

Midnight Sun Mining Corp. (TSXV:MMA)

Buckle Your Seatbelts – Lots of Upcoming Catalysts in H2/25

Corporate Update

September 11, 2025

(Currency is CAD\$ unless noted otherwise)

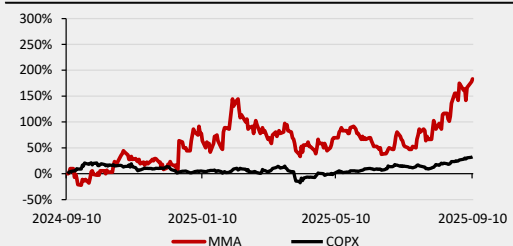
Closing Price	\$1.02
Rating	BUY (S)
Target (\$/sh)	NA
Return to Target	NA
52 Week Low / High	\$0.27 / \$1.07

CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	180.4	237.3
Market Capitalization (\$MM)		\$184.1
Enterprise Value (\$MM)		\$174.05
Cash and Equivalents (\$MM) (incl. Equities)		\$10.0
Total Debt (\$MM)		\$0.0

STOCK CHART



RELATIVE PERFORMANCE



RELATIVE VALUATION	EV (C\$M)
Midnight Sun Mining Corp.	\$174.1
Peers*	\$56.4

*S&P Capital IQ & Company Reports

MAJOR SHAREHOLDERS

Management & Directors (10%)

DISCLOSURE CODE:

3

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, Capital IQ

Company Description

Midnight Sun Mining Corp. ("Midnight Sun" or the "Company") is a junior resource company engaged in the exploration and discovery of Cu-Co deposits in the prolific Zambia-Congo Copperbelt. It is known to be the 2nd largest copper producing region in the world. The flagship Solwezi project is a pre-resource stage asset spanning over 50,600 ha in Zambia. The property hosts five targets and is primarily being explored for copper accompanied by cobalt and nickel. There are multiple world-class active copper mines and mining companies within 10-190km of Solwezi.

Impact: Positive

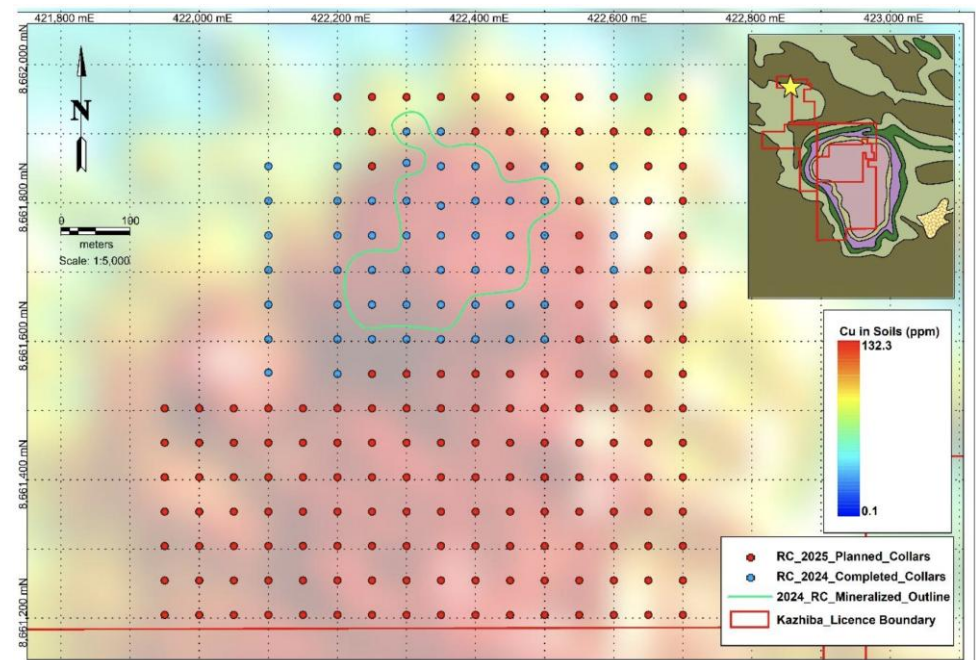
We caught up with Midnight Sun management and received an update on its latest activities at its Solwezi project in Zambia. Drill programs are underway at both Kazhibwa and Dumbwa, and we are expecting significant news flow over H2/25. Management explained that drilling commenced after the rainy season this spring and has been underway for approximately three months. We also understand that after changing its lab service provider, we should expect a dramatic reduction in assay turnaround time – from ~3 months to ~3 weeks. The company remains well funded with ~\$10M in the bank, and we were told steady warrant exercises have been paying expenses, leaving its treasury largely intact. **We believe Midnight Sun is poised to continue re-rating as it executes on its strategy of delineating a significant Cu oxide resource at Kazhibwa with the goal of signing a formal agreement with First Quantum Minerals (TSX:FM, Not Rated) to reach near-term cash flow. We also see lots of upside at Dumbwa, where the company has the potential to confirm significant Cu sulphide mineralization and make more discoveries. We maintain our BUY (S) rating and no target price.**

