

Abasca Resources Provides Exploration Update at its Loki Flake Graphite Deposit and Granting Stock Option

December 16, 2025 – Saskatoon, Saskatchewan: Abasca Resources Inc. (“Abasca” or the “Company”) (TSXV: **ABA**) is pleased to provide an update on the exploration activities at its 100%-owned Key Lake South (KLS) Project (Figure 1). Exploration in 2025 was comprised of two drill programs at the Loki Flake Graphite Deposit (“Loki Deposit”) to support expansion and upgrading of resource estimates which the Company anticipates to complete in the first half of 2026. The deposit currently has a 11.31 Mt pit-constrained inferred flake graphite resource at 7.65 % Cg¹ (the “MRE”) which was released earlier this year with an effective date of April 10, 2025¹, derived principally from the results of the 2024 summer drill program, (Figure 2).

“Building on the favorable geological setting, the existing mineral resource base, and ongoing technical work – including the environmental baseline study, metallurgical testwork, geotechnical drilling, and initiation of open-pit mining design – Abasca is now turning its attention to preparing a Preliminary Economic Assessment (PEA) in mid-2026 and then transition to preparing a Pre-Feasibility Study (PFS) in late 2026. We believe these integrated efforts will accelerate the Loki Deposit’s pre-development timeline, mitigate project risks, and enhance asset value. Furthermore, this work aligns with the critical mineral strategies of Saskatchewan and Canada, thereby reinforcing the North American graphite supply chain.” stated Dawn Zhou, President and CEO.

The winter 2025 program (see Company’s press release dated November 12, 2025 for results) focused on expansion of the MRE toward the northwest and southeast, extending the strike-length of graphite mineralization at inferred-spaced drilling by 700 m. The summer 2025 program focused on in-fill drilling of the MRE and comprised 6,691 m over 35 holes (Figure 2 and 3), inclusive of the 1,103 m from the 10 geotechnical drillholes completed at the beginning of the summer (refer to the Company’s release on September 8, 2025). Locations and orientations of drillholes of the in-fill program are listed in Table 1.

The in-fill drilling at the Loki Deposit continued to provide strong graphite intersections like those seen in the 2024 drilling that made up the MRE. All drillholes successfully intersected mineralization and support the existing MRE wireframe modeling. Assays from the summer program are pending.

Brian McEwan, Vice-President of Exploration commented “We had a very successful year completing the extension and in-fill drilling programs at the Loki Deposit. The strike length we’ve added to the Loki Deposit will add significant tonnage in addition to the confidence the summer in-fill results. These drill programs reaffirm our geological interpretations and our continued belief in the value of the project in Saskatchewan. Graphite is a critical mineral, and we will continue to advance the Loki Deposit toward development.”

The Company is planning a winter 2026 drill program to further expand the Loki Flake Graphite Deposit toward the southeast along with further geotechnical and hydrogeological work. Additionally, drilling will take place along Thor Zone to evaluate the extents of this parallel zone that is only a few hundred metres north of the Loki Deposit (Figure 2).

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Collected samples were sent to SRC Geoanalytical Laboratories in Saskatoon, Saskatchewan, an independent laboratory accredited under ISO/IEC 17025:2017 for preparation and ICP-MS multi-element analysis, boron by fusion as well as graphite content (% Cg) and total sulphur by LECO. Samples were collected in accordance with industry-standard quality assurance / quality control practices and included the insertion of blanks, standard reference materials, and repeats into the sample stream at regular intervals. Samples were also collected for in-field and lab density measurements at regular intervals and through the mineralized zones.

The Company also announces the grant of 3,875,000 incentive stock options to its directors and officers (the “Options”), with each Option entitling the holder to purchase one common share of the Company for a period of 5 years at an exercise price of \$0.07 per share.

For more information on the Loki Flake Graphite Deposit and an overview of the Key Lake South Project, please visit the Company’s website at <https://www.abasca.ca>.

¹ Please refer to the technical report dated May 29, 2025, with an effective date of April 10, 2025 and titled “Technical Report on the Key Lake South Project with Initial Mineral Resource Estimate for the Loki Flake Graphite Deposit, Saskatchewan, Canada” filed under the Company’s profile on the SEDAR+ website for further information about the resource estimate.

