Midland Exploration Inc.

Condensed Interim Consolidated Financial Statements

Three and nine months ended June 30, 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 June 30, 2026	As at September 30, 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	5,711,599	1,868,473
Investments (note 3)	4,700,000	6,671,200
Accounts receivable	143,707	147,691
Sales tax receivable	546,532	239,929
Tax credits and mining rights receivable	1,151,326	136,406
Listed shares	15,796	16,796
Prepaid expenses	92,522	112,344
Total current assets	12,361,482	9,192,839
Non-current assets		
Investments – non-current portion (note 3)	1,100,000	-
Listed shares	-	108,360
Right-of-use assets	225,283	250,627
Advance paid for exploration work	6,665	159,142
Exploration and evaluation assets (note 4)		
Exploration properties	2,491,324	2,477,394
Exploration and evaluation expenses	36,927,025	34,597,625
	39,418,349	37,075,019
Total non-current assets	40,750,297	37,593,148
Total assets	**53,111,779**	**46,785,987**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,030,579	725,171
Advance received for exploration work	394,477	207,702
Liability related to the premium on flow-through shares	872,222	1,064,900
Lease liabilities	24,803	22,392
Total current liabilities	2,322,081	2,020,165
Non-current liabilities		
Lease liabilities – non-current portion	217,227	236,125
Total liabilities	2,539,308	2,256,290
Equity		
Capital stock	71,843,807	64,500,842
Warrants	495,949	-
Contributed surplus	7,206,154	7,011,061
Deficit	(28,973,439)	(26,982,206)
Total equity	50,572,471	44,529,697
Total liabilities and equity	**53,111,779**	**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 June 30		Nine months ended June 30	
	2026	**2025**	**2026**	**2025**
	$	$	$	$
Revenues				
Project management fees	4,278	63,283	23,891	78,551
Residual gain on option payments on exploration and evaluation assets	-	-	197,493	-
	4,278	63,283	221,384	78,551
Operating expenses				
Salaries	179,230	179,936	707,026	682,829
Stock-based compensation	65,870	44,282	129,140	95,969
Office and other expenses	92,122	73,746	222,926	197,524
Regulatory fees	5,568	3,993	40,550	39,194
Conferences and investors relations	54,803	43,887	262,236	268,494
Professional fees	36,907	41,177	160,668	149,293
Depreciation	8,448	8,448	25,344	21,226
General exploration	-	3,404	21,450	21,866
Impairment of exploration and evaluation assets (note 4)	548,777	43,539	1,102,767	321,113
Operating expenses	991,725	442,412	2,672,107	1,797,508
Other revenues (expenses)				
Interest income	72,980	63,803	185,040	161,224
Change in fair value – listed shares	(2,942)	17,818	22,040	46,729
Financing fees	(5,072)	(5,507)	(15,554)	(7,674)
	64,966	76,114	191,526	200,279
Loss before income taxes	(922,481)	(303,015)	(2,259,197)	(1,518,678)
Recovery of deferred income taxes	220,140	115,300	714,830	190,687
Loss and comprehensive loss	**(702,341)**	**(187,715)**	**(1,544,367)**	**(1,327,991)**
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.02)
Weighted average number of basic and diluted outstanding shares	114,812,221	93,618,758	112,190,484	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	Warrants	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	-	-	-	-	(1,544,367)	(1,544,367)
Private placement (note 5)	12,379,456	5,080,306	495,949	-	-	5,576,255
Flow-through private placement (note 5)	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	-	-	-	195,093	-	195,093
Share issue expenses	-	-	-	-	(446,866)	(446,866)
Balance at June 30, 2026	**124,802,909**	**71,843,807**	**495,949**	**7,206,154**	**(28,973,439)**	**50,572,471**

	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	-	-	-	(1,327,991)	(1,327,991)
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	-	-	134,225	-	134,225
Share issue expenses	-	-	-	(157,274)	(157,274)
Balance at June 30, 2025	**93,618,758**	**59,457,092**	**6,975,011**	**(26,040,559)**	**40,391,544**

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)

	Nine months ended June 30,	
	2026	2025
	$	$
Operating activities		
Loss	(1,544,367)	(1,327,991)
Adjustment for:		
Stock-based compensation	129,140	95,969
Depreciation	25,344	21,226
Impairment of exploration and evaluation assets	1,102,767	321,113
Variation – fair value of listed shares	(22,040)	(46,729)
Option payments on exploration properties	(197,493)	-
Recovery of deferred income taxes	(714,830)	(190,687)
	(1,221,479)	(1,127,099)
Changes in non-cash working capital items		
Accounts receivable	3,984	113,108
Sales tax receivable	(306,603)	64,488
Prepaid expenses	19,822	(3,935)
Accounts payable and accrued liabilities	(15,854)	(71,688)
Advance received for exploration work	186,775	259,136
	(111,876)	361,109
	(1,333,355)	**(765,990)**
Financing activities		
Principal repayment – lease liabilities	(16,487)	(23,298)
Private placement (note 5)	5,576,255	200,000
Flow-through private placement (note 5)	2,784,811	2,449,200
Share issue expenses (note 5)	(446,866)	(157,274)
	7,897,713	**2,468,628**
Investing activities		
Additions to investments	(2,800,000)	(2,571,200)
Investments' maturity	3,671,200	3,575,000
Proceeds from disposal of listed shares	131,400	176,427
Additions to exploration properties	(414,288)	(360,336)
Option payments on exploration properties	537,500	-
Proceeds from disposal of exploration properties	-	75,000
Advance paid for exploration work	152,477	-
Additions to exploration and evaluation expenses	(4,125,107)	(1,234,667)
Tax credits and mining rights received	125,586	62,788
	(2,721,232)	**(276,988)**
Net change in cash and cash equivalents	3,843,126	1,425,650
Cash and cash equivalents – beginning	1,868,473	1,590,510
Cash and cash equivalents – ending	**5,711,599**	**3,016,160**
Additional information		
Right-of-use assets and lease liability	-	270,339
Stock-based compensation included in exploration and evaluation expenses	65,953	38,256
Additions of exploration properties and exploration and evaluation expenses included in accounts payable and accrued liabilities	740,516	355,622
Tax credits receivable applied against exploration and evaluation expenses	1,140,506	91,703
Interest received	191,103	273,252

