FORUM ENERGY METALS CORP.

2023 LAND USE PERMIT #N2022C0008

ANNUAL REPORT

ABERDEEN PROJECT, NUNAVUT

(FORMALLY NUNAVUT URANIUM PROJECT)

(NTS 66-A-04/-05/-6/-12 AND 66-B-01/-08/-09)

(64°20’56”N, 98°2’10”W)

Claims:

102700, 102769, 102781 & 102799

Exploration work conducted between

June 26th to August 15th, 2023

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June 24, 2024

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1.0 2023 Exploration Program Summary

The 2023 exploration program objective was to explore Forum's Nunavut Uranium Project for unconformity-related uranium mineralization, which is now re-named the Aberdeen Project. A single overland haul, using low-pressure tracked vehicles, of fuel and supplies (drill supplies and equipment) to the temporary staging area located at 64 22' 37" W, 98 11' 56" N was completed on May 12th. Crews mobilized to Baker Lake on June 26th, and equipment mobilization and construction of a temporary core logging facility began on June 27th. Exploration work included diamond drilling from July 13th to August 12th and a non-invasive ground ambient noise tomography (ANT) "passive seismic" geophysical survey from July 4th to 11th, and July 31st to August 6th. Community consultation meetings were conducted in February and May in 2024 (see attached Consultation Summary Report). Two wildlife monitors were employed from Baker Lake through Peter's Expediting Limited. Fuel for the drill and helicopter was cached at the staging area. Flights were flown at 300 m or higher and only lower for drop off and pickup of field crews and for weather.

2.0 2024 Exploration Program Plan

The bulk of the work plan for 2024 will include construction of a 30-person camp located on Aberdeen Lake, a diamond-drilling program scheduled for June to September, and ground and possibly airborne geophysical surveys. Following the 2023 exploration program, equipment and supplies for camp construction and a 2nd drill rig were mobilized to Baker Lake where it will be stored over the winter of 2023/2024. Gear will be hauled overland to the proposed camp site located on Aberdeen Lake in spring 2024. We plan to drill approximately 10,000 with 2 helicopter-portable drills. Drilling will be focused mainly on the Tatiggaq zone and regional exploration targets. Ground and airborne geophysical surveys will be conducted between June and October 2024. These surveys may include airborne MobileMT and additional ground Ambient Noise Tomography (passive seismic) and ground gravity.

3.0 Uranium Exploration and Human Health

The process of uranium exploration poses no risk to human health unless uranium mineralization is discovered. The primary health risk is exposure to radioactive particle decay (ionizing radiation) from unstable elements (U, Ra) that are associated with uranium mineralization.

Radioactive decay of uranium results in three types of ionizing radiation: alpha, beta, and gamma radiation. Alpha decay liberates heavy charged particles (helium nuclei) that are readily stopped by thin, solid material including the skin. Beta particles are lighter charged particles that can penetrate greater thicknesses of body tissue. Exposure risks for these types of radiation are mainly related to internal exposure, including ingestion, inhalation, open wounds, and in the case of beta radiation, through the skin and eyes.

Gamma radiation has very high energy and can penetrate materials easily, thus external exposure can represent significant hazards. It is the greatest radiation hazard in uranium exploration. External exposure to radiation can be minimized by three factors: time, distance, and shielding. Exposure can be reduced by minimizing the time spent close to radioactive sources, increasing the distance from the source, and by shielding.

3.1 Personal Protective Equipment

Workers exposed to uranium mineralization will use the following personal protective equipment (PPE) to minimize their exposure:

1) coveralls and gloves to protect and minimize the spread of radioactive particles
2) safety glasses to protect eyes from beta radiation
3) thermoluminescent dosimeter (TLD) badges to monitor exposure to radioactivity
4) radon detectors will be used in the core shack to monitor radiation exposure

3.2 Health and Safety Practices

In addition to using the PPE discussed above, the following practices will be adhered to when working with or around radioactive core or rocks:

1) wash hands with soap and water after handling radioactive material
2) no eating, drinking, or smoking when working near or handling radioactive materials
3) radioactive core will be processed and sampled in the hot shack only to prevent contamination in the core shacks

3.3 Applicable Regulations

As for any mineral commodity, all exploration activities must comply with the Territorial Land Use Act and Regulations as well as the Mine Health and Safety Act of the Northwest Territories and Nunavut. In addition, uranium exploration is also subject to the Canadian Guidelines for the Management of Naturally Occurring Radioactive Materials (NORM) and the Canadian Nuclear Safety Commission (CNSC) for transportation of radioactive substances. This program also complies with the Exploration Radiation Safety Program of Forum Energy Metals Cop. and the Forum Emergency Response Plan.

3.4 Uranium Exploration Procedures

3.4.1 Field Geology

Field mapping and prospecting for uranium will be carried out intermittently over areas of interest. These activities will have negligible impact on the environment because they deal only with the identification of natural occurrences already exposed at the surface. Field crews will employ the use of appropriate personal protective equipment, including the use of TLD badges to monitor their radiation exposure.

