



Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed interim financial statements of the company have been prepared by and are the responsibility of the company's management. The company's independent auditor has not performed an audit or review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants.

Metal Energy Corp.
Condensed Interim Statement of Financial Position
(Unaudited - Expressed in Canadian dollars)

| As at | Notes | September 30, 2025 | December 31, 2024 |
|--|-------|--------------------|--------------------|
| ASSETS | | | |
| Current | | | |
| Cash | | \$508,776 | \$1,296,913 |
| Amounts receivable | | 13,293 | 37,295 |
| Prepaid expenses and deposits | | 40,016 | 23,908 |
| Due from related party | 9 | 17,476 | 17,476 |
| TOTAL ASSETS | | \$579,561 | \$1,375,592 |
| LIABILITIES | | | |
| Current | | | |
| Accounts payable and accrued liabilities | 9 | 38,823 | 420,168 |
| Due to related party | 9 | - | 496 |
| Flow-through share premium liability | 6 | 21,503 | 33,503 |
| Future consideration payable | 5 | 887,822 | 887,822 |
| Total current liabilities | | 948,148 | 1,341,989 |
| Future consideration payable | 5 | 3,154,221 | 3,181,696 |
| TOTAL LIABILITIES | | 4,102,369 | 4,523,685 |
| SHAREHOLDERS' EQUITY (DEFICIENCY) | | | |
| Share capital | 8 | 9,840,588 | 9,840,588 |
| Reserves | 8 | 2,701,081 | 2,631,562 |
| Deficit | | (16,064,477) | (15,620,243) |
| TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY) | | (3,522,808) | (3,148,093) |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY) | | \$579,561 | \$1,375,592 |

Nature of operations (Note 1)
Going concern (Note 2)
Commitments and contingencies (Notes 5, 6 and 10)
Subsequent events (Note 11)

Approved on behalf of the Board of Directors:

"Stephen Stewart"

Stephen Stewart – Director

"Alexander Stewart"

Alexander Stewart – Director

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

Metal Energy Corp.
Condensed Interim Statement of Loss
(Unaudited - Expressed in Canadian dollars)

| For the periods ended | Notes | Three months ended September 30, | | Nine months ended September 30, | |
|--|-------|-------------------------------------|-------------|------------------------------------|-------------|
| | | 2025 | 2024 | 2025 | 2024 |
| EXPENSES | | | | | |
| Exploration and evaluation expenditures | 5,9 | 3,176 | 3,842 | 78,524 | 638,714 |
| Transfer agent, filing fees and shareholder communications | | 23,959 | 11,737 | 44,522 | 95,530 |
| Management and consulting | 9 | 68,201 | 78,622 | 207,481 | 222,967 |
| Professional fees | | 22,555 | 11,045 | 47,181 | 42,718 |
| Share-based compensation | 8,9 | 26,172 | 14,211 | 69,519 | 99,476 |
| Office, general and administrative | | 26,758 | 8,847 | 53,389 | 30,909 |
| Accretion expense | | (333,476) | - | (27,476) | - |
| Interest income | | (3,995) | (8,907) | (16,906) | (35,720) |
| TOTAL (INCOME) EXPENSES | | (166,650) | 119,397 | 456,234 | 1,094,594 |
| Flow-through share premium liability recovery | | (1,000) | - | (12,000) | - |
| Net Income (Loss) for the period | | 167,650 | (119,397) | (444,234) | (1,094,594) |
| Weighted average number of shares - basic and diluted | | 141,346,980 | 106,610,880 | 141,346,980 | 106,288,982 |
| (Loss) per share – basic and diluted | | \$ 0.00 | \$ (0.00) | \$ (0.00) | \$ (0.01) |

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

Metal Energy Corp.**Condensed Interim Statement of Changes in Equity**

(Unaudited - Expressed in Canadian dollars)

| | Number of shares | Amount | Share-based Payment Reserves | Accumulated Deficit | Total Equity |
|--------------------------------------|-----------------------------|--------------------|---|--------------------------------|----------------------|
| Balance at December 31, 2023 | 105,810,880 | \$8,859,846 | \$2,364,344 | (\$9,465,138) | \$1,759,052 |
| Loss for the period | - | - | - | (1,094,594) | (1,094,594) |
| Shares issued for option agreement | 1,000,000 | 20,000 | - | - | 20,000 |
| Share-based payments | - | - | 99,476 | - | 99,476 |
| Balance at September 30, 2024 | 106,810,880 | \$8,879,846 | \$2,463,820 | (\$10,559,732) | \$783,934 |
| Balance at December 31, 2024 | 141,346,980 | \$9,840,588 | \$2,631,562 | (\$15,620,243) | (\$3,148,093) |
| Loss for the period | - | - | - | (444,234) | (444,234) |
| Share-based payments | - | - | 69,519 | - | 69,519 |
| Balance at September 30, 2025 | 141,346,980 | \$9,840,588 | \$2,701,081 | (\$16,064,477) | (\$3,522,808) |

