

F O R A N

Condensed Consolidated Interim Financial Statements

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

Expressed in thousands of Canadian Dollars

Unaudited

FORAN

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - expressed in thousands of Canadian dollars)

	Note	September 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	\$	333,422	\$ 363,634
Accounts and other receivables		5,657	4,977
Prepaid expenses and deposits		1,966	2,754
Total current assets		341,045	371,365
Advances to suppliers		2,223	1,606
Prepaid expenses		-	8
Prepaid lease		10,734	10,734
Investments		-	154
Right-of-use assets		764	901
Restricted cash	4	268,614	142,241
Exploration and evaluation assets	5	86,828	62,069
Mineral property, plant and equipment	6	1,009,785	564,569
Deferred tax asset		726	2,573
Total assets	\$	1,720,719	\$ 1,156,220
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	6	\$ 114,723	\$ 66,696
Leases		180	180
Credit facilities	9	9,812	5,618
Flow-through share premium liability	7	-	7,916
Share-based payment liabilities	8	9,771	7,786
Total current liabilities		134,486	88,196
Leases		586	721
Decommissioning obligation		5,221	4,359
Credit facilities	9	420,645	261,632
Government contribution obligations	10	1,569	-
Deferred tax liability		7,953	5,651
Total liabilities		570,460	360,559
Shareholders' equity			
Share capital	11	1,226,024	874,009
Share-based payment reserve		17,105	13,658
Accumulated other comprehensive income (loss)		138	(52)
Deficit		(93,008)	(91,954)
Total shareholders' equity		1,150,259	795,661
Total liabilities and shareholders' equity	\$	1,720,719	\$ 1,156,220

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

Approved on behalf of the Board:

/s/ David Petroff

Director

/s/ Daniel Myerson

CEO & Executive Chairman

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Condensed Consolidated Interim Statements of (Income) Loss and Comprehensive (Income) Loss
(Unaudited - expressed in thousands of Canadian dollars, except share information)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
General and administration expenses				
Consulting	\$ 1,014	\$ 2,326	\$ 1,923	\$ 3,000
Directors' fees	94	62	219	174
Investor relations	538	415	915	777
Office and administration	482	433	1,472	1,322
Professional fees	291	462	1,130	866
Salaries and benefits	1,388	1,389	4,455	3,410
Share-based payment expense	3,778	1,494	5,253	4,166
	7,585	6,581	15,367	13,715
Other (income) expense				
Other (income) expense	13	3,712	(6,075)	(18,462)
	3,712	(6,075)	(18,462)	(13,369)
Net loss (income) for the period before income tax	11,297	506	(3,095)	346
Deferred income tax expense (recovery)	114	-	4,149	-
Net loss (income) for the period	\$ 11,411	\$ 506	\$ 1,054	\$ 346
Other comprehensive loss (income):				
Unrealized loss (gain) on investments	(176)	2	(190)	150
Total comprehensive loss (income) for the period	\$ 11,235	\$ 508	\$ 864	\$ 496
Net loss (income) per share:				
Basic	\$ 0.02	\$ 0.00	\$ 0.00	\$ 0.00
Diluted	\$ 0.02	\$ 0.00	\$ 0.00	\$ 0.00
Weighted average shares outstanding	537,370,317	376,765,017	472,826,135	347,650,044

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Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - expressed in thousands of Canadian dollars, except share information)