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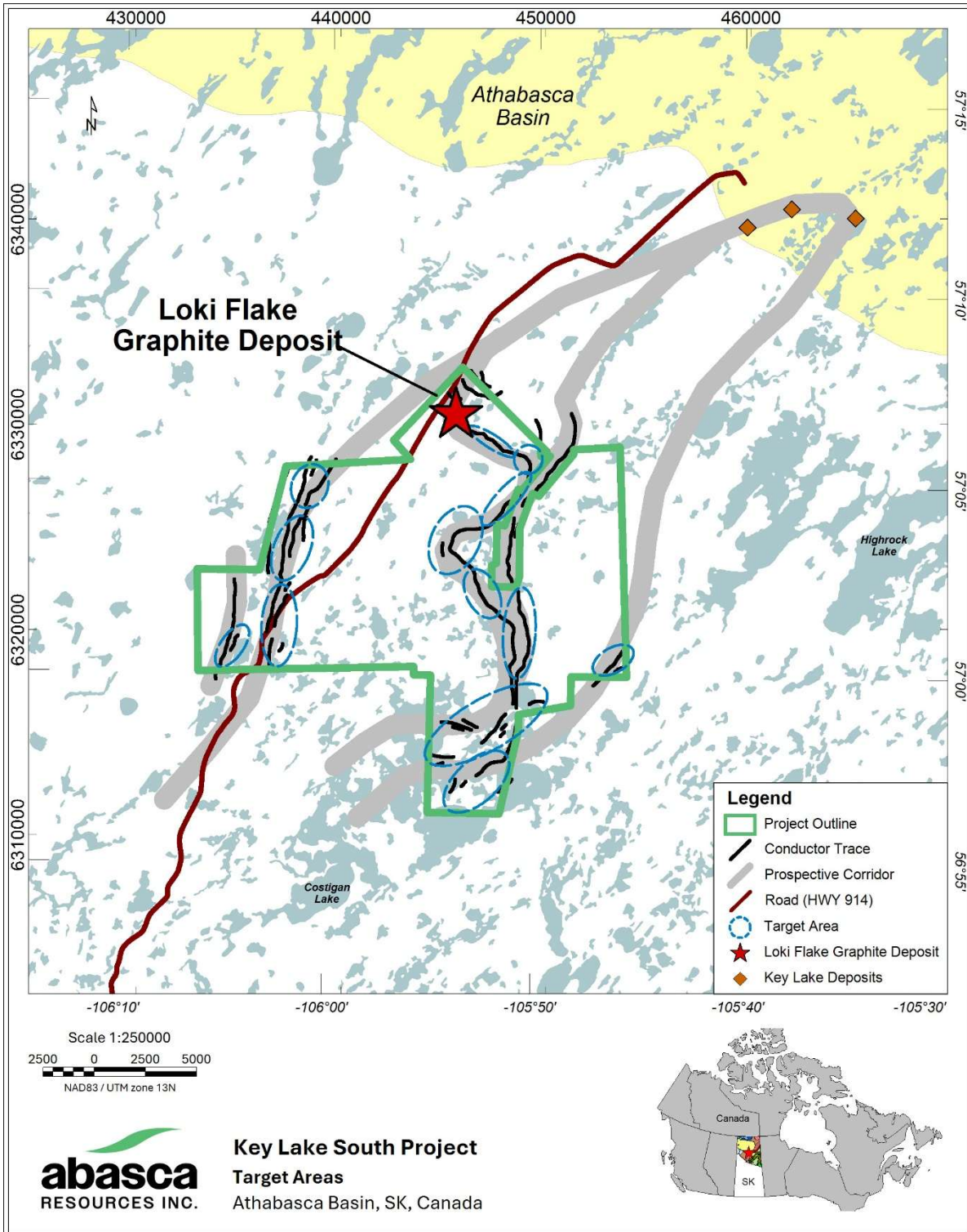


Figure 1: Map of the Key Lake South Project area showing the location of the Loki Flake Graphite Deposit and other exploration target areas.

