



**METALQUEST MINING INC.**

**FINANCIAL STATEMENTS**  
**31 January 2026**

**(An Exploration Stage Company)**  
(Expressed in Canadian dollars)



**SHIM & Associates LLP**  
**Chartered Professional Accountants**  
Suite 900 – 777 Hornby Street  
Vancouver, B.C. V6Z 1S4  
T: 604 559 3511 | F: 604 559 3501

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MetalQuest Mining Inc.

### Opinion

We have audited the financial statements of MetalQuest Mining Inc. (the “Company”), which comprise the statements of financial position as at January 31, 2026 and 2025, and the statements of loss and comprehensive loss, statements of cash flows and statements of changes in equity for the years then ended, and notes to the financial statements, including material accounting policy information.

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

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

Except as described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditor's report.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, 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, related safeguards.

**SHIM & Associates LLP**  
**Chartered Professional Accountants**

---

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

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

*SHIM & Associates LLP*

**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, Canada

May 25, 2026

**MetalQuest Mining Inc.**  
**(An Exploration Stage Company)**  
**Statements of Financial Position**  
(Expressed in Canadian dollars)

|  | Notes | As at 31 January<br>2026 | As at 31 January<br>2025 |
|--|-------|--------------------------|--------------------------|
| <b>ASSETS</b>                          |       | \$                       | \$                       |
| <b>Current assets</b>                  |       |                          |                          |
| Cash                                   |       | 1,507,368                | 73,808                   |
| Amounts receivable                     | 4     | 19,374                   | 10,237                   |
| Prepaid expenses                       |       | 353,741                  | 41,730                   |
| Short term investments                 | 5     | 2,813,000                | 628,375                  |
|  |       | 4,693,483                | 754,150                  |
| Exploration and evaluation properties  | 6     | 471,908                  | 144,508                  |
| <b>Total assets</b>                    |       | <b>5,165,391</b>         | <b>898,658</b>           |
| <b>EQUITY AND LIABILITIES</b>          |       |                          |                          |
| <b>Current liabilities</b>             |       |                          |                          |
| Trade payables and accrued liabilities | 7     | 132,892                  | 24,672                   |
| Due to related parties                 | 12    | 158,423                  | 241,215                  |
| <b>Total liabilities</b>               |       | <b>291,315</b>           | <b>265,887</b>           |
| <b>Equity</b>                          |       |                          |                          |
| Common shares                          | 8     | 27,538,584               | 25,841,421               |
| Reserves                               | 8     | 9,875,325                | 8,921,232                |
| Deficit                                |       | (32,539,833)             | (34,129,882)             |
| <b>Total equity</b>                    |       | <b>4,874,076</b>         | <b>632,771</b>           |
| <b>Total equity and liabilities</b>    |       | <b>5,165,391</b>         | <b>898,658</b>           |

Corporate Information (Note 1), Going Concern (Note 1.1), Commitments and Contingencies (Note 13)  
Subsequent Events (Note 15)

**APPROVED BY THE BOARD:**

*“Harry Barr”*

Director

*“Gordon Chunnnett”*

Director

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

**MetalQuest Mining Inc.**  
**(An Exploration Stage Company)**  
**Statements of Loss and Comprehensive Loss**  
(Expressed in Canadian dollars)

|   | Notes | Year ended 31 January |                  |
|---|-------|-----------------------|------------------|
|   |       | 2026                  | 2025             |
|   |       | \$                    | \$               |
| <b>Administration expenses</b>  |       |                       |                  |
| Accounting and audit  |       | 20,000                | 19,500           |
| Bank charges and interest   |       | 701                   | 131              |
| Consulting fees   | 12    | 218,268               | 126,460          |
| Information technology  |       | 1,700                 | 1,419            |
| Insurance   |       | 2,622                 | -                |
| Management fees   | 12    | 120,000               | 120,000          |
| Marketing and communications  |       | 63,283                | 374              |
| Office and miscellaneous  | 12    | 59,487                | 17,564           |
| Rent  | 12    | 8,286                 | 7,801            |
| Share-based payments  | 8, 12 | 215,582               | 54,897           |
| Telephone and utilities   |       | 3,321                 | 1,744            |
| Transfer agent and regulatory fees                                    |       | 71,921                | 37,727           |
| Travel, lodging and food  |       | 26,379                | 8,020            |
| <b>Net loss before other items</b>                                    |       | <b>(811,550)</b>      | <b>(395,637)</b> |
| <b>Other items</b>  |       |                       |                  |
| Interest income   |       | 2,229                 | 6                |
| Realized gain on short term investments                               | 5     | 157,370               | 18,311           |
| Unrealized gain on short term investments                             | 5     | 2,242,000             | 209,680          |
| <b>Net income (loss) and comprehensive income (loss) for the year</b> |       | <b>1,590,049</b>      | <b>(167,640)</b> |
| <b>Net income (loss) per share – basic</b>                            | 9     | <b>0.050</b>          | <b>(0.006)</b>   |
| <b>Net income (loss) per share – diluted</b>                          | 9     | <b>0.049</b>          | <b>(0.006)</b>   |

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

**MetalQuest Mining Inc.**  
**(An Exploration Stage Company)**  
**Statements of Cash Flows**  
(Expressed in Canadian dollars)

|  | <b>Year ended 31 January</b> |                  |
|--|------------------------------|------------------|
|  | <b>2026</b>                  | <b>2025</b>      |
|  | \$                           | \$               |
| <b>OPERATING ACTIVITIES</b>                                      |                              |                  |
| Income (loss) before tax   | 1,590,049                    | (167,640)        |
| Adjustments for:   |                              |                  |
| Share-based payments   | 215,582                      | 54,897           |
| Realized gain on short term investment                           | (157,370)                    | (18,311)         |
| Unrealized gain on short term investment                         | (2,242,000)                  | (209,680)        |
| Changes in operating working capital                             |                              |                  |
| Amounts receivable   | (9,137)                      | (6,877)          |
| Prepaid expenses   | (312,011)                    | (908)            |
| Trade payables and accrued liabilities                           | 19,390                       | 4,887            |
| Due to related parties   | (82,792)                     | 162,570          |
| <b>Cash used in operating activities</b>                         | <b>(978,289)</b>             | <b>(181,062)</b> |
| <b>INVESTING ACTIVITIES</b>                                      |                              |                  |
| Exploration and evaluation expenditures                          | (238,570)                    | (68,960)         |
| Proceeds from sale of short term investments                     | 214,745                      | 47,832           |
| <b>Cash used in investing activities</b>                         | <b>(23,825)</b>              | <b>(21,128)</b>  |
| <b>FINANCING ACTIVITIES</b>                                      |                              |                  |
| Proceeds from issuance of shares, net                            | 2,435,674                    | -                |
| <b>Cash provided by financing activities</b>                     | <b>2,435,674</b>             | <b>-</b>         |
| <b>Increase (decrease) in cash</b>                               | <b>1,433,560</b>             | <b>(202,190)</b> |
| Cash, beginning of year  | 73,808                       | 275,998          |
| <b>Cash, end of year</b>   | <b>1,507,368</b>             | <b>73,808</b>    |
| <b>Supplemental information with respect to cash flows:</b>      |                              |                  |
| Interest paid  | -                            | -                |
| Income taxes paid  | -                            | -                |
| <b>Non-cash investing activities</b>                             |                              |                  |
| Exploration and evaluation expenses included in accounts payable | 88,830                       | -                |

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

**MetalQuest Mining Inc.**  
**(An Exploration Stage Company)**  
**Statements of Changes in Equity**  
(Expressed in Canadian dollars)

|                                  | <b>Number of<br/>shares</b> | <b>Common<br/>shares</b> | <b>Stock<br/>option<br/>reserve</b> | <b>Warrant<br/>reserve</b> | <b>Deficit</b>      | <b>Total</b>     |
|----------------------------------|-----------------------------|--------------------------|-------------------------------------|----------------------------|---------------------|------------------|
|                                  |                             | \$                       | \$                                  | \$                         | \$                  | \$               |
| <b>Balances, 31 January 2024</b> | <b>26,914,783</b>           | <b>25,841,421</b>        | <b>2,496,708</b>                    | <b>6,369,627</b>           | <b>(33,962,242)</b> | <b>745,514</b>   |
| Share-based payments             | -                           | -                        | 54,897                              | -                          | -                   | 54,897           |
| Net loss for the year            | -                           | -                        | -                                   | -                          | (167,640)           | (167,640)        |
| <b>Balances, 31 January 2025</b> | <b>26,914,783</b>           | <b>25,841,421</b>        | <b>2,551,605</b>                    | <b>6,369,627</b>           | <b>(34,129,882)</b> | <b>632,771</b>   |
| Share-based payments             |                             |                          | 215,582                             | -                          | -                   | 215,582          |
| Shares issued for cash           | 18,649,833                  | 1,784,764                | -                                   | 699,312                    | -                   | 2,484,076        |
| Share issue costs                | -                           | (87,601)                 | -                                   | 39,199                     | -                   | (48,402)         |
| Net income for the year          | -                           | -                        | -                                   | -                          | 1,590,049           | 1,590,049        |
| <b>Balances, 31 January 2026</b> | <b>45,564,616</b>           | <b>27,538,584</b>        | <b>2,767,187</b>                    | <b>7,108,138</b>           | <b>(32,539,833)</b> | <b>4,874,076</b> |

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

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## 1. CORPORATE INFORMATION

MetalQuest Mining Inc. (the “Company”) was incorporated on 19 February 1988 under the laws of the Province of British Columbia, Canada. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in Canada with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploration. The Company is listed on the Toronto Stock Exchange Venture (“TSX-V”) under the symbol “MQM”.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the Company will obtain the necessary financing to complete the exploration and development of mineral property interests, or that the current or future exploration and development programs of the Company will result in profitable mining operations. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments, including conducting minimum exploration and evaluation programs and paying for general and administrative expenses (Note 1.1).

The Company’s principal address and records office is located at 101-2148 West 38th Avenue, Vancouver, BC V6M 1R9.

### 1.1 GOING CONCERN

These financial statements have been prepared in accordance IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned no revenues and has experienced negative cash flows from operating activities. As at 31 January 2026, the Company had cash of \$1,507,368 (2025: \$73,808) and working capital of \$4,402,168 (2025: \$488,263). However, management cannot provide assurances that it will achieve profitable operations or raise additional equity capital.

The Company is presently exploring its property interests and has not confirmed they contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves and the Company’s ability to obtain necessary financing to complete its exploration and development of its current property interests and on future production from or proceeds from the disposition of its mineral property interests.

The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

The management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

## **2. BASIS OF PREPARATION**

### **2.1 Basis of presentation**

The Company's financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value (Note 11).

The financial statements are presented in Canadian dollars, which is also the Company's functional currency, except where otherwise indicated and all values are rounded to the nearest dollar.

### **2.2 Statement of compliance**

These financial statements have been prepared in accordance with and using accounting policies in full compliance with IFRS issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended 31 January 2026.