	Note	Share Capital		Reserves	Accumulated OCI	Deficit	Total
		Shares	Amount				
Balance, December 31, 2023		332,466,258	\$ 520,890	\$ 10,140	\$ 111	\$ (73,080)	\$ 458,061
Shares issued pursuant to private placements		85,984,253	360,004	-	-	-	360,004
Flow-through share premium liability		-	(11,767)	-	-	-	(11,767)
Shares issued pursuant to exercise of stock options		1,864,003	3,399	(1,368)	-	-	2,031
Shares issued pursuant to exercise of DSUs		75,000	310	-	-	-	310
Share issuance costs (net of taxes)		-	(770)	-	-	-	(770)
Share-based payment expense		-	-	4,092	-	-	4,092
Other comprehensive loss		-	-	-	(150)	-	(150)
Net loss for the period		-	-	-	-	(346)	(346)
Balance, September 30, 2024		420,389,514	\$ 872,066	\$ 12,864	\$ (39)	\$ (73,426)	\$ 811,465
Shares issued pursuant to private placements	11	238,836	1,000	-	-	-	1,000
Shares issued pursuant to exercise of stock options	11	286,066	943	(379)	-	-	564
Share-based payment expense		-	-	1,173	-	-	1,173
Other comprehensive loss		-	-	-	(13)	-	(13)
Net loss for the period		-	-	-	-	(18,528)	(18,528)
Balance, December 31, 2024		420,914,416	\$ 874,009	\$ 13,658	\$ (52)	\$ (91,954)	\$ 795,661
Shares issued pursuant to private placements	11	116,666,667	350,000	-	-	-	350,000
Shares issued pursuant to exercise of stock options	11	1,675,000	1,965	(828)	-	-	1,137
Issued pursuant to settlement of RSUs	11	131,388	444	-	-	-	444
Share issuance costs	11	-	(394)	-	-	-	(394)
Share-based payment expense		-	-	4,275	-	-	4,275
Other comprehensive income		-	-	-	190	-	190
Net loss for the period		-	-	-	-	(1,054)	(1,054)
Balance, September 30, 2025		539,387,471	\$ 1,226,024	\$ 17,105	\$ 138	\$ (93,008)	\$ 1,150,259

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

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Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - expressed in thousands of Canadian dollars)

		Three months ended September 30,		Nine months ended September 30,	
		2025	2024	2025	2024
Cash provided by (used in)					
Operations					
Net (loss) income for the period	\$	(11,411)	\$ (506)	\$ (1,054)	\$ (346)
Adjustments for:					
Flow-through share premium recovery	13	(258)	(3,283)	(7,916)	(9,769)
Share-based payment expense		3,778	1,494	5,253	4,166
Deferred income tax expense		114	-	4,149	-
Interest expense		24	322	24	3,542
Interest income	13	(3,960)	(2,364)	(8,872)	(7,697)
Unrealized foreign exchange		6,625	(562)	(5,121)	595
Interest received		5,656	2,364	13,340	7,697
Changes in non-cash working capital:					
Accounts receivable		(175)	964	(676)	1,249
Prepaid expenses and deposits		97	15	178	117
Accounts payable and accrued liabilities		(663)	3,490	(505)	(917)
		(173)	1,934	(1,200)	(1,363)
Investing					
Non-repayable government contribution	10	2,657	-	2,657	-
Restricted cash released	4	-	3,466	-	3,466
Restricted cash posted	4	-	(5,800)	(126,198)	(5,800)
Proceeds from sale of investments		344	-	344	-
Prepaid lease		-	(10,734)	-	(10,734)
Exploration and evaluation expenditures	5	(4,303)	(8,863)	(24,223)	(119,155)
Property, plant and equipment expenditures	6	(125,050)	(81,712)	(379,236)	(81,712)
		(126,352)	(103,643)	(526,656)	(213,935)
Financing					
Repayable government contribution	10	7,754	-	7,754	-
Credit facility drawdowns	9	3,894	13,456	146,718	16,132
Credit facility repayments	9	(2,121)	(257)	(5,352)	(370)
Interest paid		(643)	(99)	(1,709)	(145)
Shares issued pursuant to private placements	11	54,491	360,004	350,000	360,004
Share issue costs paid	11	(111)	(3,986)	(394)	(3,986)
Exercise of stock options	11	-	1,095	1,137	2,031
Lease payments		(45)	(152)	(135)	(237)
		63,219	370,061	498,019	373,429
Increase (decrease) in cash and cash equivalents		(63,306)	268,352	(29,837)	158,131
Impact of foreign exchange on cash and cash equivalents		(50)	(31)	(375)	170
Cash and cash equivalents, beginning of the period		396,778	156,467	363,634	266,487
Cash and cash equivalents, end of period	\$	333,422	\$ 424,788	\$ 333,422	\$ 424,788
Cash and cash equivalents is comprised of:					
Cash		333,422	424,788	333,422	424,788
	\$	333,422	\$ 424,788	\$ 333,422	\$ 424,788

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

Notes to Condensed Consolidated Interim Financial Statements

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

(Unaudited – prepared by management)

(Expressed in thousands of Canadian dollars, unless otherwise indicated, except share information)

1. NATURE OF OPERATIONS AND GOING CONCERN

Foran Mining Corporation (the "**Company**") is a public company listed on the Toronto Stock Exchange and OTCQX, incorporated under the laws of British Columbia. The Company is involved in activities that include the acquisition, exploration and development of mineral properties.

