PACIFIC EMPIRE MINERALS CORP.

President's Newsletter | May 2026 | Shareholder Edition

Defining a District-Scale Copper-Gold System

Preparing to Test a Crustal-Scale Structural Intersection

Brad Peters
President & CEO, Pacific Empire Minerals Corp.

President's Abstract

Over the past twelve years, Pacific Empire Minerals Corp. ("PEMC") has systematically assembled what the Company now believes to represent a district-scale copper-gold system in north-central British Columbia. The foundation of this strategy has been the recognition of a potentially significant crustal-scale structural intersection associated with a major transcurrent fault system, expressed regionally by an abrupt bend in the dominant geological fabric. From the outset, this structural setting was considered highly prospective for the emplacement and focusing of long-lived magmatic-hydrothermal systems.

The technical model continues to strengthen through the integration of geological, geophysical, geochemical, and structural datasets across the Trident and Pinnacle projects. Evidence supporting the scale and fertility of the system includes multiple gold-rich copper porphyry intrusions, widespread hydrothermal alteration, extensive geophysical anomalies, and the occurrence of abundant placer gold throughout the broader district. Collectively, these features are increasingly suggestive of a large and integrated mineral system rather than isolated targets.

With the formal engagement of Equity Exploration Consultants Ltd. ("Equity") for the 2026 exploration season, PEMC is now undertaking a comprehensive technical integration program involving database reconstruction, relogging of historical and recent drill core, target integration, and the advancement of new geophysical and geological programs ahead of planned drilling. Management believes the Company is now entering the most technically sophisticated and strategically important phase in its history.

Key Takeaways for Shareholders

- **Technical reset:** Equity has been engaged to lead technical and project management work for the 2026 season.
- **District-scale focus:** Trident and Pinnacle are being advanced as components of a broader porphyry copper-gold system.
- **Near-term catalysts:** IP, relogging, surficial geology, soil geochemistry, and diamond drilling are intended to build toward a focused August drill program.

Introduction

For more than twelve years, Pacific Empire Minerals Corp. has pursued a geological thesis centered on the belief that large-scale mineral systems are fundamentally controlled by deep crustal architecture. From the beginning, the Company's strategy at Trident and Pinnacle was driven not by isolated showings or short-term exploration trends, but by the recognition of a regionally significant structural setting expressed by an abrupt bend in the dominant geological fabric of north-central British Columbia.

This distinct break in regional fabric is interpreted to potentially reflect the presence of a major transcurrent fault system at crustal scale. Globally, large transcurrent structures are recognized as critical pathways for the localization of long-lived magmatic-hydrothermal systems, providing the structural permeability required to focus enormous volumes of fluid through the crust over extended periods of time. Such fluid flow is considered essential for the formation of truly significant ore bodies, particularly within major porphyry copper-gold districts.

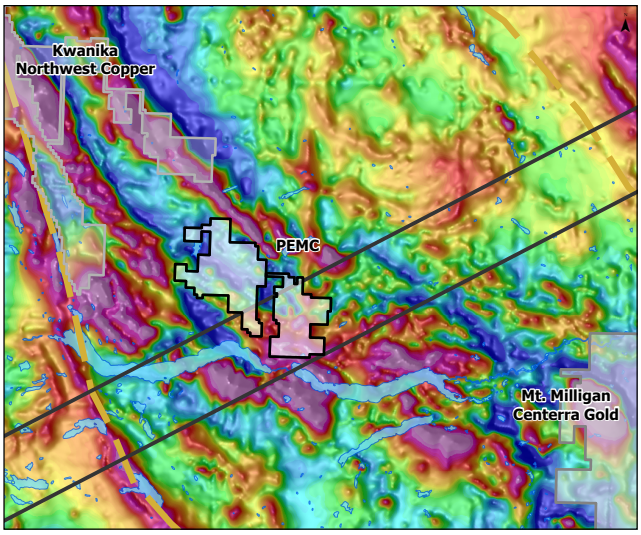

Figure 1. *Regional magnetic architecture of the Trident-Pinnacle district within the Quesnel Terrane of north-central British Columbia. The figure highlights an abrupt change in regional magnetic and structural fabric interpreted to reflect a crustal-scale transcurrent corridor associated with Jurassic sinistral transpression. The Trident and Pinnacle projects occupy a strategic position along this interpreted structural intersection in proximity to several significant gold-rich copper porphyry systems, including Centerra Golds Mt. Milligan Mine and Northwest Coppers Kwanika deposit. PEMC believes this regional-scale structural setting may represent a long-lived pathway for mantle-derived magmatism, hydrothermal fluid flow, and district-scale mineral system development.*