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

Metal Energy Corp.
Condensed Interim Statement of Cash Flows
(Unaudited - Expressed in Canadian dollars)

| For the nine months ended | September 30, 2025 | September 30, 2024 |
|--|--------------------|--------------------|
| Operating activities | | |
| (Loss) for the period | \$ (444,234) | \$ (1,094,594) |
| Items not involving cash: | | |
| Flow-through share premium renunciation | (12,000) | - |
| Share-based payments | 69,519 | 99,476 |
| Shares to be issued for option agreement | - | 20,000 |
| Accretion expense | (27,476) | - |
| Changes in non-cash working capital items: | | |
| Amounts receivable | 24,002 | (76) |
| Prepaid expenses | (16,108) | 38,054 |
| Accounts payable and accrued liabilities | (381,344) | (32,276) |
| Due to related party | - | 3,252 |
| Net cash (used in) operating activities | (787,641) | (966,164) |
| Net (decrease) in cash | (788,137) | (966,164) |
| Cash, beginning of period | 1,296,913 | 1,735,369 |
| Cash, end of period | \$ 508,776 | \$ 769,205 |

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

Metal Energy Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Metal Energy Corp. ("Metal Energy" or the "Company"), was incorporated under the Alberta Business Corporations Act on January 5, 2021. The Company completed its Initial Public Offering on April 19, 2021 and was classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange ("TSX-V"). The Company trades on the TSX-V under the symbol "MERC".

The Company's principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

The head and principal office of the Company is located at 141 Adelaide Street West, Suite 1102 Toronto, Ontario M5H 3L5.

The condensed interim financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on November 28, 2025.

2. GOING CONCERN

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts expended on mineral properties is dependent upon future profitable production or proceeds from the disposition of properties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing; all of which are uncertain.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, social licensing requirements, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company raised funds during the year ended December 31, 2024, and continues to utilize these funds for its exploration programs and working capital requirements. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at September 30, 2025, the Company had working capital of \$540,738 (December 31, 2024: \$954,928) excluding the flow-through liability and the current portion of future consideration payable, and an accumulated deficit of \$16,064,477 (December 31, 2024: \$15,620,243).

Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements. Such adjustments could be material.

Metal Energy Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance

These unaudited condensed interim financial statements (“interim financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS®”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) which the Canadian Accounting Standards Board has approved for incorporation into Part I of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”). These interim financial statements should be read in conjunction with the December 31, 2024 annual financial statements.

Basis of presentation

The interim financial statements of the Company have been prepared on an accrual basis except for cash flow information and are based on historical costs, except for certain financial instruments which are measured at fair value, as explained in the accounting policies. The interim financial statements may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS.

Functional and presentation currency

The functional currency of the Company is determined using the currency of the primary economic environment in which that entity operates. The interim financial statements are presented in Canadian dollars which is the Company’s functional and presentation currency. The Company does not have any significant expenditures in foreign currencies.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Exchange differences are recognized in operations in the period in which they arise.

Significant accounting judgements, estimates and assumptions

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period reported.

Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. However, actual results could differ materially from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed interim financial statements for the period ended September 30, 2025 are the same as those described in the Company’s annual financial statements for the year ended December 31, 2024.

4. FUTURE ACCOUNTING PRONOUNCEMENTS

At the date of authorization of these interim financial statements, the IASB has issued new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact to the Company. Management is currently evaluating the impact of these pronouncements on the Company’s interim financial statements.