### **2.3 Standards, amendments and interpretations issued but not yet effective**

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements to replace IAS 1 – Presentation of Financial Statements. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. It will be effective for the Company for the annual period beginning 1 February 2027, and will be required to be applied retrospectively. The Company is currently assessing the effect of this new standard on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## **3. MATERIAL ACCOUNTING POLICIES**

### **3.1 Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and the ability to continue as a going concern. Actual results may differ from those estimates and judgments.

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

#### *Exploration and evaluation expenditures*

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of loss and comprehensive loss in the year when new information becomes available.

Determining whether to test for impairment of exploration and evaluation properties requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation 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 amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## *Decommissioning and restoration costs*

Management is not aware of any material restoration, rehabilitation and environmental provisions as at 31 January 2026. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on changes in laws, regulations and negotiations with regulatory authorities.

## *Impairment of financial assets*

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the period that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regards to the amount of impairment; however the final outcome may be materially different than the amount recorded as a financial asset.

## *Share-based payments*

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in Note 3.5. The fair value of stock options is measured using the Black-Scholes Option Valuation Model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

## *Valuation of equity units in private placement*

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when two are issued together as a unit. The Company uses Black-Scholes valuation model to determine the fair value of warrants issued.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## *Deferred income taxes*

Judgement is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realized the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

## *Going concern*

These financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

## **3.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

## **3.3 Foreign currencies**

The Company's presentation currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which they operate.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of loss and comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

## **3.4 Exploration and evaluation properties**

Following the acquisition of a legal right to explore a property, all direct costs related to the acquisition of the property are deferred until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Mineral property acquisition costs include cash consideration and the fair market value of common shares issued for mineral property interests based on the trading price of the shares.

On an ongoing basis, the Company evaluates each property based on results to date to determine the nature of exploration work that is warranted in the future. Indications of impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- i) The Company's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- ii) Exploration results are not promising and no more work is being planned in the foreseeable future; or
- iii) The remaining lease terms are insufficient to conduct necessary studies or exploration work.

If there is an indication of impairment, the recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use, of the asset is determined. When the carrying value of the property exceeds its recoverable amount the asset is written down accordingly. As a result, an impairment loss is recognized in the statement of loss and comprehensive loss.

The Company may occasionally enter into property option agreements, whereby the Company will transfer part of a mineral interest, as consideration for the incurring of certain exploration and evaluation expenditures by the optionee which would otherwise have been undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the property, with any excess cash accounted for as recovery of exploration and evaluation properties.

Proceeds received from the sale of any interest in a property are first credited against the carrying value of the property, with any excess included in the statement of loss and comprehensive loss for the period.

## **3.5 Share-based payments**

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of loss and comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

Where the terms and conditions of options are modified before they vest, any increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of loss and comprehensive loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of loss and comprehensive loss, unless they are related to the issuance of shares, in which case they are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of the Black-Scholes Option Pricing Model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

## **3.6 Taxation**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in the statement of loss and comprehensive loss except to the extent that they relate to items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

Deferred tax is recognized on loss carry-forwards and tax credits, and on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and law that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company records provisions for uncertain tax provisions if it is probable that the Company will make a payment on tax positions as a result of examinations by the tax authorities. These provisions are measured at the Company's best estimate of the amount expected to be paid. Provisions are reversed to income in the period in which management assesses that they are no longer required or determined by statute.

## 3.7 Financial instruments

### *Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition.

The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## ***Measurement***

### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Cash, trade payables and due to related parties are recognized at amortized cost.

### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit and loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit and loss in the period in which they arise. Short term investments are recognized as FVTPL. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

### *Financial assets at FVTOCI*

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

### *Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the credit risk of the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit and loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

## ***Derecognition***

### *Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition of assets are recognized in profit and loss.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## *Financial liabilities*

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized at the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit and loss.

### **3.8 Flow-through shares**

The Company, from time to time, issues flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a premium reversal recorded in other income or a reduction to deferred tax expense. The Company also recognizes a deferred tax liability and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian resource property exploration expenditures, within the prescribed period. The portion of proceeds received but not yet expended at the end of the period is disclosed separately within restricted cash.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada income tax regulations. When applicable, this tax is accrued as an other expense until paid.

### **3.9 Decommissioning liabilities**

An obligation to incur decommissioning costs arises when environmental disturbance is caused by the exploration or development of mineral property interest. These costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability, as soon as the obligation to incur such cost arises. The timing of the actual expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the Company operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through depreciation. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

Estimated costs for decommissioning costs are adjusted as changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capital costs of the related assets, in which case the capitalized cost is reduced to zero and the difference is recognized in profit or loss. As at 31 January 2026 and 2025, the Company has \$Nil decommissioning liabilities.

## 3.10 Related party transactions

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

## 3.11 Loss per share

Basic loss per share is computed by dividing the net income applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per common share is computed by dividing the net income applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted. In the event of a loss, diluted loss per share is equal to basic loss per share as the additional equity instruments are anti-dilutive. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

## 4. AMOUNTS RECEIVABLE

The Company's amounts receivable arises from Goods and Services Tax ("GST") receivable due from the government taxation authorities:

|                                 | 31 January 2026 | 31 January 2025 |
|---------------------------------|-----------------|-----------------|
|                                 | \$              | \$              |
| GST receivable                  | 19,374          | 10,237          |
| <b>Total amounts receivable</b> | <b>19,374</b>   | <b>10,237</b>   |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## 5. SHORT-TERM INVESTMENTS

|   | 31 January 2026 |                  | 31 January 2025 |            |
|---|-----------------|------------------|-----------------|------------|
|   | Cost            | Fair Value       | Cost            | Fair Value |
|   | \$              | \$               | \$              | \$         |
| Puma Exploration Inc.<br>300,000 shares (2025: 300,000 shares)    | 43,357          | 60,000           | 43,357          | 24,000     |
| Canadian Copper Inc.<br>1,500,000 shares (2025: 2,175,000 shares) | 127,500         | 1,110,000        | 184,875         | 315,375    |
| 2,500,000 warrants (2025: 2,500,000 warrants)                     | -               | 1,643,000        | -               | 289,000    |
| <b>Total short-term investments</b>                               | <b>170,857</b>  | <b>2,813,000</b> | 228,232         | 628,375    |

### Puma Exploration Inc. (“Puma”)

The Company received shares and warrants from Puma as option payments pursuant to the Murray Brook Asset Purchase Agreement dated 15 May 2017. As at 31 January 2026, the Company had 300,000 common shares of Puma (2025: 300,000) with a fair value of \$60,000 (2025: \$24,000) resulting in an unrealized gain of \$36,000 (2025: loss of \$15,000).

### Canadian Copper Inc. (“CCI”)

As at 31 January 2026, the fair value of the warrants was determined to be \$1,643,000 (2025: \$289,000) using the Black Scholes Option Pricing Model based on the following assumptions: share price - \$0.74; exercise price - \$0.125; expected life – 3 years, volatility – 104% and risk-free rate of 2.70%. The Company recorded an unrealized gain of \$1,354,000 (2025: \$94,000) related to the change in fair value of the warrants.

During the year ended 31 January 2026, the Company sold 675,000 shares of CCI for proceeds of \$214,745, resulting in a realized gain of \$157,370 (2025 - \$Nil). The Company recorded an unrealized gain of \$852,000 (2025: \$130,670) related to the change in fair value of the CCI shares.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## 6. EXPLORATION AND EVALUATION PROPERTIES

|   | Lac Otelnuk<br>Iron Ore | Superior<br>Iron | Fishhook<br>Polymetallic | Cameron<br>Gold | Total          |
|---|-------------------------|------------------|--------------------------|-----------------|----------------|
|   | \$                      |                  | \$                       | \$              | \$             |
| <b>ACQUISITION COSTS</b>                    |                         |                  |                          |                 |                |
| Balance, 31 January 2025                    | 93,315                  | -                | -                        | -               | 93,315         |
| Additions                                   | -                       | 205,002          | 51,650                   | 7,200           | 263,852        |
| <b>Balance, 31 January 2026</b>             | <b>93,315</b>           | <b>205,002</b>   | <b>51,650</b>            | <b>7,200</b>    | <b>357,167</b> |
| <b>EXPLORATION AND<br/>EVALUATION COSTS</b> |                         |                  |                          |                 |                |
| Balance, 31 January 2025                    | 51,193                  | -                | -                        | -               | 51,193         |
| Engineering and<br>consulting               | 49,832                  | -                | 3,547                    | -               | 53,379         |
| Geological                                  | -                       | -                | 6,278                    | -               | 6,278          |
| Field expenses                              | 3,891                   | -                | -                        | -               | 3,891          |
| <b>Balance, 31 January 2026</b>             | <b>104,916</b>          | <b>-</b>         | <b>9,825</b>             | <b>-</b>        | <b>114,741</b> |
| <b>Total balance, 31 January<br/>2026</b>   | <b>198,231</b>          | <b>205,002</b>   | <b>61,475</b>            | <b>7,200</b>    | <b>471,908</b> |

### Lac Otelnuk Iron Ore Project, Quebec

On 17 January 2023, the Company entered a property option and purchase agreement, amended, with 743584 Ontario Inc. to acquire 100% interest in 306 mining claims located in Nunavik, Quebec in exchange for \$44,355 in cash payment that went towards the government assessment for the mining claims. All 306 claims are subject to a 2.5% royalty with an original option to buy down over a specific period of time. During the year ended 31 January 2023, the Company made the required \$44,355 in cash payment towards the government assessment for the mining claims, and has obtained 100% interest in the 306 mining claims.

During the year ended 31 January 2024, the Company entered into an Exploration and Pre-Development Agreement (the “Agreement”) with Naskapi Nation of Kawawachikamach (“NNK”).

The Company has agreed to pay NNK’s reasonable costs for the negotiation and drafting of the attached Agreement within 30 days of receipt of NNK’s expense report to a maximum amount of \$9,500 (paid); an annual amount of \$20,000 throughout the term of the Agreement due on each anniversary of execution of the Agreement for certain NNK representatives on the Property, which amount shall be revisable at the end of every three year period; and in recognition of the impacts of exploration activities will generate, MQM shall contribute to NNK for the duration of the Agreement on an annual basis, the following:

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

- 3% of the first \$1,000,000 spent in the applicable year on exploration activities;
- 2% on monies spent above \$1,000,000 up to \$2,000,000 in the applicable year on exploration activities; and
- 1.5% on all monies spent above \$2,000,000 in the applicable year on exploration activities.

During the year ended 31 January 2026, the Company accrued \$20,000 (2025: paid \$29,500) to NNK.

On 8 January 2026, the Company entered into an amended property option and purchase agreement to reduce the royalty from 2.5% to 1.5% through the issuance of 500,000 common shares of the Company to the royalty holder (Note 15).