The Company's head office and registered and records office is located at 904 - 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company realized a net loss of \$1,054 for the nine months ended September 30, 2025 (nine months ended September 30, 2024: net loss of \$346). As at September 30, 2025, the Company had an accumulated deficit of \$93,008 (December 31, 2024: \$91,954). In assessing whether the going concern assumption is appropriate, management took into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting date.

The Company has incurred significant operating losses in its exploration and development activities, and its ability to continue as a going concern is dependent upon completion of the development of the McIlvenna Bay project and achieving profitable operations, which may require the Company to obtain additional financing. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future, therefore, a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the condensed consolidated interim statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements were prepared on a historical cost basis using the accrual basis of accounting, except for those assets and liabilities that are measured at fair value (Note 12) at the end of each reporting period and cash flow information.

The Board of Directors (the “**Board**”) approved these condensed consolidated interim financial statements on November 7, 2025. These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting (“**IAS 34**”) as issued by the International Accounting Standards Board (“**IASB**”) using accounting principles consistent with IFRS Accounting Standards (“**IFRS**”) as issued by the IASB. These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2024. The same accounting policies were used in the preparation of these condensed consolidated interim financial statements as those used in the most recent annual audited consolidated financial statements, except for the application of the following accounting policy:

(a) Government contribution obligations

Government contributions are recognized when there is reasonable assurance that the contribution will be received and all attached conditions will be complied with.

(i) *Expense item*

When the contribution relates to an expense item, it is recognized as income over the period necessary to match the contribution to the costs that it is intended to compensate.

(ii) *Asset item*

When the contribution relates to an asset item, it reduces the carrying amount of the asset and is amortized to income over the life of the asset.

Where a government contribution is in the form of a repayable loan, a financial liability is recorded at its fair value, with the difference, if any, between the amount received and the fair value recognized as a government contribution is accounted for as described above, depending on whether the contribution relates to an expense or asset. Subsequently, the financial liability is carried at amortized cost.

3. USE OF JUDGMENTS AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas of judgments and estimates made by management in applying the Company’s accounting policies and key sources of estimation uncertainty were the same as those applied in the most recent annual audited consolidated financial statements of the Company.

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Notes to Condensed Consolidated Interim Financial Statements

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

(Unaudited – prepared by management)

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4. RESTRICTED CASH

A summary of the changes in restricted cash assets is as follows:

	DPA	Mcllvenna Bay Project Surety	Transmission Line Surety	Total
Balance, December 31, 2024	\$ 135,620	\$ 821	5,800	142,241
Cash posted	126,198 ⁽¹⁾	1,083	-	127,281
Cash released	-	(821)	-	(821)
Interest earned	4,468	-	-	4,468
Interest released	(3,259)	-	-	(3,259)
Foreign exchange gain (loss)	(1,296)	-	-	(1,296)
Balance, September 30, 2025	\$ 261,731	\$ 1,083	5,800	268,614

(1) On June 30, 2025, in accordance with the terms of the Senior Credit Facility (Note 9), gross proceeds of \$126,198 (US\$92,500) were advanced into a debt proceeds account ("DPA"). Funds advanced to the DPA will accumulate interest and proceeds from the DPA will be released to the Company upon satisfaction of certain release conditions.