Metal Energy Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION EXPENSES

The following are details of the Company's exploration and evaluation expenses:

| For the periods ended | Three months ended September 30, | | Nine months ended September 30, | | Accumulated From Property Inception |
|---------------------------------------|-------------------------------------|----------------|------------------------------------|------------------|---|
| | 2025 | 2024 | 2025 | 2024 | |
| SourceRock, Thunder Bay, Ontario | \$ - | \$ - | \$ - | \$ 598,434 | \$ 1,234,803 |
| Manibridge Project, Thomson, Manitoba | - | 3,842 | - | 40,280 | 4,645,417 |
| Highland Valley, British Columbia | 3,176 | - | 78,524 | - | 4,842,413 |
| | \$3,176 | \$3,842 | \$78,524 | \$638,714 | \$10,722,633 |

Manibridge Project, Manitoba

In May 2021, when the Company entered into an option and joint venture agreement with CanAlaska Uranium Ltd. To earn 100% of the Manibridge Project, certain other rights, interests and protections were granted in favour of Glencore Canada Corporation ("Glencore"), including Back-in Rights, Off-take Options, the Right of First Offer and a 2% royalty ("Vendor Retained Interests"). The Back-in-Rights allow Glencore to acquire a 50% interest in the property by paying two times the aggregate of all exploration expenditures incurred and carrying out a feasibility study with a maximum cost of \$20,000,000. Glencore also has a right of first refusal on the sale of the property and a first right and option to purchase all or any portion of concentrates produced from the property. The Company completed the requirements under the option agreement.

CanAlaska has a 1% NSR on claims P1271F and P1272F, and a 2% NSR royalty on all other claims.

Highland Valley, British Columbia

On November 7, 2024 (the "Closing Date"), the Company completed its acquisition of the Highland Valley Copper Project in British Columbia from Happy Creek Minerals Inc. pursuant to an asset purchase agreement entered into on October 2, 2024. The Company and Happy Creek Minerals Inc. amended the terms, effective August 28, 2025, deferring the deferred consideration by 9 months in each payment. The amended acquisition terms include:

- \$300,000 cash payment and issuance of 11,736,100 common shares representing 9.9% of Metal Energy's outstanding shares to Happy Creek at closing. The shares were valued at \$0.02 per share based on the quoted market price of the share on the Closing Date.
- A 2.5% net smelter royalty to Happy Creek, who subsequently has the right to cause the buyback option for the Company to repurchase 1.5% NSR for \$5 million.
- Metal Energy committed to \$250,000 in exploration expenditures by December 31, 2024, which was carried out.
- Additional consideration for common shares in the Company valued at \$1 million, \$1 million, \$1.5 million, and \$2.5 million will be issued 21, 33, 45, and 57 months after the Closing Date, respectively (collectively "Additional Consideration Shares"). The issuance of the common shares for additional consideration will be determined based on the greater of (i) the Discounted Market Price (as defined in Policy 1.1 of the TSX Venture Exchange (the "TSXV") Corporate Finance Manual) and (ii) the volume weighted average price of the Common Shares that trade on the TSXV for the thirty (30) trading days prior to the date such Additional Consideration Shares are issued, provided that in any event no Additional Consideration Shares shall be issued at a price of less than \$0.01 per Common Share, and the aggregate number of Common Shares that are issued at a price or deemed price that is less than \$0.05 in any 12 month period does not exceed 100% of the number of Common Shares which were issued and outstanding, on a non-diluted basis, at the beginning of that 12 month period.
- Upon TSX Venture Exchange approval of the amendment, the Company will issue Happy Creek 1,000,000 common shares.
- The Company will pay Happy Creek \$25,000 upon the completion of its next financing.

If the issuance of any of the Additional Consideration Shares would result in Happy Creek holding in excess of 19.9% of the issued and outstanding Common Shares, the Company shall pay the balance of the applicable payment in cash.

In addition, provided Happy Creek continues to hold at least 5% of the issued and outstanding shares, Happy Creek will have the right to nominate one director to The Company's board of directors.

Metal Energy Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

Pursuant to the purchase agreement, the Company is required to complete financings with a minimum total of \$1.25 million on or before the date that is six months after the Closing Date, and an additional \$1.25 million on or before the date that is twelve months after the Closing Date (the "Financing Conditions"). In the event that the Financing Conditions are not met, or if the Company misses a payment or does not complete the initial exploration expenditures, then the interest in the Property shall be transferred to Happy Creek in accordance with the purchase agreement. The Company had raised \$1 million and the remaining \$1.5 million financing obligation was amended to be deferred to 18 months after the Closing Date.

The Company has recognized deferred consideration with respect to the future equity entitlements of Happy Creek. On the Closing Date, deferred consideration payable amount was initially recorded at a fair value of \$3,979,167. The payable amount is discounted using a rate of 15.35%, which was the Company's estimated weighted-average cost of capital at the Closing Date. The timing of the deferred consideration was deferred, the impact of which is recognized in the current period accretion. For three and nine months ended September 30, 2025, the Company recognized accretion on the deferred consideration of -\$333,476 and -\$27,476 respectively (2024: nil and nil, respectively). As at September 30, 2025, the current portion of the deferred consideration payable is \$887,822 representing the first tranche of future consideration.