## **Superior Iron Project, Quebec**

During the year ended 31 January 2026, the Company acquired by staking a 100% interest in the Superior Iron Project located in the Labrador Trough, Québec. The Project comprises 598 mineral claims totaling approximately 28,827 hectares (71,202 acres).

## **Ring of Fire Critical Mineral Portfolio, Ontario**

The Company's regional strategy is anchored by two flagship, 100%-owned assets: the ROF-1 Project and the Fishhook Polymetallic Project.

### ROF-1 Project

In December 2025, the Company acquired the ROF-1 Project. The asset comprises 1,034 claim cells covering approximately 20,800 hectares (52,000 acres) of geologically prospective terrain. ROF-1 captures a strategic land position known to host polymetallic mineralization from historical drilling, alongside multiple untested target corridors.

### Fishhook Polymetallic Project

Complementing the ROF-1 land package, the Company acquired the Fishhook Polymetallic Project through staking in January 2026. This second Ring of Fire asset consists of approximately 1,094 contiguous mining claim cells spanning roughly 22,000 hectares (54,360 acres). Fishhook is a volcanogenic massive sulfide (VMS) and nickel-copper-platinum group metal (Ni-Cu-PGM) exploration property located in northern Ontario within the broader Ring of Fire geological corridor, expanding the Company's exploration portfolio.

## **Cameron Gold Project, Kenora Mining District, Ontario**

On January 29, 2026, the Company entered into an option agreement with Gallik Explorations Inc. to acquire 100% interest in the project known as the West Dogpaw Claims, renamed West Cameron Gold Project (the "Project"), located in the Kenora Mining District, Northwestern Ontario, subject to a 2% Net Smelter Return Royalty, with 1% buy-down option (Note 15).

To acquire 100% interest in the Project, the Company shall make an aggregate of \$75,000 cash payments and share payments valued at \$75,000 as follows:

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

- Within 10-days of regulatory approval, make cash payment of \$15,000 (paid subsequently) (Note 15) and issue common shares valued at \$15,000 (issued subsequently) (Note 15);
- Within 1 year of regulatory approval, make cash payment of \$20,000 and issue common shares valued at \$20,000;
- Within 2 years of regulatory approval, make cash payment of \$20,000 and issue common shares valued at \$20,000;
- Within 3 years of regulatory approval, make cash payment of \$20,000 and issue common shares valued at \$20,000.

During the year ended 31 January 2026, the Company acquired 144 mining claims covering approximately 2,880 hectares through staking on the East Cameron Project.

## **Murray Brook Project, New Brunswick**

On 11 September 2023, the Company and CCI entered a binding Letter of Intent for the option to purchase all of the Company's 28.2% interest in and to the Murray Brook Mining Lease 252 and Claim Block 4925 situated in Restigouche and Northumberland counties, New Brunswick (collectively, the "Mining Asset").

On 31 January 2024, the Company entered into an Asset Purchase and Sale Agreement (the "Murray Brook Agreement") with CCI, to sell 28.2% interest in and to the Murray Brook Project.

Pursuant to the Murray Brook Agreement:

- \$100,000 deposit to be paid by CCI upon signing of LOI (received).
- \$200,000 instalment to be paid by CCI on closing of the Murray Brook Agreement (received).
- Issuance by CCI, on closing, of 2,500,000 units (received) (Note 5), each unit consisting of one common share of CCI and one non-transferable warrant of CCI, with each warrant exercisable for five years from the date of issuance at an exercise price of \$0.125 (received) (Note 5).
- A 0.33% net smelter return ("NSR") royalty on the Murray Brook Project. CCI will have the right to purchase half of the 0.33% NSR for \$1 million.
- Final instalment of \$1,000,000 to be paid by CCI to the Company within 31 days of commercial production.

At 31 January 2024, the carrying value of the Murray Brook Project was \$20,066, resulting in a gain of \$687,434 on disposition. The final instalment of \$1,000,000 was excluded due to uncertainties.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

## 7. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration and evaluation activities and amounts payable for general operations. These are broken down as follows:

|                     | 31 January 2026 | 31 January 2025 |
|---------------------|-----------------|-----------------|
|                     | \$              | \$              |
| Trade payables      | 90,892          | 5,672           |
| Accrued liabilities | 42,000          | 19,000          |
| <b>Total</b>        | <b>132,892</b>  | <b>24,672</b>   |

## 8. SHARE CAPITAL

### 8.1 Authorized share capital

The Company has authorized an unlimited number of common and preferred shares with no par value. As at 31 January 2026, the Company had 45,564,616 common shares outstanding (2025: 26,914,783) and no preferred shares outstanding.

### 8.2 Shares issuances

On 31 July 2025, the Company issued 7,389,943 units at a price of \$0.07 per unit for cash proceeds of \$517,296. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.10 per share for a period of three years from closing. The warrants have been recorded at an estimated value of \$232,417 based on the proportional method. The fair value of the warrants was calculated using the Black Scholes option pricing model, using the following assumptions: share price of \$0.06, an exercise price of \$0.10, risk free interest rate of 2.83%, expected life of warrants of 3 years, expected volatility rate of 166% and expected dividend rate of 0%.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

On 30 December 2025, the Company issued 5,259,890 flow-through units (the “FT Unit”) at a price of \$0.18 per FT unit for cash proceeds of \$946,780 and also issued 4,036,240 non-flow-through units (the “NFT Unit”) at a price of \$0.17 per NFT Unit for cash proceeds of \$686,161, for aggregate gross proceeds of \$1,632,941. Each FT Unit is comprised of one flow-through common share (the “FT Shares”) and one half of one share purchase warrant (the “FT Warrants”) and each NFT Unit is comprised of one common share (the “NFT Shares”) and one half of one share purchase warrant (the “NFT Warrants”) of the Company, whereby each whole FT Warrant and each whole NFT Warrant entitles the holder to purchase an additional common share for a period of two years from closing at a price of \$0.40 per warrant share (collectively the “Warrant Shares”). The warrants have been recorded at an estimated value of \$375,242 based on the proportional method. The fair value of warrants was calculated using the Black Scholes option pricing model, using the following assumptions: share price of \$0.27, an exercise price of \$0.40, risk free interest rate of 2.59%, expected life of warrants of 2 years, expected volatility rate of 134% and expected dividend rate of 0%. The Company also paid a finder’s fee of \$48,402 in cash and issued 243,304 finder warrants. Each finder warrant entitles the finder to purchase one common share at an exercise price of \$0.40 per share for a period of two years from closing. The warrants have been recorded at an estimated value of \$39,199 based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.27, an exercise price of \$0.40, risk free interest rate of 2.59%, expected life of warrants of 2 years, expected volatility rate of 134% and expected dividend rate of 0%. No value was allocated to flow-through premium liability.

On 9 January 2026, the Company issued 1,963,760 units at a price of \$0.17 per unit for cash proceeds of \$333,839. Each unit is comprised of one common share and one-half share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.40 per share for a period of two years from closing. The warrants have been recorded at an estimated value of \$91,652 based on the proportional method. The fair value of the warrants was calculated using the Black Scholes option pricing model, using the following assumptions: share price of \$0.37, an exercise price of \$0.40, risk free interest rate of 2.57%, expected life of warrants of 2 years, expected volatility rate of 166% and expected dividend rate of 0%.

## 8.3 Share purchase warrants

The following is a summary of the changes in the Company’s share purchase warrants for the years ended 31 January 2026 and 2025:

| As at                           | 31 January 2026   |                                 | 31 January 2025   |                                 |
|---------------------------------|-------------------|---------------------------------|-------------------|---------------------------------|
|                                 | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Outstanding, beginning of year  | -                 | -                               | -                 | -                               |
| Issued                          | 13,263,192        | \$0.23                          | -                 | -                               |
| <b>Outstanding, end of year</b> | <b>13,263,192</b> | <b>\$0.23</b>                   | -                 | -                               |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding and exercisable as at 31 January 2026:

| Issue date       | Expiry date      | Warrants outstanding (#) | Exercise Price (\$) | Weighted Average Life (years) |
|------------------|------------------|--------------------------|---------------------|-------------------------------|
| 31 July 2025     | 31 July 2028     | 7,389,943                | 0.10                | 2.50                          |
| 30 December 2025 | 30 December 2027 | 4,891,369                | 0.40                | 1.91                          |
| 9 January 2026   | 9 January 2028   | 981,880                  | 0.40                | 1.94                          |
|                  |                  | <b>13,263,192</b>        | <b>0.23</b>         | <b>2.24</b>                   |

## 8.4 Stock options

The Company has in place a 20% fixed stock option plan (the “Plan”) whereby, the Company may grant up to a maximum of 6,860,945 stock options. The exercise price of any options granted under the plan will be determined by the Board of Directors (the “Board”), at its sole discretion, but shall not be less than the last closing price of the Company’s common shares on the day before the date on which the Board grants such options, less the maximum discount permitted under the policies of the TSXV.

The following is a summary of the changes in the Company’s stock option plan for years ended 31 January 2026 and 2025:

| As at                           | 31 January 2026   |                                 | 31 January 2025   |                                 |
|---------------------------------|-------------------|---------------------------------|-------------------|---------------------------------|
|                                 | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Outstanding, beginning of year  | 4,425,000         | \$0.144                         | 3,175,000         | \$0.161                         |
| Granted                         | 3,445,000         | \$0.313                         | 1,250,000         | \$0.100                         |
| Cancelled/expired               | (1,300,000)       | \$0.154                         | -                 | -                               |
| <b>Outstanding, end of year</b> | <b>6,570,000</b>  | <b>\$0.230</b>                  | 4,425,000         | \$0.144                         |
| <b>Exercisable, end of year</b> | <b>3,875,000</b>  | <b>\$0.174</b>                  | 3,587,500         | \$0.154                         |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at 31 January 2026:

| <b>Grant date</b> | <b>Expiry date</b> | <b>Options outstanding (#)</b> | <b>Exercise Price (\$)</b> | <b>Weighted Average Life (years)</b> | <b>Options exercisable (#)</b> |
|-------------------|--------------------|--------------------------------|----------------------------|--------------------------------------|--------------------------------|
| 6 June 2022       | 6 June 2027        | 180,000                        | 0.20                       | 1.35                                 | 180,000                        |
| 12 May 2023       | 12 May 2028        | 2,345,000                      | 0.15                       | 2.28                                 | 2,345,000                      |
| 27 November 2024  | 27 November 2029   | 850,000                        | 0.10                       | 3.82                                 | 850,000                        |
| 8 October 2025    | 8 October 2030     | 950,000                        | 0.15                       | 4.69                                 | Nil                            |
| 23 January 2026   | 23 January 2031    | 2,245,000                      | 0.40                       | 4.98                                 | 500,000                        |
|                   |                    | <b>6,570,000</b>               | <b>0.23</b>                | <b>3.73</b>                          | <b>3,875,000</b>               |

On October 8, 2025, the Company granted 1,200,000 stock options valued at \$155,380 to directors, officers and consultants at an exercise price of \$0.15 for a term of 5 years expiring on October 8, 2030. For 1,100,000 stock options, 25% vest every 6 months starting 8 April 2026. For 100,000 stock options, 16.67% vest every six months starting 8 April 2026.

