

# **Forsys Metals Corp.**

## **Condensed Interim Consolidated Financial Statements**

**March 31, 2026**

(expressed in Canadian dollars)

(unaudited)

### **Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements**

These unaudited condensed interim consolidated financial statements of Forsys Metals Corp. (the "Company") have been prepared by management and approved by the Board of Directors of the Company.

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

# Forsys Metals Corp.

## Consolidated Statements of Financial Position

(expressed in Canadian dollars)  
(unaudited)

	Notes	March 31, 2026 \$	December 31, 2025 \$
<b>Assets</b>			
Current			
Cash and cash equivalents	3	17,537,793	18,706,711
Receivables		92,277	179,827
Prepaid expenses and other assets		222,279	276,654
		<u>17,852,349</u>	<u>19,163,192</u>
Non-current			
Exploration and evaluation	4	26,258,270	26,005,105
<b>Total assets</b>		<u>44,110,619</u>	<u>45,168,297</u>
<b>Liabilities</b>			
Current			
Accounts payable and accrued liabilities		238,292	278,955
Current portion of deferred payment obligation	4	83,879	85,527
		<u>322,171</u>	<u>364,482</u>
Non-current			
Deferred payment obligation	4	1,251,923	1,283,877
		<u>1,574,094</u>	<u>1,648,359</u>
<b>Shareholders' equity</b>			
Share capital	5	195,100,505	195,100,505
Warrants	6	3,756,000	3,756,000
Contributed surplus	7	49,822,289	49,822,289
Equity reserve		33,364	33,364
Accumulated loss		(187,485,857)	(186,736,364)
Accumulated other comprehensive loss		(18,689,776)	(18,455,856)
<b>Total shareholders' equity</b>		<u>42,536,525</u>	<u>43,519,938</u>
<b>Total liabilities and shareholders' equity</b>		<u>44,110,619</u>	<u>45,168,297</u>
Commitments	10		

On behalf of the Board:

Martin Rowley  
Director

Mark Frewin  
Director

# Forsys Metals Corp.

## Consolidated Statements of Net Loss and Comprehensive Loss

(expressed in Canadian dollars)

(unaudited)

		3 months ended March 31,	
	Notes	2026	2025
		\$	\$
<b>Expenses</b>			
Professional fees		24,122	12,540
Directors' fees	11	207,335	162,368
Consulting fees	11	273,619	154,482
Advisory fees		168,158	34,000
Public company costs		56,907	72,707
General and administrative		111,343	129,938
Foreign exchange loss		(4,241)	22
Other income		(5,826)	(10,735)
Interest income		(81,924)	(17,893)
		<u>749,493</u>	<u>537,429</u>
<b>Net loss</b>		(749,493)	(537,429)
<b>Other comprehensive income, net of taxes</b>			
Item that may be reclassified subsequently to loss			
Foreign currency translation adjustment		(233,920)	493,725
<b>Comprehensive loss</b>		<u>(983,413)</u>	<u>(43,704)</u>
<b>Net loss per Class A common share - basic and diluted</b>		-	-
<b>Weighted average number of Class A common shares outstanding</b>		244,725,467	204,588,689

# Forsys Metals Corp.

## Consolidated Statements of Changes in Equity

(expressed in Canadian dollars)

(unaudited)

	<b>3 months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>\$</b>	<b>\$</b>
<b>Share capital</b>		
Balance, beginning of period	195,100,505	176,207,588
Private placement of units	-	5,005,000
Fair value of warrants issued	-	(1,136,000)
Fair value of PSUs exercised	-	209,720
<b>Balance, end of period</b>	<b>195,100,505</b>	<b>180,286,308</b>
<b>Warrants</b>		
Balance, beginning of period	3,756,000	-
Fair value of warrants issued	-	1,136,000
<b>Balance, end of period</b>	<b>3,756,000</b>	<b>1,136,000</b>
<b>Contributed surplus</b>		
Balance, beginning of period	49,822,289	50,183,534
Fair value of PSUs exercised	-	(209,720)
<b>Balance, end of period</b>	<b>49,822,289</b>	<b>49,973,814</b>
<b>Equity reserve</b>		
Balance, beginning and end of period	33,364	33,364
<b>Accumulated loss</b>		
Balance, beginning of period	(186,736,364)	(184,749,819)
Net loss	(749,493)	(537,429)
<b>Balance, end of period</b>	<b>(187,485,857)</b>	<b>(185,287,248)</b>
<b>Accumulated other comprehensive loss</b>		
Balance, beginning of period	(18,455,856)	(20,392,493)
Foreign currency translation adjustment	(233,920)	493,725
<b>Balance, end of period</b>	<b>(18,689,776)</b>	<b>(19,898,768)</b>

