

Midnight Sun Challenges Improper Rejection of Kazhibia Licence Renewal

Vancouver, British Columbia, August 29, 2024. Midnight Sun Mining Corporation (TSXV: MMA / OTC: MDNGF) (the “Company”) reports that the Zambian Ministry of Mines and Minerals Development (the “Ministry”) has published a decision on its website indicating the Company’s renewal application for Large Scale Exploration Licence 21509-HQ-LEL (the “Licence”), which hosts the Kazhibia Dome target, has been rejected. This licence is one of three which make up Midnight Sun’s Solwezi Project, and the current status does not affect the other two licences, the Kobold Earn-In Agreement, or the Cooperative Exploration Plan underway with First Quantum aside from timing of drilling, and targets of focus in the near term. While the Company works vigorously to secure the renewal, drilling at Kazhibia will be postponed, and the Company will instead shift immediate exploration plans to the Mitu copper target. The Company will provide details on the Mitu exploration program in a separate news release. The Mitu exploration program is a key component of the previously announced Cooperative Exploration Plan with First Quantum Minerals (“First Quantum”) (*see news release dated April 23, 2024*) to define potential oxide copper feed sources for the Kansanshi Mine.

Midnight Sun President & CEO, Al Fabbro, states: “While we are disappointed in the current situation, we do believe it will be rectified, and we are taking all possible steps to expedite a swift resolution so that we can resume our exploration at Kazhibia. In the meantime, we will launch our plans to work on Mitu, continuing with our Cooperative Exploration Plan with First Quantum to define potential oxide copper feed sources for Kansanshi. At Dumbwa, KoBold has been working diligently compiling all available geological data and refining their work plan. We are excited for KoBold to begin systematic exploration of this large-scale target.”

Renewal Rejection Explained

Under Zambian mining law, large scale exploration licences are issued for a four-year period, and may be renewed, on application, for two additional three-year periods. The Licence was originally issued on March 1, 2017 and subsequently renewed on February 28, 2021. In the ordinary course of business, the Company filed an application for the renewal of the Licence on December 1, 2023. The Company understands that the Mining Licencing Committee, which meets periodically to consider renewal applications, met in June and rejected the Company’s application. Under Zambian mining law, the Ministry is required to

provide formal notice of any rejection decision directly to renewal applicants together with the reasons for the rejection decision. By law, applicants then have a period within which to rectify the application or appeal the decision prior to the final rejection of the renewal application. In this instance, the decision was published on the Ministry's website, but no notice with reasons was provided to the Company.

The Company has received legal advice that until the formal rejection is received, the Company retains its rights to the Licence.

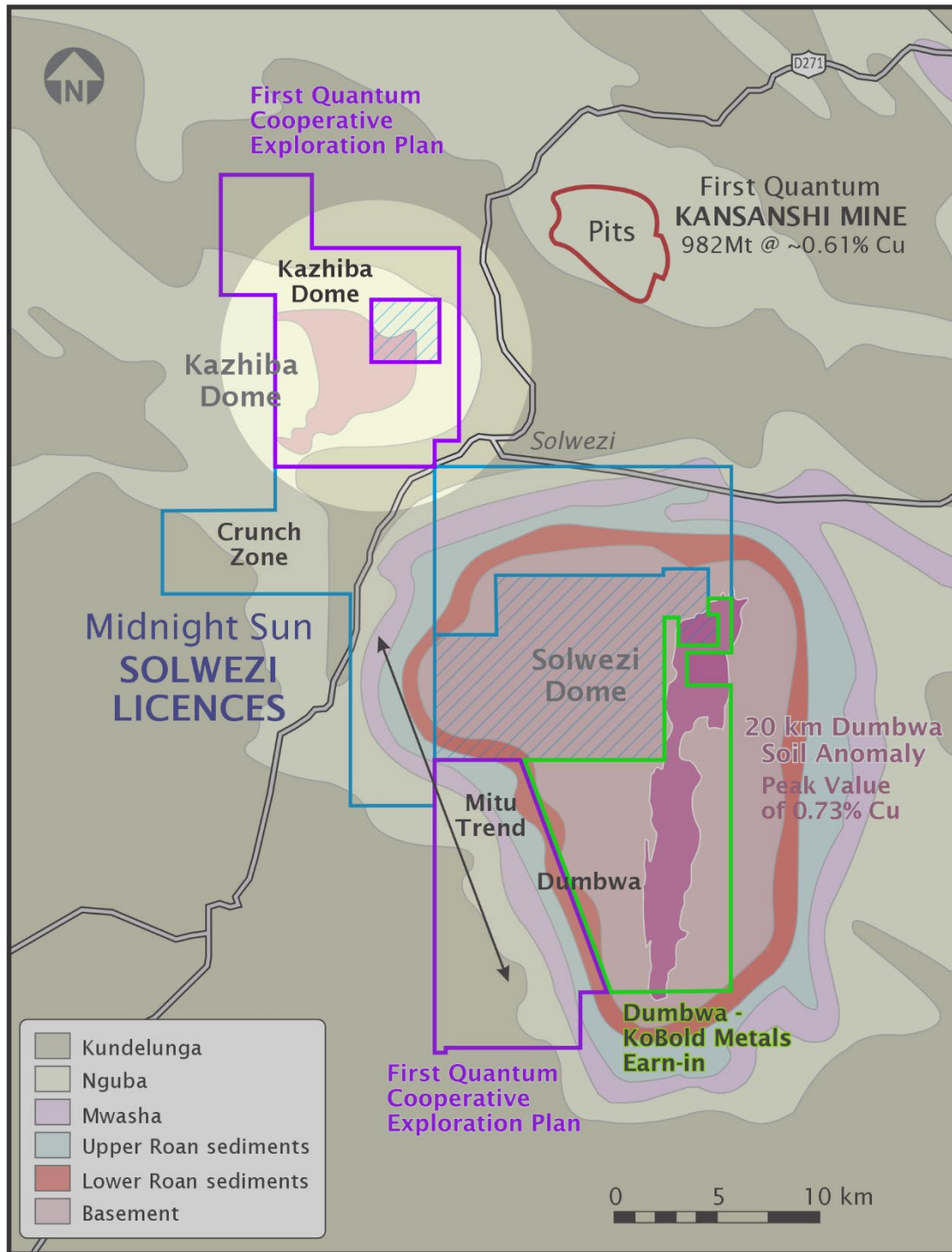
The Company has repeatedly sought explanation from the Ministry regarding the rejection. At this time, the Ministry has not provided any explanation for the rejection, or any formal notice as required by law. Recently, the Ministry published on its website that a new licence has been issued over the Licence area to a new entity. The Company intends to vigorously defend its rights to the Licence and licence renewal and has retained competent Zambian counsel to protect its legal interests. There is no guarantee that the Company will be successful. In the interim, the Company has suspended operations in the area covered by the Licence.

