



Midland Exploration Inc.

Condensed Interim Consolidated Financial Statements

Three and six months ended March 31, 2026

The attached condensed interim consolidated financial statements have been prepared by Management of Midland Exploration Inc. and have not been reviewed by the external auditor

Midland Exploration Inc.

Consolidated Statements of Financial Position
(Unaudited, in Canadian dollars)

	As at March 31, 2026	As at September 30, 2025
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	4,643,628	1,868,473
Investments (note 3)	3,000,000	6,671,200
Accounts receivable	130,803	147,691
Sales tax receivable	323,773	239,929
Tax credits and mining rights receivable	791,857	136,406
Listed shares	18,738	16,796
Prepaid expenses	100,765	112,344
Total current assets	9,009,564	9,192,839
Non-current assets		
Listed shares	-	108,360
Right-of-use assets	233,731	250,627
Advance paid for exploration work	-	159,142
Exploration and evaluation assets (note 4)		
Exploration properties	2,480,154	2,477,394
Exploration and evaluation expenses	36,267,190	34,597,625
	38,747,344	37,075,019
Total non-current assets	38,981,075	37,593,148
Total assets	47,990,639	46,785,987
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	533,879	725,171
Advance received for exploration work	-	207,702
Liability related to the premium on flow-through share	1,092,362	1,064,900
Lease liabilities	23,979	22,392
Total current liabilities	1,650,220	2,020,165
Non-current liabilities		
Lease liabilities – non-current portion	223,836	236,125
Total liabilities	1,874,056	2,256,290
Equity		
Capital stock	67,016,501	64,500,842
Contributed surplus	7,105,379	7,011,061
Deficit	(28,005,297)	(26,982,206)
Total equity	46,116,583	44,529,697
Total liabilities and equity	47,990,639	46,785,987

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

Midland Exploration Inc.

Consolidated Statements of Comprehensive Loss (Unaudited, in Canadian dollars)

	Three months ended March 31		Six months ended March 31	
	2026	2025	2026	2025
	\$	\$	\$	\$
Revenues				
Project management fees	5,206	9,906	19,613	15,268
Residual gain on option payments on exploration and evaluation assets	-	-	197,493	-
	5,206	9,906	217,106	15,268
Operating Expenses				
Salaries	201,891	201,151	527,796	502,893
Stock-based compensation	47,786	34,838	63,270	51,687
Office and other expenses	80,823	82,158	130,804	123,778
Regulatory fees	20,954	21,874	34,982	35,201
Conferences and investors relations	110,611	116,442	207,433	224,607
Professional fees	58,884	43,290	123,761	108,116
Depreciation	8,448	5,305	16,896	12,778
General exploration	1,350	6,661	21,450	18,462
Impairment of exploration and evaluation assets (note 4)	147,995	102,339	553,990	277,574
Operating expenses	678,742	614,058	1,680,382	1,355,096
Other revenues (expenses)				
Interest income	33,684	66,648	112,060	97,421
Change in fair value – listed shares	(3,471)	31,625	24,982	28,911
Financing fees	(5,187)	(1,929)	(10,482)	(2,167)
	25,026	96,344	126,560	124,165
Loss before income taxes	(648,510)	(507,808)	(1,336,716)	(1,215,663)
Recovery of deferred income taxes	353,580	65,100	494,690	75,387
Loss and comprehensive loss	(294,930)	(442,708)	(842,026)	(1,140,276)
Basic and diluted loss per share	(0.00)	(0.01)	(0.01)	(0.01)
Weighted average number of basic and diluted outstanding shares	112,973,453	93,618,758	110,879,615	91,245,835

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

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

Midland Exploration Inc.

Consolidated Statements of Changes in Equity (Unaudited, in Canadian dollars)

	Number of shares outstanding	Capital stock	Contributed surplus	Deficit	Total equity
		\$	\$	\$	\$
Balance at October 1, 2024	86,870,758	57,236,502	6,840,786	(24,555,294)	39,521,994
Loss and comprehensive loss	-	-	-	(1,140,276)	(1,140,276)
Private placement	625,000	200,000	-	-	200,000
Flow-through private placement	6,123,000	2,449,200	-	-	2,449,200
Less: premium	-	(428,610)	-	-	(428,610)
	6,123,000	2,020,590	-	-	2,020,590
Stock-based compensation	-	-	71,785	-	71,785
Share issue expenses	-	-	-	(157,274)	(157,274)
Balance at March 31, 2025	93,618,758	59,457,092	6,912,571	(25,852,844)	40,516,819

	Number of shares outstanding	Capital stock	Contributed surplus	Deficit	Total equity
		\$	\$	\$	\$
Balance at October 1, 2025	107,450,577	64,500,842	7,011,061	(26,982,206)	44,529,697
Loss and comprehensive loss	-	-	-	(842,026)	(842,026)
Private placement (note 6)	550,000	253,000	-	-	253,000
Flow-through private placement (note 6)	4,972,876	2,784,811	-	-	2,784,811
Less: premium	-	(522,152)	-	-	(522,152)
	4,972,876	2,262,659	-	-	2,262,659
Stock-based compensation	-	-	94,318	-	94,318
Share issue expenses	-	-	-	(181,065)	(181,065)
Balance at March 31, 2026	112,973,453	67,016,501	7,105,379	(28,005,297)	46,116,583