3.4.2 Drilling

Procedures employed in diamond drilling are designed: 1) to make the drilling process efficient; 2) minimize the impact on the environment with regard to cuttings, water usage, and radioactivity; 3) effectively reclaim the area to minimize the long-term effects on the environment; and 4) to facilitate the inspection and monitoring of drill sites.

3.4.2.1 Drill Site Setup and Operation

Drill hole setups will be accurately located by GPS to facilitate later inspection and monitoring. Photos are taken before and after drilling operation. Holes will be kept at least 30 m away from the ordinary high-water mark of a water body in accordance to our Land Use Permit requirements.

3.4.2.2 Sumps and Cuttings Disposal

Sumps will be constructed to collect the drill waste including water, cuttings, and drilling additives. When deemed necessary, mud tanks will be used to collect the majority of the cuttings prior to draining into the natural sumps. The sumps will be kept greater than 30 m from the normal high-water mark of water bodies. Upon completion of the hole, cuttings will be backfilled into the drill holes or the sumps. Sumps will be scanned to ensure that gamma radiation is <1 µSv/h. The sumps will then be filled and levelled. Radioactive cuttings and/or soil will be collected and stored in a long-term radioactive core storage facility (using appropriate containment).

4.0 Community Consultation

See Appendix I for the full report and a summary of the community consultation and engagement work is as follows:

<u>February 21-23, 2023</u>

In preparation for in-person meetings in Baker Lake, Forum developed a communications and engagement plan to establish a framework based on community preferences for receiving information. The plan included coordinating letters to specific groups in both English and Inuktitut, PowerPoint presentations to share before in-person meetings in the community, leveraging local channels to improve awareness of company activities and regular visits. These visits include an effort to participate and learn more about the community as well.

Letters and presentations were sent in advance of the February 2023 meetings to Baker Lake's mayor and council, KIA-CLARC and the HTO. Concerns around uranium and the safety of Baker Lake residents continued to be discussed during this meeting which prompted Forum to commit to future nuclear literacy discussions. Many agreed that sharing information and insights from community members in northern Saskatchewan near uranium mines would help build a general understanding of the ways community priorities and the uranium industry can co-exist. The stakeholders that we met with were KivIA CLARC, Baker Lake Mayor (Richard Aksawnee), HTO, and we had two Elder's Coffee Come and Go.

May 2-5, 2023

Continuing its community outreach, Forum wanted to return to Baker Lake for Hamlet Days to connect with the community and meet with community stakeholder groups once again. The timing was ideal, as the meetings and job fair fell right after the announcement of a summer drill program in April, scheduled to start in June or July. Job opportunities were posted online, on local radio, and in the newspaper and presented in-person at a Forum-run job fair in Baker Lake on May 3. The demand for good quality jobs was apparent with the positions garnering a significant response.

We conducted a job fair for our summer positions at the Nunamiut lodge, which had approximately 50 people attend. We took resume's and conducted small informal interviews for interested applicants.

During our visit and in conjunction with Hamlet Days, we sponsored and volunteered at their Elder's lunch, and participated and helped with a variety of community events including judging of Mr. and Mrs. Hamlet. We also donated a number diapers, wipes and formula to the Prenatal Centre, which is an ongoing gesture we like to do.

Action items that resulted from our February and May meetings were the following:

1) The number one action item from our community meetings in February and May was to ensure continued engagement and communication with the community and stakeholder organizations, which we will continue to do. In addition to that, is continued hiring of local staff and businesses as we do our exploration.
2) We are proposing an Energy Literacy Program with the help of Creative Fire and Mokwateh (our new Indigenous engagement firm) to strategize and implement a program that helps educate the territorial and local government organizations on uranium exploration and mining, as well as energy topics like nuclear reactors, and education programs for the community of Baker Lake. This work is ongoing and will start its implementation in 2024.
3) We also plan to help with a community needs assessment for Baker Lake, which will be

hugely beneficial to the community and ensure donations or support are directed in the best possible manner.

5.0 Environmental and Wildlife Monitoring

Two wildlife monitors, David Attutuva and Roy Noah, were hired from Baker Lake, through Peter's Expediting Limited, to provide protection and to inform crews if there was any substantial number of caribou in the area (50+). David and Roy would alternate days in the field and were stationed at the drill rig. The geological crew and first aid attendant were responsible for wildlife monitoring at the staging/core logging site. During the exploration program, no large herds were observed, so exploration activities were not hindered.

Wildlife and environmental monitoring will continue to be an important aspect for future programs and all wildlife will be documented.

6.0 Wildlife Mitigation and Monitoring Plan

Forum Energy Metals realizes the importance of minimizing negative human and exploration impact on the wildlife and environment of northern Canada. The primary area of concern in this document is the barren-ground caribou of the Beverly caribou herd that live in and migrate through our project area. Our current Nunavut project is situated within the traditional post-calving grounds, migratory paths, and part of the property is south of designated caribou water crossings along the Thelon River (but outside of the 10 km buffer zone).

