

Formation Metals Inc. Announces Upsize to Previously Announced LIFE Offering and Private Placement of Units to \$8.6 Million

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Highlights:

- Formation has planned a 20,000 metre total multi-phase drill program at its flagship N2 Gold Project in Quebec, host to a global historic resource of ~870,000 ounces comprised of 18 Mt grading 1.4 g/t Au (~809,000 oz Au) across four zones (A, East, RJ-East, and Central)^{2,3} and 243 Kt grading 7.82 g/t Au (~61,000 oz Au) across the RJ zone^{2,4}.
- Phase 1, consisting of a fully funded 10,000 metres, commenced on September 25, 2025. Phase 1 will target the "A" zone, a shallow, highly continuous, low-variability historic gold deposit with ~522,900 ounces of which only ~35% of strike has been drilled (>3.1 km open), and the "RJ" zone, host to high-grade intercepts from historical drill holes as high as 51 g/t Au over 0.8 metres², which was expanded by Agnico Eagle Mines in 2008 in the most recent drilling at the Property.
- The Company has working capital of ~C\$4.7M with zero debt prior to the financing, putting it in a very strong financial position to execute its exploration programs. Inclusive of provincial tax credits from the Quebec government, Formation's exploration budget for 2025-2026 is set at ~\$5.7M. The financings, if fully subscribed, would increase Formation's working capital to ~\$13M and exploration budget to ~\$8.5M+.

[Formation Metals Inc.](#) ("Formation" or the "Company") (CSE:FOMO)(FSE:VF1)(OTCQB:FOMTF), a North American mineral acquisition and exploration company, is pleased to announce that it has amended the terms of its previously announced LIFE offering and concurrent flow-through private placement financing (collectively, the "Upsized Offering") to increase the size of the offering to up to C\$8.6 million.

Under the terms of the Upsized Offering, the Company will now complete a non-brokered private placement (the "Amended LIFE Offering") of up to 17,847,838 units (each, a "LIFE Unit") of the Company at \$0.37 per LIFE Unit, pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 - Prospectus Exemptions ("NI 45-106"), as amended and supplemented by Coordinated Blanket Order 45-935 - Exemptions from Certain Conditions of the Listed Issuer Financing Exemption, for gross proceeds of up to \$6,600,000. Each LIFE Unit will be comprised of one common share in the capital of the Company (a "LIFE Share") and one common share purchase warrant (a "LIFE Warrant"). Each LIFE Warrant will be exercisable to acquire one additional common share of the Company at an exercise price of \$0.54 for a period of 36 months from the date of closing. The LIFE Units issued pursuant to the LIFE Offering will not be subject to a hold period in accordance with applicable Canadian securities laws.

There is an offering document (the "Amended Offering Document") relating to the Amended LIFE Offering that can be accessed under the Company's profile at www.sedarplus.ca and on the Company's website (www.formationmetalsinc.com). Prospective investors in the Amended LIFE Offering should read the Amended Offering Document before making an investment decision.

Concurrent with the LIFE Offering, the Company intends to complete a non-brokered private placement (the "FT Private Placement") of up to 4,878,049 flow-through units (each, an "FT Unit") of the Company at a price of \$0.41 per FT Unit to raise aggregate gross proceeds of up to \$2,000,000. Each FT Unit will consist of one flow-through common share (a "FT Share") of the Company, which will qualify as a "flow-through share" as defined in section 66(15) of the Income Tax Act (Canada), and one transferable common share purchase warrant (a "FT Warrant"), with each FT Warrant entitling the holder to purchase one additional common share at an exercise price of \$0.62 for a period of 24 months from the date of closing.

All securities issued under the FT Private Placement will be subject to statutory hold periods expiring four

months and one day from the date of closing.

Closing of the Upsized Offering may take place in one or more tranches as determined by the Company and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including approval of the Canadian Securities Exchange.

The Company may pay certain eligible finders a cash fee of up to 7% of the gross proceeds raised in respect of the Upsized Offering from subscribers introduced by such finders to the Company. The Company may also issue to eligible finders such number of finder warrants (each, a "Finder Warrant") as is equal to up to 7% of the number of LIFE Units or FT Units sold under the Upsized Offerings to subscribers introduced by such finders to the Company. The Finder Warrants, to the extent they are issued, will match the terms of the LIFE Warrants and FT Warrants, respectively.

The Company intends to use the net proceeds of the Upsized Offerings for fieldwork at the Company's exploration projects and, in the case of the net proceeds from the Amended LIFE Offering, as more particularly set out in the Amended Offering Document.

Project Summary

Comprising 87 claims totaling ~4,400 ha within the Abitibi sub province of Northwestern Quebec, Formation's flagship N2 Gold Project is an advanced gold project with a global historic resource of 877,000 ounces. There are six primary auriferous mineralized zones in total, each open for expansion along strike and at depth. Compilation and geophysical work by [Balmoral Resources Ltd.](#) (now Wallbridge Mining) from 2010 to 2018 generated numerous targets that have not yet been investigated with diamond drilling.

The drill program is designed to focus on discovery drilling at new high-potential targets along the mineralization strikes at the "A", "RJ" and "Central" zones in the northern part of the Property in order to discover new auriferous trends and unlock new zones of gold mineralization. The program will also focus on high-priority infilling and expansion targets in these zones to significantly enhance the auriferous zones identified to-date (Figure 1).

