Power Metallic Announces Expansion In the Kingdom of Saudi Arabia via Joint Venture With Amaar Mining

written by Raj Shah | May 19, 2026

Strategic partnership establishes a framework for Power Metallic and Amaar Mining to jointly pursue future Saudi mining license auction rounds, with 50/50 ownership economics and an initial approved post-award work-program funding framework of up to US$10 million

May 19, 2026 (Source) – **Power Metallic Mines Inc. (**the **"Company"** or **"Power Metallic")** (TSXV: PNPN) (OTCBB: PNPNF) (Frankfurt: IVV1) is pleased to announce that it has entered into a strategic alliance and joint venture framework agreement with Amaar United Mining Company ("Amaar Mining"), a Saudi Arabian company affiliated with Amaar Holding, to jointly pursue mining license opportunities in the Kingdom of Saudi Arabia.

The agreement marks the next step in Power Metallic's expansion strategy in Saudi Arabia following the Company's award of the Jabal Baudan exploration license in the Jabal Sayid Mineralized Belt. Under the agreement, Power Metallic and Amaar Mining intend to cooperate in future Saudi mining license auction rounds and other mutually agreed opportunities, combining Power Metallic's technical, geological, and exploration capabilities with Amaar Mining's local strategic presence, coordination capacity, and regulatory interface experience in the Kingdom.

Pursuant to the agreement, any licenses awarded to the parties under the agreed framework are expected to be advanced through a

50/50 joint venture structure. Power Metallic is expected to act as technical lead and proposed operator of any post-award joint venture, subject to the execution of definitive joint venture documentation. Amaar Mining is expected to act as the local strategic partner, leading local coordination, relationship management, and administrative support.

The agreement contemplates that, for the first aggregate US$10 million of approved post-award work-program funding, Power Metallic will contribute US$2.5 million and Amaar Mining will contribute US$7.5 million, while maintaining 50/50 beneficial ownership, economic interests, and equity interests in the consortium and any post-award joint venture. Following the funding of the first US$10 million of approved work-program expenditures, all further approved funding is expected to be contributed by the parties on a 50/50 basis.

“This agreement is an important step in Power Metallic’s strategy to build a durable Saudi Arabia exploration platform,” said Terry Lynch, CEO of Power Metallic. “Our award of the Jabal Baudan license demonstrated that Power Metallic can compete successfully in one of the world’s most important emerging mining jurisdictions. This partnership with Amaar Mining gives us a strong local partner and a clear framework to pursue additional high-quality license opportunities in future auction rounds, while preserving 50/50 economics and maintaining disciplined capital exposure.”

“Saudi Arabia is moving quickly to establish itself as a major global mining jurisdiction, and the quality of future license applications will matter,” said Conor Lynch, Vice President of Business Development of Power Metallic. “Successful participation in the Kingdom requires strong geology, credible work programs, local coordination, regulatory preparation, and disciplined execution. We believe the combination of Power

Metallic’s technical capabilities and Amaar Mining’s local platform positions the partnership to compete effectively for future opportunities.”

Naser Fahad Al-Qahtani, CEO of Amaar Mining, commented: “This agreement represents a strategic step in our plans to expand Amaar Mining’s business and enhance its presence in the mining sector by building international partnerships with experienced technical partners. This partnership aligns with the objectives of Saudi Arabia’s Vision 2030, which aims to develop the mining sector and increase its contribution to the national economy. Through this alliance with Power Metallic, we look forward to creating quality opportunities in the Kingdom and achieving sustainable added value that supports the sector’s growth and investment attractiveness.”

Key Terms of the Joint Venture Framework

The key commercial principles of the agreement include:

- **50/50 ownership and economics:** Power Metallic and Amaar Mining are expected to hold equal beneficial ownership, economic interests, and equity interests in the consortium and any post-award joint venture.
- **Future license auction participation:** The parties intend to cooperate in future Saudi mining license auction rounds and other mutually agreed opportunities in the Kingdom.
- **Power Metallic as technical lead and proposed operator:** Power Metallic is expected to lead geological, exploration, technical preparation, and work-program design matters and to act as proposed operator of any post-award joint venture, subject to definitive documentation.
- **Amaar Mining as local strategic partner:** Amaar Mining is expected to lead local coordination, relationship

management, and administrative support in the Kingdom, and to contribute to bid preparation and regulatory interface matters.