# Forsys Metals Corp.

## Consolidated Statements of Cash Flows

(expressed in Canadian dollars)  
(unaudited)

		3 months ended March 31,	
	Notes	2026	2025
		\$	\$
<b>Cash from (used in)</b>			
<b>Operating activities</b>			
Net loss		(749,493)	(537,429)
Interest income		(81,924)	(17,893)
Changes in non-cash operating working capital			
Receivables		87,550	(12,672)
Prepaid expenses and other assets		54,375	(115,540)
Accounts payable and accrued liabilities		(40,663)	(34,716)
<b>Total cash outflow used in operating activities</b>		<b>(730,155)</b>	<b>(718,250)</b>
<b>Financing activities</b>			
Private placement of units		-	5,005,000
<b>Total cash inflow from financing activities</b>		<b>-</b>	<b>5,005,000</b>
<b>Investing activities</b>			
Exploration and evaluation	4	(498,748)	(863,095)
Payment of deferred payment obligation	4	(20,940)	-
Interest income		81,924	17,893
<b>Total cash outflow used in investing activities</b>		<b>(437,764)</b>	<b>(845,202)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(1,167,919)</b>	<b>3,441,548</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>18,706,711</b>	<b>3,329,334</b>
<b>Effect of exchange rate changes on cash</b>		<b>(999)</b>	<b>20,831</b>
<b>Cash and cash equivalents, end of period</b>	<b>3</b>	<b>17,537,793</b>	<b>6,791,713</b>

# Forsys Metals Corp.

## Notes to Condensed Interim Consolidated Financial Statements

### March 31, 2026

(expressed in Canadian dollars)  
(unaudited)

#### 1. Nature of operations

Forsys Metals Corp. and its subsidiary companies (collectively the “Company”) are engaged in the acquisition, exploration and development of mineral properties located in Namibia, Africa. The Company’s principal focus is on bringing its wholly owned Norasa Uranium Project (“Norasa”) into production. Norasa is the consolidation of the Valencia uranium project (“Valencia”) and Namibplaas uranium project (“Namibplaas”).

As an exploration stage company, the Company’s income is limited to interest income and other incidental income. The recoverability of the amount shown for mineral properties, exploration and evaluation costs is dependent upon, but not limited to the existence and economic recovery of mineral reserves in the future; the ability to obtain necessary permits and financing to complete the exploration and development of these properties; government policies and regulations; and attaining profitable production or proceeds from the disposition of properties. The Company may be adversely affected by governmental amendments or changes to mining laws, regulations and requirements in Namibia.

The Company is incorporated under the Business Corporations Act (Ontario) and the primary listing of its common shares is on the Toronto Stock Exchange, with secondary listings on the Namibian Stock Exchange and Frankfurt Stock Exchange. The Company’s registered office is at 20 Adelaide Street East, Suite 200, Toronto, Ontario, Canada, M5C 2T6.

#### 2. Basis of presentation

##### Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards and its interpretations adopted by the International Accounting Standards Board.

The accounting policies used in these condensed interim consolidated financial statements are consistent with those disclosed in the Company’s audited consolidated financial statements for the year ended December 31, 2025.

These condensed interim consolidated financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2025.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on May 6, 2026.

#### 3. Cash and cash equivalents

	March 31, 2026	December 31, 2025
	\$	\$
Cash at bank	1,043,215	543,676
Cash on deposit in money market funds	16,494,578	18,163,035
	<u>17,537,793</u>	<u>18,706,711</u>

#### 4. Exploration and evaluation

	\$
<b>Norasa</b>	
Balance, December 31, 2025	26,005,105
Deferred payment obligation payments (see below, <i>Lease with an option to purchase</i> )	
Fixed payments	40,911
Exploration and evaluation	457,836
Foreign exchange movement	(245,582)
Balance, March 31, 2026	<u>26,258,270</u>

### **Norasa Uranium Project**

The Norasa Uranium Project is the consolidation of the Valencia Uranium Project and the Namibplaas Uranium Project in Namibia.