In 2023, we conducted our 2nd year of exploration in the project area and the 2nd year we implemented our Wildlife Mitigation and Monitoring Plan. The wildlife monitors would alternate days in the field and would be stationed at the drill rig. Helicopter flights were kept to a minimum, with drop-off and pickups occurring twice daily, core being flown from drill rig to core shack, and fuel top ups for the drill. While flying, care was taken to give wide berth to any wildlife that was spotted. No wildlife negative interactions occurred during the exploration program. The main sightings were a small muskox herd (15) that we kept our distance from, a few lone caribou and small birds (ptarmigan, tern, sparrows). As a result, we were successful in implementing and carrying out our mitigation and monitoring procedures as listed above.

In 2024, we plan to maintain our existing Wildlife Monitoring and Mitigation Plan and implement more thorough documentation as we will be doing a much more substantial program for the entire summer season. We are hiring Gebauer and Associates, a consulting firm that will lead our monitoring program. They hire local people from Baker Lake and have been used by Agnico Eagle for years for various biological work. They will monitor wildlife and do height of land surveys of the project area and will provide a yearly final report on our monitoring program.

7.0 Site Photos

See Appendix II.

8.0 Heritage Sites

Through the archaeological study Forum conducted with WSP Golder in 2022 (Permit 2022 72A) and records of past archaeological studies we have a thorough database of sites and their locations. The only area that had significant sites was the Ayra grid and mitigation measures will be conducted if we plan to explore there. The areas near Tatiggaq, Ned, Bjorn and the 2023 staging site do not host any sites of significance. The report has been filed with the Inuit Heritage Trust, the Government of Nunavut – Department of Culture and Heritage, and the Canadian Museum of Nature. Future work will either avoid the known sites entirely or where they are close to proposed work a 30 m buffer will be maintained. If work must be completed closer than the 30 m buffer mitigation of the site may be conducted if approved.

9.0 Inuit Land Use

In the area of exploration in 2023 there were no conflicts with Inuit land use. The work was mostly conducted south of Aberdeen Lake near Gerhard Lake, which is a low lying, hummocky area that is not easily travelled in the summer. Geophysical surveys were conducted to the west and north of the Kiggavik camp and only lasted about 1 week in total.

10.0 Summary of Compliance with Land Use Permit

We have complied with the conditions of the permit except in extreme cases involving weather or where otherwise unachievable (i.e. reduced flight elevation in the case of bad weather conditions). We will have more thorough Wildlife Monitoring Program once we begin more substantial exploration starting this upcoming summer with the help of Gebauer and Associates and their technical biological team.