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

Midland Exploration Inc.
Consolidated Statements of Cash Flows
(Unaudited, in Canadian dollars)

	Six months ended March 31,	
	2026	2025
	\$	\$
Operating activities		
Loss	(842,026)	(1,140,276)
Adjustment for:		
Stock-based compensation	63,270	51,687
Depreciation	16,896	12,778
Impairment of exploration and evaluation assets	553,990	277,574
Variation – fair value of listed shares	(24,982)	(28,911)
Option payments on exploration properties	(197,493)	-
Recovery of deferred income taxes	(494,690)	(75,387)
	(925,035)	(902,535)
Changes in non-cash working capital items		
Accounts receivable	16,888	90,631
Sales tax receivable	(83,844)	78,480
Prepaid expenses	11,579	3,334
Accounts payable and accrued liabilities	(160,736)	(228,772)
Advance received for exploration work	(207,702)	(88,886)
	(423,815)	(145,213)
	(1,348,850)	(1,047,748)
Financing activities		
Principal repayment – lease liabilities	(10,702)	(18,266)
Private placement (note 6)	253,000	200,000
Flow-through private placement (note 6)	2,784,811	2,449,200
Share issue expenses (note 6)	(181,065)	(157,274)
	2,846,044	2,473,660
Investing activities		
Additions to investments	-	(2,571,200)
Investments' maturity	3,671,200	2,655,000
Proceeds from disposal of listed shares	131,400	115,919
Additions to exploration properties	(254,394)	(232,425)
Option payments on exploration properties	537,500	-
Payment received on disposal of exploration and evaluation assets	-	75,000
Advance paid for exploration work	159,142	-
Additions to exploration and evaluation expenses	(3,092,473)	(817,735)
Tax credits and mining rights received	125,586	62,788
	1,277,961	(712,653)
Net change in cash and cash equivalents	2,775,155	713,259
Cash and cash equivalents – beginning	1,868,473	1,590,510
Cash and cash equivalents – ending	4,643,628	2,303,769
Additional information		
Right-of-use assets and lease liability	-	270,339
Stock-based compensation included in exploration and evaluation expenses	31,048	20,098
Additions of exploration properties and exploration and evaluation expenses included in accounts payable and accrued liabilities	289,316	87,739
Tax credits receivable applied against exploration and evaluation expenses	781,037	91,703
Interest received	174,705	218,290

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

Midland Exploration Inc.

Notes to Consolidated Financial Statements

Three and six months ended March 31, 2026

(Unaudited, in Canadian dollars)

1. STATUTE OF INCORPORATION AND NATURE OF ACTIVITIES

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

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

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

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements (the “Financial Statements”) have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) (“IFRS Accounting Standard”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the annual financial statements for the year ended September 30, 2025, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year. The Board of Directors has approved the Financial Statements on May 7, 2026.

3. INVESTMENTS

As at March 31, 2026, investments are composed of guaranteed investment certificates earning between 3.15% and 3.5% interest paid annually, maturing between July 27 and July 30, 2026, with a maturity value of \$3,099,970.

The balance on flow-through financings not spent according to the restrictions imposed by the July 25 and December 9, 2025 financings represents \$5,492,773 as at March 31, 2026, and is included in investments as well as in cash and cash equivalents.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

Three and six months ended March 31, 2026

(Unaudited, in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

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

Acquisition costs	As at Sept. 30, 2025	Net Additions	Option payments	Impairment	As at March 31, 2026
	\$	\$	\$	\$	\$
Abitibi	888,106	36,536	(43,495)	(63,305)	817,842
Grenville	34,038	13,280	-	-	47,318
James Bay	905,286	74,536	-	(112,447)	867,375
Northern Quebec	649,964	122,301	-	(24,646)	747,619
	2,477,394	246,653	(43,495)	(200,398)	2,480,154

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

Exploration and evaluation expenses	As at Sept. 30, 2025	Net Additions	Option payments	Tax credits	Impairment	As at March 31, 2026
	\$	\$	\$	\$	\$	\$
Abitibi	16,730,233	1,873,362	(6,505)	(452,090)	-	18,145,000
Grenville	119,397	5,596	-	(2,585)	-	122,408
James Bay	11,741,399	854,185	(290,007)	(213,221)	(353,592)	11,738,764
Northern Quebec	6,006,596	367,563	-	(113,141)	-	6,261,018
	34,597,625	3,100,706	(296,512)	(781,037)	(353,592)	36,267,190

4.1 Lewis project

On November 14, 2025, the Corporation signed a definitive option agreement with a wholly owned indirect subsidiary of Barrick Gold Corp. ("Barrick") whereby Barrick may acquire a 75% interest in the Lewis project in consideration for cash payments totaling \$750,000 and exploration work totaling \$12,000,000, over a seven-year period. Barrick is the operator. Commitment highlights are as follows to earn a 51% initial interest and form a joint venture:

	Cash payments	Exploration work
	\$	\$
Upon signature - definitive agreement (completed)	50,000	-
On or before December 31, 2026	50,000	200,000 ¹⁾
On or before December 31, 2027	75,000	1,300,000
On or before December 31, 2028	75,000	1,500,000
Total	250,000	3,000,000

1) Firm commitment of \$200,000.