#### *Valencia Uranium Project*

Valencia holds Mining Licence 149 ("ML149") for the Valencia Uranium Project which covers 735 hectares. Effective June 23, 2008, ML149 was granted for 25 years until June 22, 2033.

#### *Namibplaas Uranium Project*

Valencia also holds Exclusive Prospecting Licence 3638 ("EPL 3638") for Namibplaas Uranium Project which covers 1,266 hectares. On February 1, 2024, EPL 3638 was renewed for 2 years until February 1, 2026. On November 3, 2025, the Company submitted a renewal application for EPL 3638. The *Minerals (Prospecting and Mining) Act 33 of 1992* provides that if an EPL holder applies for a renewal before the expiry date, the EPL continues in force until the renewal application is approved or refused.

#### *Lease with an option to purchase*

On May 15, 2025, Valencia entered into a Lease with the purchaser ("Lessor") of the shares of a company that owns Portion-1 of Farm Namibplaas No. 93 ("Property"), which covers approximately 6,700 hectares, including 1,179 hectares that is covered by EPL 3638. The Lessor agreed to pay N\$24,000,000 to the vendor and Valencia guaranteed the obligations of the Lessor to the vendor.

Under the terms of the Lease, Valencia will have the right of occupation of the Property and an option to purchase the Property or shares of the Lessor ("Option") under the following terms:

<b>Commencement Date</b>	July 25, 2025, the date upon which the Lessor completed the acquisition of the Property.
<b>Term</b>	Earliest of the termination by Valencia, exercise of the purchase option and 10 years from the Commencement Date.
<b>Loan</b>	The Lease provides for Valencia to advance a loan to the Lessor: Advances N\$7,000,000 which was advanced on May 15, 2025, and thereafter, a further N\$17,000,000 in 17 monthly advances of N\$1,000,000 commencing on the Commencement Date. The Company and the Lessor have agreed to amend the terms of the Loan to provide that the further advances of N\$17,000,000 will be advanced in 120 monthly advances. Since the Commencement Date, the Company has made, and the Lessor has accepted, monthly advances in accordance with the amendment. Interest rate None. Repayment To be negotiated, however, upon exercise the Purchase option, the loan will be offset against the purchase price of the property or shares of the company holding the title deed.
<b>Payment of costs</b>	Valencia will pay all operating, administrative, interest and tax costs incurred by the Lessor in respect of the Property.
<b>Purchase option</b>	Valencia will have the option to purchase the Property or the outstanding shares of the Lessor for par value of N\$1 per share.

#### *Accounting for the Lease*

The Company has determined that the Lease represents a right to explore and exploit natural resources and is therefore outside the scope of IFRS 16, *Leases*. Notwithstanding this scope exclusion, upon initial recognition, the Company recognized the fair value of the exploration and evaluation asset and a corresponding deferred payment obligation, calculated as the present value of future fixed payments discounted at the market rate of 12.5%.

This treatment reflects the substance of the arrangement as a financing of a mineral property right, consistent with IFRS 6 *Exploration for and Evaluation of Mineral Resources*. The obligation to make fixed payments consisting of loan advances, under the Lease is classified as deferred payment obligation, a financial liability measured at fair value in accordance with IFRS 9, *Financial Instruments* because the Lease gives rise to a contractual obligation to make fixed payments which are unavoidable to retain access to the property and the liability meets the definition of a financial liability under IFRS 9. After initial recognition, the deferred payment obligation is measured at amortized cost using the effective interest method. Variable payments are excluded from initial measurement of the exploration and evaluation asset and the deferred payment liability and are capitalized as exploration and evaluation as incurred.

*Deferred payment obligation*

	\$
Balance, December 31, 2025	1,369,404
Payments	(20,940)
Foreign exchange movement	(12,662)
Balance, March 31, 2026	1,335,802
Current portion	83,879
Non-current portion	1,251,923
	1,335,802

*Future payment commitments*

The Company is committed to the following fixed payments under the Lease:

Period	N\$	C\$ equivalent
Within 1 year	2,925,264	239,696
1-2 years	2,925,264	239,696
2-5 years	8,775,792	719,088
Beyond 5 years	12,464,141	1,021,312
Total undiscounted payments	27,090,461	2,219,792

*Impairment*

At December 31, 2025 and March 31, 2026, the Board reviewed the carrying value of the capitalized exploration and evaluation of Norasa. The Board considered the impairment indicators contained within IFRS 6 and concluded that no impairment indicators have been identified.

