Falco Resources Announces Updated Feasibility Study for Horne 5 Project, Delivering After-Tax NPV5% C$3.35 Billion, IRR of 28.2% and Cash Flow of C$6.4 Billion at Base Case Gold Price of US$3,600/Oz

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MONTREAL, June 17, 2026 - Falco Resources Ltd. (FPC: TSX-V) ("Falco" or the "Corporation") is pleased to announce the results of an updated feasibility study (the "2026 Feasibility Study" or the "2026 FS"), prepared in accordance with National Instrument 43-101 *Respecting Standards of Disclosure for Mineral Projects* ("NI 43-101") for the Corporation's 100%-owned Horne 5 Gold Project (the "Horne 5 Project" or the "Project") located in Rouyn-Noranda, Québec, Canada.

HIGHLIGHTS

- Robust returns with base case after-tax $NPV_{5\%}$ of $3.35 billion (increase of 244% from 2021 FS), unlevered after-tax IRR of 28.2% and after-tax payback of 3.3 years;
- Using spot case, after-tax $NPV_{5\%}$ improves to $5.1 billion (53% increase), after-tax IRR of 37.2% and payback of 2.6 years;
- Generates projected life-of-mine after-tax cash flow of $6.4 billion and average annual after-tax cash flow of $542.5 million
- Average annual gold production of 220,300 payable ounces annually over the 15-year LOM;
- Low average all-in sustaining costs ("AISC") of US$782/oz and the Project is poised to be a 1st quartile low-cost gold producer worldwide;
- $61.74 per tonne processed operating cost;
- Forward capital and pre-production costs of $1.75 billion, including 10.9% contingency;
- LOM of 15 years with the potential for further underground development;
- Contributes more than $4.4 billion in taxes and mining duties over its LOM;
- Strong support for local employment with up to 900 direct jobs created during peak construction and 500 permanent jobs during operations;
- Supports Québec's energy transition and economic decarbonization through significant value-added critical and strategic minerals; and
- Québec's environmental review process continues to advance, with written confirmation from the Ministry of the environment that their analysis is progressing well and that solutions have been identified for key environmental issues.

Base case economics are stated using a gold price of US$3,600/oz, silver price of US$50.00/oz, copper price of US$4.80/lb, zinc price of US$1.35/lb and an exchange rate of $1.34 equal to US$1.00. Spot case economics (as of May 31, 2026) are stated using a gold price of US$4,500/oz, silver price of US$75.00/oz, copper price of US$6.40/lb, zinc price of US$1.60/lb and an exchange rate of $1.38 equal to US$1.00.

Luc Lessard, President and Chief Executive Officer, commented: "*The 2026 Feasibility Study confirms Horne 5 as a large-scale, long-life gold project capable of generating substantial cash flow and strong returns for shareholders. With an after-tax $NPV_{5\%}$ of $3.35 billion, projected after-tax cash flow of $6.4 billion and average annual gold production of 220,300 ounces, Horne 5 ranks among the most significant undeveloped gold projects in Canada. Significant copper and zinc by-product credits, combined with highly automated, modern operations, contribute to a projected low all-in sustaining cost (AISC) of US$782 per ounce. Located in the world-class Rouyn-Noranda mining district, the Project benefits from well-established infrastructure and a skilled mining workforce.*"

Falco will host a webinar presentation by management on the results of the 2026 Feasibility Study on Wednesday, June 17, 2026, at 11:00 a.m. ET, followed by a question & answer session. Details are

available at the end of this news release.

2026 FEASIBILITY STUDY CONFIRMS SIGNIFICANT VALUE OF THE HORNE 5 PROJECT

The 2026 FS reaffirms that the Horne 5 Project represents a robust, high margin, 15-year underground mining project with compelling economic returns. At a gold price of US$3,600/oz, the 2026 FS shows that the Horne 5 Project would generate an after-tax $NPV_{5\%}$, of $3.35 billion and an after-tax IRR of 28.2%. Under this scenario, the mine is positioned to emerge as a significant gold producer in Québec, delivering average annual payable gold production of 220,300 payable ounces over the LOM, at a competitive AISC of US$782/oz, net of by-product credits from copper, zinc and silver production.

TABLE 1: COMPARISON OF 2021 FS AND 2026 FS ECONOMIC RESULTS

Category	Unit	2021 FS(1)	2026 FS
Inventory	tonnes	80,896,876	80,896,876
Contained Gold	oz	3,740,871	3,740,871
Payable Gold LOM	oz	3,304,453	3,304,455
Payable Silver LOM	oz	27,289,020	27,289,040
Produced Zinc LOM	Million lbs	1,189.8	1,189.8
Produced Copper LOM	Million lbs	247.3	247.3
Average Diluted Gold Equivalent Grade(2)	g/t Au Eq	2.24	1.99
Average Diluted Gold Grade	g/t	1.44	1.44
Cash Cost	US$/oz Au	406	528
AISC*	US$/oz Au	586	782
Operating Cost	$/tonne processed	43.1	61.7
Total LOM NSR Revenue (net of Silver Stream)	$M	8,721.8	19,002.7
Total LOM Pre-Tax Cash Flow	$M	3,319.2	10,825.4
Average Annual Pre-Tax Cash Flow	$M	297.9	866.8
LOM Income Taxes & Mining Duties	$M	1,258.1	4,440.2
Total LOM After-Tax Cash Flow	$M	2,061.1	6,385.2
Average Annual After-Tax Cash Flow	$M	202.8	542.5
Pre-Tax $NPV_{5\%}$	$M	1,637.4	5,825.3
After-Tax $NPV_{5\%}$	$M	974.2	3,347.8
Pre-Tax IRR	%	23.0%	36.0%
After-Tax IRR	%	18.9%	28.2%
Operating Costs	$M	3,487.8	4,994.3
Transport, Refining & Smelting	$M	672.9	669.9
Royalties	$M	184.9	407.8
By-Product Credit	$M	(2,627.2)	(3,731.9)
Pre-Production CAPEX	$M	1,080.6	1,753.8
Sustaining CAPEX	$M	674.0	979.0
Closure (net of salvage value)	$M	88.4	145.5
Gold Price	US$/oz	1,600	3,600
Exchange Rate (US$:$)	$/US$	1.28	1.34
After-Tax Payback	Years	4.8	3.3