6. FLOW-THROUGH SHARE LIABILITY

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or "premium", are recorded as a flow-through liability. During the three and nine months ended September 30, 2025 the Company recognized a flow-through share premium liability recovery of \$1,000 and \$12,000, respectively (2024: nil and nil, respectively). As of September 30, 2025 the flow-through share premium liability was \$21,503 (December 31, 2024: \$33,503).

7. FINANCIAL RISK MANAGEMENT

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

Fair value of financial instruments

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. The Company had no financial instruments to classify in the fair value hierarchy at September 30, 2025 and December 31, 2024.

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. Amounts receivable are from related parties and the Company believes the risk of loss related to these items is remote. The Company's exposure to credit risk is on its cash held in bank accounts and amounts due from related parties. Cash is held with major banks in Canada. Management assesses credit risk of cash is remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. Amounts due to related party are due on demand. Future consideration payable is due following the respective payment schedules. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

Currency and interest rate risk

The Company is not exposed to significant foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar as the balances as at September 30, 2025 and December 31, 2024 are not significant.

Metal Energy Corp.**Notes to the Condensed Interim Financial Statements**

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

8. SHARE CAPITAL**Authorized share capital**

Unlimited number of voting common shares without par value.

Issued share capital

(a) On May 22, 2024, the Company issued 1,000,000 common shares to Mistango valued at \$0.02 per share based on the market price on the date of issuance, resulting in a total consideration value of \$20,000. Refer to note 5.

(b) On November 7, 2024, the Company issued 11,736,100 common shares to Happy Creek Minerals Inc. in consideration for the acquisition of the Highland Valley project, valued at \$0.02 per share based on the market price on the date of issuance, resulting in a total consideration value of \$234,722. Refer to note 5.

(c) On December 19, 2024, the Company completed a flow-through private placement consisting of 8,800,000 units at a price of \$0.05 per unit for gross proceeds of \$440,000. Each unit was comprised of one common share and one-half warrant (details in warrants below). Concurrently, the Company completed a private placement consisting of 14,000,000 units at a price of \$0.04 per unit for gross proceeds of \$560,000. Each unit was comprised of one common share and one-half warrant (details in warrants below). In connection with the financing, the Company incurred \$35,843 in transaction costs and issued 268,000 Finder's warrants (details in warrants below). A director and an officer of the Company participated in the December 2024 financing, subscribing to 200,000 flow-through units for gross proceeds of \$10,000 and 500,000 units for gross proceeds of \$20,000, respectively.

Stock options

The Board of Directors of the Company has adopted a stock option plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares and be exercisable for a period of up to five years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Otherwise specified otherwise by the Board of Directors options vest on the date of grant.

A summary of the changes in the Company's stock options is set out below:

| For the periods ended | September 30, 2025 | | | September 30, 2024 | | |
|------------------------------------|--------------------|---------------------------------|-------------------------------|--------------------|---------------------------------|-------------------------------|
| | Number of options | Weighted average exercise price | Weighted average life (years) | Number of options | Weighted average exercise price | Weighted average life (years) |
| Outstanding, beginning of period | 11,400,000 | \$0.15 | 2.5 | 11,400,000 | \$0.20 | 3.5 |
| Granted | 4,725,000 | \$0.05 | 4.7 | - | - | - |
| Expired/Forfeited | (400,000) | \$0.05 | - | - | - | - |
| Options outstanding, end of period | 15,725,000 | \$0.12 | 2.5 | 11,400,000 | \$0.15 | 2.7 |
| Options exercisable, end of period | 11,200,000 | \$0.16 | 1.7 | 11,400,000 | \$0.13 | 2.7 |

On February 7, 2025, the Company granted 4,575,000 stock options with an exercise price of \$0.05 and a term of five years, all of these options vesting over 12 months. The fair value of \$107,618 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of \$0.03, a risk-free interest rate of 2.63%, dividend yield of \$nil and expected volatility of 120% based on historical company share data.

On March 18, 2025, the Company granted 100,000 stock options with an exercise price of \$0.05 and a term of five years, all of these options vesting over 24 months. The fair value of \$2,799 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of \$0.035, a risk-free interest rate of 2.69%, dividend yield of \$nil and expected volatility of 120% based on historical company share data.