On January 23, 2026, the Company granted 2,245,000 stock options valued at \$722,402 to directors, officers and consultants at an exercise price of \$0.40 for a term of 5 years expiring on January 23, 2031. 500,000 stock options vested immediately, 815,000 stock options vest over one year, 180,000 stock options vest over two years, 250,000 stock options vest over three years and 500,000 stock options vest over four years.

The fair value of the stock options granted during the years ended 31 January 2026 and 2025 were estimated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

|                             | <b>2026</b> | <b>2025</b> |
|-----------------------------|-------------|-------------|
| Risk free interest rate     | 2.90%       | 3.07%       |
| Expected life               | 5 years     | 5 years     |
| Expected volatility         | 156.60%     | 169.56%     |
| Expected dividend per share | -           | -           |
| Expected forfeiture         | -           | -           |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## 8.5 Share-based payments

Share-based payments for the following options granted by the Company was amortized over the vesting period.

| Grant date       | Fair value | Amount vested<br>31 January 2026 | Amount vested<br>31 January 2025 |
|------------------|------------|----------------------------------|----------------------------------|
|                  | \$         | \$                               | \$                               |
| 12 May 2023      | 306,904    | -                                | 24,957                           |
| 27 November 2024 | 155,392    | -                                | 29,940                           |
| 8 October 2025   | 155,380    | 37,382                           | -                                |
| 23 January 2026  | 722,402    | 178,200                          | -                                |
| <b>Total</b>     |            | <b>215,582</b>                   | 54,897                           |

## 9. INCOME (LOSS) PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

| Year ended 31 January                       | 2026         | 2025       |
|---|--------------|------------|
|   | \$           | \$         |
| Net income (loss)                           | 1,590,049    | (167,640)  |
| Weighted average number of shares – basic   | 31,573,491   | 26,914,783 |
| Weighted average number of shares – diluted | 32,538,179   | 26,914,783 |
| <b>Net income (loss) per share, basic</b>   | <b>0.050</b> | (0.015)    |
| <b>Net income (loss) per share, diluted</b> | <b>0.049</b> | (0.015)    |

The basic income (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. The diluted income per share reflects the potential dilution of common share equivalents, such as outstanding warrants and stock options, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options were anti-dilutive for the years ended 31 January 2025.

## 10. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements and continue the exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

## 11. FINANCIAL INSTRUMENTS

### 11.1 Categories of financial instruments

|                                    | As at<br>31 January<br>2026 | As at<br>31 January<br>2025 |
|------------------------------------|-----------------------------|-----------------------------|
| <b>FINANCIAL ASSETS</b>            | \$                          | \$                          |
| <b>Amortized cost</b>              |                             |                             |
| Cash                               | 1,507,368                   | 73,808                      |
| <b>FVTPL</b>                       |                             |                             |
| Short term investments             | 2,813,000                   | 628,375                     |
| <b>Total financial assets</b>      | <b>4,320,368</b>            | <b>702,183</b>              |
| <b>FINANCIAL LIABILITIES</b>       |                             |                             |
| <b>Amortized cost</b>              |                             |                             |
| Trade payables                     | 90,892                      | 5,672                       |
| Due to related parties             | 158,423                     | 241,215                     |
| <b>Total financial liabilities</b> | <b>249,315</b>              | <b>246,887</b>              |

### 11.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

| As at 31 January 2026                       | Level 1          | Level 2          | Level 3  | Total            |
|---|------------------|------------------|----------|------------------|
|   | \$               | \$               | \$       | \$               |
| <b>Financial assets at fair value</b>       |                  |                  |          |                  |
| Short term investments                      | 1,170,000        | 1,643,000        | -        | 2,813,000        |
| <b>Total financial assets at fair value</b> | <b>1,170,000</b> | <b>1,643,000</b> | <b>-</b> | <b>2,813,000</b> |

| As at 31 January 2025                       | Level 1        | Level 2        | Level 3  | Total          |
|---|----------------|----------------|----------|----------------|
|   | \$             | \$             | \$       | \$             |
| Financial assets at fair value              |                |                |          |                |
| Short term investments                      | 339,375        | 289,000        | -        | 628,375        |
| <b>Total financial assets at fair value</b> | <b>339,375</b> | <b>289,000</b> | <b>-</b> | <b>628,375</b> |

There were no transfers between Level 1, 2 and 3 during the years ended 31 January 2026 and 2025.

## 11.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern.

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

### Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. As at 31 January 2026, the Company had a cash balance of \$1,507,368 (2025: \$73,808) and receivables of \$19,374 (2025: \$10,237) to settle current liabilities due in twelve months or less of \$291,315 (2025: \$265,887) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments and liquidation of its marketable securities, either partial or in full, to continue its 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.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## Currency risk

For the year ended 31 January 2026, the Company's operations were solely in Canada. The Company considers its currency risk to be insignificant.

## Other market risks

The Company is not subject to any other market risks, including interest rate risk and commodity price risk.

## 12. RELATED PARTY TRANSACTIONS

For the years ended 31 January 2026 and 2025, the Company had related party transactions with the following companies related by way of directors, management or shareholders in common:

- New Age Metals Inc., a company with management and certain directors in common with the Company. The Company pays shared office costs to New Age Metals Inc. on a month-to-month basis.
- 3846717 Canada Inc., a company owned by the CEO of the Company. 3846717 Canada Inc. provides management services on a month-to-month basis.
- 873285 B.C. Ltd., a company owned by the Corporate Secretary of the Company. 873285 B.C. Ltd. provides consulting services on a three year term effective 1 January 2026 (Note 13).

### 12.1 Related party expenses

The Company's related party expenses paid and/or accrued during the years ended 31 January 2026 and 2025 are as follows:

| <b>31 January</b>  | <b>2026</b>    | <b>2025</b> |
|--|----------------|-------------|
|  | <b>\$</b>      | <b>\$</b>   |
| Consulting fees  | <b>21,976</b>  | 14,584      |
| Shared office costs  | <b>28,081</b>  | 20,244      |
| <b>Total related party expenses to New Age Metals Inc.</b> | <b>50,057</b>  | 34,828      |
| Management fees paid/accrued to CEO                        | <b>120,000</b> | 120,000     |
| Consulting fees paid to CFO                                | <b>46,900</b>  | 44,400      |
| Consulting fees paid to Corporate Secretary                | <b>30,100</b>  | 27,600      |
| <b>Total related party expenses</b>                        | <b>247,057</b> | 226,828     |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## 12.2 Due to related parties

The assets and liabilities of the Company include the following amounts due to/from related parties:

|  | 31 January<br>2026 | 31 January<br>2025 |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| New Age Metals Inc.                        | 61,389             | 62,715             |
| Due to CEO                                 | 97,034             | 178,500            |
| <b>Total amount due to related parties</b> | <b>158,423</b>     | <b>241,215</b>     |

The amounts due to/from related parties are non-interest bearing, unsecured and due on demand.

## 12.3 Key management personnel compensation

The remuneration of directors and other members of key management were as follows:

|  | 31 January<br>2026 | 31 January<br>2025 |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| Short-term benefits – management and consulting fees | 197,000            | 192,000            |
| Share-based payments (Note 8)                        | 181,526            | 23,479             |
| <b>Total key management personnel compensation</b>   | <b>378,526</b>     | <b>215,479</b>     |

## 13. COMMITMENTS AND CONTINGENCIES

As at 31 January 2026, the Company had the following commitments and contingent liabilities:

- a) The Company has indemnified the subscribers of flow-through shares of the Company issued in prior years against any tax related amounts that may be payable as a result of the Company not making eligible expenditures.
- b) The Company regularly assesses its income tax and related non income tax amounts and obligations and the related filing obligations in Canada. It is management's position that adequate provisions have been made in the financial statements related to such obligations. However, there exists uncertainty due to the fact that the Company could be assessed differently by tax and/or other regulatory authorities in a manner that is not consistent with management's expectation. This situation would result in management being required to adjust its provision for income taxes and related non income tax amounts in the period that such a situation occurs and such adjustments could be material.

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

- c) The Company's exploration and evaluation activities are subject to various Canadian 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 conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- d) Effective 1 January 2026, the Company and New Age Metals Inc. entered into a consulting agreement with a company controlled by the corporate secretary for \$10,000 per month collectively for a period of three years. The Company's portion of the consulting fees is \$5,000 per month (Note 12).

## 14. INCOME TAXES

### 14.1 Provision for income taxes

Applying the Company's Canadian federal and provincial statutory income tax rates of 27.00% (2025 – 27.00%):

| Year ended 31 January                        | 2026      | 2025      |
|--|-----------|-----------|
|  | \$        | \$        |
| Net income (loss) before tax                 | 1,590,049 | (167,640) |
| Expected income tax                          | 429,313   | (45,263)  |
| Permanent differences and others             | (265,708) | (44,263)  |
| Change in estimates and others               | 54,174    | -         |
| Change in deferred tax assets not recognized | (217,779) | 89,526    |
| <b>Provision for income taxes</b>            | -         | -         |

### 14.2 Deferred tax balances

The tax effects of temporary differences that give rise to deferred tax assets and liabilities are as follows:

|  | 31 January 2026 | 31 January 2025 |
|--|-----------------|-----------------|
| <b>Deferred tax assets</b>             | \$              | \$              |
| Tax loss carry-forwards                | 3,427,944       | 3,288,678       |
| Exploration and evaluation properties  | 207,915         | 207,915         |
| Other                                  | (355,870)       | 1,175           |
| Total deferred tax assets              | 3,279,989       | 3,497,768       |
| Less: Unrecognized deferred tax assets | (3,279,989)     | (3,497,768)     |
| <b>Net deferred tax assets</b>         | -               | -               |

# MetalQuest Mining Inc.

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

## 14.3 Expiry dates

The Company's unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

| <b>As at 31 January</b>                            | <b>2026</b>       |
|--|-------------------|
|  | \$                |
| <b>Non-capital losses</b>                          |                   |
| 2026   | 88,428            |
| 2027   | 961,396           |
| 2028   | 538,135           |
| 2029   | 914,962           |
| 2030   | 1,306,522         |
| 2031   | 1,484,856         |
| 2032   | 1,272,975         |
| 2033   | 1,525,375         |
| 2034   | 681,418           |
| 2035   | 367,543           |
| 2036   | 38,487            |
| 2037   | 157,020           |
| 2038   | 319,942           |
| 2039   | 552,549           |
| 2040   | 317,867           |
| 2041   | 370,325           |
| 2042   | 191,437           |
| 2043   | 322,190           |
| 2044   | 437,424           |
| 2045   | 332,185           |
| 2046   | 515,054           |
| <b>Total non-capital losses</b>                    | <b>12,696,090</b> |
| <b>Total resource-related deduction, no expiry</b> | <b>1,241,962</b>  |

## 15. SUBSEQUENT EVENTS

On 9 February 2026, the Company issued 100,000 common shares upon exercise of 100,000 stock options for proceeds of \$10,000.