(1) The NI 43-101 report dated effective March 18, 2021, and entitled *"Feasibility Study Horne 5 Gold Project*" ("2021 FS").
(2) Gold equivalent (AuEq) grade was estimated using Mineral Reserve grades and metal prices, and do not reflect the impact of metallurgical recoveries, smelter payability terms, offsite costs, or silver stream obligations.

**AISC are presented as defined by the World Gold Council less Corporate general & administrative ("G&A") costs.*

TABLE 2: SENSITIVITIES *(2026 FEASIBILITY STUDY BASE CASE IN BOLD)*

Gold Price US$/oz	2,000	2,400	2,800	3,200	3,600	4,000	4,400	4,800	5,200
Pre-Tax $NPV_{5\%}$ $M	1,731	2,754	3,778	4,802	5,825	6,849	7,873	8,896	9,920
After-Tax $NPV_{5\%}$ $M	945	1,561	2,166	2,759	3,348	3,931	4,514	5,096	5,674
Pre-Tax IRR	16.4%	21.9%	26.9%	31.6%	36.0%	40.1%	44.1%	47.9%	51.6%
After-Tax IRR	12.9%	17.3%	21.3%	24.9%	28.2%	31.3%	34.3%	37.1%	39.8%
Pre-Tax Payback Years	5.8	4.5	3.7	3.2	2.8	2.5	2.3	2.1	2.0
After-Tax Payback Years	6.2	5.0	4.2	3.7	3.3	3.0	2.8	2.6	2.4

Copper Price US$/lb	3.20	3.60	4.00	4.40	4.80	5.20	5.60	6.00	6.40
Pre-Tax $NPV_{5\%}$ $M	5,549	5,618	5,687	5,756	5,825	5,894	5,964	6,033	6,102
After-Tax $NPV_{5\%}$ $M	3,189	3,229	3,269	3,308	3,348	3,387	3,427	3,466	3,506
Pre-Tax IRR	34.9%	35.1%	35.4%	35.7%	36.0%	36.2%	36.5%	36.8%	37.0%
After-Tax IRR	27.4%	27.6%	27.8%	28.0%	28.2%	28.4%	28.6%	28.8%	29.0%
Pre-Tax Payback Years	2.9	2.9	2.9	2.9	2.8	2.8	2.8	2.8	2.7
After-Tax Payback Years	3.4	3.4	3.3	3.3	3.3	3.3	3.3	3.2	3.2

Zinc Price US$/lb	0.75	0.90	1.05	1.20	1.35	1.50	1.65	1.80	1.95
Pre-Tax $NPV_{5\%}$ $M	5,342	5,463	5,583	5,704	5,825	5,946	6,067	6,188	6,309
After-Tax $NPV_{5\%}$ $M	3,069	3,139	3,209	3,278	3,348	3,417	3,486	3,555	3,624
Pre-Tax IRR	33.7%	34.2%	34.8%	35.4%	36.0%	36.5%	37.1%	37.7%	38.2%
After-Tax IRR	26.5%	26.9%	27.3%	27.8%	28.2%	28.6%	29.0%	29.4%	29.9%
Pre-Tax Payback Years	3.0	3.0	2.9	2.9	2.8	2.8	2.7	2.7	2.7
After-Tax Payback Years	3.5	3.4	3.4	3.3	3.3	3.3	3.2	3.2	3.1

FX: $1.00: US$	0.88	0.84	0.81	0.78	0.75	0.72	0.69	0.67	0.65
Pre-Tax $NPV_{5\%}$ $M	4,173	4,586	4,999	5,412	5,825	6,238	6,651	7,065	7,478
After-Tax $NPV_{5\%}$ $M	2,414	2,649	2,882	3,116	3,348	3,578	3,809	4,039	4,269
Pre-Tax IRR	28.7%	30.6%	32.4%	34.2%	36.0%	37.7%	39.4%	41.0%	42.6%
After-Tax IRR	22.8%	24.2%	25.6%	26.9%	28.2%	29.5%	30.7%	31.9%	33.1%
Pre-Tax Payback Years	3.5	3.3	3.1	3.0	2.8	2.7	2.6	2.5	2.4
After-Tax Payback Years	3.9	3.7	3.6	3.4	3.3	3.2	3.1	3.0	2.9

ROUYN-NORANDA ADVANTAGE

The Horne 5 Project is located in Québec's prolific Rouyn-Noranda mining camp and benefits from extensive existing infrastructure, including road and rail access, hydro-electric power distribution system, and a well-established local contractor and supplier base. The Project is situated adjacent to the Horne smelting facility (the "Glencore Smelter"), owned and operated by Glencore Canada Corporation ("Glencore"). The Glencore Smelter processes copper concentrates and precious metal-bearing recyclable materials to produce 99.1% copper anodes.

