3,219,745	2,667,100	-	-	2,667,100
Less: premium	-	(969,835)	-	-	(969,835)
	3,219,745	1,697,265	-	-	1,697,265
Stock-based compensation	-	-	199,648	-	199,648
Share issue expenses	-	-	-	(137,364)	(137,364)
Balance as at Sept. 30, 2022	75,667,797	52,967,839	6,431,575	(21,105,263)	38,294,151

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

Midland Exploration Inc.

Consolidated Statements of Cash Flows

For the years ended September 30, 2022 and 2021
(in Canadian dollars)

	Fiscal 22	Fiscal 21
	\$	\$
Cash flow relating to:		
Operating activities		
Loss	(1,900,085)	(1,023,800)
Adjustment for:		
Stock-based compensation (note 9)	159,515	174,639
Depreciation (note 5)	29,892	29,892
Impairment of exploration and evaluation assets (note 3)	1,208,289	201,717
Change in fair value - listed shares	39,631	(7,765)
Recovery of deferred income taxes (note 11)	(856,355)	(603,174)
	(1,319,113)	(1,228,491)
Changes in non-cash working capital items		
Accounts receivable	(9,800)	126,839
Sales tax receivable	50,832	62,973
Prepaid expenses	5,321	(18,419)
Accounts payable and accrued liabilities	(145,787)	(19,615)
Advance received for exploration work	224,142	(127,581)
	124,708	24,197
	(1,194,405)	(1,204,294)
Financing activities		
Principal repayment – lease liabilities (note 7)	(28,341)	(25,400)
Private placement	93,500	96,209
Flow-through private placement	2,667,100	2,284,750
Share issue expenses	(137,364)	(132,344)
	2,594,895	2,223,215
Investing activities		
Additions to investments	(4,504,000)	(5,940,390)
Investments' maturity	5,940,390	9,716,000
Proceeds from disposal of listed shares	77,997	102,248
Additions to exploration properties	(472,453)	(638,049)
Disposal of exploration properties	280,000	110,000
Advance paid for exploration expenses	(50,000)	-
Additions to exploration and evaluation expenses	(3,648,580)	(4,997,155)
Tax credits and mining rights received	1,381,001	812,437
	(995,645)	(834,909)
Net change in cash	404,845	184,012
Cash – beginning	1,490,860	1,306,848
Cash – ending	1,895,705	1,490,860

For additional disclosure see note 13.

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

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

1. STATUTE OF INCORPORATION AND NATURE OF ACTIVITIES

Midland Exploration Inc. ("the Corporation"), incorporated in Canada on October 2, 1995 and operating under the Business Corporations Act (Québec), is a company in the mining exploration business. The Corporation's operations include the acquisition and exploration of mining properties. Its head office is located at 1, Place Ville Marie, suite 4000, Montreal, Quebec, H3B 4M4. The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under the MD ticker.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration properties. The recoverability of exploration and evaluation assets is dependent upon: the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain the necessary financing to complete exploration and the profitable sale of the assets. The Corporation will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Although the Corporation has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of presentation

The accompanying consolidated financial statements ("Financial Statements") have been prepared in accordance with the *International Financial Reporting Standards* ("IFRS") as issued by the *International Accounting Standards Board* ("IASB"). The accounting policies, method of computation and presentation applied to these financial statements are consistent with those of the previous financial year. These Financial Statements were approved and authorized for issue by the Board of Directors on December 8, 2022.

2.2 Basis of measurement

The Financial Statements have been prepared on a historical cost basis except for certain assets at fair value.

2.3 Consolidation

The Financial Statements include the accounts of the Corporation and those of its wholly-owned subsidiary, Midland Base Metals Inc. ("MBM"). The Corporation controls an entity when the Corporation is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns, through its power over the entity. MBM is fully consolidated from the date on which control is obtained by the Corporation and is deconsolidated from the date that control ceases. All intercompany accounts and transactions are eliminated.

The subsidiary's financial statements are prepared for the same financial information presentation period as the Corporation and as per the same accounting policies.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

2.4 Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Corporation and its subsidiary's functional currency.

2.5 Jointly controlled assets and exploration activities

A jointly controlled asset involves joint control and offers joint ownership by the Corporation and other venturers of assets contributed to or acquired for the purpose of the joint controlled operations, without the formation of a corporation, partnership or other entity.

Where the Corporation's activities are conducted through jointly controlled assets and exploration activities, the financial statements include the Corporation's share in the assets and the liabilities from the joint operations as well as when applicable, the Corporation's share in the income and the expenses.

2.6 Financial instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the financial instrument.

a) Financial assets

Financial assets are derecognized when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and all substantial risks and rewards have been transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. On initial recognition, the Corporation classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired.

Fair value through profit and loss listed shares:

Listed shares at fair value through profit and loss are equity investments recognized initially at fair value and subsequently measured at fair value. Changes in fair value are recorded in the consolidated statement of loss and comprehensive loss. Dividend income on those investments are recognized in the consolidated statement of loss and comprehensive loss.

Amortized cost:

Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments constituted solely of payments of principal and interest that are held within a "held to collect" business model. Financial assets at amortized cost are initially recognized at the amount expected to be received, less, when material, a discount to reduce the financial assets to fair value. Subsequently, financial assets at amortized cost are measured using the effective interest method less a provision for expected losses. The Corporation's cash and cash equivalents, investments and accounts receivable are classified within this category.

b) Financial liabilities

Financial liabilities measured at amortized cost

Accounts payable, accrued liabilities and advances received for exploration work are initially measured at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, financial liabilities are measured at amortized cost using the effective interest method.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

c) Impairment of financial assets

Amortized cost:

The expected loss is the difference between the amortized cost of the financial asset and the present value of the expected future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. Provisions for expected losses are adjusted upwards or downwards in subsequent periods if the amount of the expected loss increases or decreases. For trade receivables, the Corporation applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.7 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short-term liquid investments with original maturities of three months or less or cashable at any time without penalties.

2.8 Tax credits and mining rights receivable

The Corporation is entitled to a refundable tax credit on qualified exploration expenditures incurred and a refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration and evaluation expenses incurred. As management intends to realize the carrying value of its assets and settle the carrying value of its liabilities through the sale of its exploration and evaluation assets, the related deferred tax has been calculated accordingly.