- Kazhibwa Main oxide target drilling well underway.** The company commenced expansion drilling at Kazhibwa Main in mid-July, with the goal of completing ~160 drill holes. It is our understanding that the company only has ~10 holes to finish drilling. We anticipate steady batches of assays to be released ahead of a maiden NI 43-101 mineral resource estimate in Q4/25 (likely late-Oct/Nov). We expect the initial MRE to give the company a sense of the scale of the oxide mineralization at Kazhibwa-Main, which should then allow them to negotiate a formal agreement with First Quantum (the cooperative exploration plan the company has with First Quantum is detailed in our [initiation report](#)). We previously estimated a mineral inventory for Kazhibwa based on 2024 drilling and believe it could host up to ~8.7Mt at 2.51% for ~487Mlbs Cu ([read note](#)).
- New geological interpretation guides drilling at Dumbwa.** In Aug/25 Midnight Sun initiated a systematic diamond drill program (two rigs are turning). We are looking forward to results given the geological interpretation has been radically augmented with the addition of Dr. Kevin Bonel to the team in 2024. Dumbwa is geologically analogous to Lumwana, and Dr. Bonel's experience at that mine is allowing him to deploy the same approach at Dumbwa. The latest interpretation of the recent IP results (received in Jul/25) now suggests that in addition to the previously known flat lying and gently sloping mineralized horizon, other areas of the horizon are likely folded and much more extensive than previously thought. In our view, Dumbwa has always been the target with the biggest potential at depth given its 20 x 1km Cu-in-soil anomaly.
- Kazhibwa Target 2 drilling results expected.** A ~1,000m drill program commenced in Jun/25 to drill 6-8 drill holes at the Target 2 sulphide Cu target (~4km x 2km) at Kazhibwa. Assays are pending.

Valuation:

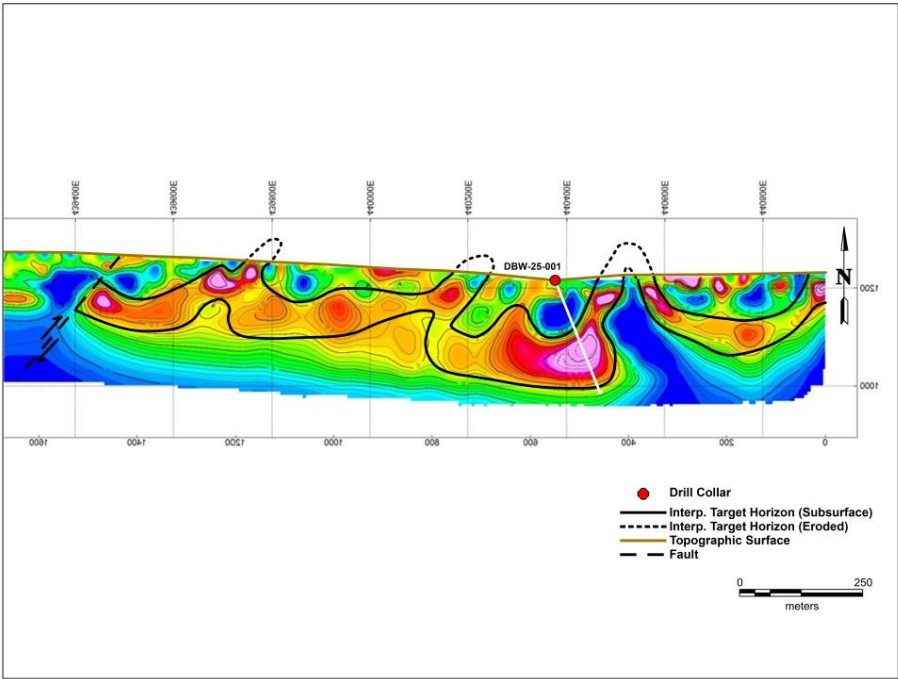
We maintain our BUY (S) rating and no target price. We believe positive drill results from the Kazhiba and Dumbwa targets are likely to be the primary driver of the stock price in the near-term ([read initiation report](#)). We also expect the maiden MRE at Kazhiba to be a key catalyst for the stock, as it would serve as the foundation for a formal agreement with First Quantum to enable Midnight Sun to rapidly advance towards generating cash flow. **Upcoming Catalysts:** 1) Kazhiba drill results (H2/25), 2) Maiden Kazhiba MRE (Q4/25), 3) Dumbwa drill results (H2/25), and 4) Formal agreement with First Quantum.