Québec is recognized as a leading global jurisdiction to host a mining project and major advantages include:

- Qualified mining labour expertise;
- Strong and well-established network of mining suppliers and contractors;
- Access to reliable, low-cost renewable hydro-electric power;
- Well established regulatory and permitting frameworks;

- Stable and competitive taxation regime; and
- Strong collaboration between government, industry and local stakeholders to support responsible mine development.

In addition, the Québec Government has established the Mining Innovation Zone (the "ZIM") in City of Rouyn-Noranda, Québec (the "City of RN"), a collaborative ecosystem that will unite industry participants, academic institutions, research centres, communities and government stakeholders to advance Québec's objective of becoming a world leader in next-generation mining. By fostering innovation, skills development and sustainable mining practices, the ZIM supports the sector's transition toward more responsible and efficient operations, while promoting the development and commercialization of critical and strategic minerals essential to the energy transition.

OPPORTUNITIES TO ENHANCE VALUE

While Falco considers the results of the 2026 Feasibility Study under the base case scenario to be highly attractive, future optimization studies are anticipated to evaluate alternative development strategies aimed at enhancing cash flow during the early years of the LOM. Key areas of focus include: (1) the significant exploration potential at depth and surrounding the Horne 5 Project, with opportunities to expand mineral resources and extend LOM through additional drilling; (2) assessing the potential for larger underground stopes through ongoing geotechnical investigations, modelling and detailed mining design studies; and (3) identifying operational and commercial synergies with the adjacent Glencore Smelter. In addition, the Corporation may benefit from its extensive and highly prospective regional land package, which encompasses approximately 60,000 hectares and offers further exploration and growth opportunities.

CONTRIBUTORS

The independent 2026 Feasibility Study was prepared through the collaboration of several industry-recognized consulting firms, including BBA Inc. ("BBA"), WSP Canada Inc. ("WSP"), ASDR Canada inc. ("ASDR"), Norda Stelo Inc. ("Norda Stelo") and Ingénierie RIVVAL Inc. ("RIVVAL"). These firms provided mineral resource and mineral reserve estimates, design parameters and cost estimates for mine operations, processing facilities, major equipment selection, waste and tailings storage, reclamation, operating and capital expenditures. The preparation of the 2026 FS was overseen by Mr. Luc Lessard, P. Eng., President and Chief Executive Officer of the Corporation.

UPDATED FEASIBILITY STUDY COMPONENTS

Mineral Resource Estimate

The Mineral Resources presented in the 2026 FS are based upon an updated mineral resource estimate (the "Current MRE") effective as of June 2, 2026, prepared by Martin Perron, P. Eng., of Norda Stelo, using available information. The main objective was to update the previous NI 43-101 Mineral Resource Estimate for the Horne 5 deposit, which was prepared by InnovExplo Inc. and included in the 2017 FS (the "November 2016 MRE") and the 2021 FS. The Mineral Resources presented in the 2026 FS was used to develop the Mineral Reserves presented below.

The Current MRE is primarily based on changes made to the NSR parameters, supported by new assumptions concerning metal prices and net recoveries and the creation of potentially mineable shape to constrain the MRE. No changes to the interpretation were deemed necessary. The Mineral Resource model for the Current MRE is based largely upon the model generated for the November 2016 MRE and 2017 Feasibility Study.

The Current MRE is prepared following CIM standards and guidelines for reporting Mineral Resources and Reserves. The selected NSR cut-off of $75/t and the mineable shape constrain used allowed the Mineral Resource to be outlined for a potential underground mining scenario. While the results are presented undiluted and in situ, the reported Mineral Resources are considered by the qualified persons under NI 43-101 ("QP"), to satisfy the reasonable prospects for eventual economic extraction.

The results of the Current MRE are presented in the table below. Norda Stelo estimates that the Horne 5 deposit contains, based on an NSR cut-off of $75/t, Measured Mineral Resources of 13.0M tonnes at $203.47/t NSR value, Indicated Mineral Resources of 109.4M tonnes at $204.98/t NSR value, and Inferred Mineral Resources of 30.1M tonnes at $191.98/t NSR value.

TABLE 3: MINERAL RESOURCES TABLE (1)

Resource Category	Tonnes (Mt)	NSR ($/t)	AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Contained AuEq (Moz)	Contained Au (Moz)	Contained Ag (Moz)	Contained Cu (Mlbs)	Contained Zn (Mlbs)
Measured	13.049	203.47	1.80	1.30	14.64	0.15	0.65	0.754	0.547	6.143	44.175	186.654
Indicated	109.403	204.98	1.81	1.33	13.27	0.15	0.70	6.383	4.669	46.678	363.522	1,693.832
Measured + Indicated	122.452	204.82	1.81	1.32	13.42	0.15	0.70	7.137	5.216	52.822	407.697	1,880.486
Inferred	30.071	191.98	1.74	1.23	17.17	0.17	0.55	1.681	1.189	16.601	110.218	363.640

(1) Please refer to the Mineral Resources Estimate Notes below.

