

7 October 2024

Power Metal Resources plc

("Power Metal" or the "Company")

Successful Completion of Formation of Uranium-Focused Joint Venture

Power Metal Resources plc (AIM:POW, OTCQB:POWMF) the London-listed exploration company with a global project portfolio, is pleased to confirm that the formation of a uranium-focused joint venture (the "Joint Venture") involving Power Metal's entire portfolio of uranium licences, has successfully been completed with UCAM Ltd ("UCAM" or the "Investor").

Sean Wade, Chief Executive Officer of Power Metal Resources plc, commented:

"I am delighted to announce the successful completion of this flagship transaction for Power Metal. We are extremely excited about working with UCAM to deliver high-quality uranium discoveries and I am confident that this Joint Venture will be a huge value driver for our shareholders. It is a strong affirmation of our business model, and will serve as a beacon for how we can continue to develop and crystallise value from across our portfolio.

"As we have previously stated, UCAM's investment is expected to provide Power Metal shareholders with exposure to at least five high impact drilling programmes, with significant advancement on several more.

"We have also recently acquired the Drake Lake-Silas property, which has now been vended into the Joint Venture. Drake Lake-Silas was originally intended to form part of the asset set of Uranium Energy Exploration plc ("UEE") which is now no longer pursuing an IPO, and was, therefore, part of the portfolio of licences offered to the Joint Venture at the outset of our discussions.

"As we have already reported, significant work has already commenced during the current field season, and I look forward to announcing results from this work as soon as we are able."

Joint Venture

In accordance with the Company's original announcement on 3 June 2024, the Investor will make an initial equity investment of £10 million cash into the Company's wholly owned Canadian subsidiary company, 1501158 BC Ltd (formerly Power Metal Resources Canada Inc), for a majority interest of 70%. The Company will potentially receive an additional cash payment of up to £4 million, conditional upon a sale transaction completing or other value realisation by the Investor, subject to the Investor achieving a minimum return threshold of three times its initial investment.

Tamesis Partners LLP acted as the Company's financial adviser, and Memery Crystal LLP acted as the Company's legal adviser, in relation to the formation of the Joint Venture.

Further Information on Projects

The Company is also pleased to provide a further update on the current status of the following Projects:

Perch River

Following the staking of Perch River in summer 2023, Power Metal commissioned a hyperspectral data compilation and processing study. Results from the study highlighted the presence of several very strong hyperspectral helium anomalies², the source of which is postulated to either be buried uranium mineralisation, gas leakage from a helium reservoir at depth, or leakage from a buried hydrocarbon reservoir. As noted at the time, the hyperspectral helium anomalies were recorded to be in a prospective location for unconformity-related uranium, with major fault structures, a gravity low and recorded electromagnetic

conductors.

A combined helium, radon, and soil survey has been completed in the centre of Perch River, including within the footprint of the helium hyperspectral anomaly, and secondary potential emissions of helium along the Font du Lac river. The helium survey was completed by global expert in helium geochemistry; Dr David Seneshen of Geochemical Exploration Services Ltd. Alongside the helium survey, a combined radon and soil sampling campaign was also successfully completed on Perch River, the results of which will be released in due course.

Tait Hill

On Tait Hill, the work aimed to refine the anomalous radon and soil results highlighted during the 2023 work programme over the Mullis Lake Target, and investigate a further potential intrusive related uranium target in the northwest, which has been named the Tait Lake West Target.

The Tait Lake West Target is located approx. 7 km to the north of the Mullis Lake Target, and overlies a radiometric high, at the apex of mapped intrusion. Previous work³ identified multiple radioactive boulders, but failed to locate their source. During the 2024 field season, soil and biogeochemical samples were collected across these main target areas.

Cook Lake

In 2023, Power Metal completed a magnetic survey over Cook Lake⁴ to aid in delineating prospective structures for mineralisation to support future fieldwork. The completed 2024 fieldwork includes radon and soil sampling on a target located across a prospective fault structure, down ice of which is a radioactive boulder train composed of similar geology to that mapped in the vicinity of target⁵.

Reitenbach

In 2023, Power Metal completed an airborne full tensor magnetic gradiometer (FTMG) and radiometric survey across Reitenbach. This survey identified multiple radiometric anomalies with prospective structural geology. These targets are largely underexplored, with no systematic exploration and no exploration in these areas since the 1970s.