Over time, the Company's geological understanding of the district has continued to evolve. One of the most important technical advancements was the recognition that mineralization at Trident appears to be directly associated with monzonite porphyry intrusions rather than simply representing structurally controlled mineralization within a shear zone. This shift fundamentally changed the exploration model and increasingly suggested the presence of a much larger and more fertile magmatic-hydrothermal system than previously understood.

The Company continued to consolidate ground throughout the district because management believed that large-scale geological architecture must precede discovery, and because district-scale magmatic-hydrothermal systems capable of hosting major deposits are exceptionally rare on a global basis. Rather than focusing narrowly on individual targets, PEMC sought to systematically assemble control over what it increasingly viewed as an integrated copper-gold mineral system.

The formal engagement of Equity for the 2026 exploration season now marks a major technical reset for the Company. For the first time in more than fifty years of exploration across the district, historical and modern datasets are being comprehensively integrated into a unified technical framework. Historical drilling, geophysics, geochemistry, geological mapping, and structural interpretations are being systematically re-evaluated while important data gaps are being identified and addressed through new exploration programs.

Equally important, the involvement of Equity brings together a dedicated multidisciplinary team capable of applying specialized technical expertise across all aspects of the project. This includes database reconstruction and validation, relogging of historical and recent drill core, geophysical integration, surficial geology studies, target generation, and exploration program management. Collectively, these efforts are intended to significantly improve the technical rigor and predictive capability of exploration moving forward.

PEMC believes that the 2026 exploration season represents the culmination of more than fifty years of exploration history within the district and over a decade of land consolidation, technical refinement, and perseverance by the Company. With a substantially strengthened technical framework now emerging, PEMC believes it is entering the most advanced and strategically important phase in its history as it prepares to test targets associated with what may represent a district-scale copper-gold system localized along a major structural intersection.

> *The goal is not simply to drill more holes; it is to drill better holes, with a stronger geological model behind every metre.*

Technical Context

The Trident and Pinnacle projects are located within the Quesnel Terrane of British Columbia, one of the worlds most significant belts for gold-rich copper porphyry mineralization. The Quesnel Terrane hosts numerous major

deposits and mining operations and is widely recognized for its capacity to generate large, long-lived magmatic-hydrothermal systems associated with calc-alkaline to alkaline intrusive complexes.

Within the broader Quesnel belt, the geological setting at Trident and Pinnacle appears increasingly distinct due to the convergence of several important regional and district-scale features. Of particular significance is the presence of shoshonitic volcanic rocks and associated gold-rich monzonitic to syenitic intrusive phases throughout the district. Globally, shoshonitic magmatism is relatively uncommon and is often associated with deep-seated crustal structures, enriched mantle sources, and fertile magmatic systems that may be favorable for the development of gold-rich copper porphyry deposits.

Shoshonitic volcanic and intrusive suites are significant because they commonly represent magmas enriched in potassium and volatile components, characteristics that are considered favorable for the transport and concentration of metals within large magmatic-hydrothermal systems. In many major porphyry districts worldwide, shoshonitic affinities are spatially and temporally associated with some of the highest-grade and most gold-rich porphyry systems. The presence of these rocks within the Trident-Pinnacle district is therefore considered an important indicator of magmatic fertility and broader mineral system potential.

Equally important is the regional structural setting of the district. The projects occur within an area where the dominant northwest-southeast regional geological fabric undergoes an abrupt change in orientation. Management interprets this feature as potentially reflecting the presence of a major crustal-scale transcurrent fault system and associated structural intersection. Such structures are globally recognized as important controls on the emplacement of intrusive complexes and the long-term focusing of hydrothermal fluid flow required for the formation of large mineral deposits.