MINERAL RESOURCE ESTIMATE NOTES:

1. The independent and qualified person for the Mineral Resource Estimate, as defined by NI 43-101, is Martin Perron, P. Eng., of Norda Stelo, and the effective date of the estimate is June 2, 2026.
2. The Mineral Resources are inclusive of Mineral Reserves.
3. These Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability.
4. The Mineral Resource Estimate follows 2014 CIM Standards and Definitions and 2019 CIM definitions and guidelines for Mineral Resources.
5. The Mineral Resource was estimated using Geovia GEMS 6.8. A minimum true thickness of 7.0 m was applied, using the grade of the adjacent material when assayed, or a value of zero when not assayed. Only the silver interpolation in the Inferred resources does not use the material when not assayed.
6. High-grade capping was done on raw assay data prior to compositing (3.0 m) and established on a per zone basis for gold (25 to 35 g/t) and silver (40 to 165 g/t). No capping was applied to Cu and Zn data.
7. The resources were evaluated from drill holes using an ID2 interpolation method in a block model (block size = 5 x 5 x 5 m).
8. The NSR cut-off grade of $75/t is based on mining costs of $16.90/t, milling costs of $28.13/t and G&A of $29.97/t.
9. The NSR estimated value of the resources are based on: Exchange rate of $1.35/1.00 US$; Metal prices for gold 3,300 US$/oz, silver 40.00 US$/oz, copper 4.60 US$/lb, zinc 1.25 US$/lb; Net recoveries are variable in function of grade of each commodity. Smelting cost (including transportation) of $7.82/t.
10. "Deswik Stope Optimizer" module (DSO) in Deswik software was used to create potentially mineable shapes.
11. Density values used were interpolated using an ID2 method for the ENV_A and HG_A to HG_F, averaging 3.41 g/cm3 for 91% of the Project. For the remaining area, the density values were fixed at 2.88 g/cm3 for ENV_B to ENV_E and at 2.67 g/cm3 for ENV_F.
12. The resource categories were assigned using clipping boundaries. Measured category was established for blocks interpolated during the first two passes within 15 m closest distance from historical channel samples within the same mineralized zone. Indicated category was established for blocks interpolated during the first two passes within 25 m closest distance from a composite.
13. Results are presented in situ. Ounce (troy) = metric tons x grade / 31.10348, and 22.05 for g/t to pounds. Calculations used metric units (metres, tonnes, g/t). The number of tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects. Rounding followed the recommendations as per NI 43-101. Au Equivalent grade is calculated based on the value of all metals as stated in Point 9 reported to the value of an ounce of Gold.
14. The author is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issues not reported in this technical report that could materially affect the mineral resource estimate.

Mineral Reserve Estimate

The Mineral Reserve estimate for the Horne 5 Project (effective as of June 2, 2026) was prepared by

Geneviève Auger, P.Eng., an employee of Norda Stelo. The Mineral Reserve estimate stated herein is prepared following the CIM Standards on Mineral Resources and Mineral Reserves and is suitable for public reporting. As such, the mineral reserves are based on measured and indicated mineral resources, and do not include any inferred mineral resources. Measured and indicated mineral resources are inclusive of proven and probable reserves.

The 2026 Feasibility Study, LOM and the Mineral Reserve estimate were developed from the Current MRE. As of the date of this release, the QP, has not identified any risks, legal, political, or environmental, that would materially affect potential development of the Mineral Reserves other than the third-party approval discussed below.

There are no changes to the mining mineral reserves in the 2026 FS as compared to the 2017 FS and 2021 FS, except for an update of the metal prices. The reserve is constrained to align with the parameters used in the project approval process. The metal prices used in the mineral reserves are gold US$3,600/oz, copper US$4.80/lb, zinc US$1.35/lb, silver US$50.00/oz and at an exchange rate of $1.34 : US$1.00. Therefore, cut of grade was re-evaluated to $119/t NSR value.

TABLE 4: STATEMENT OF MINERAL RESERVES

Category	Tonnes (Mt)	NSR ($/t)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Proven	8.4	223.0	1.41	15.8	0.17	0.75
Probable	72.5	246.0	1.44	14.0	0.17	0.78
P&P	80.9	245.7	1.44	14.1	0.17	0.77

1. The QP for the Mineral Reserve estimate is Geneviève Auger, P. Eng. from Norda Stelo.
2. Mineral Reserves have an effective date of June 2, 2026.
3. The metal prices used to support the MRE are: US$4.80/lb Cu, US$1.35/lb Zn, US$3,600/oz Au and US$50.00/oz Ag, using an exchange rate of $1.34 : US$1.00 with a cut-off NSR value of $119/t.
4. Mineral Reserve tonnage and mined metal have been rounded to reflect the accuracy of the estimate and numbers may not add due to rounding.
5. Mineral Reserves presented include both internal and external dilution along with mining recovery. The external dilution is estimated to be 2.3%. The mining recovery factor was set at 95% to account for mineralized material left in the margins of the deposit in each block.

TABLE 5: CAPITAL COSTS SUMMARY

	2021 FS			2026 FS		
Capital Costs ($M)	Pre-Production	Sustaining	Total[(1)]	Pre-Production	Sustaining	Total[(1)]
Mining	279.9	365.3	645.3	432.3	480.4	912.7
Mineral Processing Plant	400.6	14.8	415.4	635.9	24.5	660.4
Electrical and Communication	19.1	2.5	21.6	31.9	3.4	35.3
Project Infrastructure	98.1	4.5	102.6	167.4	5.4	172.8
Tailings and Water Management	64.1	286.9	351.1	101.4	295.4	396.8
Indirect Costs	78.4	-	78.4	138.5	80.9	219.4
Owner's Costs	49.6	-	49.6	73.8	-	73.8
Site restoration (net of salvage value)		88.4	88.4	-	145.5	145.5
Subtotal	989.9	762.4	1,752.3	1,581.3	1,035.6	2,616.8
Contingency	90.7	-	90.7	172.5	89.0	261.5
Total Capital Costs	1,080.6	762.4	1,843.0	1,753.8	1,124.6	2,878.3
CAPEX per Oz (US$/oz)	255			396		
AISC per Oz (US$/oz)	586			782		
All-In Cost per Oz (US$/oz)	842			1,178		

(1) Totals may differ due to rounding.