During the summer of 2024, combined radon, soil, and biogeochemical sampling was successfully completed across selected targets on Reitenbach.

Thibault Lake

In July, a combined magnetic and radiometric airborne survey was completed to better understand the geology across Thibault Lake. Following the receipt of preliminary results, the Company successfully completed a combined radon, soil, and biogeochemical sampling campaign on areas of promising geophysical and geological characteristics in late August.

Clearwater

Following the magnetic survey completed over Clearwater in 2023, two main targets were identified along clearly defined fault structures, which, although they had historically known radioactivity, had never been formally tested. Alongside the fieldwork at Thibault Lake, one day of prospecting was spent on one of the targets.

Soaring Bay

Fieldwork in 2023⁵ confirmed the presence of a significant historical radon anomaly along an inferred fault structure. The work completed in 2023 also identified significant radon enrichment to the southwest along the fault structure. To better understand Soaring Bay's structural geology, a combined magnetic and radiometric survey was completed in mid-July, which will feed into future work programmes on Soaring Bay, and will enhance the Power Metal technical team's understanding of Soaring Bay's geology.

E12

In 2023, a magnetic survey was completed to provide information on E12's structural and subsurface geology. In early September 2024, a follow-up field programme comprising radon and soil sampling targeted two fault structures was completed on E12.

Drake Lake - Silas

In early to mid-September, a combined radon, soil, and biogeochemical sampling programme was completed on two main targets including, 1) a largely untested but highly prospective geophysical trend, and 2) an untested gravity low.

Pending Work

Airborne electromagnetic surveys covering Perch River, Badger Lake, Hawkrock East, and Hawkrock West are currently in advanced planning and are expected to be commissioned in October. Depending on assay results, weather, and contractor availability, scope exists for small, targeted field-based surveys to complement the work completed this season.

In 2023, Power Metal commissioned an advanced airborne passive EM survey over the Durrant Lake and Kernaghan Properties. The results of these surveys are pending, subject to enhanced QA/QC by the contractor which is currently in progress.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

REFERENCES

¹ Morgan, J.A. and Giroux, G.H. 2008: Form 43-101 Technical Report on The Central Mineral Belt (CMB) Uranium Project, Labrador, Canada. NI 43-101 Technical report

¹ https://polaris.brighterir.com/public/power_metal_resources/news/rns/story/rd1n0pr

² CanAlaska Uranium Ltd, 2008, Report on 2008 Exploration Programme - Grease River Property, Saskatchewan. (74009-0024)

⁴ https://polaris.brighterir.com/public/power_metal_resources/news/rns/story/wv4lmzw

⁴ Marline Oil Corporation, 1979, Property CBS 5333 Area 114, (64E11-0030)

⁵ https://polaris.brighterir.com/public/power_metal_resources/news/rns/story/xen6pyx

For further information please visit <https://www.powermetalresources.com/> or contact:

Power Metal Resources plc
Sean Wade (Chief Executive Officer) +44 (0) 20 3778 1396

SP Angel Corporate Finance LLP (Nomad and Joint Broker)
Ewan Leggat/Caroline Rowe +44 (0) 20 3470 0470

Tamesis Partners LLP (Joint Broker)
Richard Greenfield/Charlie Bendon +44 (0) 20 3882 2868

BlytheRay (PR Advisors)
Tim Blythe/Megan Ray +44 (0) 20 7138 3204

NOTES TO EDITORS

Power Metal Resources plc - Background

Power Metal Resources plc (AIMPOW, OTCQB:POWMF) is an AIM-traded metals exploration company which finances and manages global resource projects and is seeking large scale metal discoveries.

The Company has a principal focus on opportunities offering district scale potential across a global portfolio including precious, base and strategic metal exploration in North America, Africa, Saudi Arabia and Australia.

Project interests range from early-stage greenfield exploration to later-stage prospects currently subject to drill programmes.

Power Metal will develop projects internally or through strategic joint ventures until a project becomes ready for disposal through outright sale or separate listing on a recognised stock exchange thereby crystallising the value generated from our internal exploration and development work.

Value generated through disposals will be deployed internally to drive the Company's growth or may be returned to shareholders through share buy backs, dividends or in-specie distributions of assets.

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