Historical highlights from the top two priority zones include:

- A Zone: A shallow, highly continuous, low-variability historic gold deposit with ~522,900 ounces identified at a grade of 1.52 g/t Au. ~15,000 metres have been drilled historically across 1.65 km of strike, with over 3.1 km of strike remaining to be tested. 84% of historical drillholes intercepted auriferous intervals including up to 1.7 g/t over 35 m.
- RJ Zone: a high-grade historic gold deposit with ~61,100 ounces identified at a grade of 7.82 g/t Au, with high-grade intercepts from historical drill holes as high as 51 g/t Au over 0.8 metres and 16.5 g/t Au over 3.5 metres². This zone was the target of the most recently drilling at the Property by Agnico-Eagle Mines in 2008, when the price of gold was ~US\$800/oz. Only ~900 metres of strike has been drilled, with 4.75+ km of strike remaining to be tested.

Figure 1 - PDDH design for the complete 20,000 metre Drill Program.

Figure 2 - Property overview summarizing historical work completed at each of the six mineralized zones and their respective historical resource.

The Company also believes that N2 has significant base metal potential, where it recently completed a revaluation process which revealed significant copper and zinc intercepts within historic drillholes known to have significant gold grades (>1 g/t Au). Assay results range from 200 to 4,750 ppm and 203 ppm to 6,700 ppm, for copper and zinc, respectively, indicating strong potential for elevated base metal (Cu-Zn) concentrations across the property, specifically at the A and RJ zones. Property wide geology at N2 features volcanic and sedimentary rocks formed in regional anticlinal and synclinal flexures. Three principal deformation structures (Figure 1), oriented along the known NW-SE to WNW-ESE structural trends typical of

VMS deposits in the Matagami region, function as critical geologic controls for mineralization on the property.

For the 2025 exploration season, Formation plans to concentrate its efforts on the northern part of N2, targeting gold deposit expansion and discovery along identified zones and fault systems associated with the main deformation features (specifically WNW-ESE trend), with IP surveys and drilling planned to model mineralized zones that will hopefully contribute to an updated NI-43 101 compliant resource. Formation will also look to further review historic base metal assays from older drill core and undertake additional work in 2025 to assess the property's copper and zinc potential.

Qualified person

The technical content of this news release has been reviewed and approved by Mr. Babak Vakili Azar, P.Geol., an independent contractor and a qualified person as defined by National Instrument 43-101. Historical reports provided by the optionor were reviewed by the qualified person. The information provided has not been verified and is being treated as historic.

About Formation Metals Inc.

Formation Metals Inc. is a North American mineral acquisition and exploration company focused on the development of quality properties that are drill-ready with high-upside and expansion potential. Formation's flagship asset is the N2 Gold Project, an advanced gold project with a global historic resource of ~870,000 ounces (18 Mt grading 1.4 g/t Au (~809,000 oz Au) across four zones (A, East, RJ-East, and Central)^{2,3} and 243 Kt grading 7.82 g/t Au (~61,000 oz Au) across the RJ zone^{2,4}) and six mineralized zones, each open for expansion along strike and at depth including the "A" zone, of which only ~35% of strike has been drilled (>3.1 km open), and the "RJ" zone, host to historical high-grade intercepts as high as 51 g/t Au over 0.8 metres.

FORMATION METALS INC.

Deepak Varshney, CEO and Director

For more information, please call 778-899-1780, email dvarshney@formationmetalsinc.com or visit www.formationmetalsinc.com.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Notes and References:

1. Readers are cautioned that the geology of nearby properties is not necessarily indicative of the geology of the Property.

2. The above referenced resource estimates do not have a category, are considered historical in nature, and are based on prior data prepared by a previous property owner, and do not conform to current CIM categories.

While the Company considers the estimates to be reliable, a qualified person has not done sufficient work to classify the historical estimates as current resources in accordance with current CIM categories and the Company is not treating the historical estimates as a current resource. A 0.5 g/t Au cut-off was used in the preparation of the historical estimates with a minimum 2.5 metre mining width.

Significant data compilation, re-drilling, re-sampling and data verification may be required by a qualified person before the historical estimates can be classified as current resources. There can be no assurance that any of the historical mineral resources, in whole or in part, will ever become economically viable. In addition, mineral resources are not mineral reserves and do not have demonstrated economic viability. The Company is not aware of any more recent estimates prepared for the N2 Property.

3. Needham, B. (1994), 1993 Diamond Drill Report, Northway Joint Venture, Northway Property; Cypress Canada Inc.; 492 pages.
4. Guy K. (1991), Exploration Summary May 1, 1990 to May 1, 1991 Veza Joint Venture Northway Property; Total Energold; 227 pages.

Forward-looking statements:

This news release includes "forward-looking statements" under applicable Canadian securities legislation, including statements respecting: the Company's plans for the Property and the expected timing and scope of the 2025 drilling program at the Property; the Company's goal of delivering a near-surface multi-million-ounce deposit the Property; the Company's anticipated timeline with respect to the Application for Autorisation de Travaux d'exploration à Impacts (ATI) to the Ministère des Ressources naturelles et des Forêts (MERN); the Company's view that the Property has the potential for over three million ounces of gold; the 7,500-metre drilling program marking the beginning of the Company's pursuit of that goal; and statements respecting the Upsized Offerings, the timing thereof and the expected use of proceeds therefrom. Such forward-looking information reflects management's current beliefs and is based on a number of estimates and/or assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Readers are cautioned that such forward-looking statements are neither promises nor guarantees and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base and other metals, operating risks, accidents, labour issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry.

The Company is presently an exploration stage company. Exploration is highly speculative in nature, involves many risks, requires substantial expenditures, and may not result in the discovery of mineral deposits that can be mined profitably. Furthermore, the Company currently has no reserves on any of its properties. As a result, there can be no assurance that such forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

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