APPENDIX I

2023 Community Consultation Report

APPENDIX II

2023 Site Photos

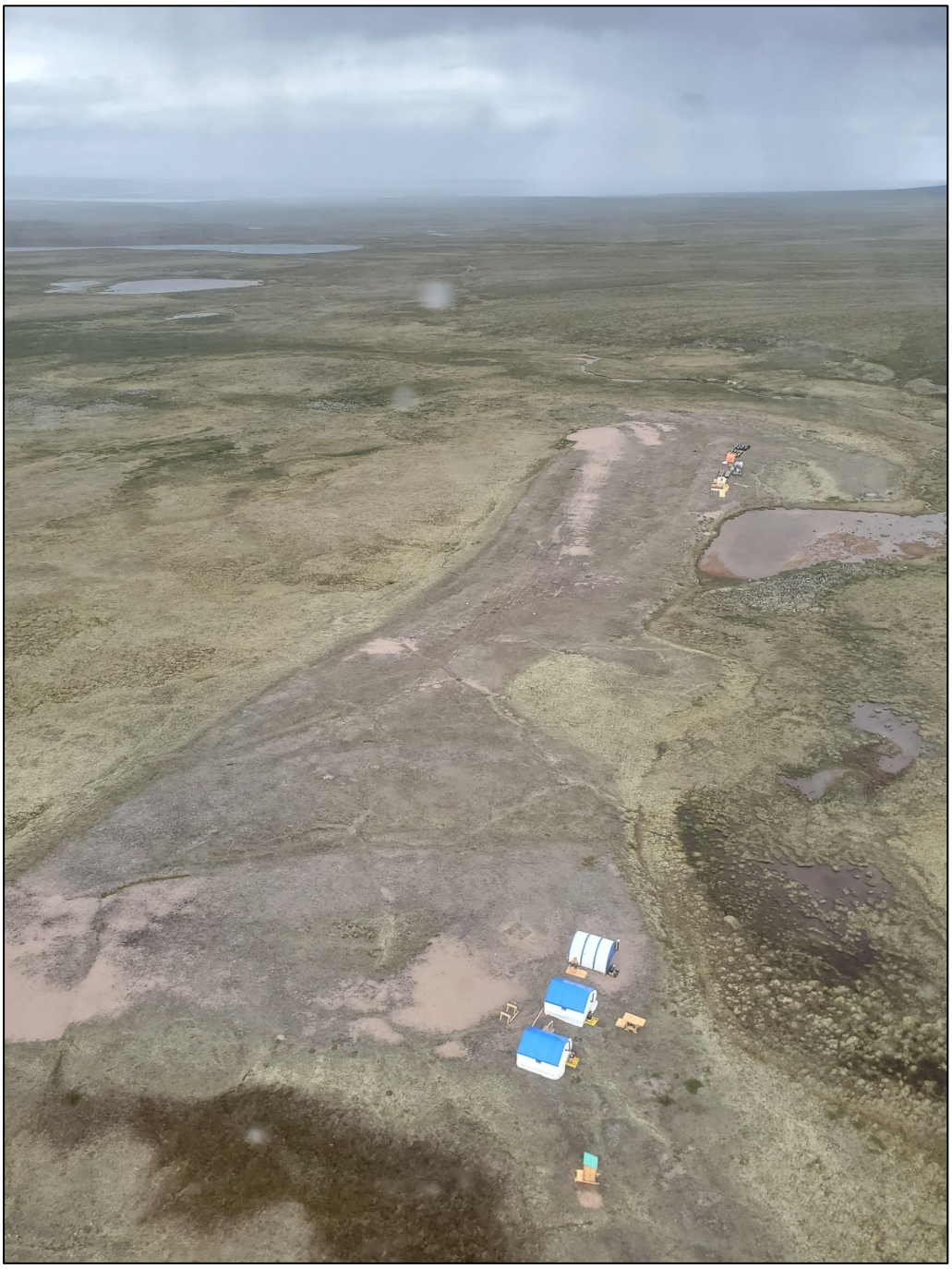

Figure 10-1 Staging area for the 2023 exploration program. The three tents at the bottom of the photo are the core logging facilities and the first aid/office tents. Equipment staging is towards the top of the photo. Looking northeast.

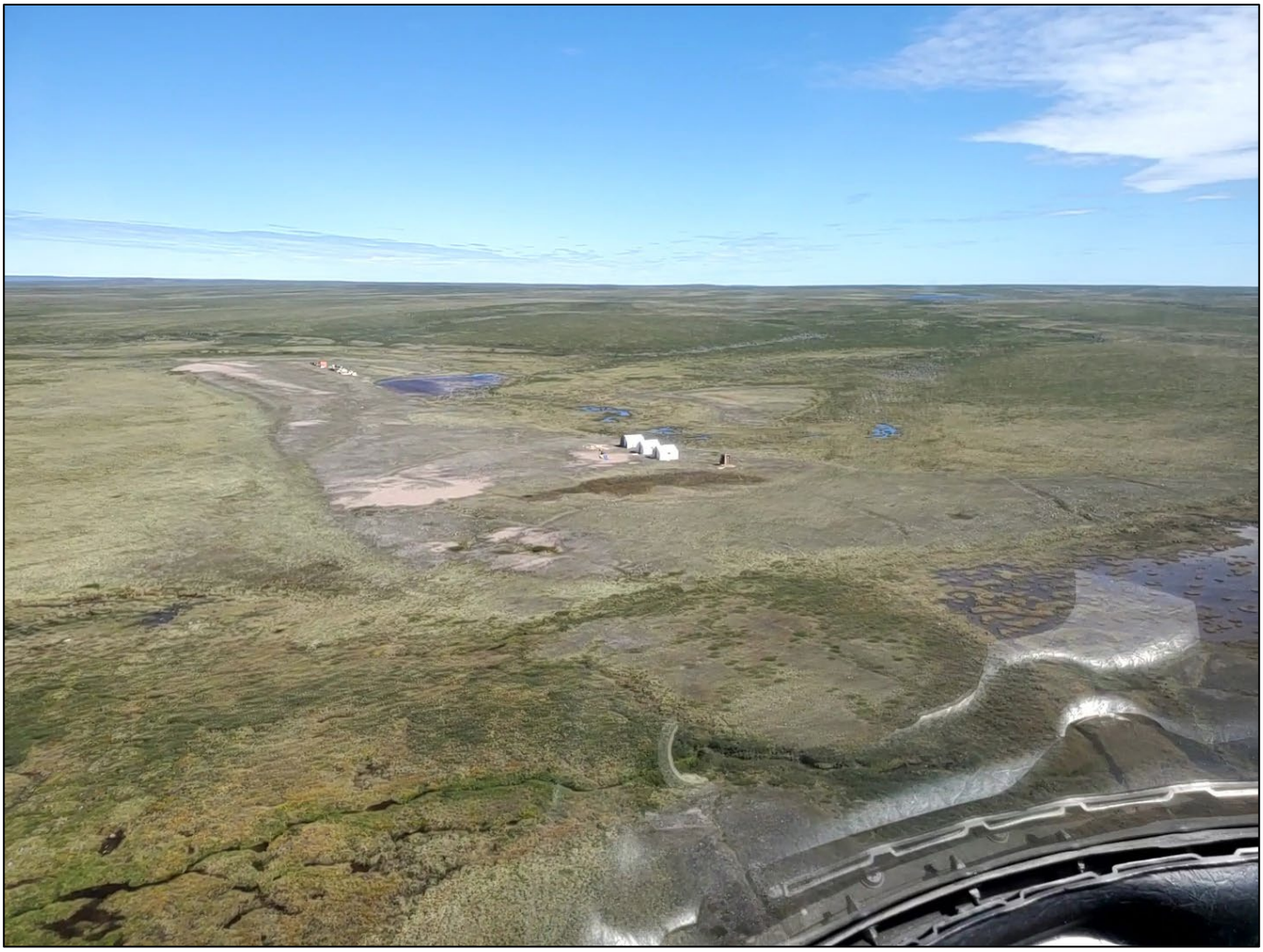

Figure 10-2 2023 staging area showing equipment staging area on the left, core logging and first aid/office and latrine on the right. Looking northeast.