An additional aspect considered particularly significant within the evolving geological framework is the apparent association of the district with a period of regional sinistral transpression during Jurassic arc evolution. Transpressional tectonic environments, particularly those involving large-scale strike-slip fault systems, are increasingly recognized globally as important geodynamic settings for the localization of major gold-rich copper porphyry systems. These environments can create deep crustal-scale structural corridors capable of focusing mantle-derived magmatism, hydrothermal fluid flow, and long-lived intrusive activity within relatively restricted regions of the crust.

Geological Note - Sinistral Transpression and Transcurrent Fault Architecture

Sinistral transpression refers to a tectonic environment involving simultaneous left-lateral strike-slip movement and crustal compression. Such deformation can generate structural bends, splays, intersections, and zones of enhanced permeability capable of influencing magma emplacement and hydrothermal fluid flow.

A transcurrent fault is a large strike-slip fault system capable of accommodating significant lateral movement within the crust. In many mineral districts, these structures may represent long-lived zones of crustal weakness that help localize intrusive activity and mineral systems.

Within the Trident-Pinnacle district, PEMC interprets the regional bend in geological and magnetic fabric as potentially reflecting a major transcurrent structural corridor. However, the relationship between this interpreted corridor and Jurassic sinistral transpression may not have involved simple direct reactivation. The interpreted structure may have been oblique to the dominant transpressional stress regime.

Even where older crustal-scale structures are not ideally oriented for direct reactivation, oblique transpression can preferentially exploit pre-existing zones of weakness, particularly along splays, bends, intersections, and secondary structures. These zones may create localized permeability and pathways for magma ascent and hydrothermal fluid flow.

In this interpretation, sinistral transpression may not have created the broader structural corridor itself, but may have helped modify, reactivate, or focus fluid flow within parts of a pre-existing crustal architecture. PEMC believes the interaction between inherited structural architecture, shoshonitic magmatism, and gold-rich porphyry mineralization may represent an important control on the evolution of the broader Trident-Pinnacle mineral system.

Deep Fluid Pathways and Mantle-Linked Fertility

A central component of the Companys evolving exploration model is the potential relationship between district-scale structural architecture, deep fluid pathways, and gold enrichment. The interpreted regional bend in geological fabric, together with the potential presence of a major transcurrent fault system, may represent a deep-seated structural corridor capable of localizing both magmatism and hydrothermal fluid flow.

In large porphyry copper-gold systems, deep crustal structures are important because they can act as long-lived conduits connecting deeper magma and fluid sources with upper crustal sites of intrusion, alteration, and mineralization. These structures may provide the permeability required for repeated pulses of magma, metal-bearing fluids, and heat to ascend through the crust. Where these pathways intersect favorable volcanic and intrusive rocks, they

can create highly prospective environments for the formation of large mineral systems.

The gold-rich nature of the porphyry intrusions at Trident and Pinnacle is considered particularly significant in this context. Gold enrichment in alkaline to shoshonitic porphyry systems is commonly interpreted to reflect a deeper and more fertile magmatic source, potentially involving contributions from enriched mantle domains or the sub-continental lithospheric mantle, commonly referred to as the SCLM. Such mantle-linked magmatic systems are important because they may introduce elevated metal and volatile contents into the crust, increasing the potential fertility of the resulting hydrothermal system.

Within the Trident-Pinnacle district, the coexistence of shoshonitic volcanic rocks, gold-rich monzonitic to syenitic porphyry intrusions, abundant placer gold, widespread hydrothermal alteration, and a major interpreted structural bend is viewed as a compelling combination of features.

This interpretation is important because it shifts the exploration focus from individual mineral occurrences toward the broader question of system architecture. In this model, mineralization is not viewed as isolated, but rather as the surface expression of a potentially much larger and deeper mineralizing system. The objective of the 2026 exploration program is to test this model by integrating geology, geophysics, geochemistry, historical drilling, and new field data into a coherent district-scale targeting framework.