Metal Energy Corp.**Notes to the Condensed Interim Financial Statements**

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

On June 27, 2025, the Company granted 50,000 stock options with an exercise price of \$0.05 and a term of five years, all of these options vesting over 24 months. The fair value of \$742 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of \$0.02, a risk-free interest rate of 2.86%, dividend yield of \$nil and expected volatility of 120% based on historical company share data.

During the three and nine months ended September 30, 2025 the Company recorded share-based compensation of \$26,172 and \$69,519 respectively (three and nine months ended September 30, 2024: \$14,211 and \$99,476, respectively).

The following incentive stock options were outstanding and exercisable at September 30, 2025:

| Number of options outstanding | Number of options exercisable | Exercise Price | Expiry Date |
|--------------------------------------|--------------------------------------|-----------------------|--------------------|
| 6,850,000 | 6,850,000 | \$0.20 | November 19, 2026 |
| 250,000 | 250,000 | 0.20 | December 19, 2026 |
| 350,000 | 350,000 | 0.16 | April 1, 2027 |
| 450,000 | 450,000 | 0.07 | January 3, 2028 |
| 3,300,000 | 3,300,000 | 0.07 | August 4, 2028 |
| 4,375,000 | - | 0.05 | February 6, 2030 |
| 100,000 | - | 0.05 | March 17, 2030 |
| 50,000 | - | 0.05 | June 26, 2030 |
| 15,725,000 | 11,200,000 | \$0.12 | |

Warrants

A summary of the changes in the Company's warrants is set out below:

| For the periods ended | September 30, 2025 | | | September 30, 2024 | | |
|----------------------------------|---------------------------|--|--------------------------------------|---------------------------|--|--------------------------------------|
| | Number of warrants | Weighted average exercise price | Weighted average life (years) | Number of warrants | Weighted average exercise price | Weighted average life (years) |
| Outstanding, beginning of period | 20,422,000 | \$0.09 | 1.9 | 8,754,000 | \$0.10 | 2.9 |
| Issued | - | - | - | - | - | - |
| Outstanding, end of period | 20,422,000 | \$0.09 | 1.2 | 8,754,000 | \$0.10 | 2.2 |

The following warrants were outstanding and exercisable at September 30, 2025:

| Number of warrants outstanding | Exercise Price | Expiry Date | Weighted average life (years) |
|---------------------------------------|-----------------------|--------------------|--------------------------------------|
| 1,500,000 | \$0.10 | July 25, 2026 | 0.8 |
| 6,400,000 | 0.10 | December 20, 2026 | 1.2 |
| 854,000 | 0.05 | December 20, 2026 | 1.2 |
| 7,000,000 | 0.08 | December 18, 2026 | 1.2 |
| 4,400,000 | 0.10 | December 18, 2026 | 1.2 |
| 268,000 | 0.08 | December 18, 2026 | 1.2 |
| 20,422,000 | \$0.09 | | 1.2 |

Metal Energy Corp.**Notes to the Condensed Interim Financial Statements**

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS**Key management personnel compensation**

Key management includes directors and officers. The remuneration of the key management of the Company during the period ended September 30, 2025, and 2024 was as follows:

| For the periods ended | Three months ended September 30, Nine months ended September 30, | | | |
|--|--|-----------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Geological consulting included in exploration expenses | \$ - | \$1,125 | \$ - | \$25,625 |
| Management and consulting fees | 56,458 | 66,958 | 169,375 | 199,486 |
| Share-based compensation | 16,761 | 11,739 | 44,695 | 82,174 |
| | \$73,219 | \$79,822 | \$214,070 | \$307,285 |

Standard Ore Corporation ("Standard Ore") is controlled by a director of the Company. Standard Ore provides corporate and administrative services to the Company. For the three and nine months ended September 30, 2025, Standard Ore charged the Company \$30,000 and \$90,000, respectively, of management fees, which is included in the amounts in the above chart (three and nine months ended September 30, 2024: \$30,000 and \$90,000, respectively).

The following are the balances due (to) from related parties as at September 30, 2025 and December 31, 2024:

| As at | September 30, 2025 | December 31, 2024 |
|-----------------------------------|--------------------|-------------------|
| Due from Standard Ore Corporation | \$17,476 | \$17,476 |
| Due (to) XXIX Metal Corp | - | (496) |
| | \$17,476 | \$16,980 |

A person related to a director of the Company provided services to the Company totalling \$3,500 and \$10,300, respectively, for the three and nine months ended September 30, 2025 (three and nine months ended September 30, 2024: \$2,950 and \$8,750, respectively).