Figure 1: 2025 Kazhiba Main drill grid



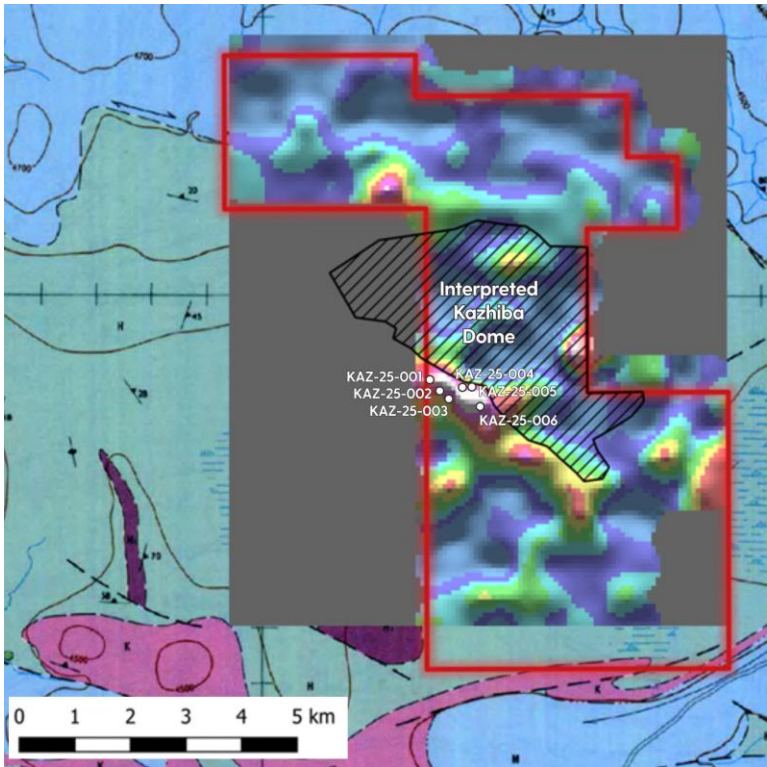
Source: Company Reports

Figure 2: Section showing Dumbwa drill collar location 1 – interpreted folding of the mineralized horizon can be seen



Source: Company Reports

Figure 3: 2025 Kazhiba Target 2 drill plan



Source: Company Reports

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Disclosure Statement
Updated September 11, 2025

Recommendation / Target Change			Red Cloud Securities has this percentage of its universe assigned as the following:	
Date	Rating	Target	Status	%
2024-08-08	BUY (S)	NA	BUY	37%
2024-08-30	BUY (S)	NA	BUY (S)	18%
2024-09-04	BUY (S)	NA	HOLD	1%
2024-09-18	BUY (S)	NA	TENDER/ SELL	0%
2024-10-21	BUY (S)	NA	NA	40%
2025-01-07	BUY (S)	NA	UNDER REVIEW	4%
2025-01-07	BUY (S)	NA		
2025-01-30	BUY (S)	NA		
2025-03-03	BUY (S)	NA		
2025-03-28	BUY (S)	NA		
2025-05-29	BUY (S)	NA		
2025-09-11	BUY (S)	NA		

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Midnight Sun Mining Corp.	TSXV:MMA	3

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