2.9 Exploration and evaluation assets

Exploration and evaluation ("E&E") assets are comprised of acquisition costs of mining rights for each exploration properties and E&E expenses. All costs incurred prior to obtaining the mining rights to undertake E&E activities on an area of interest are expensed as incurred.

E&E assets include mining rights in exploration properties, paid or acquired through a business combination or an acquisition of assets, and costs related to the initial search for mineral deposits with economic potential or to obtain more information about existing mineral deposits. Individual mining rights are regrouped in area of interest and are disclosed as an exploration property.

Mining rights are recorded at acquisition cost less accumulated impairment losses for each area of interest.

E&E expenses for each separate area of interest are capitalized (net from E&E expenses recovered from partners) and include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore like topographical, geological, geochemical and geophysical studies. They also reflect costs related to establishing the technical and commercial viability of extracting a mineral resource identified through exploration or acquired through a business combination or asset acquisition.

E&E expenses include the cost of:

- establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body;
- determining the optimal methods of extraction and metallurgical and treatment processes;
- studies related to surveying, transportation and infrastructure requirements;
- permitting activities; and
- economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

E&E expenses include overhead expenses directly attributable to the related activities.

Cash flows attributable to costs capitalized to E&E assets are classified as investing activities in the consolidated statement of cash flows.

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Notes to Consolidated Financial Statements

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From time to time, the Corporation may acquire or dispose of a property pursuant to the terms of an option agreement. Due to the fact that options are exercisable entirely at the discretion of the option holder, the amounts payable or receivable are not recorded.

Option payments are recorded when they are made or received. Proceeds on the sale of exploration properties are applied in reduction of the acquisition costs of the related mining rights, then in reduction of the E&E expenses for the related area of interest and any residual is recorded in the consolidated statement of comprehensive loss unless there is contractual work required by the Corporation in which case the residual gain is deferred and will be applied against the contractual disbursements when done.

Funds received from partners on certain properties where the Corporation is the operator in order to perform exploration work as per agreements, are accounted for in the consolidated statement of financial position as advances received for upcoming exploration work. These advances are reduced gradually when the exploration work is performed. The project management fees received when the Corporation is the operator are recorded in the consolidated statement of comprehensive loss when the E&E expenses are charged back to the partner. When the partner is the operator, the management fees are recorded in the consolidated statement of financial position as E&E expenses. Costs related to E&E assets are transferred to Property, plant and equipment when they reach the development phase and will be subject to depreciation when these properties are put into commercial production.

2.10 Lease agreements

At the commencement date of a lease, a liability is recognized to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset) is also recognized. The interest expense on the lease liability is recognized separately from the depreciation expense on the right-of-use asset.

The lease liability is remeasured upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). This remeasurement is generally recognized as an adjustment to the right-of-use asset. Leases of “low-value” assets and short-term leases (12 months or less) will continue to be recorded as operating lease.

2.11 Impairment of non-financial assets

The carrying amounts of mining rights and E&E expenses are assessed for impairment, by area of interest, only when indicators of impairment exist, typically when one of the following circumstances apply: exploration rights have expired or will expire in the near future; no future substantive exploration expenditures are budgeted or planned; no commercially viable quantities or minerals have been discovered and exploration and evaluation activities will be discontinued; exploration and evaluation assets are unlikely to be fully recovered from successful development or by sale; or a significant drop in metal prices. If any such indication exists, then the asset's recoverable amount is estimated. When some mining rights within an area of interest are abandoned during the period, the acquisition costs of those mining rights are impaired on a pro rata basis.

Mining rights and E&E expenses are systematically assessed for impairment upon the transfer of exploration and evaluation assets to development assets.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit” or “CGU”). The level identified by the Company for the purposes of testing exploration and evaluation assets and mining properties for impairment corresponds to each property.

Midland Exploration Inc.

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An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated to the assets in the unit ("group of units") on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The carrying amounts of exploration and evaluation assets and property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment.

2.12 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not provided for if they arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. 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 financial position reporting date.

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 income tax assets and liabilities are presented as noncurrent and are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.13 Equity

Capital stock represents the amount received on the issue of shares. Warrants represent the allocation of the amount received for units issued as well as the charge recorded for the broker warrants relating to financing. Contributed surplus includes charges related to stock options until they are exercised and the warrants that are expired and not exercised. Deficit includes all current and prior period retained profits or losses and share issue expenses.

Proceeds from unit placements are allocated between shares and warrants issued on a pro-rata basis of their value within the unit using the Black-Scholes pricing model.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

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2.14 Flow-through shares

The Corporation finances some E&E expenses through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. The difference between the amount recorded as common shares and the amount paid by the investors for the shares (the "premium"), measured with the residual value method, is accounted for as a flow-through share premium, which is reversed to income as recovery of deferred income taxes when the eligible expenses are incurred. The Corporation recognizes a deferred tax liability for flow-through shares and a deferred tax expense, at the moment the eligible expenditures are incurred.

2.15 Share and warrant issue expenses

Share and warrant issue expenses are accounted for in the year in which they are incurred and are recorded as a deduction to equity in the deficit in the year in which the shares are issued.

2.16 Stock-based compensation

The Corporation operates an equity-settled share-based remuneration plan (share options plan) for its eligible directors, officers, employees and consultants. The Corporation's plan does not feature any options for a cash settlement.

An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Corporation. The expense is recorded over the vesting period for employees and over the period covered by the contract for non-employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or service received, the Corporation shall measure their value indirectly by reference to the fair value of the equity instruments granted. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date using the Black & Scholes option pricing model and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments (except warrants to brokers) are ultimately recognized as an expense in the consolidated statement of comprehensive loss or capitalized as E&E expenses on the consolidated statement of financial position, depending on the nature of the payment with a corresponding credit to contributed surplus, in equity. Warrants to brokers, in respect of an equity financing are recognized as share issue expense reducing the equity in the deficit with a corresponding credit to warrants.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are recorded as capital stock. The accumulated charges related to the share options recorded in contributed surplus are then also transferred to capital stock.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

2.17 Loss per share

Loss per share is calculated using the weighted average number of shares outstanding during the year. Diluted loss per share is calculated using the weighted average number of shares outstanding during the year for the calculation of the dilutive effect of warrants and stock options unless they have an anti-dilutive effect.

2.18 Revenue recognition

The project management fees received when the Corporation is the operator are recorded in the consolidated statement of comprehensive loss when the exploration work recharged to the partners are incurred.