Figure 10-3 The first aid/office is the tent on the left and the two tents on the right are. core logging facilities.

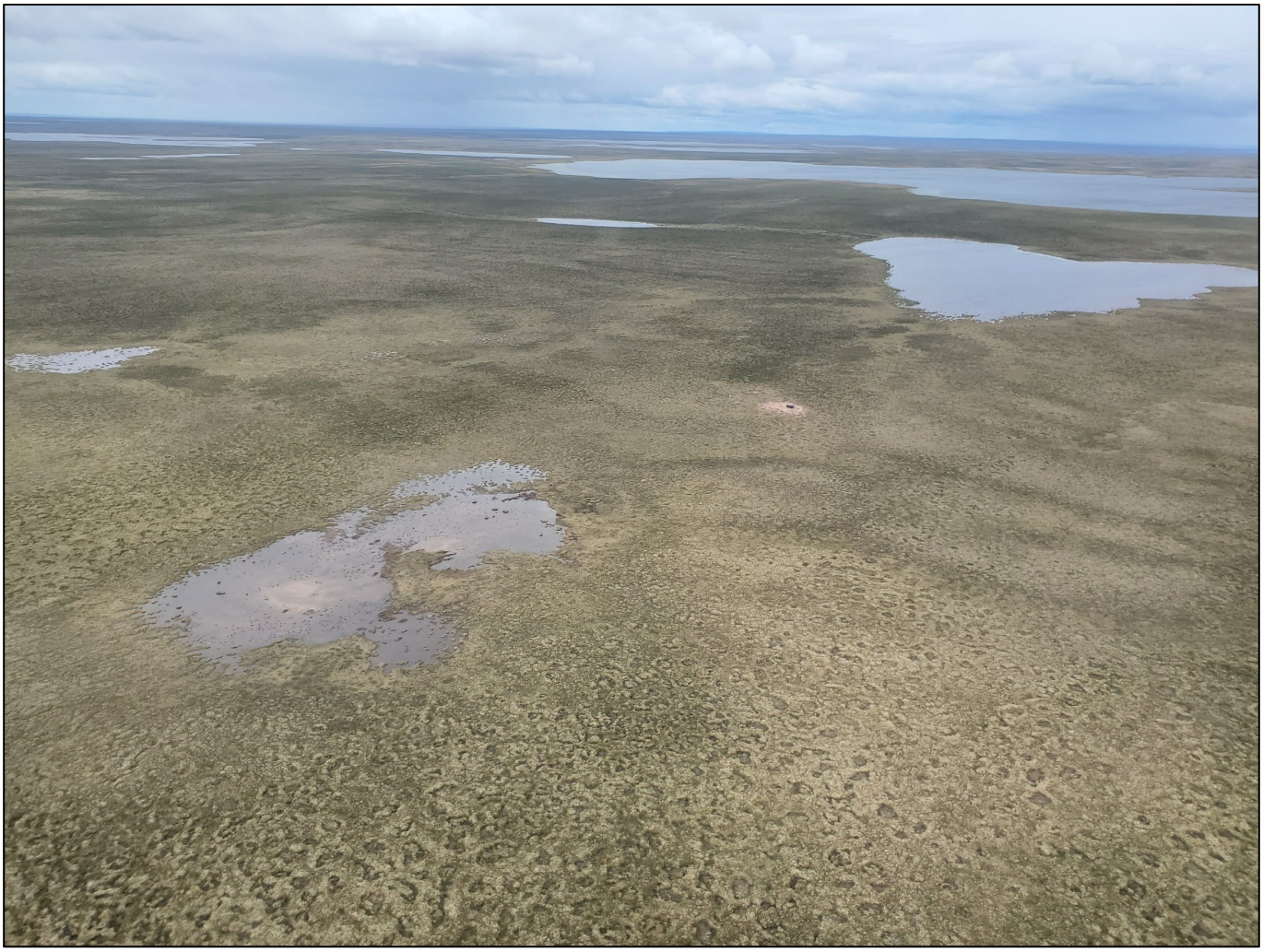

Figure 10-4 Tatiggaq drill area, looking southwest. Drilling was located between the two lakes. The water source lake is the smaller lake on the top right.