On 11 February 2026, the Company issued 500,000 common shares pursuant to the amended property option and purchase agreement for the Lac Otelnuik Iron Ore Project to reduce the royalty from 2.5% to 1.5% (Note 6).

# **MetalQuest Mining Inc.**

(An Exploration Stage Company)

Notes to the Financial Statements

31 January 2026

(Expressed in Canadian dollars)

---

On 12 March 2026, the Company completed its technical due diligence review of the West Cameron Gold Project located in the Kenora Mining District of northwestern Ontario. Following completion of the review, the Company has provided formal notice to proceed under the previously announced option agreement with Gallik Explorations Inc., a wholly owned company of Mr. Troy Gallik, to acquire a 100% interest in the Project. On 17 March 2026, the Company received TSX Venture Exchange approval on the West Cameron Gold Project located in the Kenora Mining District of northwestern Ontario with Gallik Explorations Inc. to acquire a 100% interest in the Project (Note 6).

On 19 March 2026, the Company issued 51,194 common shares and paid \$15,000 cash pursuant to agreement payments for the West Cameron Gold Project (Note 6).

On 10 April 2026, the Company issued 2,703,714 common shares upon exercise of 2,703,714 warrants for proceeds of \$270,371.

Subsequent to the year ended 31 January 2026, the Company acquired 294 mining claims covering approximately 5,880 hectares through staking on the Fishhook Polymetallic Project.

## **16. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements of the Company for the year ended 31 January 2026 were approved and authorized by the Board of Directors on 25 May 2026.



**METALQUEST MINING INC.**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JANUARY 2026**

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

*The following management discussion and analysis (“MD&A”) should be read in conjunction with the audited financial statements and accompanying notes (“Financial Statements”) of MetalQuest Mining Inc. (the “Company”) for the year ended 31 January 2026. Results have been prepared using accounting policies in compliance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All monetary amounts are reported in Canadian dollars unless otherwise indicated.*

*For further information on the Company reference should be made to the Company’s public filings which are available on SEDAR. Further information is also available on the Company’s website at [www.metalquestmining.com](http://www.metalquestmining.com).*

*This MD&A contains forward-looking information. See “Forward-Looking Information” and “Risks and*

*Uncertainties” for a discussion of the risks, uncertainties and assumptions relating to such information.*

## 1. Overview of the Company

MetalQuest Mining Inc. (the “Company”, “MQM”) was incorporated on 19 February 1988 under the laws of the Province of British Columbia, Canada. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in Canada. The Company has its registered corporate office based in Vancouver, British Columbia, Canada.

As at 31 January 2026, the Company had 45,564,616 common shares outstanding, with a total market capitalization of approximately \$15M. The Company shares trade on the TSX Venture Exchange (“MQM”), OTCQB (“MQMIF”) and the Frankfurt Stock Exchange (“E7Q”).

The Company is focusing its efforts on developing and growing its asset base.

The Company is continuing to pursue acquisitions globally.

### 1.1 Overview of Company’s Projects

#### Lac Otelnuk Iron Ore Project

On 17 January 2023, the Company entered a property option and purchase agreement, amended, with 743584 Ontario Inc. to acquire 100% interest in 306 mining claims located in Nunavik, Quebec in exchange for \$44,355 in cash payment that went towards the government assessment for the mining claims. All 306 claims are subject to a 2.5% royalty with option to buy-down 1.75% of royalty. During the year ended 31 January 2023, the Company made the required cash payment and has obtained 100% interest in the 306 mining claims.

On 29 August 2023, the Company has engaged Watts, Griffis and McOuat Ltd. (“WGM”) to conduct an infrastructure report on the Lac Otelnuk Iron Ore Project centered on 68°21’W and 56°00’N in the Province of Quebec. The recommended rail line links to give the Project access to tide water, interconnect potential mining beneficiaries, and international markets. WGM has been involved with the Lac Otelnuk Project as one of the authors of the historical 2015 Feasibility Study. The aim is to produce a conceptual report detailing up to three rail lines connecting the project to potential port sites.

During the year ended 31 January 2024, the Company entered into an Exploration and Pre-Development Agreement (the “Agreement”) with Naskapi Nation of kawawachikamach (NNK”).

The Company has agreed to pay NNK’s reasonable costs for the negotiation and drafting of the attached Agreement within 30 days of receipt of NNK’s expense report to a maximum amount of \$9,500; An annual amount of \$20,000 throughout the term of the Agreement due on each anniversary of execution of the Agreement for certain NNK representatives on the Property, which amount shall be revisable at the end of every three year period; and in recognition of the impacts of exploration activities will generate, MQM shall contribute to NNK for the duration of the Agreement on an annual basis, the following:

- 3% of the first \$1,000,000 spent in the applicable year on exploration activities;
- 2% on monies spent above \$1,000,000 up to \$2,000,000 in the applicable year on exploration activities; and
- 1.5% on all monies spent above \$2,000,000 in the applicable year on exploration activities.

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

During the year ended 31 January 2026, the Company accrued \$20,000 (2025: paid \$229,500) to NNK.

On 8 January 2026, the Company entered into an amended property option and purchase agreement to reduce the royalty from 2.5% to 1.5% through the issuance of 500,000 common shares of the Company to the royalty holder.

#### Proposed Conceptual Report for Rail Links, Lac Otelnuk Iron Ore Project

The report will identify a very high-level estimated range of cost for each rail line and, if required, port extension. WGM's study was based on geomorphology, topography, hydrography, and land occupational (physical access) only. There is extensive engineering, environmental, community consultation, and permitting required to actually plan and build a rail line which is beyond the scope of the study.



*Figure 1: Map of Labrador Trough and Centered Otelnuk Mine Site with Historical Rail Lines in Quebec and Newfoundland Provinces.*

#### Naskapi First Nation of Kawawchikamach

MQM has signed an Exploration and Pre-Development Agreement with the Naskapi First Nation of Kawawchikamach on 12 December 2023.

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

MQM management met with and presented the Lac Otehluk Iron Ore Project to the Naskapi First Nation of Kawchikamach in Montreal on the 25 June 2024 and again in Toronto at the PDAC in early March, 2025. The Project is located on the traditional lands of the Naskapi First Nation. The discussion involved updating the Nation with the new go-forward plans and an overview of the Project. It was mutually agreed that both MQM and the First Nation will stay in regular contact and collaborate where possible. We look forward to building a mutually beneficial relationship with the Naskapi First Nation of Kawawchikamach.

#### Meetings and Consultation Sessions with Engineering Groups

In order to complete the next round of updated studies, MQM consulted with various engineering and EPCMs (Engineering Procurement Construction and Management) as to the cost and time frames needed to complete the next round of studies for the project. The Project completed a historical Feasibility Study in 2015, however there are many areas in the Study which need to be updated or revised. The proposal of Lac Otehluk at its peak capacity would make the Project one of Canadas largest mines and one of the world's largest iron ore mines. The Company made an announcement on 25<sup>th</sup> June 2025 which stated that AtkinsRealis was hired to perform a Gap analysis for the Lac Otehluk Project, and further studies if need be.

A lot of time and effort has been spent this year in gathering the balance of the historical technical data. To date, we have gathered over 1000 reports, studies and data sets of Lac Otehluk by contacting all the groups that worked on the 2015 feasibility study and other previous geological, engineering and environmental reports. Lac Otehluk has a historical expenditure of approximately \$150 million and the Company continues to work with previous companies to retrieve the balance of the historical records.

#### Regional Authorities and the Quebec Government

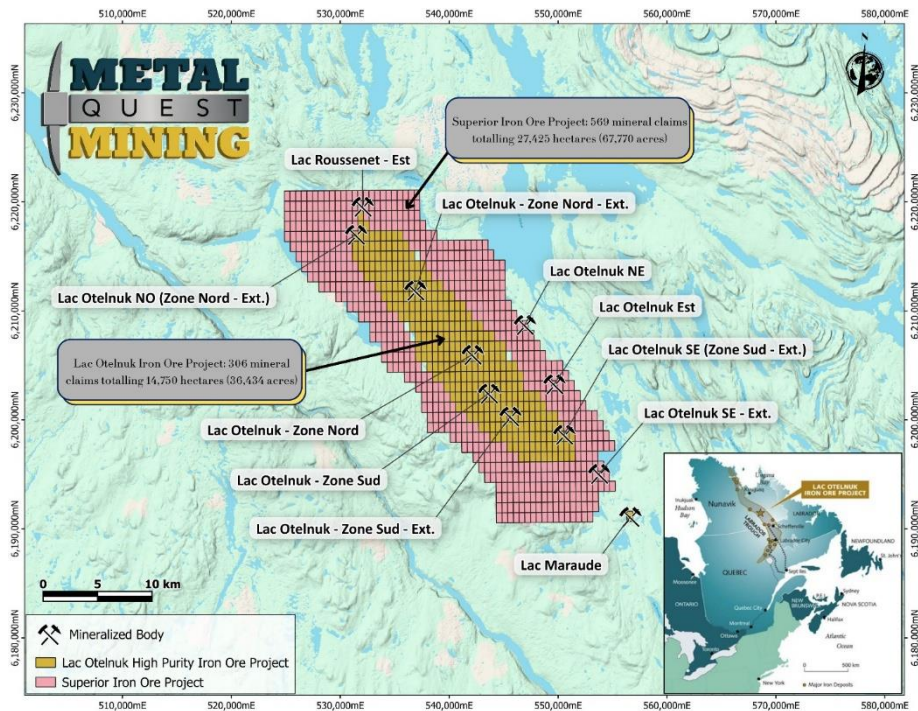
Over the past number of months, MQM management has had multiple discussions with regional authorities to update them on the Project and better understand the Project's logistics. This is a key element for iron ore projects due to the vast tonnage and volume of materials transported.

MQM has also had meetings with HydroQuebec, Ministère des Ressources naturelles et des Forêts (MERN) and the Ministère de l'Économie, de l'Innovation et de l'Énergie (MEIE). Our plan is to complete the 'Information Loi 2 - Formulaire demande 5MW et plus' form to request energy for the project. We have been advised that this is a lengthy process and will need advice from the engineering groups we are working with before the final form is submitted.

#### **Superior Iron Project**

During the year ended 31 January 2026, the Company acquired by staking a 100% interest in the Superior Iron Project located in Labrador Trough, Quebec. The Project comprises 598 mineral claims totalling approximately 28,827 hectares (71,202 acres).

With this acquisition, MetalQuest Mining's total land position now stands at 904 claims, making the Company one of the largest claim holders in this region of Labrador Trough, Northern Québec. The newly acquired SI Project directly adjoins the Company's 100%-owned Lac Otehluk ("Lac O") Iron Project, one of North America's largest undeveloped high-purity iron deposits.