2.19 Segment disclosures

The Corporation currently operates in a single segment – the acquisition, exploration and evaluation of exploration properties. All the Corporation's activities are conducted in Canada.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results could differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

3.1 Impairment of E&E assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of E&E assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; substantive expenditure on further E&E of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires considerable management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Corporation's assets and earnings may occur during the next period.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

The total impairment loss of the E&E assets recognized is \$1,208,289 for the year ended September 30, 2022 ("Fiscal 22") (\$201,717 for the year ended September 30, 2021 ("Fiscal 21")). No reversal of impairment losses has been recognized for the reporting periods.

3.2 Deferred taxes

The assessment of availability of future taxable profits involves judgment. A deferred tax asset is recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. Judgment is also involved in the determination of the expected manner of realisation or settlement of the carrying amount of the Corporation's assets and liabilities which is expected to be through the sale of the Corporation's assets.

3.3 Valuation of credit on duties refundable for loss and the refundable tax credit for resources.

Refundable credit on mining duties and refundable tax credit related to resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the consolidated statement of financial position date.

The calculation of the Corporation's credit on mining duties and tax credit related to resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been received from the relevant taxation authority.

Differences arising between the actual results following final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to credit on mining duties and tax credit related to resources, exploration and evaluation assets and expenses, and income tax expense in future periods. The amounts recognized in the financial statements are derived from the Corporation's best estimation and judgment as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Corporation's financial position and its financial performance and cash flows.

4. INVESTMENTS

As at September 30, 2021, investments are composed of guaranteed investment certificates, not cashable before the expiry date, earning between 0.75% and 1.00% interest payable annually, maturing between October 21, 2021 and March 31, 2022. The investments' maturity value is \$5,989,968.

As at September 30, 2022, investments are composed of guaranteed investment certificates, not cashable before the expiry date, earning between 0.92% and 2.25% interest payable annually, maturing between November 17, 2022 and March 21, 2023. The investments' maturity value is \$4,568,406.

The balance on flow-through financing not spent according to the restrictions imposed by the December 2021 financings represents \$308,636 as at September 30, 2022 and is included in investments. The Corporation has to dedicate these funds to Canadian mining properties exploration.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

5. RIGHT-OF-USE ASSETS

	Buildings
	\$
Cost	
As at September 30, 2021 and 2022	159,422
Accumulated depreciation	
As at October 1, 2020	29,892
Depreciation for the year	29,892
As at September 30, 2021	59,784
Depreciation for the year	29,892
As at September 30, 2022	89,676
Net book value	
As at September 30, 2021	99,638
As at September 30, 2022	69,746

6. EXPLORATION AND EVALUATION ASSETS

The following table disclose the acquisition costs of exploration properties by region:

Acquisition costs	As at Sept. 30, 2021	Net Additions	Option payments	Impairment	As at Sept. 30, 2022
	\$	\$	\$	\$	\$
Abitibi	1,013,428	137,537	(8,781)	(6,681)	1,135,503
Grenville	191,247	48,019	(100,000)	(9,866)	129,400
James Bay	1,449,735	151,674	-	(339,252)	1,262,157
Northern Quebec	520,449	142,964	-	(262,882)	400,531
Project generation	8,075	1,566	-	(9,641)	-
	3,182,934	481,760	(108,781)	(628,322)	2,927,591

Acquisition costs	As at Sept. 30, 2020	Net Additions	Option payments	Impairment	As at Sept. 30, 2021
	\$	\$	\$	\$	\$
Abitibi	930,677	196,977	(55,810)	(58,416)	1,013,428
Grenville	67,597	155,238	-	(31,588)	191,247
James Bay	1,251,348	232,292	-	(33,905)	1,449,735
Northern Quebec	502,171	35,641	-	(17,363)	520,449
Project generation	4,760	3,315	-	-	8,075
	2,756,553	623,463	(55,810)	(141,272)	3,182,934

In Fiscal 22, the Corporation impaired partially the following properties for some claims that were dropped for \$466,636 and wrote off the properties (or some projects included in these properties) for \$161,686 since no exploration program was planned for the near future and/or all claims were dropped.

In Fiscal 21, the Corporation impaired partially the following properties for some claims that were dropped for \$120,971 and wrote off the properties (or some projects included in these properties) for \$20,301 since no exploration program was planned for the near future and/or all claims were dropped.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

The following table disclose details of exploration and evaluation expenses by region:

Exploration and evaluation expenses	As at Sept. 30, 2021	Net Additions	Option payments	Tax credits	Impairment	As at Sept. 30, 2022
	\$	\$	\$	\$	\$	\$
Abitibi	12,458,393	1,570,278	(171,219)	(114,335)	-	13,743,117
Grenville	1,257,589	77,498	-	(15,987)	-	1,319,100
James Bay	9,476,715	622,583	-	(68,885)	-	10,030,413
Northern Quebec	4,235,000	593,474	-	(56,581)	(542,649)	4,229,244
Project generation	37,318	-	-	-	(37,318)	-
	27,465,015	2,863,833	(171,219)	(255,788)	(579,967)	29,321,874

Exploration and evaluation expenses	As at Sept. 30, 2020	Net Additions	Option payments	Tax credits	Impairment	As at Sept. 30, 2021
	\$	\$	\$	\$	\$	\$
Abitibi	10,067,943	3,155,418	(109,190)	(654,712)	(1,066)	12,458,393
Grenville	836,108	426,012	-	(4,531)	-	1,257,589
James Bay	8,673,408	1,390,461	-	(543,553)	(43,601)	9,476,715
Northern Quebec	3,930,512	437,561	-	(117,295)	(15,778)	4,235,000
Project generation	37,318	-	-	-	-	37,318
	23,545,289	5,409,452	(109,190)	(1,320,091)	(60,445)	27,465,015

In Fiscal 22, the Corporation wrote off the properties (or some projects included in these properties) for \$579,967 including Pallas for \$542,649, since no exploration program was planned for the near future and/or all claims were dropped.

In Fiscal 21, the Corporation wrote off the properties (or some projects included in these properties) for \$60,445 since no exploration program was planned for the near future and/or all claims were dropped.

