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Formation Metals to Commence Maiden Mineral Resource Estimate Inclusive of Nearly 70,000 Metres of Drilling Following Completion of Ongoing Phase 1 Drill Program at the Advanced N2 Gold Project

Estimate to Incorporate New Drilling Results and Extensive Historical Data, Targeting Significant Resource Growth

Highlights:

- Formation is undertaking a **fully funded 30,000-metre drill program** at its flagship N2 Gold Project in Quebec, host to a global historic resource of **~871,000 ounces comprised of 18 Mt grading 1.4 g/t Au (~810,000 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]**.
- Formation's Phase 1 drill program was expanded to approximately 14,000 metres based on the results of the fieldwork to-date, which includes the following significant intervals that have material visually comparable to long gold intervals in historical drilling including 245-91-151, which intercepted 1.7 g/t Au over 35.0 metres:
    - N2-25-008: 208.8 metres of target mineralization was intercepted beginning at 28.6 metres downhole, with multiple intervals over 40 metres in width including up to 70.0 metres.
    - N2-25-011: 166.8 metres of target mineralization was intercepted beginning at 60.0 metres downhole, with multiple intervals over 20 metres in width including up to 70.6 metres.
- Following the completion of Phase 1, **nearly 70,000 metres will have been drilled at N2**, the majority of which will be incorporated into Formation's maiden mineral resource estimate. The Company is targeting a conceptual open pit resource following the completion of all drilling.
- **The Company has working capital of ~C$12.1M with zero debt.** Inclusive of provincial tax credits from the Quebec government, Formation's exploration budget for 2025-2026 is set at ~$8.1M.

Vancouver, British Columbia / January 22, 2026 – 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 its intention to initiate a maiden mineral resource estimate compliant with NI 43-101 standards at its flagship N2 Gold Property ("N2" or the "Property") following the completion of its ongoing expanded 14,000-metre Phase 1 drill program.

Thirteen holes have been advanced to-date as part of the Company's fully funded 30,000-metre campaign, with the drilling successfully demonstrating:

- **Substantial widths of target mineralization are present:** 10 drillholes have each intercepted over 80 cumulative metres of target mineralization, including N2-25-008 and N2-25-011, where 208.8 and 166.8 metres were intercepted, respectively.
- **Mineralization is shallow:** 9 drillholes have intercepted target mineralization within the first 25 metres.
- **Strong potential for grade improvement:** A 30.8 metre interval was intercepted in N2-25-013 with visible gold (see press release dated November 26, 2025).

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Figure 1 - Visible gold discovered in the mineralized interval within N2-25-013.

With over 55,517 metres drilled historically yielding a **global historic resource of** ~871,000 ounces comprised of 18 Mt grading 1.4 g/t Au (~810,000 oz Au)[2,3] and 243 Kt grading 7.82 g/t Au (~61,000 oz Au)[2,4], these results, combined with historical data, confirm excellent continuity of mineralization and support the Company's conceptual open-pit resource.

The N2 Project is particularly well-suited for open-pit mining due to its near-surface mineralization (starting as shallow as 15 metres downhole), thick and continuous zones (often exceeding 100-200 metres in width), repeatable intercepts across long strikes, low variability in grades, and potential for a low strip ratio.

Historically significant drill results include:

- "A" Zone: 1.7 g/t Au over 35 metres, 1.48 g/t Au over 13.7 metres, 1.41 g/t Au over 14.3 metres and 2.02 g/t Au over 15 metres.
- "RJ" Zone: 48.4 g/t Au over 0.5 metres, 24.5 g/t Au over 0.9 metres, 16.5 g/t Au over 3.6 metres, 11.14 g/t Au over 3 metres, and 8.94 g/t Au over 5.1 metres.

This bulk-tonnage style deposit, combined with shallow depths and favorable geology in the Taibi Group metasedimentary rocks (similar to nearby producers like Vezza and Casa Berardi) interbedded by several volcanic flows of mafic to intermediate composition (basalt to andesitic basalt), positions N2 for efficient, large-scale open-pit development with significant economic advantages.