2026 Exploration Program

The 2026 program is intended to integrate several work streams into a single targeting framework. The key point for shareholders is that each component should reduce uncertainty before drilling begins.

Core relogging and database reconstruction

A central objective of the 2026 exploration program is the development of a comprehensive and internally consistent geological model for the broader Trident-Pinnacle district. The technical team believes that the most effective way to accomplish this is through the systematic relogging and reinterpretation of historical and recent drill core across the project area.

Although more than fifty years of exploration work has been completed within the district by multiple operators, much of the historical geological information was generated using differing geological models, logging standards, analytical methods, and exploration objectives. As a result, historical datasets are not always directly comparable and, in many cases, were never fully integrated into a unified district-scale interpretation.

The relogging program is therefore intended to establish a modern and consistent geological framework that can be applied across all historical and current drilling. This work includes the review and standardization of lithology, alteration, veining, mineralization styles, structure, and intrusive relationships, together with the validation and reconstruction of the Company's technical database.

Once complete, the rebuilt database is expected to form the backbone of the Company's evolving exploration model. Historical drilling, recent drilling, surficial geology, soil geochemistry, geophysics, and structural interpretations can then be systematically integrated into a single coherent targeting framework. PEMC believes this integrated approach will significantly improve the Company's ability to prioritize drill targets, recognize larger-scale geological relationships, and refine its understanding of what may represent a district-scale copper-gold mineral system.

Ground IP and target refinement

Ground-based induced polarization (IP) surveying will represent a major component of the 2026 exploration program. The objective of the program is not simply to generate additional geophysical data, but to integrate chargeability and resistivity responses within the context of geology, alteration, structure, geochemistry, and historical drilling in order to better understand the broader mineral system architecture.

At Trident, the planned IP program is designed primarily to follow up on a significant chargeability anomaly identified during historical surveying that remains only partially tested. Of particular interest is the anomalous response associated with Line 7 from the 2014 survey, where the northern portion of the line returned a strong chargeability signature that was never systematically followed up to determine the full extent or continuity of the anomaly. Management believes this represents an important unresolved exploration target within the district.

The 2026 program is therefore expected to extend IP coverage both east and west of the historical Line 7 anomaly in order to better constrain the geometry, scale, and potential geological controls associated with the response. This work is intended to help determine whether the anomaly reflects a larger mineralized system extending beyond the limits of previous surveying.

At Pinnacle, the Company plans to complete infill IP surveying within the southern target area, where historical survey lines were completed at relatively broad 600 metre spacing. PEMC believes tighter line spacing may significantly improve the resolution of chargeability and resistivity patterns and better define relationships between geophysical anomalies, intrusive phases, alteration systems, and known mineralization.

In addition, the Company recently received the results of a newly completed airborne magnetic survey covering the northern portion of the Pinnacle project, an area that was not included in the original 2007 Fugro airborne magnetic-electromagnetic survey. Preliminary interpretation of the new magnetic data has produced several features consid-

ered highly interesting within the context of the Company's evolving district-scale geological model.

As a result, PEMC is currently evaluating a first-pass wide-spaced IP survey across portions of northern Pinnacle, particularly within areas highlighted by the newly acquired magnetic dataset. The objective of this work would be to identify and focus prospective zones for subsequent detailed infill IP surveying and potential drill targeting. Management believes the integration of the new magnetic data with modern IP surveying may substantially improve the Company's ability to prioritize targets within this largely underexplored portion of the district.

Exploration Workflow

1. Rebuild and validate historical exploration database.
2. Relog priority historical and 2025 drill core.
3. Complete ground IP over selected target areas.
4. Integrate surficial geology with soil geochemistry.
5. Rank drill targets using geology, geophysics, geochemistry, and logistics.
6. **Commence diamond drilling on highest-priority targets.**

Why This Matters

Large mineral discoveries are rarely the result of isolated datasets or single exploration techniques. Management believes that the most effective exploration decisions are made when geology, geophysics, geochemistry, structural interpretation, and historical drilling are systematically integrated into a single coherent technical framework. The objective of the 2026 program is therefore not simply to generate additional exploration data, but to improve the overall quality, confidence, and predictive capability of the Company's targeting process before drilling begins.