ABITIBI

6.1 Casault

On June 16, 2020, the Corporation signed an option agreement with Wallbridge Mining Company Limited ("Wallbridge"), and amended on November 4, 2022, whereby Wallbridge may earn a 50% interest in the Casault property in consideration of the following:

	Cash payments	Exploration work
	\$	\$
Upon signature – completed	100,000	-
On or before June 30, 2021 - completed	110,000	750,000
On or before June 30, 2022 - completed	110,000	1,000,000
On or before December 31, 2023	130,000	1,250,000
On or before June 30, 2024	150,000	2,000,000
Total	600,000	5,000,000

After exercising this first option to earn a 50% interest, Wallbridge may increase its interest to 65% (the second option) over a period of 2 years in consideration of exploration expenditures or cash payment totalling \$6,000,000. Wallbridge is the operator.

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The Casault property is subject to a 1% net smelter return ("NSR") royalty; the Corporation may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR.

6.2 Gaudet

Some claims of the Gaudet property are subject to a 1% NSR royalty.

On July 29, 2020, the Corporation signed a joint venture agreement with Probe Metals Inc. ("Probe") over the Gaudet and Samson North West properties from the Corporation as well as the Fenelon-Nantel property of Probe. Probe is the operator.

6.3 Heva

The Corporation owns the Heva property and some claims are subject to a 2% NSR royalty to the original holders, half of the royalty can be bought back for a payment of \$1,000,000.

6.4 Jouvex

The Casault property is subject to a 1% net smelter return ("NSR") royalty; the Corporation may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR.

On April 7, 2021, the Corporation signed the acquisition from SOQUEM of two blocs of claims contiguous to the Jouvex property by paying \$60,000 and by issuing a 1% NSR royalty; the Corporation may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% royalty.

6.5 La Peltrie

The Corporation owns the La Peltrie property and some claims are subject to a 1% Gross Metal royalty.

On July 9, 2020, the Corporation signed an option agreement with Probe whereby Probe may earn a 50% interest in the La Peltrie property in consideration of the following:

	Payments	Exploration work
	\$	\$
Upon signature - completed	50,000 ¹⁾	-
On or before July 31, 2021 completed	55,000 ²⁾	500,000
On or before July 31, 2022 completed	70,000 ³⁾	700,000
On or before July 31, 2023	100,000	1,200,000
On or before July 31, 2024	125,000	1,100,000
Total	400,000	3,500,000

1) In July 2020, the Corporation received 37,879 shares of Probe based on a 5 days VWAP calculation to total \$50,000.

2) In July 2021, the Corporation received 32,544 shares of Probe based on a 5 days VWAP calculation to total \$55,000.

3) In July 2022, the Corporation received \$70,000 in cash.

After exercising this first option to earn a 50% interest, Probe may increase its interest to 65% (the second option) over a period of 2 years in consideration of exploration expenditures or cash payment totalling \$5,000,000. Probe is the operator.

Midland Exploration Inc.

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6.6 Lac Esther

Some claims of the Lac Esther property are subject to two 2% NSR royalty of which 1% can be bought back in tranches for an aggregate of \$2,000,000.

6.7 Laflamme Au-Cu

The Corporation holds 79% of the Laflamme property.

6.8 Maritime-Cadillac

The Corporation holds 49% of the Maritime-Cadillac property. The property is subject to a 2% NSR royalty; half of the royalty can be bought back for a payment of \$1,000,000. As per the agreement signed in June 2009 and amended in November 2012 and May 2013, Agnico Eagle Mines Limited ("Agnico Eagle") and the Corporation are in a joint venture and future work is shared 51% Agnico Eagle - 49% the Corporation.

6.9 Patris

The Corporation holds the Patris property and some claims are subject to NSR royalties varying from 1% to 2% that can be bought back in tranches for an aggregate of \$7,000,000.

GRENVILLE

6.10 Gatineau

On February 20, 2020, the Corporation signed an alliance contract with SOQUEM, in which SOQUEM transferred to the Corporation its 50% interest in the Casault and Jouvex properties in exchange for:

- A 1% NSR royalty; the Corporation may, at any time, buy back the royalty, in all or in part, by making a cash payment of \$1,000,000 per tranche of 0.5% NSR; and
- 50% undivided interest in a joint venture relating to seven existing mining properties forming the Gatineau project.

On April 6, 2022, the Corporation received from SOQUEM a notice to terminate the alliance on the Gatineau property.

6.11 Tête Nord

The Corporation assembled the Tête Nord property through map staking and acquisition.

On November 13, 2020, the Corporation signed an agreement with Les Ressources Tectonic inc. whereby it acquired the Tête Nord property for a \$100,000 cash payment (\$30,000 upon signature (completed), \$35,000 on the first anniversary (completed) and \$35,000 on the second anniversary) and a 2% net smelter return ("NSR") royalty that can be bought back for a cash payment of \$1,500,000 for each 1% for a total amount of \$3,000,000.

In March 2021, the Corporation signed four agreements with different prospectors whereby it acquired blocs of claim for cash payments totalling \$41,050. The Corporation issued three 2% NSR royalties to the prospectors. The Corporation may, at any time, buy back each royalty, in all or in part, by making a cash payment of \$2,000,000 per royalty, \$1,000,000 per tranche of 1% royalty. For the fourth agreement, the Corporation agreed to make a \$25,000 payment if a resources estimate is completed on the bloc acquired or on the 40 contiguous claims owned by the Corporation.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

On December 1, 2021, and as amended, the Corporation signed an option agreement with Rio Tinto Exploration Canada Inc. ("RTEC") for its Tête Nord property (Grenville). Under this new agreement, RTEC may earn an initial 50% interest (First Option) in the Tete Nord property over a period of four years, by fulfilling the following conditions:

- Exploration expenditures totalling \$4,000,000, including a minimum of \$500,000 in the first year.
- Cash payments totalling \$500,000, including \$100,000 within 60 days of execution of the agreement (completed).

After earning an initial 50% interest, RTEC may elect to increase its interest to 70% (Second Option) over a period of four years by fulfilling the following conditions:

- Exploration expenditures totalling up to \$10,000,000 and cash payments totalling \$500,000, gaining interest on the following schedule:
 - An additional 1% interest (for a total of 51%) by funding an additional \$250,000 of exploration expenditures;
 - An additional 1% interest for each additional \$500,000 of exploration expenditures (for a total of up to 69%); and
 - An additional 1% (for a total of 70%) by funding an additional \$750,000 of exploration expenditures.

RTEC retains the right to act as operator for the First and the Second Option; or at its discretion elects to have the Corporation act as operator on RTEC's behalf. RTEC chose to be the operator for the first year of the option agreement.