Strategically located 25 km south of the mining town of Matagami, Quebec, N2 comprises 87 claims totaling approximately 4,400 hectares in the prolific Abitibi Greenstone Belt (Casa Berardi Deformation Zone). This prime location provides year-round access via provincial highways and logging roads, proximity to skilled labor, power infrastructure, and established mining services in a jurisdiction known for its gold production exceeding 200 million ounces historically. The project lies along the Casa Berardi mine trend, which hosts multiple million-ounce gold deposits, and is situated approximately 1.5 km east of the former-producing Vezza gold mine operated by Nottaway Resources from 2013 to 2019 producing over 100,000 ounces of gold via underground methods.

Other notable nearby operations include Hecla Mining's Casa Berardi mine[1] (approximately 120 km to the northwest, with over 2 million ounces produced historically and 14.3 Mt @ 2.75 g/t Au P&P in reserve) and Maple Gold Mines' Douay project[1] (30 km to the east, hosting 10 Mt @ 1.59 g/t Au indicated, and 76.7 Mt @ 1.02 g/t Au inferred). The region's robust infrastructure supports toll milling opportunities, with potential access to nearby processing facilities such as those at Casa Berardi or other Abitibi mills, enabling cost-effective development without the need for on-site mill construction.

Why N2 Has Strong Potential to Host an Open Pit Resource

The Company's internal view is that the N2 Project has the potential to host a potential open pit resource. This optimism is driven by several key factors:

- **Significant Undrilled Strike Length**: The "A" Zone alone has >3.1 km of strike open (only ~35% drilled historically), while the RJ Zone has >4.75 km remaining untested—offering substantial room for lateral expansion of known mineralization.
- **Open at Depth and Along Strike**: All six zones remain open, with historical drilling limited to shallow depths (~350 m), leaving considerable vertical upside in a proven gold camp.
- **Wide, Continuous Near-Surface Intercepts**: Recent drilling has confirmed thick zones (100-200+ m) of target mineralization starting near surface, ideal for bulk-tonnage open-pit scenarios with low strip ratios and high tonnage potential.
- **Regional Analogy and Pedigree**: Located in the Casa Berardi trend, which hosts multiple multi-million-ounce deposits (e.g., Casa Berardi >2 Moz produced and 14.3 Mt @ 2.75 g/t Au P&P in reserve, Douay >3 Moz in resources (10 Mt @ 1.59 g/t Au indicated, and 76.7 Mt @ 1.02 g/t Au inferred), N2 shares similar geology and structural controls. Nearby Vezza produced from higher-grade underground mining, but N2's shallower, wider zones suggest superior open-pit economics.
- **Untested Targets**: Compilation work identified numerous geophysical anomalies (IP, EM, VTEM) that remain undrilled, providing discovery potential beyond known zones.
- **Rising Gold Prices and Economic Viability**: At current gold prices, lower-grade bulk-tonnage deposits become highly attractive, enhancing the project's upside.

These elements collectively support the potential to advance beyond the historic ~871,000 oz base toward a open pit deposit through successful expansion drilling and resource delineation.

“We are excited to advance to this critical next step at N2 following the impressive outcomes from our maiden drill program,” said Deepak Varshney, CEO of Formation Metals Inc. “The wide intercepts of near-surface mineralization, coupled with the project's historic resource base from decades of work by reputable operators like Agnico-Eagle and others, and significant underexplored strike potential, position us well to delineate a substantial NI 43-101 compliant resource. Our internal target and view of potential for N2 reflects the substantial upside we see as we integrate these new data points and continue to unlock value in this advanced Abitibi gold asset.”

The maiden resource estimate will be prepared by an independent qualified person in accordance with National Instrument 43-101 guidelines. It will incorporate advanced geological modeling, updated metallurgical data, and geostatistical analysis of both recent and historical drilling. Completion is anticipated by Q3 2026, with opportunities identified for further resource expansion through ongoing and future drilling.