TABLE 6: OPERATING COSTS SUMMARY

The LOM operating costs are summarized as follows:

	2021 FS	2026 FS
Operating Costs	$M	$M
Mining	994.1	1,410.9
Processing	1,776.8	2,403.4
Tailings & Water Management	480.4	826.1
G & A	236.5	353.9
Total Operating Costs	*3,487.8*	*4,994.3*

The average unit costs per tonne over the LOM are:

	2021 FS	2026 FS
Operating Costs	$/t Milled	$/t Milled
Mining	12.3	17.4
Processing	22.0	29.7
Tailings & Water Management	5.9	10.2
G & A	2.9	4.4
Total Operating Costs Per Tonne Milled	*43.1*	*61.7*

Mining

The underground deposit is located at a depth of approximately 600 metres to 2,300 metres below surface. The existing Quemont #2 shaft, which extends to a depth of approximately 1,200 metres, would need to be rehabilitated. The shaft would provide for the hoisting of mineralized material and waste, services personnel and materials, and the supply of ventilation to the underground workings in the development stage.

The mine has been designed to achieve low operating costs through the use of large-scale, modern mining equipment, gravity-assisted transport of mineralized material through raises, shaft hoisting, minimal mineralized material and waste re-handling, and high productivity bulk mining methods. The operation will incorporate state-of-the-art technologies, including advanced automation and tele-operation equipment. These systems are expected to enable the efficient operation of 25-tonne LHD (Load-Haul-Dump) for transporting ore to the ore pass systems. The underground crushing facility would be fed by two ore pass systems. The crushed mineralized material would then be transported via two 250-metre conveyors and transferred to a 600-metre conveyor leading to the shaft loading point, where it would be hoisted to the surface using 43.5-tonne skips on a continuous basis. For servicing the mine, the shaft would have a double-deck service cage and a double-deck auxiliary cage. Paste backfill would be used to fill the extracted stopes and strengthen stability of the adjacent stopes and avoid or minimize dilution.

The Corporation intends to use transverse long hole stoping as the primary mining method, with mine designs prioritizing the minimization of dilution over Mineral Resource recovery. The Corporation expects that the mineral resource dilution will be below 3%.

Processing

The Process Plant is designed to process approximately 15,800 tonnes of mineralized material per day through a conventional Semi-Autogenous Grinding (SAG) and ball milling circuit. The grinding circuit will produce a primary grind size of approximately P_{80} 55 microns, providing feed to the downstream flotation circuits.

The process plant will recover copper, zinc, gold, and silver through a combination of flotation and leaching

technologies. Following grinding, flotation circuits will produce three concentrates: a copper concentrate, a zinc concentrate, and a pyrite concentrate. The copper and zinc concentrates will be filtered and prepared for shipment by truck and rail.

To enhance gold and silver extraction, the pyrite concentrate will undergo additional fine grinding to a target regrind size of P_{80} 12 microns, followed by cyanide leaching and carbon-in-pulp (CIP) recovery. A separate leaching and CIP circuit will also treat the pyrite flotation tailings to recover additional gold and silver. Gold and silver recovered through these circuits will be refined into doré bars for sale.

The process plant has been designed to maximize water recycling and reagent recovery, including cyanide destruction systems to minimize environmental impacts. Fine and coarse pyrite tailings generated by the process will be used as paste backfill in underground mine workings where possible, reducing surface tailings storage requirements. Any excess tailings not required for backfill will be deposited in the tailings management facility. Water recovered from underground backfill operations and tailings management activities will be recycled back to the process plant, supporting efficient water management and reducing freshwater requirements.

Over the life of mine, average payable recoveries are estimated at 88.3% for gold, 75.7% for copper, 72.8% for zinc, and 74.2% for silver. The Project is expected to produce a copper concentrate grading approximately 16% copper and a zinc concentrate grading approximately 52% zinc, both containing payable gold and silver credits. Metallurgical testing has confirmed that the concentrates are free of significant deleterious elements, supporting their marketability to smelter customers.

Surface Infrastructure

The Horne 5 Project is located within the industrial park and former mining infrastructure footprint (including the Quemont and Horne mines) of the City of RN, a well-established mining community of over 42,000 residents. The Project benefits from extensive existing infrastructure, as well as a deep regional pool of underground mining expertise. Equally important, the Corporation believes that the Project's strategic location enhances its long-term operational viability and strengthens its attractiveness as an employer, as it offers employees and contractors the opportunity to work within the same community in which they reside, a unique advantage within the mining industry.

The Horne 5 Project is located approximately 1.1 km from Route 101 and 4.0 km from the Trans-Canada Highway, with all essential services readily accessible on site. The Horne 5 Project is also situated less than 700 meters from the Glencore Smelter. Future mine development is planned within the former Quemont mine site, for which Falco has acquired the surface rights. Electric power is expected to be supplied at 120 kV, originating from the nearby Hydro-Québec, Rouyn-Noranda substation.

The Horne 5 Project envisions the following key infrastructure items to support the mine to be constructed: site access road, on-site parking area, process plant, including site offices, dry and paste backfill plant, headframe and shaft house, hoist building, 120kV sub-station and railway spur lines and storage area.

Environment and Permitting

Environmental baseline studies were initiated in 2016 and have continued to support the permitting process and the project timeline. The Horne 5 Project is subject to a provincial environmental impact assessment ("EIA") and review procedure under the *Environment Quality Act*, including public hearings and the issuance of a decree (the "Decree") by the provincial government. On December 6, 2017, Falco was advised by the Canadian Environmental Assessment Agency (Government of Canada) that the Horne 5 Project is not a designated activity under the *Regulations Designating Physical Activities* pursuant to the *Canadian Environmental Assessment Act*. Therefore, the Horne 5 Project is not subject to the federal environmental assessment. However, other federal authorizations will need to be obtained.

