

1st July 2024

Power Metal Resources PLC
("Power Metal" or the "Company")

Initial Exploration programme completed on Balthaga Lithium Project in Saudi Arabia

Power Metal Resources PLC (AIM:POW, OTCQB:POWMF), the London listed exploration company with a global project portfolio, is pleased to announce that an initial field exploration programme on the Balthaga Lithium Project, Saudi Arabia ("Balthaga") as per the agreement with RIWAQ Al-Mawarid for Mining ("RIWAQ"), the industrial and mining company based in Saudi Arabia and special purpose subsidiary of EV Metals Group plc ("EVM"), to earn a 30% ownership interest in 15 tenements, 13 of which comprise the Balthaga Project area (the "Agreement"), announcement dated 26 March 2024, has been successfully completed.

The Balthaga project located 450km east of Jeddah in the South-East of the Arabian Shield area consists of 13 contiguous exploration licenses granted in succession over the last two years covering a total area of 1200km², with the most recent granted only a couple of months ago. A further two licenses comprise the total Agreement area however these are in different locations and focus on different commodities. The project area being targeted is prospective for lithium, a key commodity for RIWAQ and EVM's larger strategy. The focus on the project area was, and continues to, be on lithium and any associated minerals including Rare Earth Elements ('REE').



Figure 1: Typical terrain at Balthaga Project, Saudi Arabia, June 2024

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

"Further to the comprehensive desktop review we conducted using all available historic data covering the Balthaga Project area, over 40 initial targets were identified as priority targets to visit. Eager to progress the exploration programme, we therefore decided to get a team in the field.

"The team covered the whole area of the 13 licenses and visited nearly every defined target. We are really pleased with the outcome of this initial field programme and to get the team on the ground giving them a much better understanding of the geology. I'm glad to report that the majority of the identified targets proved fruitful with some new targets also discovered.

"The team would have liked longer in the field to carry more detailed work, however the extreme conditions precluded a longer field programme. I would like to thank the team for getting out to the area so quickly and undertaking this work diligently in very difficult conditions.

"We are very pleased to have been able to start the field work to further the extensive desktop studies and are encouraged by the number of prospective target sites found and sampled from the initial programme.

"We look forward to returning to the field after the summer heat to follow up on this work and explore new targets."

Luke Fitzgerald, CEO of EV Metals Group plc, commented:

"The completion of this initial field exploration programme is an important step in understanding the mineral potential at Balthaga to support the EVM strategy of developing a critical raw materials supply chain in the Kingdom of Saudi Arabia. We are encouraged by the thorough and systematic approach undertaken by the team, which identified multiple targets and will generate data to define the next stages of the exploration work. We look forward to the continued collaboration with Power Metals as we advance the project."

Work completed to date

An initial comprehensive desktop study was carried out by Power Metal to enable targeting within the project area based on geological units, features and structural targets. A total of 44 targets were defined by a combination of historic sampling and associated results, historic geological reports discussing target lithologies, geological features such as dykes, veins and structural traps, and a suite of eight Mineral Occurrence Documentation System (MODS) extracted from various papers on the area. Figure 2 below shows a summary of the main target areas and an

Initial target map generated from this desktop work.

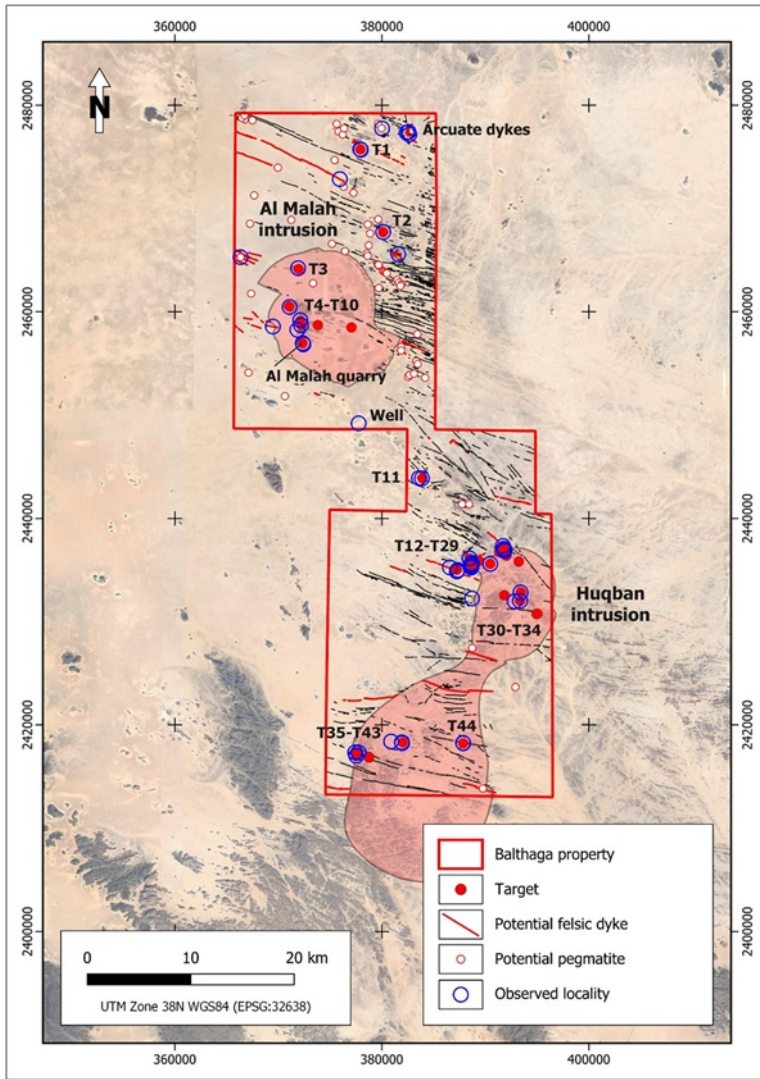


Figure 2: Summary Exploration Target map, Balthaga Project, Power Metal Resources, June 2024