All of the amounts are unsecured, non-interest bearing with no fixed terms of repayment.

10. COMMITMENTS AND CONTINGENCIES

(i) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made and expects to make in the future, expenditures to comply with such laws and regulations.

(ii) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. Certain interpretations are required to assess the eligibility of flow-through expenditures that if changed, could result in the denial of renunciation. As at September 30, 2025, the Company is committed to spend a further \$160,000 by December 31, 2025, to utilize funds raised from the issuance of flow-through shares.

The Company has indemnified the subscribers of the flow-through share offerings against any tax-related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

(iii) The Company is party to certain contracts and agreements. These contracts require additional payments of up to approximately \$105,000 upon the occurrence of terminations and \$600,000 upon change of control. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

Metal Energy Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

11. SUBSEQUENT EVENTS

In October 2025, the Company completed a share consolidation of its common shares on the basis of 1 new common share ("post-consolidation common share") for every five (5) existing common shares. No fractional shares were issued as a result of the share consolidation. The number of Post-Consolidation Shares to be received by a shareholder will be rounded up, in the case of a fractional interest that is 0.5 or greater, or rounded down, in the case of a fractional interest that is less than 0.5, to the nearest whole number of shares that such holder would otherwise be entitled to receive upon the implementation of the share consolidation. The impact of the share consolidation was not included in the interim financial statements.

On October 22, 2025, the Company entered into an option agreement, by virtue of entering into and assignment agreement with Standard Ore Corp. ("Standard Ore"), for the exclusive right and option (the "Option") to acquire an 80% undivided interest in the property known as the NIV and West NIV exploration properties, which are located in North Central British Columbia (the "Property"). The assignment agreement dated October 22, 2025 (the "Assignment Agreement") is with Standard Ore, whereby Standard Ore has agreed to assign and transfer to Metal Energy all of its rights, titles, benefits, and interest in, to, and under an option agreement dated September 24, 2025 between Standard Ore and an arm's length party (the "Optionor") (the "Option Agreement"). Standard Ore retains no interests in the claims, royalties or otherwise as a part of this transaction, and is passing through the terms to Metal Energy from the underlying owners without any mark up or margin whatsoever. These rights have been acquired by Metal Energy (subject to TSXV acceptance). The Option Agreement provides that Metal Energy may earn its interest in the Property by doing the following:

- a) paying to the Optionor an aggregate \$300,000 in cash for the exclusive right to explore the Property, as follows:
 - i. \$100,000 on TSXV acceptance; and
 - ii. \$200,000 not more than sixty (60) days after TSX acceptance;
- b) issuing to the Optionor by no later than December 31, 2025, 862,708 post-consolidation common shares with a deemed value of \$300,000. These shares were issued on November 26, 2025;
- c) at the Optionor's sole option (i) paying to the Optionor \$300,000 in cash, or (ii) issuing to the Optionor that number of Shares with a value of \$400,000 for the exclusive right to explore the Property, no later than December 31, 2027;
- d) at the Optionor's sole option, (i) paying to the Optionor \$900,000 in cash, or (ii) issuing to the Optionor that number of Shares with a value of \$1,100,000 for the exclusive right to explore the Property, no later than December 31, 2030; and
- e) Metal Energy will incur an aggregate of at least \$20,000,000 in Exploration Expenditures (as defined in the Option Agreement), as follows:
 - i. \$2,500,000 in Exploration Expenditures on or before December 31, 2026;
 - ii. \$2,500,000 in Exploration Expenditures on or before December 31, 2027;
 - iii. \$2,500,000 in Exploration Expenditures on or before December 31, 2028;
 - iv. \$2,500,000 in Exploration Expenditures on or before December 31, 2029; and
 - v. \$10,000,000 in Exploration Expenditures on or before December 31, 2030.

In November 2025, the Company entered into a right of first refusal agreement (the "ROFR Agreement") in respect of the remaining 20% interest (the "Remaining Interest") in the mineral tenures comprising the NIV and West NIV properties in the Toodoggone District of British Columbia in exchange for 600,000 post-consolidation common shares.

On November 26, 2025, the Company announced that it intends to complete a financing for aggregate gross proceeds up to \$9.25 million, consisting of approximately: (i) 8,880,000 common shares to be issued on a premium flow-through basis (each, an "FT Share") at a price of \$0.73 per FT Share; and (ii) 6,200,000 common shares (each, a "Share") at a price of \$0.45 per Share.