The engagement of Equity Exploration Consultants is considered a critical step in achieving this objective. The Company now has access to a multidisciplinary technical team with the experience and specialized expertise required to rebuild and validate the exploration database, relog historical drill core, integrate multiple generations of exploration data, and apply modern district-scale mineral systems analysis to the Trident and Pinnacle projects.

Management believes this integrated technical approach materially improves the Company's ability to allocate exploration capital efficiently and prioritize higher-quality drill targets. In practical terms, the goal is to reduce unnecessary drilling, improve geological understanding, and maximize the value derived from every exploration dollar spent.

Investor Interpretation

For shareholders and investors, this systematic approach is important because successful exploration is not solely dependent on the amount of drilling completed, but on the quality of the geological model guiding those drill holes. The integration of modern technical expertise, disciplined data management, and district-scale targeting significantly strengthens the Company's exploration strategy as it advances toward the next phase of drilling.

Closing Remarks

The Trident-Pinnacle district was initially identified by PEMC more than ten years ago based largely on regional-scale structural interpretation and the belief that the area possessed the characteristics required to host a significant mineral system. From the outset, particular attention was placed on the regional Elbow feature and the possibility that it reflected the presence of a major crustal-scale transcurrent fault system.

Globally, large transcurrent structures are recognized as important criteria in evaluating highly prospective mineral districts because they are frequently associated with world-class ore deposits and long-lived magmatic-hydrothermal systems. If such a structural corridor existed within the district, it could represent an important control on magma emplacement, hydrothermal fluid flow, and ultimately mineralization.

What followed was a continuous process of reviewing historical exploration data, refining geological interpretations, consolidating land position, and systematically strengthening the broader exploration model. Rather than weakening over time, the geological evidence supporting the district-scale mineral systems concept has continued to grow stronger with each stage of exploration and technical evaluation.

An important milestone was reached in 2022 when PEMC acquired a 100% interest in the Trident project, effectively consolidating ownership of both the Trident and Pinnacle mineral claims and securing control over a highly strategic district-scale land package.

Equally important is the recognition that alkaline and shoshonitic porphyry systems commonly occur in clusters rather than as isolated deposits. In many important porphyry districts globally, the discovery of one fertile intrusive center often indicates the potential for additional related systems within the broader district. This concept is particularly important within the evolving Trident-Pinnacle exploration model, where multiple gold-rich porphyry intrusions, extensive hydrothermal alteration, geophysical anomalies, and district-scale structural features occur together within a large contiguous land position.

With the engagement of Equity and the advancement

of a substantially more integrated technical approach for 2026, the Company is entering the strongest technical position in its history. While exploration inherently involves significant risk and uncertainty, PEMC now possesses 100% ownership of a district-scale project, a strengthened geological framework, and an experienced technical team focused on systematically advancing what may represent a major copper-gold mineral system in British Columbia.

The next phase of exploration will ultimately determine the scale and significance of the system, but the foundation that has been assembled over the past decade has positioned the Company for what could become a transformational period in its history.

Seasonal Milestones

Timing	Planned Activity
June	Core relogging, site preparation, IP mobilization, and integration of historical data.
July	Soil geochemistry, surficial geology interpretation, continued target refinement.
August	**Intended start of diamond drilling.**

On behalf of the Board of Directors, I would like to thank our shareholders for their continued support.

Sincerely,

Brad Peters
President & CEO
Pacific Empire Minerals Corp.

Forward-Looking Information

Certain statements in this newsletter may constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied. Readers should not place undue reliance on forward-looking information.

National Instrument 43-101 Information

The scientific and technical information contained in this newsletter has been reviewed and approved by Dr. Ron Voordouw, P.Geo., Ph.D., a Qualified Person as defined by National Instrument 43-101. Dr. Voordouw is independent of Pacific Empire Minerals Corp. as defined by NI 43-101.