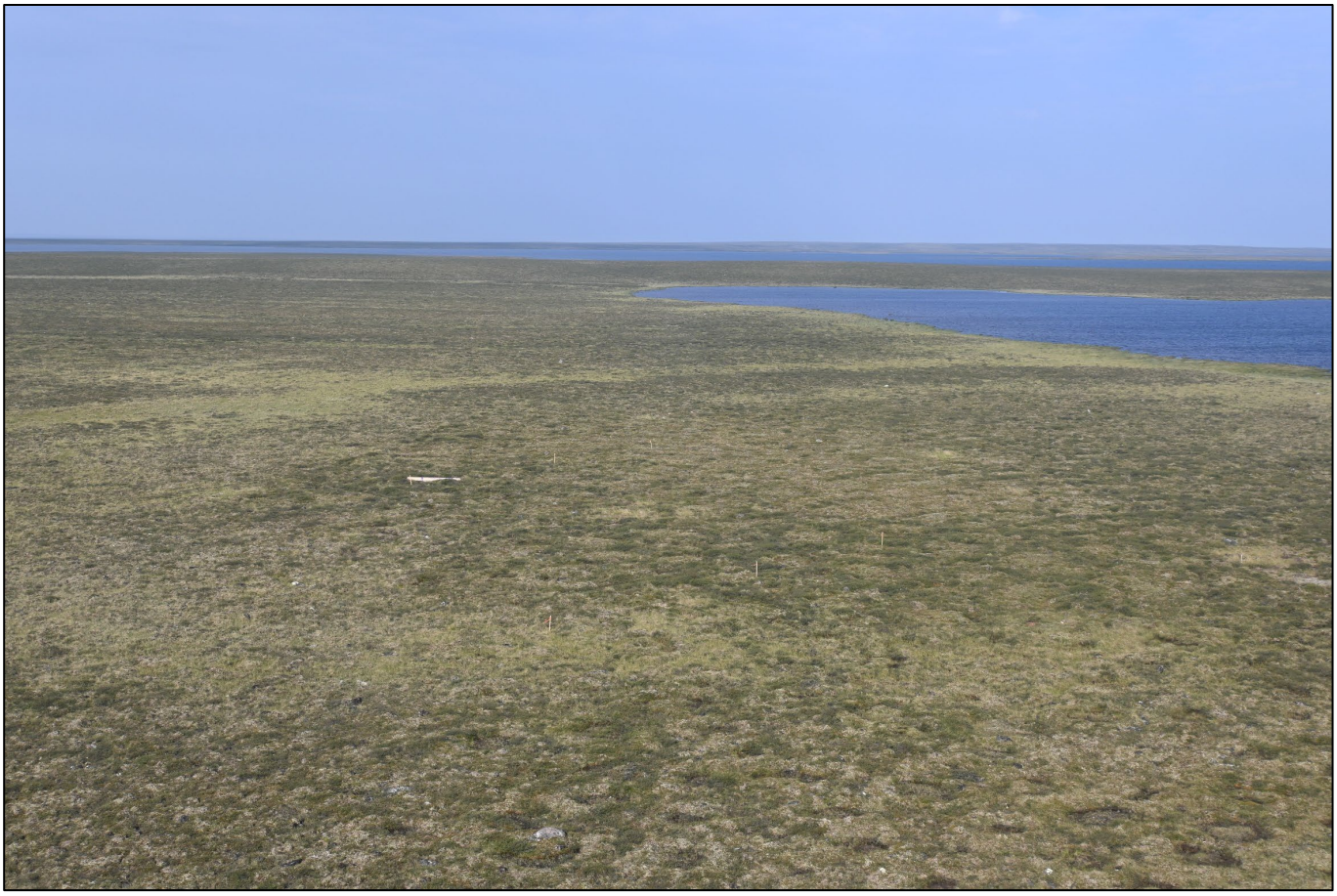

Figure 10-5 TAT23-003 and TAT23-004 before drilling, looking southwest.