The EIA of the Project was filed with the Ministry of the Environment, the Fight Against Climate Change, Wildlife and Parks ("MEFACCWP") in January 2018, was confirmed admissible in March 2024, allowing the public information and consultation process led by the Québec Environmental Public Hearings Board (Bureau d'audiences publiques sur l'environnement or "BAPE") to begin. Public hearings conducted by the

BAPE were held in Rouyn-Noranda in the August-October 2024 period. Following these consultations, the BAPE's report was published in January 2025 providing its recommendations to support the government's decision to whether to authorize the Project.

Since the publication of the BAPE's report, the MEFACCWP has continued its environmental review of the Project which is expected to be completed in the Fall of 2026.

As part of its ongoing discussions with the MEFACCWP, Falco has obtained written confirmation that the government's analysis is progressing well and that the information provided to date has led to specific solutions for the identified environmental issues.

Similarly, the Premier's office stated that it was fully committed to the economic development of the regions and wanted Québec to become a leader in the production and processing of critical and strategic minerals.

Falco continues to engage with stakeholders to ensure the harmonious integration of the Project in the community.

A government decision regarding the authorization of the Project and issuance of the Decree is expected by the end of 2026.

Following project authorization, Falco will be required to conduct numerous studies, prepare permit applications and secure the required regulatory approvals to continue developing the Project.

Mine Tailings and Waste Management

During the initial years of production, tailings not utilized for the production of paste backfill for the Horne 5 workings will be stored in old underground openings. Over the LOM, the remaining tailings will be deposited at surface in a tailings management facility ("TMF"). The Corporation has identified a former TMF site located approximately 11 km from the City of RN, an area previously impacted by historical mining activities, to serve for the surface storage of tailings for the Horne 5 Project. Discussions regarding acquisition of the site are ongoing. Tailings will be transported from the mining complex to the surface TMF by double wall conduits. Waste rock not required for underground mining activities will be transported by truck and deposited at the TMF.

Closure and Rehabilitation

A closure and rehabilitation plan for the Mine and TMF sites has been developed in accordance with the *Mining Act* (Québec). Site restoration costs have been updated and are estimated at $201.8 million, offset by $56.3 million in equipment salvage value, resulting in a restoration cost of $145.5 million. The estimate is based on the dismantling of mine infrastructure, including buildings and pipelines, as well as the rehabilitation of the TMF. It also includes provisions for post-closure monitoring. In accordance with the applicable regulations, the Corporation intends to post a bond as a guarantee against the site restoration obligations.

Sustainability and Stakeholder Engagement

Falco's approach to sustainability and social impact is anchored by environmental, social and governance ("ESG") principles. Proactive in strengthening its social license to operate in Rouyn-Noranda, Quebec, the Corporation believes that robust ESG performance is essential to generating long-term value. This includes contributing positively to local and regional economies while fostering the social development of the community. These efforts support improved working and living conditions, and promotes health, safety and employment opportunities, while also enhancing shareholder value. Through its people, mission, culture and strategy, Falco is positioned to become a strong ESG performer.

The Corporation remains committed to a proactive public consultation process and has engaging extensively

with a broad range of stakeholders in the Rouyn-Noranda and Abitibi regions. Based on numerous community meetings held throughout the region, the Corporation has observed strong local support for the Project. Its development is expected to generate significant economic benefits for the City of RN and the surrounding region. Over an estimated 15-year LOM, the operation is expected to provide direct employment for approximately 500 people.

An independent survey of the population of the City of RN and Abitibi-Témiscamingue conducted by Léger in February 2025 regarding the understanding and social acceptability of the Horne 5 Project shows that Falco enjoys strong majority support in the City of RN where 72% of respondents are in favour of the Project and in Abitibi-Témiscamingue, where support reaches 74%. These results demonstrate the population's significant support for the Project, particularly given its economic spin-offs and positive impact on employment.

In 2019, Falco established an advisory committee (the "Advisory Committee") to facilitate stakeholder engagement and support the development of the Horne 5 Project. The Advisory Committee was renewed in January 2025 to include representatives from the neighborhoods adjacent to the Project. It serves as an important forum for dialogue, providing stakeholders with an opportunity to contribute to the Project's continuous improvement while ensuring consideration of the social, economic and environmental priorities specific to the Rouyn-Noranda region.

Falco remains committed to working closely with the Advisory Committee to maintain and strengthen its engagement with the community. Key topics for on-going discussion include the effects of the influx of new workers on community services, workforce development, housing and community well-being and environmental issues and mitigation measures. The Advisory Committee will continue to enhance the participatory process, with particular emphasis on improving communication and public consultation practices. These efforts are intended to support transparency, strengthen community trust, and foster meaningful stakeholder participation throughout the Project's development.

The Project is expected to generate more than $4.4 billion in taxes and mining duties over the LOM, creating a significant and long-lasting source of revenue for governments and communities to support public services, infrastructure, healthcare, education, and other key priorities.

Projected Next Steps:

- Submit additional EIA technical studies and respond to questions from the MEFCCWP's to support the final review of the EIA and issuance of (i) the governmental decree authorizing the Horne 5 Project, and (ii) the required ministerial and municipal authorizations.
- Initiate detailed engineering of the Project.
- Submit dewatering permit applications to the relevant authorities to enable the commencement of pre-production dewatering.
- Secure additional surface rights in the vicinity of the Horne 5 Project through continued community infrastructure and relocation initiatives.
- Advance and secure project financing.