In the following two years, Barrick may earn an additional 9% in the joint venture, for a 60% interest in consideration for cash payments totalling \$200,000 and exploration work expenditures of at least \$1,500,000.

Finally, in the subsequent two years, Barrick may earn an additional 15% in the joint venture, for a total 75% interest in consideration for cash payments totalling \$300,000 and exploration work expenditures of at least \$7,500,000.

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(Unaudited, in Canadian dollars)

If Barrick does not exercise or complete the first joint venture funding or the second joint funding option, the joint venture interests will be subject to any subsequent adjustments in ownership made in accordance with the proportionate funding and dilution terms of the joint venture agreement. Dilution below a 10% joint venture interest results in conversion of the joint venture interest to a 2% net smelter return ("NSR") royalty with the right to repurchase 50% of the NSR royalty (1% NSR) for a payment of \$1,500,000.

4.2 BJ Lithium

On June 13, 2023, the Corporation signed an option agreement with RTEC, amended on April 22, 2024, for 11 lithium projects in the James Bay region, including Corvette, Mythril-East, Chisaayuu, Galinée, Moria, Shire, Komo, Warp, Sulu, Picard and Wookie. On November 14, 2025, RTEC notified the Corporation of its intention to focus on the Galinée project and exclude from the option agreement the other 10 lithium projects. On December 10, 2025, RTEC paid the remaining option agreement cash payments for a total of \$487,500 (\$290,007 reduced the exploration and evaluation assets and \$197,493 is recorded in the statement of comprehensive loss).

Under the option agreement, RTEC may acquire an initial 50% interest (the first option) in the Galinée project over a period of 5 years, subject to the following conditions:

	Cash payments	Exploration work
	\$	\$
Initial payment (completed)	500,000	-
On or before June 6, 2024 (completed)	100,000	-
On or before August 24, 2024 (completed)	100,000	-
On or before August 24, 2025 (completed)	162,500	-
On or before August 24, 2026 (completed)	162,500	-
On or before August 24, 2027 (completed)	162,500	-
On or before August 24, 2028 (completed)	162,500	-
On or before August 24, 2028 (completed)	-	16,000,000
Total	1,350,000	16,000,000

5. EQUITY

5.1 Private placements

On December 9, 2025, the Corporation completed a private placement of 4,972,876 flow-through shares at \$0.56 per share for total gross proceeds of \$2,784,811. On that date, the Corporation's share closed at \$0.455 on the Exchange, therefore the residual value attributed to the benefit related to flow-through shares renunciation is \$0.105 for a total value of \$522,152, assigned to the liability related to the premium on flow-through shares.

In addition, the Corporation completed on December 9, 2025, a private placement of 550,000 shares at a price of \$0.46 per share for total gross proceeds of \$253,000.

In connection with the private placements, the Corporation incurred \$181,065 share issue expense, of which \$116,485 was paid as finder's fees. Directors and officers of the Corporation participated in the flow-through private placement for a total consideration of \$248,360 under the same terms as other investors.

Midland Exploration Inc.

Notes to Consolidated Financial Statements

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(Unaudited, in Canadian dollars)

6. SHARE-BASED COMPENSATION

On February 12, 2026, the Corporation granted to its directors, officers and employees 870,000 options exercisable at \$0.52, valid for 10 years. Those options were granted at an exercise price equal to the closing market price of the Corporation's shares on the business day prior to the date of the issuance. The estimated fair value of \$0.33 per option amounts to a total stock-based compensation cost of \$287,100. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 49.4% expected volatility, 3.32% risk-free interest rate and 10-year options expected life.

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

	Six months ended March 31, 2026	
	Number of options	Weighted average exercise price
		\$
Balance – beginning of period	6,640,000	0.71
Granted	870,000	0.52
Balance – end of period	7,510,000	0.69
Balance – end of period exercisable	6,373,333	0.72

The following table summarizes information about common share purchase options outstanding and exercisable as at March 31, 2026:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
485,000	485,000	1.10	August 11, 2026
50,000	50,000	1.13	November 23, 2026
530,000	530,000	1.14	February 21, 2027
100,000	100,000	1.04	May 10, 2027
550,000	550,000	0.89	February 15, 2028
545,000	545,000	1.03	February 18, 2029
605,000	605,000	0.72	February 13, 2030
510,000	510,000	0.82	February 11, 2031
80,000	80,000	0.88	March 18, 2031
80,000	80,000	0.75	September 8, 2031
705,000	705,000	0.54	February 24, 2032
760,000	760,000	0.54	February 9, 2033
840,000	840,000	0.39	February 15, 2034
800,000	533,333	0.33	February 13, 2035
870,000	-	0.52	February 12, 2036
7,510,000	6,373,333		