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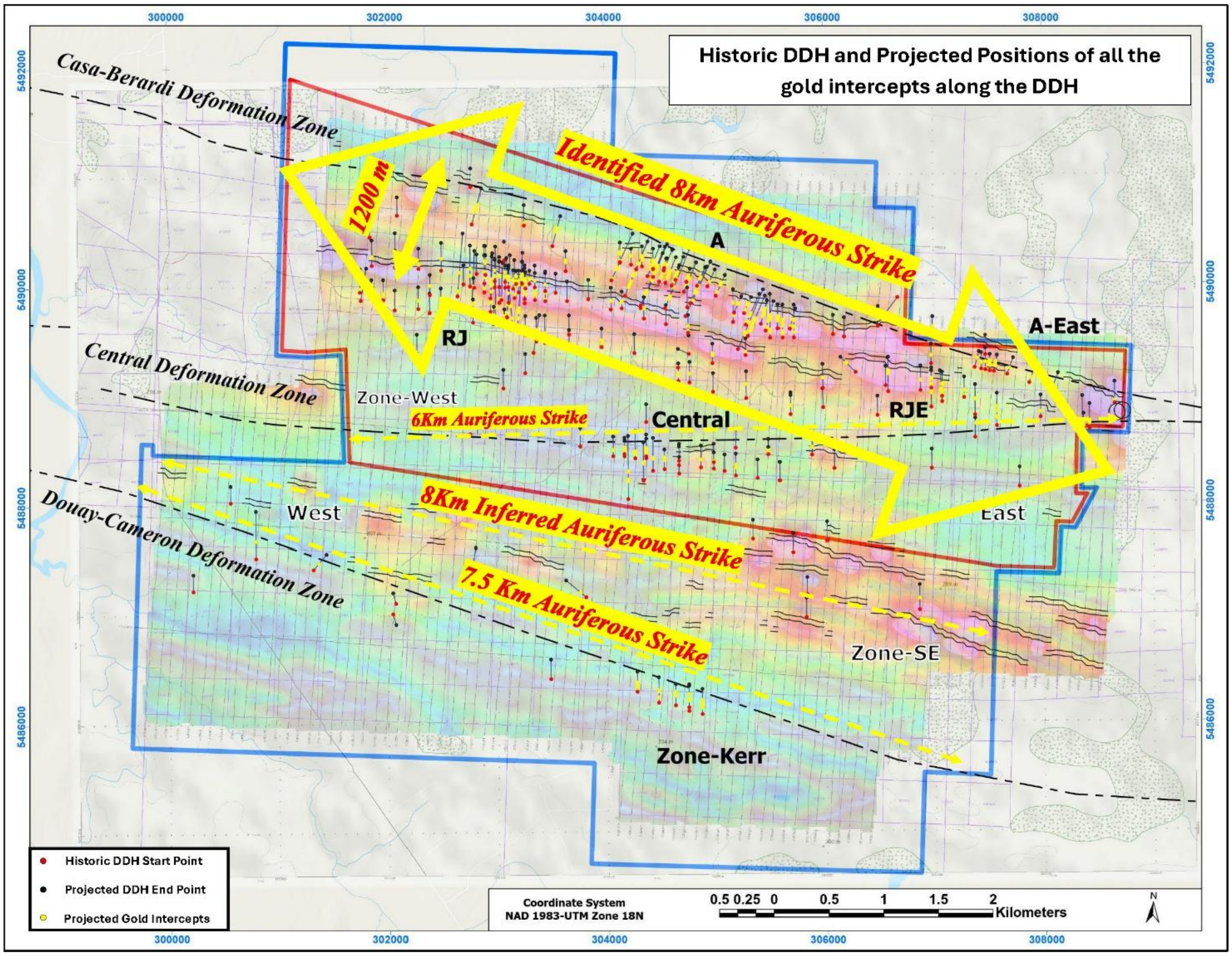

Figure 2 – Historic drillhole locations; Formation believes that there is over 15 kilometres of strike to explore at the N2 property.