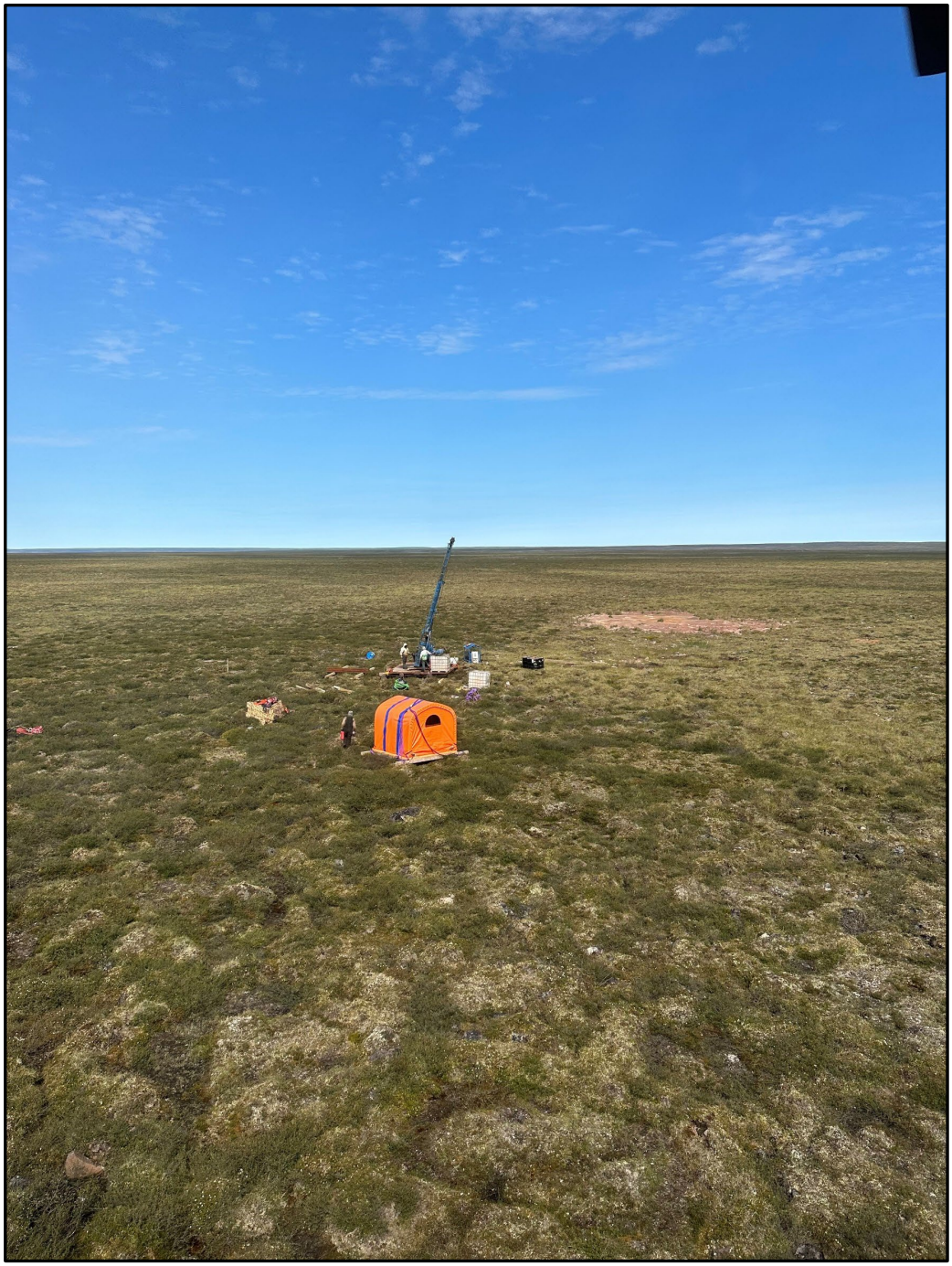

Figure 10-6 Tatiggaq site during drilling, looking south. Historic tailings storage is on the right and was reused for the Tatiggaq drill holes. Looking northeast.