5. EXPLORATION AND EVALUATION ASSETS

A summary of the changes in exploration and evaluation assets is as follows:

Balance, December 31, 2024	\$	62,069
Administration		6,032
Camp costs		188
Consulting		719
Drilling		17,721
Geophysics		84
Permitting and licenses		15
Total exploration expenditures		24,759
Balance, September 30, 2025	\$	\$ 86,828

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6. MINERAL PROPERTY, PLANT AND EQUIPMENT

A summary of the changes in mineral property, plant and equipment is as follows:

	Mineral Properties	Assets Under Construction	Property, Plant and Equipment	Total
Cost				
Balance, December 31, 2024	\$ 175,479	\$ 329,932	\$ 60,867	\$ 566,278
Transfers	-	(9,257)	9,257	-
Additions	87,563 ⁽¹⁾⁽²⁾	362,861 ⁽²⁾	-	450,424
Balance, September 30, 2025	\$ 263,042	\$ 683,536	\$ 70,124	\$ 1,016,702
Accumulated depreciation				
Balance, December 31, 2024	\$ -	\$ -	\$ 1,709	\$ 1,709
Additions	-	-	5,208	5,208
Balance, September 30, 2025	\$ -	\$ -	\$ 6,917	\$ 6,917
Net book value				
Balance, December 31, 2024	\$ 175,479	\$ 329,932	\$ 59,158	\$ 564,569
Balance, September 30, 2025	\$ 263,042	\$ 683,536	\$ 63,207	\$ 1,009,785

(1) Includes \$862 of decommissioning obligation adjustment, \$28,869 of capitalized borrowing costs, \$4,468 of capitalized interest income, \$1,451 of share-based compensation expense and \$5,208 of depreciation.

(2) Includes \$8,865 of government contributions recognized as a reduction to the cost base of the asset they are applicable to.

The Company owns a 100% interest in the McIlvenna Bay Project located in Saskatchewan, Canada (“**McIlvenna Bay**”).

Certain claims in the McIlvenna Bay Project are subject to a net tonnage royalty of \$0.75 per tonne of ore extracted.

As at September 30, 2025, accounts payable and accrued liabilities included \$111,673 (December 31, 2024: \$64,135) related to construction and exploration expenditures.

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company’s flow-through share premium liability is as follows:

Balance, December 31, 2024	\$ 7,916
Reduction due to qualifying expenditures	(7,916)
Balance, September 30, 2025	\$ -

8. SHARE-BASED PAYMENT LIABILITIES

The Company has a Long-Term Performance Incentive Plan (“**LTIP**”) that allows the Company to grant various awards, including Deferred Share Units (“**DSUs**”) and Restricted Share Units (“**RSUs**”) to directors, officers, employees and consultants of up to an aggregate maximum of 10% of the common shares outstanding.

Notes to Condensed Consolidated Interim Financial Statements

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A continuity of the changes in the liability classified as DSUs outstanding is as follows:

	Number of units	Value
Outstanding, December 31, 2024	1,792,375 \$	7,044
Granted	145,000	592
Revaluation	-	(100)
Outstanding, September 30, 2025	1,937,375 \$	7,536

A continuity of the changes in the liability classified as RSUs outstanding is as follows:

	Number of units	Value
Outstanding, December 31, 2024	276,667 \$	742
Granted	990,000	-
Settled	(116,667)	(476)
Revaluation	-	1,969
Outstanding, September 30, 2025	1,150,000 \$	2,235
Total share-based payment liabilities outstanding, September 30, 2025	3,087,375 \$	9,771

9. CREDIT FACILITIES

A continuity of the changes in the Credit Facilities outstanding is as follows:

	Senior Credit Facility ^{(a)(1)}	Equipment Finance Facility ^{(b)(2)}	Total
Balance, December 31, 2024	\$ 240,198	\$ 27,052	267,250
Principal amount drawn	126,198	20,520	146,718
Principal amount repaid	-	(5,352)	(5,352)
Interest and finance charges	27,160	-	27,160
Foreign exchange (gain) loss	(5,319)	-	(5,319)
Balance, September 30, 2025	\$ 388,237	\$ 42,220	430,457

(1) As at September 30, 2025, the Company has drawn US\$250,000 of principal and accumulated US\$29,431 of deferred interest.

(2) As at September 30, 2025, the Company has drawn \$48,837 of principal.

Credit facilities - Current	9,812
Credit facilities - Non-Current	420,645

(a) Senior Credit Facility

On December 20, 2022, the Company entered into a senior secured project credit facility with McIlvenna Bay Operating Ltd, as borrower, the Company, as guarantor, Sprott Resource Lending Corp., as lead arranger, and Sprott Private Resource Lending III (Collector-1), LP, (“**Sprott**”) as lender (the “**Senior Credit Facility**”).