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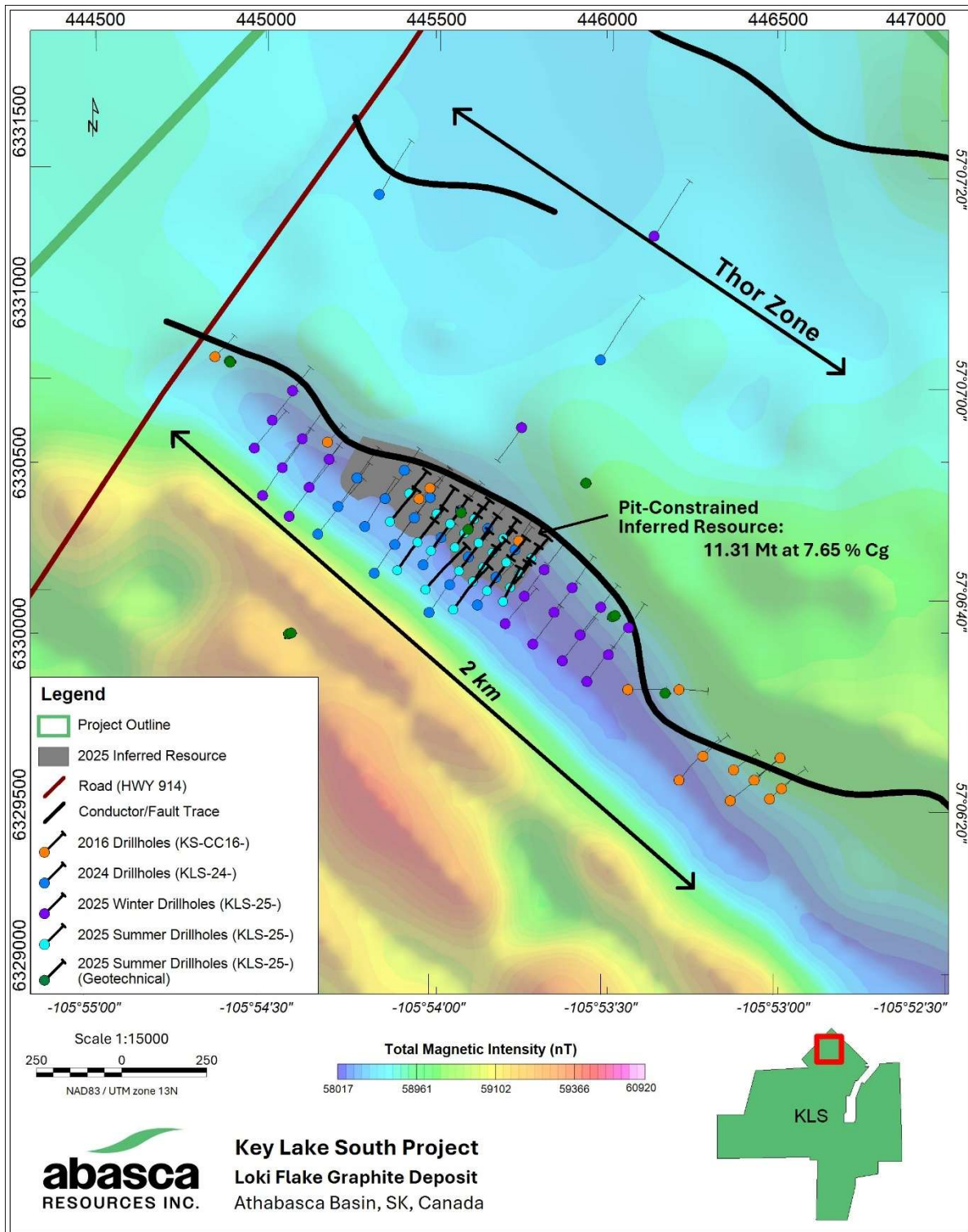


Figure 2: Map of the area around the Loki Flake Graphite Deposit area showing the 2016, 2024, 2025 drilling.