2024 Exploration Plans

On April 23, 2024, the Company announced a Cooperative Exploration Plan with First Quantum to define oxide copper resources at two targets – Kazhiba and Mitu, in order to jointly define potential feed sources for First Quantum's SX/EW oxide copper circuit at the Kansanshi Mine. Initial plans prioritized Kazhiba based on its close proximity to Kansanshi, however, Mitu represents the larger of the two targets, with both locations hosting near-surface oxide copper targets, as well as significant sulphide copper targets which the Company planned to explore simultaneously. While the issue on Licence 21509-HQ-LEL is being addressed, the Company will proceed with planned exploration work at Mitu, including efforts to define an oxide resource at that target.

The Licence issue does not impact the KoBold Metals Company Earn-In Agreement, announced February 20th, 2024, to explore the Dumbwa Target. Exploration plans for Dumbwa will be set out in a separate news release.

Qualified Person: Darin Labrenz, P.Geo., a Qualified Person under NI 43-101, has reviewed and approved the technical data and contents of this release.



About Midnight Sun

Midnight Sun is focused on exploring our flagship Solwezi Project, located in Zambia. Situated in the heart of the Zambia-Congo Copperbelt, the second largest copper producing region in the world, our property is vast and highly prospective. Our Solwezi

Project is surrounded by world-class producing copper mines, including Africa's largest copper mining complex right next door, First Quantum's Kansanshi Mine. Led by an experienced geological team with multiple discoveries and mines around the world to their credit, Midnight Sun intends to find and develop Zambia's next generational copper deposit.

ON BEHALF OF THE BOARD OF MIDNIGHT SUN MINING CORP.

Al Fabbro
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This news release contains "forward-looking statements" within the meaning of the applicable Canadian securities legislation that are based on expectations, estimates, assumptions and projections as at the date of this news release. The information in this news release about the resolution of mineral exploration licence renewals, timing and ability of the Company and KoBold to obtain the approval of relevant regulatory bodies, if at all; timing of the commencement of the earn-in; the work expenditure amounts and timing of those expenditures incurred by KoBold, if at all; the transfer of the relevant property to a joint venture entity, if at all; the respective ownership interests of the Company and KoBold in the joint venture entity; and any other information herein that is not a historical fact may be "forward looking statements". Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (which may, but not always, include phrases such as "anticipates", "plans", "scheduled", "believed" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements.

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project; risks inherent in mineral exploration, including the fact that any particular phase of exploration may be unsuccessful; the risk that KoBold determines not to proceed with the earn in at any time after completing the minimum work program, and before having expended the full USD\$15 million for the earn in; geo-political risks; the global economic climate; metal prices; environmental risks; political risks; and community and non-governmental actions. Neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking statements. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.