On October 1, 2024, the Senior Credit Facility was amended and restated in its entirety and upsized to US\$250,000 from US\$150,000 and was further amended on March 31, 2025 to incorporate certain provisions in connection with the contribution agreement entered into by the Company with the Strategic Innovation Fund and the Critical Minerals Innovation Fund (the “**Amended Credit Facility**”). The Amended Credit Facility has the following key terms:

- US\$250 million non-revolving facility with a maturity date of September 30, 2031 (the “Maturity Date”).
- Interest shall accrue at a floating rate of 6.95% per annum plus the greater of the Term 3 Month Secured Overnight Financing Rate and 2.00% per annum. Interest costs may be deferred and capitalized until March 31, 2026.

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- The Company shall also pay annual anniversary interest to Sprott beginning in the first quarter of 2027, equal to 2.00% of the aggregate outstanding facility balance, inclusive of all deferred interest, on the payment date. The anniversary interest is payable in cash or shares at the Company's election and is not due as of and from either a change of control of the Company or any potential refinancing of the facility.
- Principal repayments will commence on June 30, 2027, and the Company shall pay to Sprott equal repayments of the principal amount of the Amended Credit Facility, including capitalized interest and other costs, in an amount equal to 2.65% of the outstanding principal amount of the Amended Credit Facility on a quarterly basis until June 30, 2031. The remainder of the scheduled principal payments are due upon the Maturity Date.
- Sprott has the right to sweep proceeds received by the Company from any investment tax credits ("ITC") received up to a total of US\$100 million. Any ITC sweep repayments shall be applied as principal payments against scheduled amortization payments, in reverse order of the Maturity Date, and shall only occur after the Company has received US\$25 million of potential ITC proceeds.
- The Company may elect to prepay the outstanding principal amount in whole, including all accrued interest, at any time subsequent to December 20, 2026 (the "**Voluntary Prepayment Option**"). The Company would incur a premium of between 3% - 4% of the total amount prepaid in exercising the Voluntary Prepayment Option on or before December 20, 2028, and a 0% premium thereafter.
- The Company's obligations under the Amended Senior Credit Facility are guaranteed by the realizable value of the Company's assets. In addition, the Company is expected to maintain compliance with specified covenants (including financial covenants). The Company was in compliance with all covenants contained in the Amended Senior Credit Facility as at September 30, 2025.

(b) Equipment Finance Facility

On September 7, 2023, the Company announced it had entered into an equipment finance arrangement ("**Equipment Finance Facility**") with Sandvik Financial Services Canada. The Equipment Finance Facility is intended to cover the initial battery electric vehicle mining fleet and essential components such as charging stations and batteries used for the continued exploration, development and operation of the McIlvenna Bay Project. The Equipment Finance Facility contains the following key terms:

- Up to \$67 million in draws, which will be initiated, at the Company's election, as equipment is delivered to the project site.
- Interest shall accrue at a fixed rate of 3.20% per annum plus the 5-year Canadian overnight index swap rate at the date of the draw.
- Interest and principal repayments on drawn amounts will commence immediately over a 60-month period.

Notes to Condensed Consolidated Interim Financial Statements

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10. GOVERNMENT CONTRIBUTION OBLIGATIONS

A continuity of the amounts received under government contributions during the period are as follows:

	SIF Funding ^(a)	CMIF Funding ^(b)	Total
Repayable contribution	6,989	765	7,754
Non-repayable contribution	777 \$	1,880 \$	2,657
Balance, September 30, 2025	\$ 7,766 \$	2,645 \$	10,411

A continuity of the changes in the government contribution obligations outstanding is as follows:

	SIF Funding ^(a)	CMIF Funding ^(b)	Total
Balance, December 31, 2024	\$ - \$	- \$	- \$
Present value of repayable contribution	929	616	1,545
Amount repaid	-	-	-
Accretion	11	13	24
Balance, September 30, 2025	\$ 940 \$	629 \$	1,569

Government contribution obligations - Current	-
Government contribution obligations - Non-Current	1,569

(a) SIF Funding

On January 28, 2025, the Company announced the signing of a contribution agreement with the Canadian Government under the Government's Strategic Innovation Fund, for funding of up to \$41,000 or 15.6% of certain eligible costs incurred prior to December 31, 2026, whichever is lower (the "**SIF Funding**"). In accordance with the contribution agreement, 90% of the SIF Funding will be provided in the form of an interest-free, unconditional, repayable contribution and 10% as a non-repayable contribution. The first payment in respect of the unconditionally repayable contribution portion is due on April 30, 2032. Draws on the contribution agreement are made as eligible costs are incurred for investments in battery-electric underground mining equipment and remote-operations control centre, ventilation on demand, heat recovery system integration technologies, water recycling systems, and pyrite removal technologies.