**5. Share capital****Authorized**

An unlimited number of Class A common shares without par value

An unlimited number of redeemable, voting non-participating Class B shares

An unlimited number of Class C shares with rights and privileges to be determined by the Company's Board of Directors

**Issued**

	Number of Class A common shares	Amount \$
Balance, December 31, 2025 and March 31, 2026	244,725,467	195,100,505

**6. Warrants**

	Weighted- average exercise price \$	Number of warrants outstanding and exercisable
Balance, December 31, 2025 and March 31, 2026	0.77	28,935,760

A summary of the Company's warrants outstanding as at March 31, 2026 is presented below:

Exercise price	Expiry date	Number of warrants outstanding
\$0.75	February 21, 2027	10,010,000
\$0.66	October 16, 2028	2,027,760
\$0.80	October 16, 2028	16,898,000
		28,935,760

## 7. Incentive plan

The Company has an Amended and Restated Omnibus Incentive Plan (the "Plan") that permits the Board to make awards of stock options, restricted share units, performance share units and deferred stock units. The maximum number of Class A common shares for issuance under the Plan will not exceed 10% of the Company's then issued and outstanding shares. At March 31, 2026, the maximum number of Class A common shares for issuance under the Plan is 24,472,546, leaving 14,372,546 stock options, restricted share units, performance share units and deferred share units available to be issued.

### Stock options

All stock options granted under the Plan have an exercise price determined and approved by the Board at the time of grant, which shall not be less than the closing price of the Class A common shares on the TSX on the trading day immediately preceding the date of the granting of the option. Subject to any vesting conditions set forth in a participant's grant agreement, options vest in equal portions in successive annual periods over a period of three years after they are granted. Options are exercisable during a period established by the Board which shall not be more than 10 years from the grant of the option.

A continuity of the activity in the Company's stock options is presented below:

	Weighted- average exercise price \$	Number of stock options outstanding and exercisable
Balance, December 31, 2025 and March 31, 2026	0.73	7,700,000

A summary of the Company's stock options outstanding and exercisable as at March 31, 2026 is presented below:

Exercise price	Expiry date	Number of stock options outstanding and exercisable
\$0.93	May 20, 2026	3,250,000
\$0.59	September 20, 2028	4,450,000
		7,700,000

### Performance share units, restricted share units and deferred stock units

A continuity of the number of the Company's performance share units outstanding at March 31, 2026 is presented below:

	Vested	Unvested	Total
Balance, December 31, 2025 and March 31, 2026	1,750,000	650,000	2,400,000

A summary of the number of the Company's performance share units outstanding at March 31, 2026 is presented below:

	Vesting condition	Status	Number of PSUs outstanding
<b>PSU 1</b>	Vest in full upon the Company's share price reaching \$0.80	Vested	1,500,000
<b>PSU 2</b>	Vest in full upon granting of an EPL for Namibplaas	Vested	250,000
<b>PSU 3</b>	Vest in full upon the granting of a Mining Licence for Namibplaas	Unvested	650,000
			2,400,000

#### PSU 3

The achievement of the vesting condition of granting of a Mining Licence for Namibplaas is dependent on a number of variables being satisfied. As a result, as at the reporting date, given the uncertainty, the Company has assessed the probability of achieving this vesting condition as not probable of being achieved within the required timeframe and no stock-based compensation has been recognized for this tranche.

## 8. Financial risk management

The Company's activities expose it to a variety of risks arising from financial instruments. These risks, and management's objectives, policies and procedures for managing these risks, are discussed below.

### i) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfil its payment objectives. The Company's credit risk primarily relates to cash and cash equivalents.

The Company manages its credit risk over cash and cash equivalents by purchasing short-term investment grade securities, such as banker's acceptances and bank deposit notes issued by Canadian banks. Under the Company's risk management policy, allowable counterparty exposure limits are determined by the level of the rating unless exceptional circumstances apply. A rating of "A"- grade or equivalent is the minimum allowable rating required as assessed by international credit rating agencies.

### ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial liabilities as they come due. The Company's approach to managing its liquidity risk is to prepare company-wide rolling cash forecasts to determine the funding required to support the Company's normal operating activities on an ongoing basis.