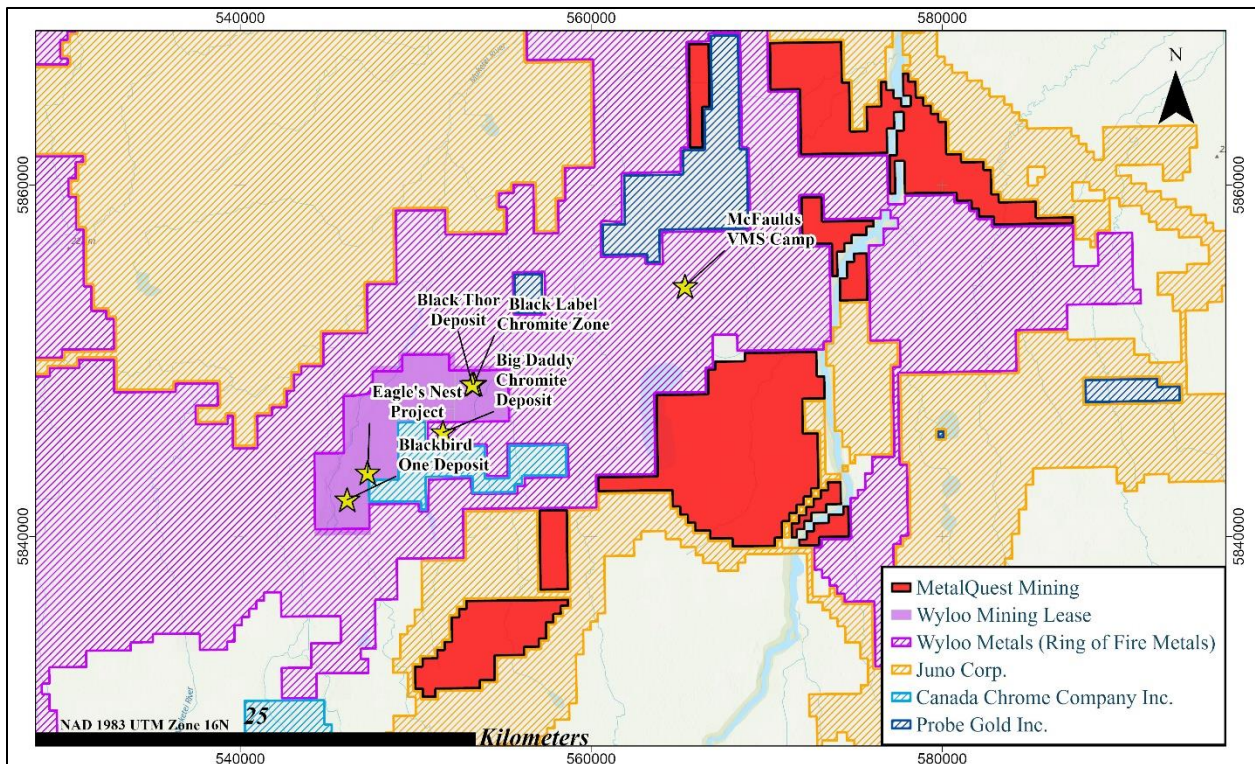
**Figure 2: Map of the newly acquired 100% owned Superior Iron Project (in red) in relation to MQM's 100% owned Lac Otehluk Iron Project**

## Ring of Fire Critical Mineral Portfolio

MQM, significantly expanded its strategic footprint in Ontario's Ring of Fire, establishing a major land position in one of Canada's premier emerging critical mineral districts. The Company's regional strategy is anchored by two flagship, 100%-owned assets: the ROF-1 Project and the Fishhook Polymetallic Project. Together, these acquisitions represent a foundational step in MQM's corporate objective to become a leading project exploration and development company within this highly prospective region.

### ROF-1 Project

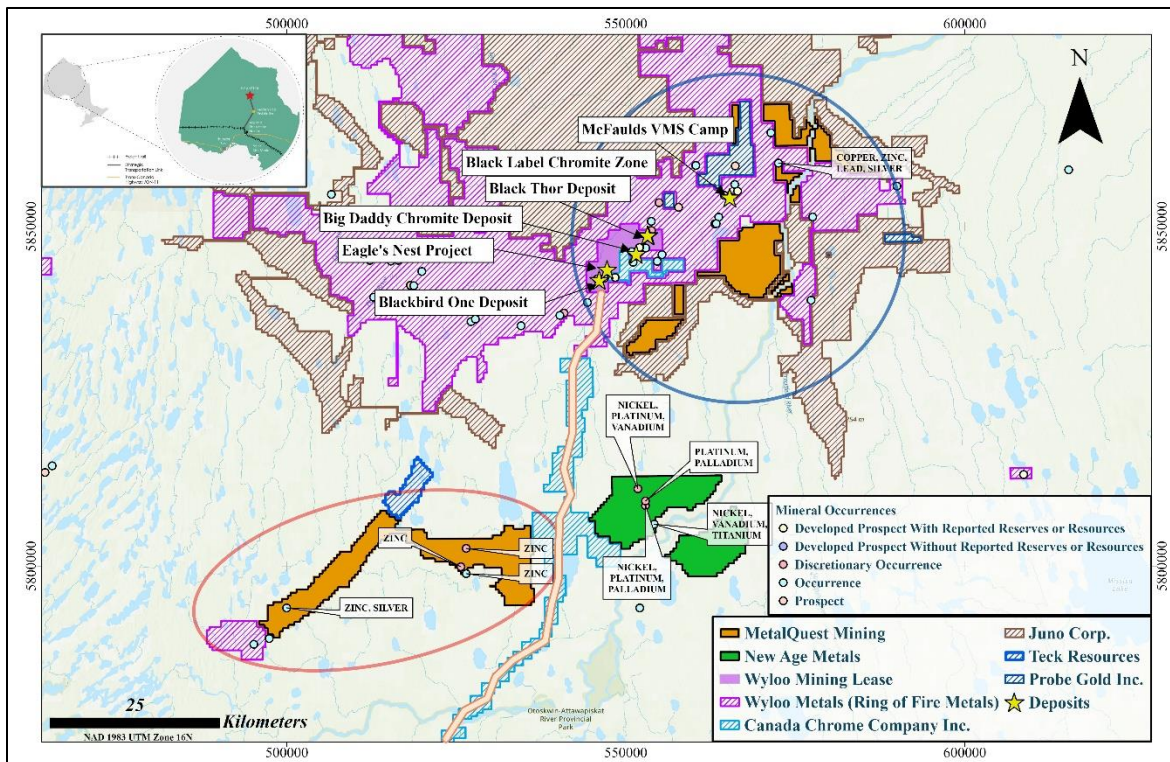
In December 2025, the Company established its initial presence in the district through the acquisition of the ROF-1 Project. The asset comprises 1,034 claim cells covering approximately 20,800 hectares (52,000 acres) of geologically prospective terrain. ROF-1 captures a strategic land position known to host polymetallic mineralization from historical drilling, alongside multiple untested target corridors. This project serves as the foundation for MQM's broader district strategy as the Company actively evaluates near-term opportunities to expand its regional footprint.



**Figure 3:** Regional claim map highlighting landholders in the Ring of Fire and the location of MQM's ROF-1 Project.

### Fishhook Polymetallic Project

Complementing the ROF-1 land package, the Company acquired the Fishhook Polymetallic Project through staking in January 2026. This second Ring of Fire asset consists of approximately 1,094 contiguous mining claim cells spanning roughly 22,000 hectares (54,360 acres). Fishhook is a volcanogenic massive sulfide (VMS) and nickel-copper-platinum group metal (Ni-Cu-PGM) exploration property. Geologically, it sits on the western margin of the Fishtrap Intrusive Complex within the same regional volcanic-intrusive belt hosting several significant mineral discoveries. The extensive, continuous land package captures prospective volcanic stratigraphy, intrusive contacts, and multiple conductive trends identified by historical airborne geophysical surveys.



**Figure 4:** Location map showing the Fishhook Polymetallic Project (outlined in red) and the previously acquired ROF-1 Projects (outlined in blue) within the Ring of Fire geological corridor, Northwestern Ontario. The proposed Ring of Fire Road is shown as an orange line. The map also illustrates the relative position of nearby exploration projects and properties held by other operators for regional context.

### Cameron Gold Project, Kenora Mining District

On 29 January 2026, the Company initiated a due diligence period to evaluate the potential acquisition of a 100% interest in the West Cameron Gold Project, located in the southern portion of the Kenora Mining District in Northwestern Ontario. If the Company elects to proceed following this review, the acquisition will mark its formal entry into gold exploration and advance its strategy to diversify its asset portfolio across premier Canadian mining jurisdictions. Spanning approximately 1,700 hectares (~4,200 acres), the property is situated within a structurally active corridor prospective for orogenic gold mineralization and sits adjacent to the Cameron Lake claim group. The project benefits from excellent year-round infrastructure and operational logistics, featuring direct access via Highway 71, local logging roads, and established trails.

During the year ended 31 January 2026, the Company acquired 144 mining claims covering approximately 2,880 hectares through staking on the East Cameron Project.