(b) CMIF Funding

On December 20, 2024, the Company announced a conditionally approved funding commitment of up to \$20,000 (the "**CMIF Funding**") from Natural Resources Canada ("**NRCan**") through the Critical Minerals Infrastructure Fund Program. Subsequently, on March 10, 2025, the Company and NRCan entered into a contribution agreement approving the CMIF Funding in accordance with the terms therein. The CMIF Funding will support eligible expenses related to the construction of the McIlvenna Bay Project's hydroelectric transmission line, an on-site substation and electrical vehicle charging infrastructure. Up to \$5,800 of the CMIF Funding is interest-free and repayable for a period of ten years commencing on January 1, 2027. Repayments will be determined by multiplying the net income of the Company's subsidiary, McIlvenna Bay Operating Ltd, by a ratio derived from NRCan's contributions relative to the total cost of eligible assets contemplated under the CMIF Funding and shall be conditional upon the Company generating net income in connection with the Project. The remainder of the CMIF Funding is non-repayable.

11. SHARE CAPITAL

(a) Authorized and issued

The Company is authorized to issue an unlimited number of common shares, non-voting shares and preference shares with no par value. At September 30, 2025, 511,609,693 common shares and 27,777,778 non-voting shares were issued and outstanding.

The rights, privileges, restrictions and conditions of the non-voting shares are identical to those of the common shares, except that the non-voting shares will not entitle the holder thereof to vote at a shareholder meeting and that the non-voting shares may be converted, at the option of the holder, on a one-to-one basis into common shares. Once a non-voting share is converted into a common share, it shall have all the rights and privileges that attach to the common shares.

The subscription agreement entered into between the Company and affiliates of Fairfax Financial Holdings Limited (collectively, “**Fairfax**”) in 2021, contains certain restrictions on the conversion of the 27,777,778 non-voting shares held by Fairfax. Such non-voting shares can only be converted to common shares upon a change of control event or upon disposal of the non-voting shares by Fairfax.

(b) Private placement financings

On May 28, 2025, the Company completed the first tranche of a private placement financing totaling 116,666,667 common shares for gross proceeds of \$350,000 (the “**May 2025 Offering**”). On closing the first tranche, the Company issued 98,502,909 common shares at a price of \$3.00 per share for gross proceeds of \$295,509. On July 11, 2025, the Company completed the second tranche of the May 2025 Offering, issuing 18,163,758 common shares at a price of \$3.00 per share for gross proceeds of \$54,491. Share issue costs totaled \$394.

On November 26, 2024, the Company announced that it had entered into an option agreement with Voyageur Mineral Explorers Corp. to acquire a 100% interest in Voyageur’s Hanson Lake property. Under the terms of the agreement, the Company made an initial payment of \$1,000 by way of the issuance of 238,835 common shares for the right to explore the Hanson Lake property for five years with no minimum spending requirement. The Company also holds the option to acquire 100% of the property for a one-time payment of \$10,000, in cash or common shares, at the Company’s election during this period.

On August 8, 2024, the Company completed the first tranche of a private placement financing totaling 68,465,540 common shares for gross proceeds of \$289,053. The Company issued 63,963,666 common shares at a price of \$4.05 per share for gross proceeds of \$259,053, 2,906,977 common shares on a flow-through basis at a price of \$6.88 per flow-through share for gross proceeds of \$20,000 and 1,594,897 common shares on a flow-through basis at a price of \$6.27 per flow-through share for gross proceeds of \$10,000. On September 17, 2024, the

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Company completed the second tranche of a private placement financing totaling 17,518,713 common shares at a price of \$4.05 per share for gross proceeds of \$70,951. Share issue costs totaled \$3,986.