At March 31, 2026, the Company had working capital of \$17,530,178 (December 31, 2025 - \$18,798,710), calculated as follows:

	March 31, 2026 \$	December 31, 2025 \$
Current assets	17,852,349	19,163,192
Current liabilities	322,171	364,482
	<u>17,530,178</u>	<u>18,798,710</u>

The following table summarizes the contractual maturities of the Company's financial liabilities:

	<1 year	1-3 years	3-5 years	>5 years
Accounts payable and accrued liabilities	238,292	–	–	–
Deferred payment obligation	83,879	200,582	255,125	796,216
	<u>322,171</u>	<u>200,582</u>	<u>255,125</u>	<u>796,216</u>

### iii) Market risk

Market risk is the risk that changes in market price, foreign exchange rates and interest rates will affect the Company's future cash flows and earnings. The impact of each of these components is discussed below.

**Price risk** - The Company is not exposed to equity securities price risk.

**Interest rate risk** - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At March 31, 2026, the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's cash and cash equivalents held in bank accounts that earn variable interest rates. Because of the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values at March 31, 2026. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Future fluctuations in interest rates will impact the Company's cost of capital which it will require in order to develop its mineral properties. The Company's deferred payment obligation incurs interest at rates linked to the Namibian prime lending rate.

**Foreign currency risk** - The Company's foreign currency exposures currently related to the currency in which expenses for exploration and development occur. Future profitability may be materially impacted by fluctuations between the Namibian dollar in which production costs will be incurred and the US dollar in which most sales of uranium occur. Expenses are incurred in Canadian dollars, United States dollars, Namibian dollars, Australian dollars, Euros and British Pounds. The Company is subject to gains and losses due to fluctuations in these currencies.

#### US dollars

At March 31 2026, the Company had cash and cash equivalents of \$17,537,793 which included cash of US\$27,525.

### *Namibian dollars*

At March 31, 2026, the Company had cash and cash equivalents of \$17,537,793 which included cash of N\$5,356,216 (Canadian dollar equivalent - \$438,888), receivables of N\$939,217 (Canadian dollar equivalent - \$76,959), and accounts payable and accrued liabilities of N\$1,883,736 (Canadian dollar equivalent - \$154,353) and current and non-current deferred payment obligation of N\$16,302,195 (Canadian dollar equivalent - \$1,335,802). If the foreign exchange rate related to the Company's Namibian dollar balances increased or decreased by 10%, with all other variables held constant, the currency translation adjustment would have increased or decreased by \$97,431.

## **9. Capital management**

The Company's objective when managing capital resources is to ensure it has sufficient capital to support its ongoing operations including a sufficient level of funds to support continued exploration and development in Namibia and to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets. The Board of Directors of the Company has not yet made a formal decision to commence the development of Norasa, which decision, remains subject to, amongst other factors, suitable financing arrangements and prevailing market and economic conditions. Management will consider the issue of senior debt, convertible investments, other financial instruments and the introduction of strategic partners as a means to finance development of Norasa while minimizing equity dilution.

As of March 31, 2026, the Company is not subject to any externally imposed capital requirements and there has been no change during the year with respect to the overall capital risk management strategy.

## **10. Commitments**

See note 4, *Exploration and evaluation, Lease with an option to purchase*.

## **11. Related party transactions**

### **Compensation of key management personnel**

Key management personnel as defined under IFRS are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's Chief Executive Officer, Chief Financial Officer, Investor Relations and members of the Company's Board of Directors.

Compensation awarded to key management personnel is as follows:

	<b>3 months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>\$</b>	<b>\$</b>
Director fees	207,335	162,368
Consulting fees	273,619	154,482
	<u>480,954</u>	<u>316,850</u>

## **12. Segment information**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are reviewed regularly by the Company's chief operating decision maker, the Chief Executive Officer and for which discrete financial information is available. The Company has determined that it has one operating segment, the acquisition, exploration and development of uranium and gold mineral properties, all of which are currently located in Namibia. The Company's corporate head office earns nominal interest income which is considered incidental to the activities of the Company and therefore does not meet the definition of an operating segment.

Non-current assets excluding financial assets by geographic area are as follows:

	<b>March 31,</b>	<b>December 31,</b>
	<b>2026</b>	<b>2025</b>
	<b>\$</b>	<b>\$</b>
Namibia	26,258,270	26,005,105