6.12 Weedon

The Corporation holds the Weedon property and some claims are subject to NSR royalties varying from 0.5% to 1.5% that can be bought back in tranches for an aggregate of \$3,000,000.

JAMES BAY

6.13 JV Eleonore (Au)

On June 13, 2016, a joint-venture agreement (50%-50%) was signed with Osisko Development Corp. ("Osisko") whereby Osisko and the Corporation cooperate and combine their efforts to explore the JV Eleonore. The property is located 12 kilometres southeast and northwest of Goldcorp's Eleonore deposit. Osisko is the operator. Each partner obtained a 0.5% NSR royalty as a mutual consideration for the constitution of the joint-venture.

NORTHERN QUEBEC

6.14 BHP Alliance

On August 20, 2020, the Corporation signed an agreement with and Rio Algom Limited, a wholly owned subsidiary of BHP Group plc ("BHP"), for a new strategic alliance ("Alliance") for the initial funding by BHP of a generative exploration phase and opportunities for joint contributions to advance nickel exploration within the Nunavik territory, Quebec.

Generative Phase (I)

During the first phase of the Alliance, BHP will fund at 100% up to \$1,400,000 on an annual basis for a minimum of two years. The Corporation is acting as operator and the main objective is to generate, identify and secure exploration projects to be advanced to a drill-ready stage through further exploration work. BHP may propose additional exploration work for up to \$700,000 before advancing an identified project to the second phase.

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Following the first phase, one or more specific exploration targets may be advanced to a second phase to be further developed as a separate designated project.

Testing Phase (II)

During this second phase, each designated project will have its own work program and budget with the objective, mainly through drilling, to test and further develop the identified targets. The Corporation will act as operator during the testing phase subject to BHP's right to become the operator of any designated project.

For each designated project, the testing phase will last up to four years, with a total budget of up to \$4,000,000 with a minimum of \$700,000 to be spent during the first year. During this phase, BHP and the Corporation will fund 75% and 25%, respectively, for approved work programs.

In addition, for each designated project, BHP will pay to the Corporation a designated project fee, structured as follows: \$250,000 on or before the first anniversary, \$250,000 on or before the second anniversary and \$500,000 on or before the third anniversary, of the testing phase, for a maximum of \$1,000,000 per designated project.

BHP has the right to cease contributing its share of the funding of a designated project in which case the Corporation would have the right to retain a 100% interest of the designated project and BHP would receive a 1% NSR royalty. The Corporation would have a right to buy-back such royalty for a one-time cash payment of \$1,500,000. Total royalty payments would be capped at \$3,000,000 per designated project.

BHP may decide to advance any designated project to the third phase as a joint venture project ("JV Project").

Joint Venture Phase (III)

For this third phase, a formal joint venture would be formed with initial participating interests being 70% BHP and 30% the Corporation. Both parties would contribute to the expenses pro-rata to their participating interests. BHP would be the operator for all JV Projects.

For each JV Project, BHP will pay to the Corporation a joint venture success fee of \$200,000 after the formation of the joint venture including transfer of tenements, data ownership and any other assets related to the JV Project to, or for the benefit of, the joint venture.

If a party's participating interest in the joint venture is diluted below 10%, such interest would be converted into a 1.5% NSR royalty on the JV Project. The non-diluted party would have a right to buy-back such royalty for a one-time cash payment of \$2,500,000. Total royalty payments would be capped at \$5,000,000 per JV Project.

On July 11, 2022, an amendment was signed which provides a one-year extension of the Generative Phase (Phase I) which comes with an additional annual funding of up to \$1,400,000 and extends until August 21, 2023. The Corporation will continue to act as the project operator, and the main objective of this phase is to generate, identify and secure, within the area of interest, exploration projects to be advanced to a drill-ready stage through further exploration work. BHP may, at its discretion, propose additional exploration work of up to \$700,000 before advancing a project to the second phase.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

6.15 Labrador Trough - alliance

On February 18, 2021, the Corporation signed a strategic alliance with SOQUEM to jointly explore the Labrador Trough, for an amount of up to \$5,000,000 over 4 years. A joint annual budget of \$1,000,000 over a period of 4 years (firm commitment totalling \$2,000,000 for the first 2 years), for a total of up to \$4,000,000, will be provided under the alliance for the targeting and field reconnaissance phase. The Corporation will be the project operator in charge of exploration work during the targeting and field reconnaissance phase. An additional, firmly committed, joint budget of \$1,000,000 for the second year is provided under the agreement to explore the designated projects. The joint budgets for exploration work for the third and fourth years on the designated projects shall be approved by the project's management committee. SOQUEM will become project operator on all designated projects.

6.16 Soissons-NMEF

On July 27, 2018, the Corporation signed a partnership agreement (50%-50%) with the Nunavik Mineral Exploration fund ("NMEF"), to explore an area of the Soissons property. The NMEF is the operator of the partnership.

6.17 Willbob

The Corporation owns the Willbob property and some claims are subject to the following royalties:

- 2% NSR royalty
- 2% NSR royalty of which 1% can be bought back for a payment of \$1,000,000.

7. LEASE LIABILITIES

	As at September 30 2022	As at September 30 2021
	\$	\$
Opening balance	110,750	136,150
Principal repayment	(28,341)	(25,400)
Lease liabilities	82,409	110,750
Less : current lease liabilities	(31,301)	(28,341)
Non-current lease liabilities	51,108	82,409

8. EQUITY

8.1 Capital stock authorized

Unlimited number of common shares without par value, voting and participating.

8.2 Private placements

a) November 2020

On November 5, 2020, the Corporation completed a private placement of 1,827,800 flow-through shares at \$1.25 per share for total gross proceeds of \$2,284,750. On that date, the Corporation's share closed at \$0.92 on the Exchange, therefore the residual value attributed to the benefit related to flow-through shares renunciation are \$0.33 for a total value of \$603,174 credited to the liability related to the premium on flow-through shares.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

In connection with the private placements, the Corporation incurred \$132,344 share issue expenses of which \$100,065 was paid as finder's fees. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$160,000 under the same terms as other investors.

On November 9, 2020, the Corporation completed a private placement of 96,209 shares at a price of \$1.00 per share for total gross proceeds of \$96,209. BHP has exercised its right to maintain its ownership to 5.0% by acquiring 96,209 shares. This right had been granted to BHP on April 18, 2019 pursuant to an Investor Rights Agreement with the Corporation.