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

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 August 13, 2026.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

As at June 30, 2026, cash and cash equivalents and also investments include cash of $4,182,599 and guaranteed investment certificates earning between 2.20% and 3.80% interest paid annually, maturing between July 27, 2026, and May 29, 2028, with a maturity value of $7,560,197.

The balance on flow-through financings not spent according to the restrictions imposed by the July 25 and December 9, 2025 financings represents $4,448,086 as at June 30, 2026, and is included in investments as well as in cash and cash equivalents.

(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 June 30, 2026
	$	$	$	$	$
Abitibi	888,106	55,588	(43,495)	(111,395)	788,804
Grenville	34,038	16,764	-	-	50,802
James Bay	905,286	156,210	-	(213,390)	848,106
Northern Quebec	649,964	178,294	-	(24,646)	803,612
	2,477,394	**406,856**	**(43,495)**	**(349,431)**	**2,491,324**

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 June 30, 2026
	$	$	$	$	$	$
Abitibi	16,730,233	1,948,444	(6,505)	(467,449)	(399,744)	17,804,979
Grenville	119,397	7,821	-	(3,632)	-	123,586
James Bay	11,741,399	1,731,491	(290,007)	(427,251)	(353,592)	12,402,040
Northern Quebec	6,006,596	831,998	-	(242,174)	-	6,596,420
	34,597,625	**4,519,754**	**(296,512)**	**(1,140,506)**	**(753,336)**	**36,927,025**

During the nine months ended June 30, 2026, the Corporation wrote off the properties Nomans for $447,834, Komo for $125,110 and Mythril East for $230,266 since no exploration program was planned for the near future and/or all claims were dropped.

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.

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). Thus, RTEC has fulfilled the obligations to acquire an initial 50% interest (the first option) in the Galinée project by making cash payments totaling $1,350,000 and completing $16,000,000 in exploration expenditures.

4.3 Alliance Ni

On August 20, 2020, the Corporation signed an agreement with Rio Algom Limited, a wholly-owned subsidiary of BHP Group PLC (“BHP”), for a strategic alliance (“Alliance Ni”) for exploration on nickel projects within the Nunavik territory, Quebec. On June 8, 2026, BHP notified the Corporation that the Alliance Ni had expired according to its terms and that BHP had no further rights, interests or entitlement in respects of the Alliance Ni properties.

4.4 Alliance Fosse - SOQUEM

On May 1, 2026, SOQUEM and the Corporation signed a joint venture agreement on the designated project Malaco Mountain.

5. EQUITY

5.1 Private placements

a) December 2025

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.

(Unaudited, in Canadian dollars)

b) May 2026

On May 11 and 21, 2026, the Corporation completed a private placement of 11,829,456 units at a price of $0.45 per unit for total gross proceeds of $5,323,255. Each unit consisted of one common share and one warrant. Each warrant entitles the holder to purchase one common share at a price of $0.65 until May 11 and 21, 2028, respectively.

From the total compensation received from the units, $4,827,306 is allocated to common shares and $495,949 to warrants, according to a pro rata allocation of the estimated fair value of each of the two components. The estimated fair value of the warrants was determined using the Black-Scholes pricing model based on the following assumptions: no expected dividend yield, an expected volatility of 41.8%, a risk-free interest rate of 2.9% and an expected life of the warrants of 2 years.

Share issue expenses totalled $265,801, including the finder's fees of $101,052.

5.2 Warrants

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

	Nine months ended June 30, 2026	
	Number	**Amount**
		$
Balance – Beginning of period	-	-
Issued following private placements (note 5.1)	11,829,456	495,949
Balance – End of period	**11,829,456**	**495,949**

Warrants outstanding as at June 30, 2026 are as follows:

Number of warrants	**Exercise price**	**Expiry date**
	$	
4,903,333	0.65	May 11, 2028
6,926,123	0.65	May 21, 2028
11,829,456		

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, 3.3% risk-free interest rate and 10-year options expected life.

(Unaudited, in Canadian dollars)

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

	Nine months ended June 30, 2026	
	Number of options	**Weighted average exercise price**
		$
Balance – beginning of period	6,640,000	0.71
Granted	870,000	0.52
Expired	(570,000)	0.95
Balance – end of period	**6,940,000**	**0.67**
Balance – end of period exercisable	6,081,666	0.69

The following table summarizes information about common share purchase options outstanding and exercisable as at June 30, 2026:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		$	
385,000	385,000	1.10	August 11, 2026 (not exercised)
50,000	50,000	1.13	November 23, 2026
430,000	430,000	1.14	February 21, 2027
100,000	100,000	1.04	May 10, 2027
460,000	460,000	0.89	February 15, 2028
455,000	455,000	1.03	February 18, 2029
505,000	505,000	0.72	February 13, 2030
420,000	420,000	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	666,666	0.33	February 13, 2035
870,000	145,000	0.52	February 12, 2036
6,940,000	**6,081,666**		