The Corporation notes that the timing and completion of the activities outlined above are subject to a number of factors that are not entirely within Falco's control. These include, among other things, the ability to obtain financing on acceptable terms and to secure the required governmental, regulatory, municipal, and third-party approvals, permits, licences, rights-of-way, and surface rights within anticipated timelines.

Silver Stream Agreement

Falco has a silver stream agreement (the "Silver Stream Agreement") with OR Royalties Inc., ("OR Royalties"), whereby OR Royalties agreed to provide staged payments totaling up to $180 million, toward the funding of the development of the Project.

Under the terms of the Silver Stream Agreement, OR Royalties will purchase 90% of the payable silver from the Project for $140 million, increasing to 100% of the payable silver from the Project in the event an optional $40 million installment is paid. In exchange for the silver delivered under the Silver Stream Agreement, OR

Royalties will pay the Corporation ongoing payments equal to 20% of the spot price of silver on the day of delivery, subject to a maximum payment of US$6.00/oz. To date, a total of $35 million has been received by Falco.

Royalties

SA Targeted Investing Corp, a subsidiary of Royal Gold Inc., retains a 2% NSR on all metals produced from the Horne 5 Project.

Offtake Agreements

Under the terms of the concentrate offtake agreements concluded on October 27, 2020, Glencore affiliated companies will purchase from Falco the copper and zinc concentrates produced during the LOM of the Horne 5 Project.

Title to Property and license to operate

Pursuant to an agreement between Falco and Glencore, Falco owns certain rights to minerals and title to certain mining titles, including rights to the minerals located below 200 meters from the surface of mining concession CM-156PTB, where the Horne 5 Project's deposit is located. Falco also owns certain surface rights surrounding the Quemont #2 shaft (located on mining concession CM-243). Under this agreement, ownership of the mining concessions remains with Glencore.

In 2024, the Corporation entered into the Operating License and Indemnity Agreement ("OLIA") with Glencore pursuant to which Glencore granted to Falco, a license to access and utilize certain of its properties in order for Falco to conduct exploration, development, construction, operation, mining, closure operations and other activities ("Project Operations"), subject to the terms of the OLIA and, where applicable, the fulfilment of certain conditions precedent by Falco.

The OLIA establishes the framework to govern the Corporation's development and operation of the Horne 5 Project, taking into account its overlap with and close proximity to the Glencore Smelter in order to provide Glencore protection from incremental risks and losses to this smelter and its businesses and assets occasioned by Project Operations and the presence of the Corporation and components of the Horne 5 Project.

Furthermore, Falco will also have to obtain a number of rights of way or other surface rights in order to construct and lay in the ground the pipeline that will carry the tailings to a TMF located approximately 11 km from the City of RN. Falco is also required to obtain definitive rights to the TMF site which are currently held by a third party.

While Falco believes that it should be able to obtain the above mentioned licenses, there can be no assurance that any such license, right of way or surface right or rights to the TMF rights will be granted, or if granted will be on terms acceptable to Falco. Any delay may also negatively impact the Project schedule. Although Falco believes that it has taken reasonable measures to ensure proper title to its assets, there is no guarantee that title to any of assets will not be challenged or impugned.

Webinar Details

Falco will be hosting a webinar via Zoom to discuss the results on Wednesday, June 17, 2026, at 11:00 Eastern time. Participants may register at the following link:
https://us02web.zoom.us/webinar/register/WN_i7bMy9XmTNqxP0_32Y_W4w

Independent Qualified Persons

The 2026 Feasibility Study was prepared for Falco under the direction of BBA Inc., by leading independent

industry consultants, all of whom are QPs under NI 43-101. The 2026 Feasibility Study supersedes the 2021 FS, which should no longer be relied upon. The QPs have reviewed and approved that this news release fairly and accurately reflects, in the form and context in which it appears, the information contained in the respective sections of the 2026 Feasibility Study for which they are responsible. Independent QPs from BBA, ASDR, WSP, Norda Stelo and RIVVAL who have prepared or supervised the preparation of technical information relating to the 2026 FS include:

- Colin Hardie, (BBA) - Study Integration, Mineral Processing and Metallurgical Testing, Process Plant design, Process Plant capital and operating cost estimate, Electrical and IT infrastructure design and costing (supply and distribution), Market Studies and Contracts, Environmental Studies, Permitting and Social or Community Impact (excluding ore waste rock and water management strategy), Mine Site Closure Costs, Economic Analysis;
- Martin Perron (Norda Stelo) - Mineral Resource Estimate;
- Geneviève Auger (Norda Stelo) - Mineral Reserve Estimate, Underground Mine Design and capital and operating costs (excluding Shaft Transport Systems and Rehabilitation, Underground Material Handling and Underground Distribution Systems);
- Michel Boivin (Norda Stelo) - Site Surface Infrastructure capital costs;
- Eric Bergeron (WSP) - Pre-Production Water Treatment Plant capital and operating costs;
- Sylvain Brunelle (WSP) - Shaft Transport Systems (including mine surface infrastructure, shaft rehabilitation and construction), and Underground Material Handling capital costs;
- André Harvey (WSP) - Barricade/Bulkhead costs and Rock Mechanics;
- Isabelle Larouche (WSP) - Paste Backfill Plant capital and operating costs;
- Carl Pednault (WSP) - Geotechnical studies, tailings and water management capital and operating costs, TMF site and pipelines closure costs;
- Pierre Primeau, (WSP) - Underground Distribution Systems capital costs, Pipelines capital and operating costs;
- Kim Ouellet (ASDR) - TMF Water Treatment Plant capital and operating costs; and
- Yves Vallières (RIVVAL) - Railway Infrastructure capital costs.