As a result of subscribers paying a premium for the flow-through shares, the Company allocated \$11,767 of the gross proceeds of the flow-through shares to the flow-through share premium liability and the remaining \$18,233 to share capital.

(c) Equity-settled restricted share units

During the three and nine months ended September 30, 2025, the Company granted 106,388 RSUs, which vested immediately and were settled through the issuance of 106,388 common shares, as consideration for \$341 in services received from a supplier.

(d) Stock options

The Company's LTIP allows the Company to grant various awards, including stock options, to directors, officers, employees and consultants of up to an aggregate maximum of 10% of the common shares outstanding. The exercise price, term and vesting period of each option are determined by the Board within regulatory guidelines.

A continuity of the stock options is as follows:

	Number of options	Weighted average exercise price
Outstanding, December 31, 2024	15,782,434	\$ 1.73
Granted	2,605,000	3.94
Exercised	(1,675,000)	0.68
Forfeited	(163,333)	3.71
Outstanding, September 30, 2025	16,549,101	2.15

The fair value of the stock options that were granted during the nine months ended September 30, 2025 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	2.74%
Expected stock price volatility	74%
Expected dividend yield	0.0%
Expected option life in years	5.0

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The following stock options were outstanding as at September 30, 2025:

Outstanding	Exercisable	Weighted average Exercise Price	Expiry Date	Weighted average remaining life (in years)
6,000,000	6,000,000	0.20	November 7, 2025	0.10
725,000	725,000	1.05	April 21, 2026	0.56
8,333	8,333	2.13	September 13, 2026	0.95
200,000	200,000	2.02	September 28, 2026	0.99
125,000	125,000	2.43	October 18, 2026	1.05
200,000	200,000	2.22	January 31, 2027	1.34
1,458,269	1,458,269	2.35	March 17, 2027	1.46
250,000	250,000	2.02	May 16, 2027	1.62
75,000	75,000	2.47	June 16, 2027	1.71
13,333	13,333	2.46	August 22, 2027	1.89
25,000	25,000	2.48	September 19, 2027	1.97
16,666	8,333	2.25	October 24, 2027	2.07
1,165,000	776,667	3.34	January 20, 2028	2.31
200,000	133,333	3.22	February 23, 2028	2.40
400,000	266,667	3.43	May 11, 2028	2.61
100,000	100,000	3.42	June 1, 2028	2.67
150,000	100,000	3.54	July 11, 2028	2.78
125,000	83,333	3.88	August 23, 2028	2.90
30,000	20,000	3.90	August 30, 2028	2.92
250,000	-	3.89	September 21, 2028	2.98
250,000	83,333	4.33	November 1, 2028	3.09
175,000	58,333	4.02	December 8, 2028	3.19
1,562,500	520,833	3.91	March 1, 2029	3.42
125,000	41,667	4.13	March 11, 2029	3.45
200,000	66,667	4.50	May 29, 2029	3.66
100,000	33,333	3.95	July 8, 2029	3.77
30,000	10,000	3.68	September 3, 2029	3.93
50,000	-	4.06	January 6, 2030	4.27
2,165,000	-	4.08	March 25, 2030	4.48
195,000	-	3.39	May 20, 2030	4.64
150,000	-	2.68	August 18, 2030	4.88
20,000	-	3.25	September 15, 2030	4.96
10,000	-	3.25	September 16, 2030	4.96
16,549,101	11,382,434	\$2.15		1.85

(e) Share purchase warrants

The following warrants were outstanding at September 30, 2025:

Warrants outstanding and exercisable	Expiry Date	Weighted average exercise price
5,714,285	November 25, 2025	\$0.25

12. FINANCIAL INSTRUMENTS

The Company examines the various financial instruments to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and market risk (including interest rate, currency and other price risk). The risk related to financial instruments is managed by senior management of the Company under policies and directions approved by the Board. Relevant policies include the Treasury Management Policy and the Market Price Risk Management Policy. The Board monitors these policies on an annual basis.

(a) Fair value of financial instruments

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value as described below:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted market prices that are observable for the assets or liabilities either directly or indirectly; and

Level 3 – inputs that are not based on observable market data.