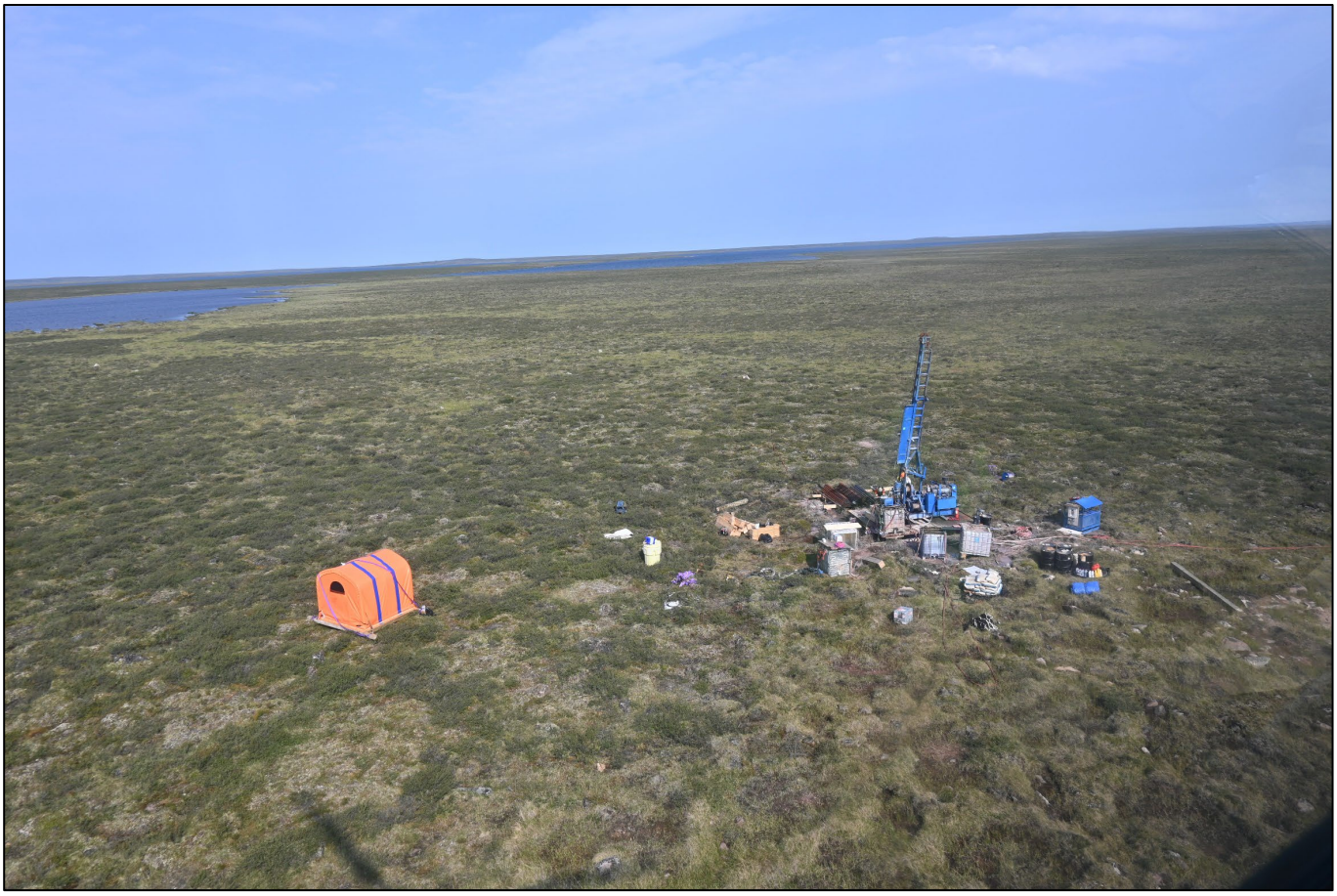

Figure 10-7 Drill set up for TAT23-003. The orange tent is the survival shack. Looking north.

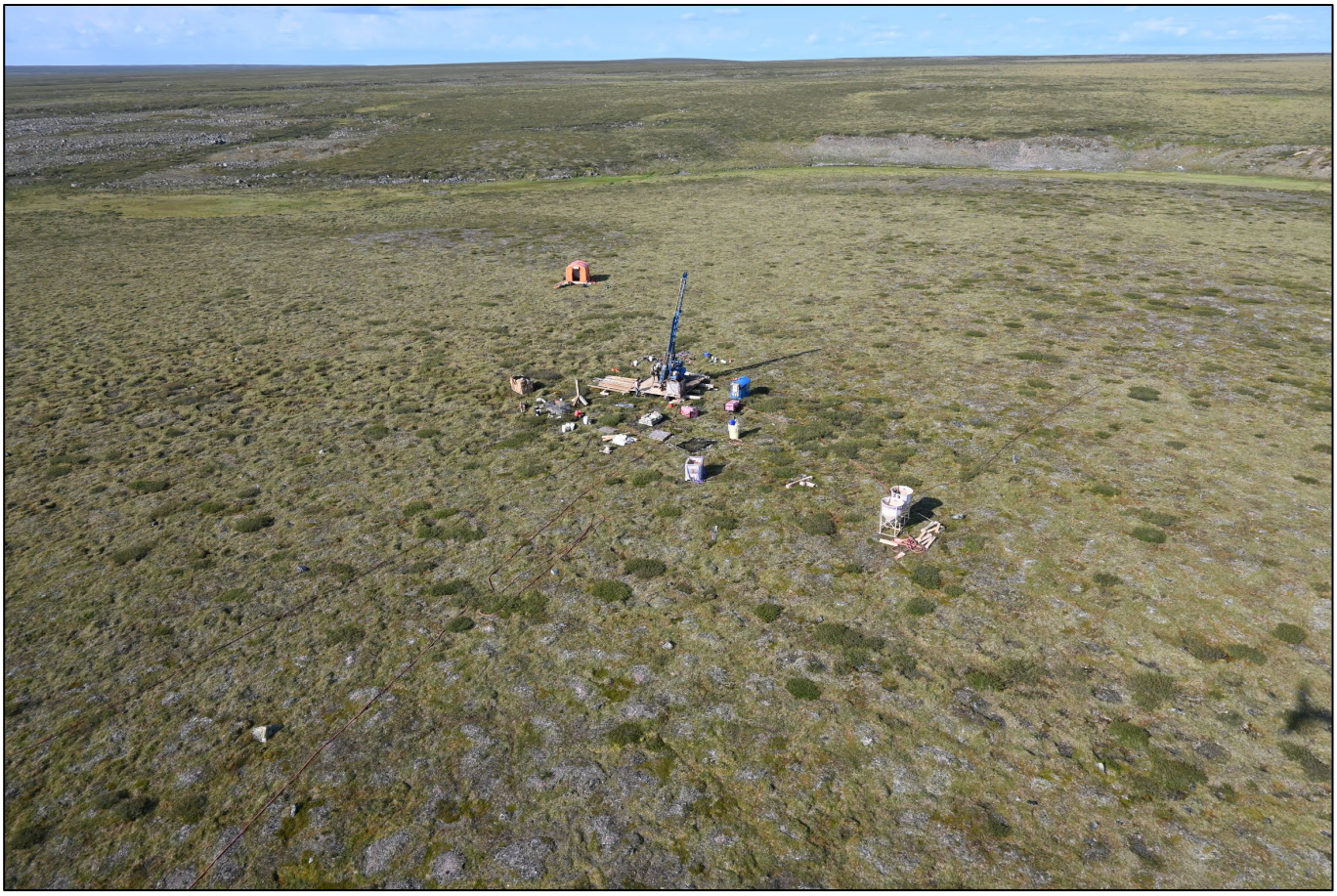

Figure 10-8 Drill set up for NED23-001. Looking north.

Figure 10-9 Drill staging area, ready for winter, looking southwest.

Figure 10-9 Fuel storage at staging area.