All other scientific and technical information in this news release was also reviewed and approved by Luc Lessard, P. Eng., President and Chief Executive Officer of Falco, who serves as a QP under the definition of NI 43-101.

For readers to fully understand the information in this news release, reference should be made to the full text of the technical report in respect of the 2026 Feasibility Study, once filed, including all assumptions, qualifications and limitations therein. The 2026 Feasibility Study is intended to be read as a whole, and sections should not be read or relied upon out of context. The Corporation intends to file the technical report in respect of the 2026 Feasibility Study on SEDAR+ (www.sedarplus.ca) under Falco's issuer profile within 45 days of the date of this news release.

END NOTES (EXCLUDING TABLES)

1. In this news release the Corporation uses certain abbreviations, including: net present value ("NPV"); NPV at a 5% discount rate ("$NPV_{5\%}$"); internal rate of return ("IRR"); metric tonne ("t"); troy ounce ("oz"); grams per tonne ("g/t"); gold ("Au"); gold equivalent ("AuEq");silver ("Ag"); copper ("Cu"); zinc ("Zn"); life of mine ("LOM"); tonnes per day ("tpd"); net smelter return ("NSR").
2. Payback is calculated from commercial production, which is defined as the achievement of reaching a minimum of 30 consecutive days of operations during which the mill operated at an average of 60% of nameplate throughput of 15,800 tpd.
3. The NI 43-101 report dated effective October 5, 2017, and entitled *"Feasibility Study Horne 5 Gold Project*" (the "2017 FS").

About Falco

Falco is one of the largest mineral claim holders in the province of Québec, with an extensive portfolio of properties in the Abitibi-Témiscamingue greenstone belt. Falco holds rights to approximately 60,000 hectares of land in the Noranda Camp, which represents 60% of the camp as a whole and includes 13 former gold and base metal mine sites. Falco's main asset is the Horne 5 Project located beneath the former Horne mine, which was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. Osisko Development Corp. is Falco's largest shareholder, with 15.7% interest in the Corporation.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements are typically identified by words such as: "believe", "envisions", "estimates", "assumes", "evaluates", "inferred", "probability", "planned", "projected", "ensure" "anticipates", "contemplated", "expected", "anticipate" and similar expressions, or that events or conditions "would", "will", "can", or may" occur. All statements that are not statements of historical fact are forward-looking statements.

Forward-looking statements in this press release include, without limitation, statements regarding the projections and assumptions of the 2026 Feasibility Study, including, without limitation: NPV; IRR; CAPEX; OPEX; estimated cash costs and estimated AISC; mine life; payback period; LOM post-tax net cash flow; gross revenues; margins; exchange rates; inflation; recoveries; grades; processing rates; potential production from the Horne 5 Property as envisioned by the mine plan; economic assumptions and sensitivities and other operational and economic projections with respect to the Horne 5 Project as well as benefits of the Project for the community and other statements relating to social acceptability for the Horne 5 Project and the eventual receipt by Falco of all required licenses, rights of way and surface rights from third parties owner of infrastructures or rights necessary to perform the activities contemplated in this press release on terms and conditions acceptable to the Corporation. Mineral resource and mineral reserves estimates are also forward-looking statements because use such estimates involve estimates of mineralization that may be encountered in the future if a production decision is made, as well as estimates of future costs and values.

Although the Corporation believes the forward-looking statements in this press release are reasonable, it can give no assurance that the expectations and assumptions in such statements will prove to be correct. Consequently, the Corporation cautions investors that any forward-looking statements by the Corporation are not guarantees of future results or performance and that actual results may differ materially from those in forward-looking statements.

The forward-looking statements contained herein is subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: the effects of general economic conditions; changing foreign exchange rates; risks associated with exploration and project development; the calculation of mineral resources and reserves; risks related to fluctuations in metal prices; uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work arising from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Corporation's properties; risk of accidents, equipment breakdowns and labour disputes; access to project funding or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in the work program; title matters; government regulation; obtaining and receiving necessary licenses; the risk of environmental contamination or damage resulting from Falco's operations, the risk that the conditions precedent to the ability to conduct dewatering or mining activities under the OLIA between Falco and Glencore may not be satisfied; the risk that Falco may not obtain the

required financial assurances to be provided to Glencore, or the financing required to develop or operate the Horne 5 Project; the risk that the required permits and authorizations required from governmental authorities to develop and operate the Horne 5 Project may not be obtained on the terms contemplated or at all; the risk that the OLIA may be terminated in accordance with its terms in the event of default or certain other triggers relating to delays in the commencement of dewatering or mining activities; the risk that, once commenced, certain operations of the Horne 5 Project may have to be suspended, altered or modified pursuant to the conditions of the OLIA; the risk that Glencore may require modifications to Falco's operations at the Horne 5 Project pursuant to the OLIA which would render the operations less profitable or not profitable (compared to expectations included in the 2026 Feasibility Study); the risk that Falco may incur significant losses and other obligations under its indemnities in favour of Glencore contemplated in the OLIA; and other risks and uncertainties including those described in the Corporation's Management's Discussion & Analysis for the three-month and nine-month period ended March 31, 2026, dated May 20, 2026 available at www.sedarplus.ca.

The forward-looking statements contained in this news release are based on the beliefs, estimates and opinions of Falco's management on the date the statements are made. Although Falco has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation is under no obligation to update or alter any forward-looking statements except as required under applicable securities laws.