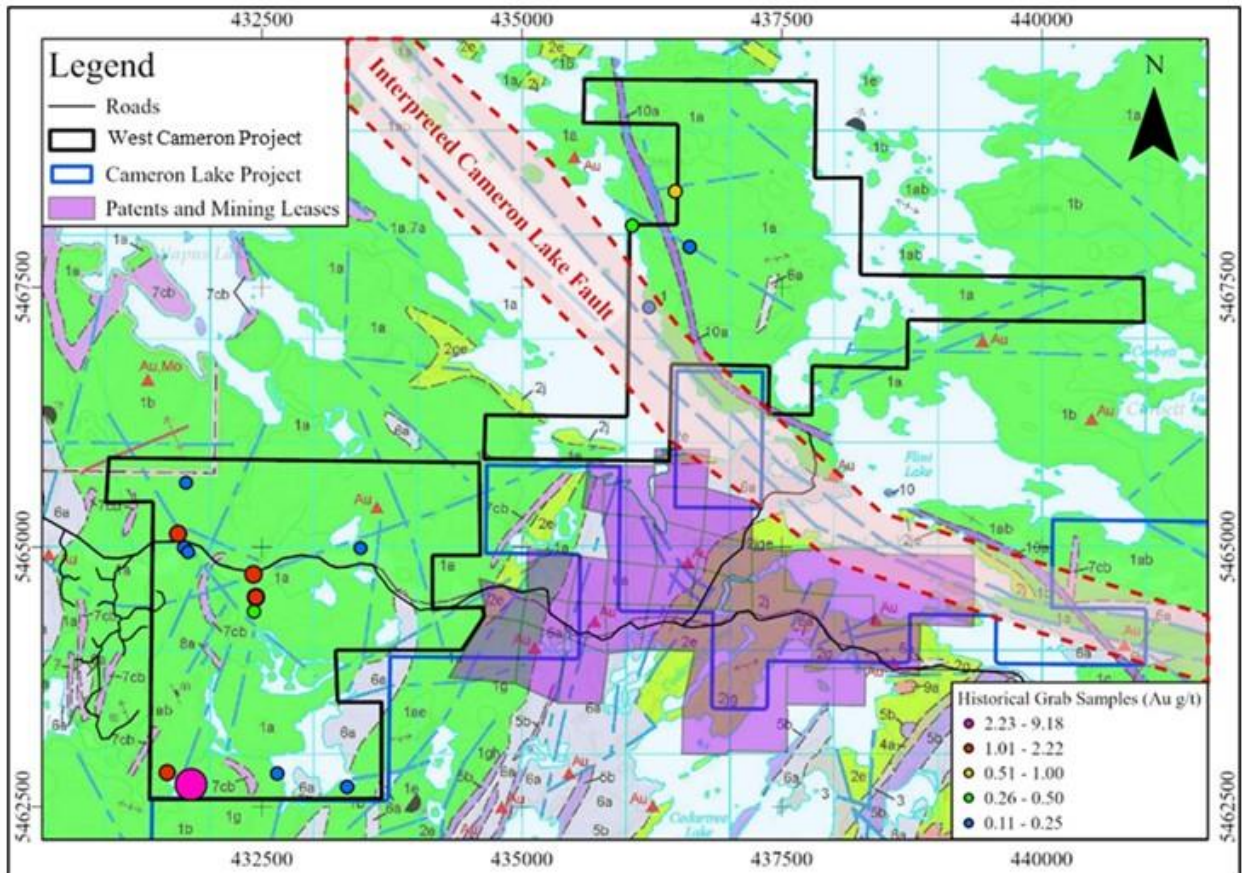


Figure 5: West Cameron Project

### Murray Brook Project – Royalty Interests

The Company holds two net smelter return royalty interests (“NSR”) on the Murray Brook property consisting of a 0.67% NSR royalty and a 0.33% NSR royalty. The Murray Brook property is located approximately 60 km west of Bathurst, New Brunswick, in Restigouche County, within the Bathurst Mining Camp in New Brunswick, Canada.

On 25 October 2016, the Company executed an asset sale agreement with Puma Exploration (PUM:TSX-V) to relinquish its interest in the Murray Brook Zn-Pb-Cu-Ag Volcanogenic Massive Sulphide (“VMS”) deposit. The Murray Brook property consists of Mining Lease 252 and contiguous Mineral Claim Block 4925 (245 claims). On 31 July 2020, the Company and Puma terminated the asset sale agreement. As a penalty, Puma issued El Nino Ventures (currently MetalQuest Mining) a 0.67% NSR royalty on the Murray Brook property.

On 11 September 2023, the Company and Canadian Copper Inc (CCI) entered a binding Letter of Intent for the option to purchase all of the Company’s 28.2% interest in and to the Murray Brook Mining Lease 252 and Claim Block 4925 situated in Restigouche and Northumberland counties, New Brunswick (collectively, the “Mining Asset”).

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

On 31 January 2024, the Company entered into an Asset Purchase and Sale Agreement (APA) with Canadian Copper Inc. ("CCI"), to sell its 28.2% interest in and to the Murray Brook Project (the "Murray Brook Agreement"). Pursuant to the Murray Brook Agreement:

- \$100,000 deposit to be paid to the seller upon signing of LOI (received).
- \$200,000 instalment to be paid by CCI on closing of the Murray Brook Agreement (received).
- Issuance by CCI, on closing, of 2,500,000 units (received), each unit consisting of one common share and one non-transferable warrant of CCI, with each warrant exercisable for five years from the date of issuance at an exercise price of \$0.125 (received).
- A 0.33% net smelter return ("NSR") royalty on the Murray Brook Project. CCI will have the right to purchase half of the 0.33% royalty for \$1 million.
- Final instalment of \$1,000,000 to be paid by CCI to the Company within 31 days of commercial production.
- At 31 January 2024, the carrying value of the Murray Brook Project was \$20,066, resulting in a gain of \$687,434 on disposition.
- The final instalment of \$1,000,000 was excluded due to uncertainties.

## **2. Going concern**

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned no revenues and has experienced negative cash flows from operating activities. As at 31 January 2026, the Company had cash and cash equivalents of \$1,507,368 (2025: \$73,808) and working capital of \$4,402,168 (2025: \$488,263). Existing funds on hand at 31 January 2026 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the coming year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of shares owned by the Company and/or properties in the future.

Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

## **3. Selected Annual and Quarterly Financial Information**

### **Selected Annual Information**

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for MQM for each of the three most recently completed financial years. This information set forth below should be read in conjunction with the audited financial statements, prepared in accordance with IFRS, and related notes.

|                                       | Years Ended 31 January (audited) |           |           |
|---------------------------------------|----------------------------------|-----------|-----------|
|                                       | 2026                             | 2025      | 2024      |
| Total revenues                        | \$ -                             | \$ -      | \$ -      |
| General and administrative expenses   | 811,550                          | 395,637   | 722,324   |
| Mineral property cash costs received  | -                                | -         | -         |
| Mineral property cash costs incurred  | -                                | -         | -         |
| Loss before other items in total      | (811,550)                        | (395,637) | (722,324) |
| Net income (loss)                     | 1,590,049                        | (167,640) | (64,596)  |
| Net income (loss) per share – basic   | 0.050                            | (0.006)   | (0.002)   |
| Net income (loss) per share – diluted | 0.049                            | (0.006)   | (0.002)   |
| Totals assets                         | 5,165,391                        | 898,658   | 843,944   |
| Total liabilities                     | 291,315                          | 265,887   | 98,430    |
| Cash dividends declared per share     | Nil                              | Nil       | Nil       |

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

|                             | For the Quarters Ended (unaudited) |           |           |          |         |          |          |          |
|-----------------------------|------------------------------------|-----------|-----------|----------|---------|----------|----------|----------|
|                             | 31 Jan                             | 31 Oct    | 31 Jul    | 30 Apr   | 31 Jan  | 31 Oct   | 31 Jul   | 30 Apr   |
|                             | 2026                               | 2025      | 2025      | 2025     | 2025    | 2024     | 2024     | 2024     |
| Total revenues              | \$ -                               | \$ -      | \$ -      | \$ -     | \$ -    | \$ -     | \$ -     | \$ -     |
| Net income (loss)           | 1,576,148                          | 179,112   | (110,682) | (54,529) | 86,383  | (84,583) | (72,968) | (96,472) |
| Net income (loss) per share | 0.050                              | 0.005     | (0.004)   | (0.002)  | 0.003   | (0.003)  | (0.003)  | (0.004)  |
| Total assets                | 5,165,391                          | 1,522,274 | 1,301,176 | 879,503  | 898,658 | 717,636  | 760,807  | 804,353  |

#### For the year ended 31 January 2026 compared to the same period in 2025.

For the fiscal year ended 31 January 2026, the company achieved a net and comprehensive income of \$1,590,049, a significant turnaround from the \$167,640 loss reported in 2025. This \$1,757,689 improvement was primarily driven by a substantial increase in unrealized gains as the market value of the company's investment portfolio surged. This gain, alongside the following net adjustments, successfully offset increased operational spending:

- Increase of \$500 in accounting and audit. Cost of \$20,000 for the year ended 31 January 2026 compared to \$19,500 for the same period in 2025.
- Increase of \$570 in bank charges and interest. Cost of \$701 for the year ended 31 January 2026 compared to \$131 for the same period in 2025.
- Increase of \$91,808 in consulting fees. Cost of \$218,268 for the year ended 31 January 2026 compared to \$126,460 for the same period in 2025.
- Increase of \$281 in information and technology. Cost of \$1,700 for the year ended 31 January

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

2026 compared to \$1,419 for the same period in 2025.

- Increase of \$2,622 in insurance. Cost of \$2,622 for the year ended 31 January 2026 compared to \$Nil for the same period in 2025.
- Increase of \$62,909 in marketing and communications. Cost of \$63,283 for the year ended 31 January 2026 compared to \$374 for the same period in 2025.
- Increase of \$41,923 in office & miscellaneous. Cost of \$59,487 for the year ended 31 January 2026 compared to \$17,564 for the same period in 2025.
- Increase of \$485 in rent. Cost of \$8,286 for the year ended 31 January 2026 compared to \$7,801 for the same period in 2025.
- Increase of \$160,685 in share-based payments. Cost of \$215,582 for the year ended 31 January 2026 compared to \$54,897 for the same period in 2025.
- Increase of \$1,577 in telephone and utilities. Cost of \$3,321 for the year ended 31 January 2026 compared to \$1,744 for the same period in 2025.
- Increase of \$34,194 in transfer agent and regulatory fees. Cost of \$71,921 for the year ended 31 January 2026 compared to \$37,727 for the same period in 2025.
- Increase of \$18,359 in travel, lodging and food. Cost of \$26,379 for the year ended 31 January 2026 compared to \$8,020 for the same period in 2025.
- Increase of \$2,223 in interest income, \$2,229 for the year ended 31 January 2026 compared to \$6 for the same period in 2025.
- Increase of \$139,059 in realized gain on sale of short-term investments, \$157,370 for the year ended 31 January 2026 compared to \$18,311 for the same period in 2025.
- Increase of \$2,032,320 in unrealized gain on short-term investments, \$2,242,000 for the year ended 31 January 2026 compared to \$209,680 for the same period in 2025.

**For the three months ended 31 January 2026 compared to the same period in 2025.**

The three months ended 31 January 2026, resulted in a net income and comprehensive income of \$1,576,148 which compared to \$86,383 for the same period in 2025. The increase in income of \$1,489,765 was mainly attributable to the net effect of the following:

- Increase of \$500 in accounting and audit. Cost of \$20,000 for the period ended 31 January 2026 compared to \$19,500 for the same period in 2025.
- Decrease of \$1,421 in bank charges and interest. Recovery of \$1,380 for the period ended 31 January 2026 compared to \$41 for the same period in 2025.

- Increase of \$34,924 in consulting fees. Cost of \$78,470 for the period ended 31 January 2026 compared to \$43,546 for the same period in 2025.
- Increase of \$62 in information and technology. Cost of \$425 for the period ended 31 January 2026 compared to \$363 for the same period in 2025.
- Increase of \$2,622 in insurance. Cost of \$2,622 for the year ended 31 January 2026 compared to \$Nil for the same period in 2025.
- Increase of \$61,265 in marketing and communications. Cost of \$61,639 for the period ended 31 January 2026 compared to \$374 for the same period in 2025.
- Increase of \$33,801 in office & miscellaneous. Cost of \$36,760 for the period ended 31 January 2026 compared to \$2,959 for the same period in 2025.
- Increase of \$185,642 in share-based payments. Cost of \$215,582 for the period ended 31 January 2026 compared to \$29,940 for the same period in 2025.
- Increase of \$1,187 in telephone and utilities. Cost of \$1,495 for the period ended 31 January 2026 compared to \$308 for the same period in 2025.
- Increase of \$20,193 in transfer agent and regulatory fees. Cost of \$31,130 for the period ended 31 January 2026 compared to \$10,937 for the same period in 2025.
- Increase of \$21,240 in travel, lodging and food. Cost of \$22,922 for the period ended 31 January 2026 compared to \$1,752 for the same period in 2025.
- Increase of \$1,991 in interest income. \$1,991 for the period ended 31 January 2026 compared to \$Nil for the same period in 2025.
- Increase of \$68,969 in realized gain on sale of short-term investments. \$87,280 for the period ended 31 January 2026 compared to \$18,311 for the same period in 2025.
- Increase of \$1,778,820 in unrealized gain on short-term investments. \$1,988,500 for the period ended 31 January 2026 compared to \$209,680 for the same period in 2025.