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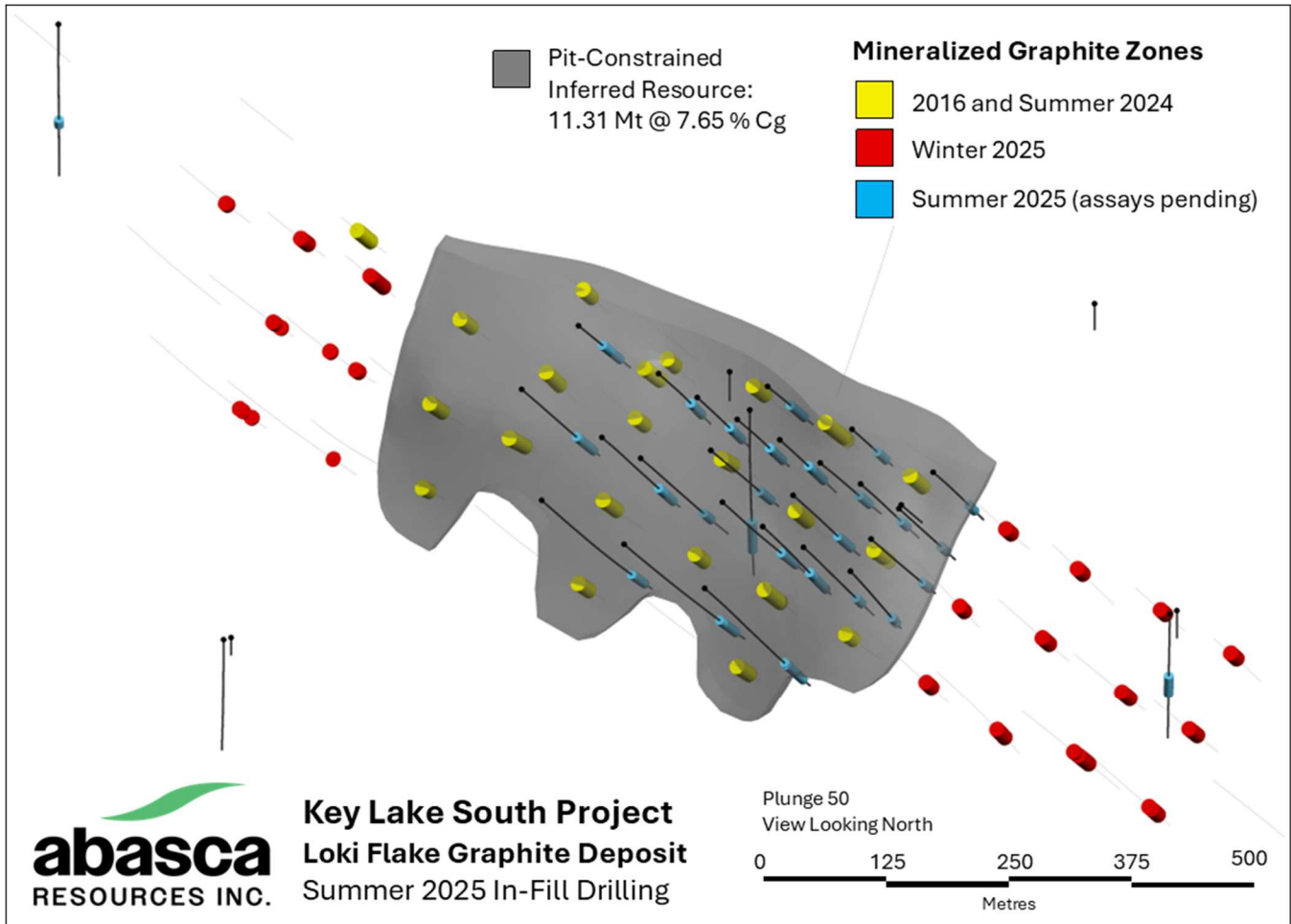


Figure 3: Oblique view of the Loki Flake Graphite Deposit, showing the location of the flake graphite zone intersections from the summer 2025 drill program in relation to the pit-constrained inferred resource and the 2016, 2024, and 2025 winter drill results. Summer 2025 intersections are based on visual estimates of drill cores and confirmation by assays are pending.

Table 1: Locations and orientations of drillholes included in this release. Coordinates are in UTM NAD 83 Zone 13N and all lengths are measured in metres.