The field programme was designed to locate the majority of these targets, visit all priority targets and, where appropriate, take initial rock chip samples for analysis. A total of 43 in-situ rock chip samples were taken from the targets visited and new areas were identified during the seven days of field work possible in the conditions. The team managed to cover the entire project area, over 1,200 km².

Each sample was given a unique number, the outcrop sampled was photographed, as was the sample itself, with a description of the sample taken to ensure maximum data was captured at each location. Several locations exhibited numerous units within an area however, due to the constraints on time, Power Metals ensured key units were sampled and the location clearly defined for more detailed follow up work. EVM General Manager Geology and Mining accompanied the field team for the first two days.

Two Certified Reference Material samples (OREAS 752) for QA/QC purposes were also submitted as part of the samples submitted to the laboratory.



Figure 3: Pegmatite in vicinity of target T14, Balthaga Project, June 2024

All samples were submitted to ALS Jeddah for analysis. The specified preparation method is to crush to 70% less than two millimetres, rotary split off 250 grammes, and pulverise the split to better than 85% passing 75 microns (ALS code PREP-31Y).

The specified digest and analysis method is sodium peroxide fusion followed by an Inductively Coupled Plasma - Mass Spectrometry (ICP-MS) finish (ALS code ME-MS89L). This is a multi-element package comprising of 52 elements.

The preparation stage is to occur at the Jeddah laboratory and the analysis is likely to occur at the ALS laboratory in Loughrea, Ireland. Results are expected in Q3 2024.

A further 23 rock samples taken by RIWAQ in 2022 but never submitted for analysis were also submitted to ALS.



Figure 4: Samples prepared for submission to ALS Jeddah, June 2024

Once results are received and a more detailed interpretation of all the newly acquired data is processed, Power Metal will be in a position to plan the next stage of exploration to advance the project. The two remaining licenses that are included in the earn in agreement will be the subject of work once they become fully granted which is hoped to occur in the coming weeks.

Riwaq Al Mawarid

Riwaq Al Mawarid for Mining ("RIWAQ") is a special purpose subsidiary of EV Metals Group plc ("EVM") focused on developing the Saudi supply chain through the production of critical raw materials from exploration, mining, and processing of minerals and metals in the Kingdom of Saudi Arabia.

RIWAQ is actively engaged in exploring for lithium, nickel sulphides, and other battery metals in the Arabian Shield, with a focus on the Balthaga Lithium Project located in an area prospective for lithium pegmatites.

With a well-developed strategy and in conjunction with its joint venture partners, RIWAQ is seeking to execute field programmes for the rapid development of critical upstream raw materials.

The exploration activities by RIWAQ complement EVM's midstream plans to develop its flagship Lithium Chemicals Plant project at Yanbu Industrial City in the Kingdom of Saudi Arabia, which will produce high-purity lithium hydroxide monohydrate ("LHM") from spodumene concentrate. LHM is a crucial chemical product expected to face significant deficits by 2030 due to overwhelming global demand for lithium-ion batteries.

EV Metals Group plc

EV Metals Group plc ("EVM") is a global battery chemicals and technology business committed to a clean energy future.

EVM is focused on the production of high purity chemicals required in rechargeable batteries for electric vehicles and renewable energy storage. Our business model is based on the integration of upstream (mining) and midstream (chemical refining) supply chains for critical raw minerals from geopolitically aligned sources to produce high purity battery chemicals vital to the global energy transition.

Through their mine to refine value proposition, EVM will offer transparent and stable supplies of high purity battery chemicals to growth markets including the Middle East, Europe and North America. This will involve upstream mining and production of intermediate products via participation and ownership of mining mineral resources, facilitated by joint ventures and long-term offtake agreements for midstream processing at our planned chemical refining plant in the Kingdom of Saudi Arabia ("KSA").

Their flagship Lithium Chemicals Plant ("LCP") in Yanbu Industrial City in KSA is being developed as a midstream hub for diversification and geopolitical alignment of supply chains for electric vehicle and battery cell manufacturers. The LCP is set to play a critical role in the Kingdom's industrial diversification efforts, featuring an initial nameplate capacity to produce 50,000 tonnes per annum of high purity Lithium Hydroxide Monohydrate ("LHM"), a crucial chemical product expected to face significant deficits by 2030 due to overwhelming global demand.

Incorporated in 2014, EVM is a private company with operations in Western Australia, the United Kingdom and KSA. For further information on EVM please visit www.evmgroup.com

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.

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

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NOTES TO EDITORS

Power Metal Resources plc (AIM:POW, OTCQB:POWMF) is a London-listed 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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