#### **4. Cash flow, Liquidity and Capital Resources**

During the year ended 31 January 2026, the Company's working capital, defined as current assets less current liabilities, was \$4,402,168 (2025: \$488,263). The Company has a total 45,564,616 common shares issued and outstanding as at 31 January 2026.

Cash outflows in operating activities for the year ended 31 January 2026 were \$978,289 (2025: \$181,062) and consist of corporate costs.

## Capital Risk Management

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

### 5. Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

### 6. Related Party Transactions

The related party transactions during the year ended 31 January 2026 and 2025, which occurred in the normal course of operations and were measured at the exchange amount (the amount of consideration established and agreed to by the related parties), were as follows:

| <b>31 January</b>  | <b>2026</b>    | <b>2025</b> |
|--|----------------|-------------|
|  | <b>\$</b>      | <b>\$</b>   |
| Consulting fees  | <b>21,976</b>  | 14,584      |
| Shared office costs  | <b>28,081</b>  | 20,244      |
| <b>Total related party expenses to New Age Metals Inc.</b> | <b>50,057</b>  | 34,828      |
| Management fees paid/accrued to CEO                        | <b>120,000</b> | 120,000     |
| Consulting fees paid to CFO                                | <b>46,900</b>  | 44,400      |
| Consulting fees paid to Corporate Secretary                | <b>30,100</b>  | 27,600      |
| <b>Total related party expenses</b>                        | <b>247,057</b> | 226,828     |

### 7. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of

future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and the ability to continue as a going concern. Actual results may differ from those estimates and judgments.

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

#### *Exploration and evaluation expenditures*

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of loss and comprehensive loss in the year when new information becomes available.

Determining whether to test for impairment of exploration and evaluation properties requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation 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 amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

#### *Decommissioning and restoration costs*

Management is not aware of any material restoration, rehabilitation and environmental provisions as at 31 January 2026. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on changes in laws, regulations and negotiations with regulatory authorities.

### *Impairment of financial assets*

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the period that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regards to the amount of impairment; however the final outcome may be materially different than the amount recorded as a financial asset.

### *Share based payments*

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in Note 3.6 of the Company's financial statements. The fair value of stock options is measured using the Black-Scholes Option Valuation Model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

### *Valuation of equity units in private placement*

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when two are issued together as a unit. The Company uses Black-Scholes valuation model to determine the fair value of warrants issued.

### *Deferred income taxes*

Judgement is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realized the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

### *Going concern*

These financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

## 8. Financial instruments

### *Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

### *Measurement*

#### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Cash, trade payables and due to related parties are recognized at amortized cost.

#### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit and loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit and loss in the period in which they arise. Short term investments are recognized as FVTPL. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company’s own credit risk will be recognized in other comprehensive income (loss).

#### *Financial assets at FVTOCI*

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

#### *Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the credit risk of the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit and loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

## *Derecognition*

### *Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition of assets are recognized in profit and loss.

### *Financial liabilities*

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized at the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit and loss.

## **9. Disclosure of Outstanding Security Data**

### *Common shares*

As at 31 January 2026, the Company had 45,564,616 common shares issued and outstanding.

As at the date of this MD&A, the Company had 48,919,524 common shares issued and outstanding.

### *Stock Options*

As at 31 January 2026, the Company had 6,570,000 stock options issued and outstanding.

As at the date of this MD&A, the Company had 5,810,000 stock options issued and outstanding.

### *Share Purchase Warrants*

As at 31 January 2026, the Company had 13,263,192 common share purchase warrants outstanding.

As at the date of this MD&A, the Company had 10,559,478 common share purchase warrants outstanding.

## **10. Controls and Procedures**

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to

hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

## **11. Qualified Person Statement**

Technical sections of "Overview of Company's Projects of this report have been reviewed and approved for technical content by Ali Alizadeh, M.Sc. P.Geo, Senior Advisor for MQM and a Qualified Person under the provisions of NI 43-101.

## **12. Forward Looking Information**

Forward-looking information is included in this MD&A, which involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions.

Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this MD&A. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the following factors (as discussed under "Risks and Uncertainties"): industry; commodity prices; competition; foreign political risk; government laws; regulation and permitting; title to properties; estimates of mineral resources; cash flows and additional funding requirements; key management; possible dilution to present and prospective shareholders; material risk of dilution presented by large number of outstanding share purchase options and warrants; trading volume; volatility of share price; foreign currency risk; and, conflict of interest.

Although the forward-looking information contained in this MD&A is based upon what the Company's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects management's current beliefs and is based on information currently available to the Company. Such information reflects current assumptions regarding future events and operating performance including, without limitation, a strong global demand for mineral commodities, continued funding and continued strength in the industry in which the Company operates, and speaks only as of the date of this discussion. The forward-looking information is made as of the date of this MD&A.

### **13. Outlook**

The Company is continually seeking new opportunities.

Even though current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance it will be able to do so in the future. Although the Company has been successful in all of its Court actions, as with all disputes, there is no guarantee that the results from the appeals will be favorable towards the Company or that there will be further spurious acts. Because of these uncertainties, there is substantial doubt about the ability of the Company to continue as going concern. These financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### **14. Subsequent events**

On 9 February 2026, the Company issued 100,000 common shares upon exercise of 100,000 stock options for proceeds of \$10,000.

On 11 February 2026, the Company issued 500,000 common shares pursuant to the amended property option and purchase agreement for the Lac Otelnuik Iron Ore Project to reduce the royalty from 2.5% to 1.5%.

On 18 February 2026, the company completed the technical gap analysis conducted by AtkinsRéalis, a world-class engineering services and nuclear company, the Gap Analysis focused on validating the project's development potential, permitting viability and engineering completeness in alignment with current environmental and industry regulations. AtkinsRéalis was the lead author of the Historic 2015 Feasibility Study on the Lac Otelnuik Project.

On 12 March 2026, the Company completed its technical due diligence review of the West Cameron Gold Project located in the Kenora Mining District of northwestern Ontario. Following completion of the review, the Company has provided formal notice to proceed under the previously announced option agreement with Gallik Explorations Inc., a wholly owned company of Mr. Troy Gallik, to acquire a 100% interest in the Project. On 17 March 2026, the Company received TSX Venture Exchange approval on the West Cameron Gold Project located in the Kenora Mining District of northwestern Ontario with Gallik Explorations Inc. to acquire a 100% interest in the Project.

On 30 March 2026, the Company appointed Mr. Alizadeh to its Board of Directors. His extensive experience and proven expertise in mineral exploration and project management provide valuable technical oversight to the Board. Furthermore, his background significantly augments the Company's existing geological and engineering teams as MQM systematically advances its exploration assets and expands its regional critical mineral and gold portfolios.

Subsequent to the year ended 31 January 2026, the Company expanded its Fishhook Polymetallic-Critical Metals Project through the staking of an additional block of contiguous mining claims in the Ring of Fire, Northern Ontario. The newly acquired extension consists of 294 mining claims covering ~5,880 hectares (~14,500 acres). The Fishhook Extension increases the overall project footprint to 1,388 mining claims covering ~28,000 hectares (69,000 acres) and secures additional prospective ground along strike of known geophysical and geological trends associated with

volcanogenic massive sulphide (“VMS”) and nickel-copper-platinum group metal (“Ni-Cu-PGM”) mineralization.

On 10 April 2026, the Company issued 2,703,714 common shares upon exercise of 2,703,714 warrants for proceeds of \$270,371.

On 23 April 2026, the Company entered into an amended agreement with Lawrence & Company Growth Advisors Inc., to provide the Company with Strategic Planning services to align the leadership team with an effective three-year strategic direction for growth and to strengthen operational procedures.

The Company and the Consultant have agreed the services to be received by the Company during 2026 of an aggregate of \$22,000 will be paid as \$11,000 in cash and \$11,000 in shares, after the Company has received the services as outlined below:

| <b>Payment Date</b>          | <b>Cash</b>     | <b>Shares</b>   |
|------------------------------|-----------------|-----------------|
| On or about 27 February 2026 | \$5,500         | Nil             |
| On or about 27 May 2026      | Nil             | \$5,500         |
| On or about 27 August 2026   | \$5,500         | Nil             |
| On or about 27 November 2026 | Nil             | \$5,500         |
| <b>Totals</b>                | <b>\$11,000</b> | <b>\$11,000</b> |

The deemed price of the securities to be issued will be determined after the date services are provided to the Company in each period, calculated using the closing price on the TSX Venture Exchange on each of the dates as stated above. The issuance of the securities is subject to TSX Venture Exchange approval.

The Consultant is an arm’s length to the Company and does not own, directly or indirectly, any shares of the Company. This transaction would not create a new insider or control person. Any Shares issued in connection with the Agreement will be subject to a four-month plus one day hold period in accordance with applicable securities regulations.

On 28 April 2026, the Company entered into an advertising services agreement with Epstein Research of New Jersey, USA dated 23 April 2026, to increase investor engagement and awareness. Epstein Research’s engagement is for an initial term of three (3) months and may be renewed or cancelled in accordance with the terms of the Agreement. Under the terms of the Agreement, Epstein Research will provide promotional services, including social media and online advertising to the Company posted on Epstein Research homepage, CEO.ca, Substack, and Linked-In; monthly written articles on the Company and/or CEO interviews written exclusively by Peter Epstein; and frequent online commentary on the Company on websites including CEO.ca, Stockhouse, TalkMarkets, LinkedIn, Twitter/X, Yahoo Finance, Facebook, YouTube, StockTwits (the “Services”).

## **15. Additional Information**

Additional information relating to the Company is available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) or on the Company’s website at [www.metalquestmining.com](http://www.metalquestmining.com).

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)

*For more information, please contact:*

Mr. Harry Barr, Chairman & CEO

MetalQuest Mining Inc.

101 - 2148 West 38<sup>th</sup> Avenue,

Vancouver, British Columbia, V6M 1R9

**TRADING SYMBOLS**

TSX Venture Exchange: MQM

OTCQB: MQMif

Frankfurt Stock Exchange: E7Q

MetalQuest Mining Inc.

[www.metalquestmining.com](http://www.metalquestmining.com)