Drillhole ID	Easting	Northing	Elevation	Azimuth	Inclination	Length
KLS-25-078	445384	6330185	554	35	-60	362
KLS-25-080	445467	6330128	554	35	-60	347
KLS-25-082	445663	6330236	554	35	-60	184
KLS-25-083	445500	6330350	555	35	-60	191
KLS-25-084	445610	6330335	554	35	-60	143
KLS-25-085	445579	6330292	554	35	-60	189
KLS-25-086	445553	6330251	554	35	-60	230
KLS-25-087	445777	6330220	559	35	-60	164
KLS-25-088	445743	6330175	556	35	-60	200
KLS-25-088A	445745	6330177	559	35	-60	72
KLS-25-089	445715	6330134	556	35	-60	218
KLS-25-090	445694	6330093	555	25	-60	233
KLS-25-091	445647	6330124	555	35	-60	251
KLS-25-092	445704	6330208	555	38	-60	192
KLS-25-093	445695	6330278	555	37	-60	138
KLS-25-094	445636	6330194	553	37	-60	215
KLS-25-095	445606	6330152	554	35	-60	256
KLS-25-096	445565	6330182	555	35	-60	296
KLS-25-097	445622	6330265	555	37	-60	200
KLS-25-098	445444	6330267	555	35	-60	260
KLS-25-099	445483	6330241	553	35	-60	299
KLS-25-100	445539	6330321	553	35	-60	191
KLS-25-101	445548	6330069	556	35	-60	345
KLS-25-102	445419	6330409	558	39	-60	164
KLS-25-103	445363	6330327	557	38	-60	248

Qualified Person

The technical information in this news release has been reviewed and approved by Brian McEwan, P.Geo, a Qualified Person as set out in National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. McEwan is the Vice-President of Exploration at Abasca.

About Abasca Resources Inc.

Abasca is a mineral exploration company that is primarily engaged in the acquisition and evaluation of mineral exploration properties. The Company owns the Key Lake South Project (KLS), a 23,977-hectare exploration project located in the Athabasca Basin Region in northern Saskatchewan, approximately 15 km south of the former Key Lake mine and current Key Lake mill. The project possesses geological similarities and along strike of past Key Lake Mine with prospective conductors of over 50 km for potential uranium mineralization. KLS is also host to the Loki Flake Graphite Deposit comprising a total inferred resource of 11.31 Mt at 7.65 % Cg. Please refer to the technical report dated May 29, 2025, with an effective date of April 10, 2025 and titled “Technical Report on the Key Lake South Project with Initial Mineral Resource Estimate for the Loki Flake Graphite Deposit, Saskatchewan, Canada” filed under the Company’s profile on the SEDAR+ website for further information about the resource estimate.

On behalf of Abasca Resources Inc.

Dawn Zhou, M.Sc, CPA
President, CEO and Director

For more information visit the Company’s website at <https://www.abasca.ca> or contact:

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Forward-Looking Statements

This press release may contain certain forward-looking information and statements (“forward-looking information”) within the meaning of applicable Canadian securities legislation that are not based on historical fact, including without limitation statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Forward-looking information reflects management’s current beliefs with respect to future events and is based on information currently available to management. Forward-looking information contained in this press release includes, but is not limited to, statements relating to the mineral resource estimate for the Loki Deposit, the high grade zones identified in the drill program adding to the mineral resource estimate, the acceleration of the Loki Deposit towards the next stages of development and the timing of preparation of a preliminary economic assessment and a pre-feasibility study. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. Abasca undertakes no obligation to comment on analyses, expectations, or statements made by third parties in respect of Abasca, its securities, or financial or operating results (as applicable). Although Abasca believes that the expectations reflected in forward-looking information in this press release are reasonable, such forward-looking information has been based on expectations, factors, and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks, uncertainties and factors, certain of which are beyond Abasca’s control, including the impact of general business and economic conditions; risks related the exploration activities to be conducted on KLS, including risks related to government and environmental regulation; actual results of exploration activities; industry conditions, including uranium and graphite price fluctuations, interest and exchange rate fluctuations; the influence of macroeconomic developments; business opportunities that become available or are pursued; title, permit or license disputes related to KLS; litigation; fluctuations in interest rates; and other factors. In addition, the forward-looking information is based on several assumptions which may prove to be incorrect, including, but not limited to, assumptions about the availability of qualified employees and contractors for the Company’s operations and the availability of equipment. The forward-looking information contained in this press release are expressly qualified by this cautionary statement and are made as of the date hereof. Abasca disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

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