Financial Instruments	Classification
Cash and cash equivalents	Amortized cost
Accounts receivable and other	Amortized cost
Investments	Fair value through other comprehensive income
Restricted cash	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost
Credit facilities	Amortized cost
Government contribution obligations	Amortized cost

The fair value of the Company's financial instruments carried at amortized cost, except for the credit facilities and government contribution obligations, approximate their carrying values due to their short-term nature. The fair value of the credit facilities approximates their carrying values due to the instruments bearing interest at a rate that approximates a market rate of interest, and the fair value of the government contribution obligations approximates their carrying values due to the obligations being recently measured at fair value.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligation. The credit risk associated with cash and cash equivalents and restricted cash is minimized as these financial instruments are held with major Canadian commercial banks. In respect of accounts receivable, the Company is not exposed to significant credit risk as the majority consists of amounts due from Canadian governmental agencies.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has in place a planning and budgeting process to determine the funds required to support the Company's operating requirements as well as its planned capital expenditures. The Company manages its financial resources to ensure there is sufficient working capital to fund near term planned exploration work and operating expenditures. The Company has considerable discretion to reduce or increase plans or budgets depending on current or projected liquidity.

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A maturity analysis of the Company's financial liabilities, including interest, and its contractual commitments is set out below:

<i>(Millions of dollars)</i>	Total	Due in less than one year	Due in one to three years	Due in four to five years	Due after five years
Accounts payable and accrued liabilities	\$ 114.7	114.7	-	-	-
Leases	\$ 8.9	8.3	0.6	-	-
Construction commitments ⁽¹⁾	\$ 106.0	106.0	-	-	-
Government contribution obligations	\$ 7.8	-	0.8	-	7.0
Credit Facilities	\$ 692.9	33.5	190.8	468.6	-

(1) Certain contractual commitments may contain cancellation clauses; however, the Company discloses its commitments based on management's intent to fulfill the contracts.

The lease commitments disclosed above include \$8,103 of commitments related to short-term leases. During the nine months ended September 30, 2025, payments of \$8,126 related to short-term leases were recorded as additions to exploration and evaluation assets and mineral property, plant and equipment.

(d) Market risk

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk through the interest accrued on the Credit Facilities and interest earned on cash and cash equivalents. A 1% change in short-term interest rates would not have a material impact on net (income) loss or comprehensive (income) loss.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Company is exposed to foreign currency risk in terms of its US-denominated cash (US\$25,578) and Senior Credit Facility (US\$279,431). A 10% change in foreign currency exchange rates would result in a \$23,045 change to other (income) expenses.

(v) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financing instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risks in terms of its investments, DSUs and RSUs. A 10% change in market prices would not have a material impact on net (income) loss or comprehensive (income) loss.

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13. OTHER (INCOME) EXPENSE

The composition of the Other (income) expense for the three and nine months ended September 30, 2025 and 2024 is as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest income	\$ (3,960)	\$ (2,364)	\$ (8,872)	\$ (7,697)
Interest expense	24	322	24	3,542
Foreign exchange (gain) loss	7,211	(496)	(3,795)	837
Flow-through share premium	(258)	(3,284)	(7,916)	(9,770)
Standby costs ⁽¹⁾	508	-	2,088	-
Other	187	(253)	9	(281)
Total	\$ 3,712	\$ (6,075)	\$ (18,462)	\$ (13,369)

(1) Expenses related to the wildfires in the area surrounding McIlvenna Bay, including costs associated with excavation and certain safety measures.

14. RELATED PARTY TRANSACTIONS

Key management personnel at the Company are the current Directors and Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

The Company's related party transactions for the three and nine months ended September 30 were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term benefits ⁽¹⁾	\$ 1,651	\$ 1,388	\$ 3,684	\$ 2,743
Directors' fees ⁽²⁾	94	62	219	174
Share-based payment expense (recovery) ⁽³⁾	3,670	1,350	4,922	3,759
Total	\$ 5,415	\$ 2,800	\$ 8,825	\$ 6,676

(1) Short-term benefits consist of salaries and bonuses for key management personnel and fees paid to Gorilleo Advisors Limited, a company controlled by the CEO.

(2) Directors' fees consist of cash retainers paid to the directors.

(3) Share-based payment expense consists of the grant and revaluation of RSUs, DSUs and stock options issued to management personnel.