All the exploration work imposed by the November 2020 flow-through financings was completed.

b) December 2021 and January 2022

On December 7 and 21, 2021, the Corporation completed private placements of 2,458,875 flow-through shares at \$0.80 per share for total gross proceeds of \$1,967,100. On those dates, the Corporation's share closed at \$0.53 and \$0.49 respectively on the Exchange, therefore the residual values attributed to the benefit related to flow-through shares renunciation are \$0.27 and \$0.31 for a total value of \$673,096, credited to the liability related to the premium on flow-through shares.

In addition, on December 7, 2021, the Corporation completed, with an originator of flow-through donation financing, a private placement of 760,870 flow-through shares at \$0.92 per share for total gross proceeds of \$700,000. On that date, the Corporation's share closed at \$0.53 on the Exchange, therefore the residual value attributed to the benefit related to flow-through shares renunciation is \$0.39 for a total value of \$296,739 credited to the liability related to the premium on flow-through shares.

On January 14, 2022, the Corporation completed a private placement of 170,000 shares at a price of \$0.55 per share for total gross proceeds of \$93,500. BHP has exercised its right to maintain its ownership to 5.0% by acquiring 170,000 shares. This right had been granted to BHP on April 18, 2019 pursuant to an Investor Rights Agreement with the Corporation.

In connection with the private placements, the Corporation incurred \$137,364 share issue expense, of which \$84,930 was paid as finder's fees. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$189,000 under the same terms as other investors.

8.3 Warrants

Changes in the Corporation's number of outstanding warrants were as follows:

	Fiscal 21	
	Number	Amount
		\$
Balance – Beginning of period	4,110,667	749,556
Issued following private placement	-	-
Expired	(4,110,667)	(749,556)
Balance – End of period	-	-

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

8.4 Policies and processes for managing capital

The capital of the Corporation consists of the items included in equity of \$38,294,151 as of September 30, 2022 (\$38,341,187 as of September 30, 2021). The Corporation's objectives when managing capital are to maximise shareholders value, maintain an optimal share capital structure to reduce capital cost, safeguard its ability to continue its operations as well as its acquisition and exploration programs. As needed, the Corporation raises funds in the capital markets. The Corporation does not use long term debt since it does not generate operating revenues. There is no dividend policy. The Corporation does not have any externally imposed capital requirements neither regulatory nor contractual requirements to which it is subject unless:

- The Corporation closes a flow-through private placement in which case the funds are reserved in use for exploration expenses (and the Corporation was in compliance during the year);
- The terms of the 2019 investment agreement with BHP are triggered. Thus, BHP will be granted certain rights as long as BHP holds common shares equal to at least 5% of the issued and outstanding common shares (on a partially diluted basis), including:
 - the right to participate in future equity financings by the Corporation to allow BHP to maintain its then current pro rata non-diluted ownership interest in the Corporation or to increase its ownership interest in the Corporation to a maximum of 19.99%, on a fully-diluted basis;
 - certain top-up rights to subscribe for additional common shares following certain dilutive transactions to allow BHP to maintain its then current pro rata non-diluted ownership interest in the Corporation;
 - the right of first offer for any non-equity financings, including any tolling arrangements, streaming arrangements, forward agreements, off-take agreements or royalty sales relating to any present or future copper exploration projects of the Corporation in Quebec; and
 - the right of first offer on the Mythrill project in the event the Corporation seeks to divest all or part of its interest.
 - If BHP holds common shares equal to at least 15% of the issued and outstanding common shares (on a non-diluted basis), BHP will also have the right to designate one director for appointment to the Corporation board of directors.

9. EMPLOYEE REMUNERATION

9.1 Salaries

	Fiscal 22	Fiscal 21
	\$	\$
Salaries and bonuses	1,306,389	1,278,374
Director fees	129,666	124,278
Benefits	98,576	94,624
	1,534,631	1,497,276
Less: salaries and benefits capitalized in E&E assets	(760,766)	(762,531)
Salaries disclosed on the consolidated statement of comprehensive loss	773,865	734,745

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

9.2 Stock-based compensation

	Fiscal 22	Fiscal 21
	\$	\$
Stock-based compensation	199,648	214,787
Less: stock-based compensation capitalized in the E&E assets	(40,133)	(40,148)
Stock-based compensation disclosed on the consolidated statement of comprehensive loss	159,515	174,639

The Corporation has a stock option plan (the "Plan"). The number of common shares granted is determined by the Board of Directors. The number of common shares reserved for issuance under the Corporation's fixed number stock option plan is 5,790,000. The exercise price of any option granted under the plan shall be fixed by the Board of Directors at the time of grant and shall not be lower than the closing price on the day preceding the grant. The term of the option will not exceed ten years from the date of grant. The options normally vest 1/6 per 3 months from the grant date, or otherwise as determined by the Board of Directors.

On February 11, 2021, the Corporation granted to its directors, officers and employees 525,000 options exercisable at \$0.82, valid for 10 years. Those options were granted at an exercise price equal to the closing market price of the Corporation's shares on the business day prior to the date of the issuance. Total stock-based compensation costs amount to \$183,750 for an estimated fair value of \$0.35 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 46.3% expected volatility, 0.6% risk-free interest rate and 6 years options expected life.

On March 18, 2021, the Corporation granted to a director 80,000 options exercisable at \$0.88, valid for 10 years. Those options were granted at an exercise price equal to the closing market price of the Corporation's shares on the business day prior to the date of the issuance. Total stock-based compensation costs amount to \$32,800 for an estimated fair value of \$0.41 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 48.2% expected volatility, 1.17% risk-free interest rate and 6 years options expected life.

On September 8, 2021, the Corporation granted to a director 80,000 options exercisable at \$0.75, valid for 10 years. Those options were granted at an exercise price higher than the closing market price of the Corporation's shares on the business day prior to the date of the issuance. Total stock-based compensation costs amount to \$22,400 for an estimated fair value of \$0.28 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 47.5% expected volatility, 0.92% risk-free interest rate and 6 years options expected life.

On February 24, 2022, the Corporation granted to its directors, officers and employees 730,000 options exercisable at \$0.54, valid for 10 years. Those options were granted at an exercise price equal to the closing market price of the Corporation's shares on the business day prior to the date of the issuance. The estimated fair value of \$0.24 per option amounts to a total stock-based compensation cost of \$172,000 considering a forfeiture factor representing the expected employee departures. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 45.4% expected volatility, 1.75% risk-free interest rate and 6 years options expected life.