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 **~871,000 ounces comprised of 18 Mt grading 1.4 g/t Au (~810,000 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]**.

There are six primary auriferous mineralized zones in total, each open for expansion along strike and at depth (Fig. 2). 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 drilling at N2 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 (Fig. 2).

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 metres.

- **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 metres[2]. 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.

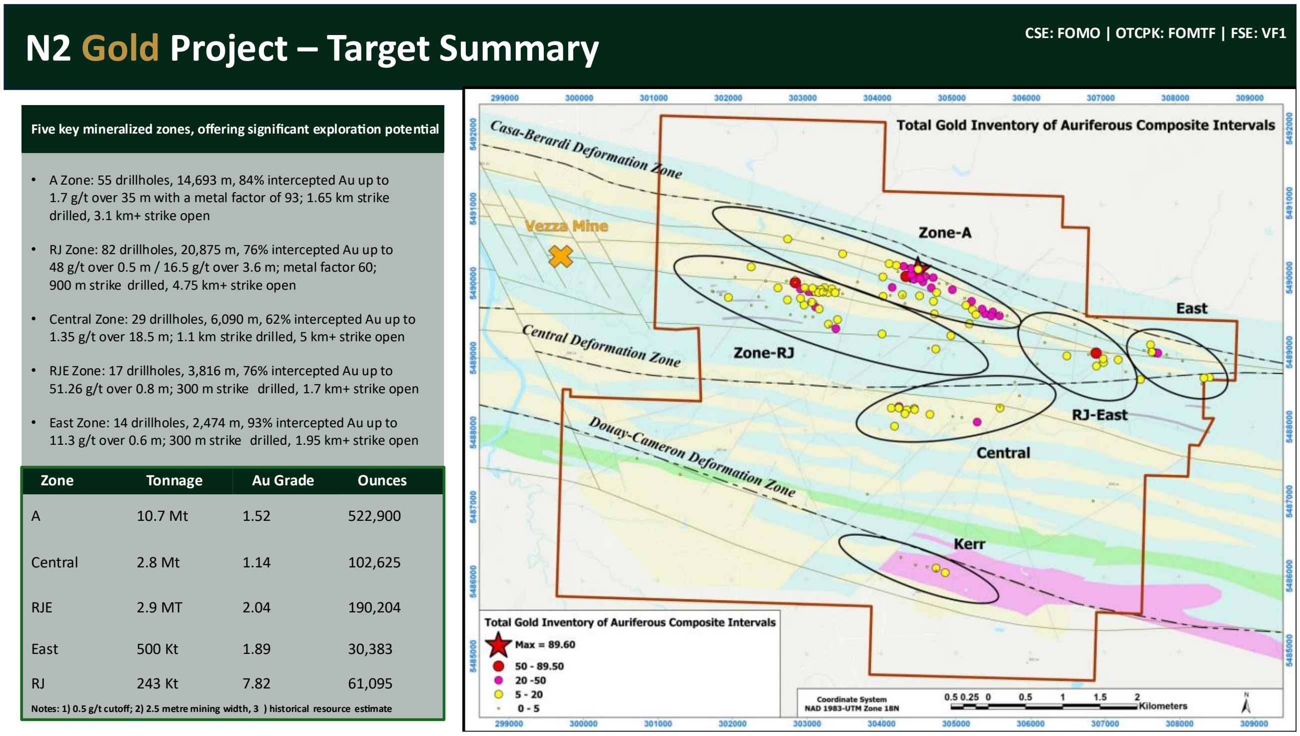

Figure 3 - Property overview summarizing historical work completed at each of the six mineralized zones and their respective historical resource.

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, 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 2026 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 2026 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 V. Azar, P.Geo., géo (OGQ#10876) 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.

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 ~871,000 ounces (**18 Mt grading 1.4 g/t Au (~810,000 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.

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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 Vezza 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 drilling program at the Property; the Company's goal of delivering a near-surface multi-million-ounce deposit the Property; the Company's view that the Property has the potential for over three million ounces of gold; the Company's planned 30,000-metre drilling program. 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.