This expected life was estimated by benchmarking comparable situations for companies that are similar to the Corporation. The expected volatility was determined by calculating the historical volatility of the Corporation's share price back from the date of grant and for a period corresponding to the expected life of the options.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

A summary of changes in the Corporation's common share purchase options is presented below:

	Fiscal 22		Fiscal 21	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		\$		\$
Balance – Beginning of year	5,245,000	0.96	4,940,000	1.05
Granted	730,000	0.54	685,000	0.82
Forfeited	(30,000)	0.59	-	-
Expired	(375,000)	1.47	(380,000)	1.51
Balance – End of year	5,570,000	0.87	5,245,000	0.96
Balance – End of year exercisable	5,073,333	0.91	4,761,668	0.97

The following table summarizes information about common share purchase options outstanding and exercisable as at September 30, 2022:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
330,000	330,000	1.25	February 19, 2023
580,000	580,000	0.85	February 20, 2024
420,000	420,000	0.60	August 13, 2025
485,000	485,000	1.10	August 11, 2026
50,000	50,000	1.13	November 23, 2026
530,000	530,000	1.14	February 21, 2027
100,000	100,000	1.04	May 10, 2027
550,000	550,000	0.89	February 15, 2028
545,000	545,000	1.03	February 18, 2029
605,000	605,000	0.72	February 13, 2030
510,000	510,000	0.82	February 11, 2031
80,000	80,000	0.88	March 18, 2031
80,000	53,333	0.75	September 8, 2031
705,000	235,000	0.54	February 24, 2032
5,570,000	5,073,333		

9.3 Compensation to key management

The Corporation's key management personnel includes the president, the vice-president exploration and the chief financial officer as well as members of the board of directors. Key management remuneration is as follows:

	Fiscal 22	Fiscal 21
	\$	\$
Short-term benefits		
Salaries including bonuses and benefits	745,346	702,445
Professional fees	82,150	84,338
Professional fees recorded in share issue expenses	8,325	6,900
Salaries including bonuses and benefits capitalized in E&E		
Long-term benefits		
Stock-based compensation	151,655	165,553
Total compensation	1,017,760	1,003,115

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Notes to Consolidated Financial Statements

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The Corporation has employment and consulting agreements with members of senior management which, among other things, provided that in the event of a termination without cause or of a change of control, a compensation equivalent to between 18 to 24 months of salary or consulting fees will be paid for a total of \$1,128,727.

9.4 Related party transactions

In addition to the amounts listed above in the compensation to key management (note 9.3 and elsewhere in the Financial Statements) following are the related party transactions.

In the normal course of operations:

- A firm in which an officer is a partner charged professional fees amounting to \$121,171 (\$88,839 in Fiscal 21) of which \$91,265 (\$77,439 in Fiscal 21) was expensed and \$29,906 (\$11,400 in Fiscal 21) was recorded as share issue expenses;
- A company controlled by an officer charged professional fees of \$53,676 (\$49,619 in Fiscal 21) for her staff; and
- As at September 30, 2022, the balance due to the related parties amounted to \$13,735 (\$12,772 in September 30, 2021).

10. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the year divided by the weighted average number of shares in circulation during the year. In calculating the diluted loss per share, potential common shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive.

	Fiscal 22	Fiscal 21
	\$	\$
Loss	(1,900,085)	(1,023,800)
Weighted average number of basic and diluted outstanding shares	75,009,762	72,087,232
Basic and diluted net loss per share	(0.03)	(0.01)

11. INCOME TAXES

The income tax expense is made up of the following component:

	Fiscal 22	Fiscal 21
	\$	\$
Deferred income taxes	-	-
Premium on flow-through share issuance	(856,355)	(603,174)
Recovery of deferred income taxes	(856,355)	(603,174)

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Notes to Consolidated Financial Statements

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The provision for income taxes presented in the financial statements is different from what would have resulted from applying the combined Canadian Statutory tax rate as a result of the following:

	Fiscal 22	Fiscal 21
	\$	\$
Loss before income taxes	(2,756,440)	(1,626,974)
Combined federal and provincial income tax at 26.50% (26.50% in 2020)	(730,500)	(431,100)
Non-deductible expenses	42,300	46,300
Tax effect of renounced flow-through share expenditures	625,000	605,400
Amortization of flow-through share premiums	(856,355)	(603,174)
Unrecognized temporary differences	71,260	(219,721)
Other elements	(8,060)	(879)
Recovery of deferred income taxes	(856,355)	(603,174)

The ability to realize the tax benefits is dependent upon a number of factors, including the sale of properties. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recognized. Accordingly, some deferred tax assets have not been recognized; these deferred tax assets not recognized amount to \$226,000 (\$127,000 as of September 30, 2021).

Significant components of the Corporation's deferred income tax assets and liabilities are as follows:

	As of September 30, 2022	As of September 30, 2021
	\$	\$
Deferred income tax assets		
Non-capital losses	4,901,000	4,300,000
Donations	19,000	19,000
Share and warrant issue expenses	85,000	96,000
Lease liabilities	22,000	29,000
Total deferred income tax assets	5,027,000	4,444,000
Deferred income tax liabilities		
E&E assets	4,785,000	4,284,000
Unrealized gain (loss) on listed shares	(2,000)	7,000
Right-of-use assets	18,000	26,000
Total deferred income tax liabilities	4,801,000	4,317,000
Deferred income tax assets not recognized	226,000	127,000

Midland Exploration Inc.

Notes to Consolidated Financial Statements

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As of September 30, 2022, expiration dates of losses available to reduce future years' income tax are:

	Federal	Provincial
	\$	\$
2026	84,000	69,000
2027	126,000	112,000
2027	177,000	183,000
2028	540,000	514,000
2029	645,000	631,000
2030	726,000	713,000
2031	677,000	663,000
2032	748,000	736,000
2033	906,000	891,000
2034	760,000	749,000
2035	820,000	811,000
2036	1,062,000	1,048,000
2037	1,360,000	1,343,000
2038	1,275,000	1,261,000
2039	1,501,000	1,481,000
2040	2,861,000	1,646,000
2041	2,304,000	2,678,000
2042	2,264,000	2,516,000

The balance on flow-through financing not spent according to the restrictions imposed by the December 2021 financings represents \$308,636 as at September 30, 2022. All the exploration work imposed by the December 2020 flow-through financings was completed before September 30, 2021.

12. FINANCIAL INSTRUMENTS AND RISKS

The Corporation is exposed to various financial risks resulting from both its operations and its investment activities. The Corporation's management manages financial risks. The Corporation does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Corporation's main financial risk exposure and its financial risk management policies are as follows:

12.1 Market Risk

Interest rate fair value risk

Since the guaranteed investment certificates are at fixed rates, the Corporation is not exposed to interest rate risk on the instruments themselves. The Corporation's other financial assets and liabilities do not comprise any interest rate risk since they do not bear interest.

Listed shares risk

Listed shares risk is the risk that the fair value of a financial instrument varies due to the changes in the Canadian mining sector and equity market. For the Corporation's listed shares at fair value through profit and loss, a variation of plus or minus 20% of the quoted market prices as at September 30, 2022 would result in an estimated effect on the net income (loss) of \$10,590.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

12.2 Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is subject to concentrations of credit risk through cash and cash equivalents, investments and accounts receivable. The Corporation reduces its credit risk by maintaining part of its cash and cash equivalents and its investments in financial instruments held with a Canadian chartered bank, with a broker which is a subsidiary of a Canadian chartered bank or with an independent investment dealer member of the Canadian Investor Protection Fund.

In Fiscal 2022, the investments are composed of guaranteed investment certificates issued by Canadian banks or guaranteed by the Canadian Investor Protection Fund. The Corporation aims at signing partnership agreements with established companies and follows their cash position closely to reduce its credit risk on accounts receivable. The carrying amount of cash and cash equivalents and investments represents the Corporation maximum credit exposure. Nevertheless, the management considers the credit risk to be minimal and further disclosure are not significant.

12.3 Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet the obligations associated with its financial liabilities. As at September 30, 2022, the Corporation has working capital of \$5,935,098 including cash and cash equivalents of \$1,895,705. Management of the Corporation believes it has sufficient funds to pay its ongoing general and administrative expenses, to pursue its budgeted exploration and evaluation expenditures, and to meet its liabilities, obligations and existing commitments for the ensuing twelve months as they fall due.

The Corporation will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

12.4 Fair value

The carrying value of cash, investments, accounts receivable and accounts payable and accrued liabilities, advance received for upcoming exploration work and lease liabilities are considered to be a reasonable approximation of their fair value because of the short-term maturity and contractual terms of these instruments.

Fair value estimates are made at the consolidated statement of financial position date, based on relevant market information and other information about financial instruments.

The fair value of the listed shares at fair value through profit and loss is established using the closing price on the most beneficial active market for this instrument that is readily available to the Corporation and as such are classified as Level 1 in the fair value hierarchy.

13. ADDITIONAL INFORMATION ON CASH FLOWS

	Fiscal 22	Fiscal 21
	\$	\$
Stock-based compensation included in E&E expenses	40,133	40,148
Additions of exploration properties and E&E expenses included in accounts payable and accrued liabilities	104,558	938,745
Tax credits receivable applied against E&E expenses	194,878	1,320,091
Listed shares received for option payment	-	55,000
Interest received	73,168	157,209

Midland Exploration Inc.

Notes to Consolidated Financial Statements

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14. SUBSEQUENT EVENTS

14.1 Soisson-NMEF property

On October 4, 2022, the Corporation signed an amendment to the July 27, 2018 agreement with NMEF whereby NMEF agrees to transfer its 50% in 46 mining claims for a 2 NSR royalty that can be bought back for a cash payment of \$1,500,000 for each 1% for a total amount of \$3,000,000.

14.2 Option agreement with Brunswick Exploration Inc. ("Brunswick")

On November 22, 2022, the Corporation signed an option agreement Brunswick whereby Brunswick has the option to acquire exploration rights for critical minerals including lithium (excluding copper, nickel, zinc, lead, gold, silver, platinum and palladium) on the Mythril and Elrond properties. Under this new agreement, Brunswick may acquire an initial 50% interest ("Option 1") in the Mythril property over a three-year period, at the following conditions:

	Payment in cash	Payments in shares	Exploration work
	\$	\$	\$
Upon signature	25,000	25,000	-
On or before November 22, 2023	50,000	50,000	300,000
On or before November 22, 2024	70,000	70,000	300,000
On or before November 22, 2025	-	210,000	900,000
Total	145,000	355,000	1,500,000

Option to earn an additional 35% undivided interest in the claims (the "Option 2") in the properties over an additional two-year period, at the following conditions:

- Aggregate consideration of \$200,000 payable according to the following schedule: 1st Anniversary: \$100,000 in cash or stock, at BRW's option; 2nd anniversary: \$100,000 in cash or stock, at BRW's option;
- Requirement to spend an additional amount of \$2,000,000 in exploration expenditures, in cash or in shares, at BRW's option, according to the following schedule: 1st anniversary after exercising Option 1: amount of \$1,000,000; and 2nd anniversary after exercising Option 1: additional amount of \$1,000,000.

Any Brunswick share issuance during Option 1 and Option 2 is subject to a minimum price of \$0.254 per share.

Brunswick would hold a right of first refusal on the 15% remaining interest held by the Corporation and the Corporation would not be required to participate in exploration and development expenditures until a mine is constructed to extract all metals or minerals except precious metals (gold, platinum, palladium and silver) and base metals (copper, zinc, nickel and lead).

14.1 Private Placement

On November 17 and December 1, 2022, the Corporation completed private placements of 4,034,000 flow-through shares at \$0.50 per share for total gross proceeds of \$2,017,000. In addition, on November 17 and December 1, 2022, the Corporation completed, with an originator of flow-through donation financing, a private placement of 1,268,400 flow-through shares at \$0.70 per share for total gross proceeds of \$887,880. Finally, on December 1, 2022, the Corporation completed a private placement of 1,450,000 shares at a price of \$0.40 per share for total gross proceeds of \$580,000. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$203,000 under the same terms as other investors.

Midland Exploration Inc.

Corporate Information

Directors

Paul Archer ^{2) 3)}

René Branchaud ²⁾

Jean des Rivières ^{1) 3)}

Annie Dutil ¹⁾

Jean-Pierre Janson, Chairman of the board ^{1) 2)}

Gino Roger ³⁾

Notes:

1) *Member of the Audit committee*

2) *Member of the Human Resources and Governance Committee*

3) *Member of the Technical Committee*

Officers

Gino Roger, President and Chief Executive Officer

Mario Masson, Vice-president Exploration

Ingrid Martin, Chief Financial Officer

René Branchaud, Corporate Secretary

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