- **Initial approved work-program funding:** For the first aggregate US$10 million of approved post-award work-program funding, Power Metallic is expected to contribute US$2.5 million and Amaar Mining is expected to contribute US$7.5 million.
- **Equal funding thereafter:** Following the first US$10 million of approved work-program funding, additional approved funding is expected to be contributed by the parties equally on a 50/50 basis.
- **Post-award joint venture structure:** Any awarded licenses under the agreed framework are expected to be advanced through the joint venture structure contemplated by the agreement.

The agreement provides Power Metallic with a scalable structure for future license participation in Saudi Arabia while allowing the Company to maintain a disciplined approach to capital allocation.

Building on Jabal Baudan

Power Metallic’s Saudi Arabia expansion began with the award of the Jabal Baudan exploration license in the Jabal Sayid Mineralized Belt. The Jabal Baudan property covers more than 200 square kilometers and is located in a highly prospective region known for copper, gold, and zinc mineralization. The area forms part of the broader Jabal Sayid belt, a district recognized for volcanogenic massive sulphide-style mineralization.

Power Metallic intends to continue advancing Jabal Baudan through a staged exploration approach, including compilation, reconnaissance, review of historical data, and advanced

exploration targeting of high-priority zones. The Company also expects that Saudi Arabia’s Exploration Enablement Program and broader mining-sector reforms may help support continued exploration investment in the Kingdom, subject to applicable eligibility requirements, approvals, and program availability.

The Company views Jabal Baudan as both a high-potential exploration asset and a strategic beachhead for broader participation in Saudi Arabia’s rapidly developing mining sector.

About Amaar Mining and Amaar Holding

Amaar Mining is a Saudi Arabian mining company affiliated with Amaar Holding, a diversified Saudi investment group headquartered in the Kingdom of Saudi Arabia. Amaar Holding was established to diversify investments across sectors and regions with strong economic potential, building on the group’s roots in real estate, infrastructure development, and strategic partnerships.

Amaar Holding traces its origins to Amaar Real Estate, founded in 2011 in the Eastern Province of Saudi Arabia, and has since expanded into a diversified investment platform. Amaar Holding states that its cumulative portfolio exceeds 140 million square meters of developed lands with a value exceeding 40 billion SAR. Through Amaar Mining, the group is seeking to expand its participation in the Saudi mining sector and contribute to the Kingdom’s Vision 2030 objectives

Qualified Person

Joseph Campbell, P. Geo, VP Exploration at Power Metallic, is the qualified person who has reviewed and approved the technical disclosure contained in this news release.

About Power Metallic Mines Inc.

Power Metallic is a Canadian exploration company focused on advancing the Nisk Project Area (Nisk–Lion–Tiger)–a high–grade Copper–PGE, Nickel, gold and silver system–toward Canada's next polymetallic mine.

On 1 February 2021, Power Metallic (then Chilean Metals) secured an option to earn up to 80% of the Nisk project from Critical Elements Lithium Corp. (TSX–V: CRE). Following the June 2025 purchase of 313 adjoining claims (~167 km²) from Li–FT Power, the Company now controls ~330 km² and roughly 50 km of prospective basin margins.

Power Metallic is expanding mineralization at the Nisk and Lion discovery zones, evaluating the Tiger target, and exploring the enlarged land package through successive drill programs.

Beyond the Nisk Project Area, Power Metallic indirectly has an interest in significant land packages in British Columbia and Chile, by its 50% share ownership position in Chilean Metals Inc., which were spun out from Power Metallic via a plan of arrangement on February 3, 2025.

It also owns 100% of Power Metallic Arabia which owns 100% interest in the Jabul Baudan exploration license in The Kingdon of Saudi Arabia's Jabal Said Belt. The property encompasses over 200 square kilometres in an area recognized for its high prospectivity for copper gold and zinc mineralization. The region is known for its massive volcanic sulfide (VMS) deposits, including the world-class Jabal Sayid mine and the promising Umm and Damad deposit.

For further information, readers are encouraged to contact:
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QAQC and Sampling

GeoVector Management Inc ("GeoVector") is the Consulting company retained to perform the actual drilling program, which includes core logging and sampling of the drill core.

All core in this news release is either HQ or NQ sized core. Drill core is re-fitted and measured. Geotech on core includes photographs (wet & dry), rock quality index, magnetic susceptibility, conductivity, and recovery estimates. Core is logged for lithology, mineralogy, and structural features, and sample intervals are delineated and tagged.

Sampled core is mechanically sawn, and half-core is retained for future reference. GeoVector's QAQC program includes regular insertion of CRM standards, duplicates, and blanks into the sample stream with a stringent review of all results. QAQC and data validation was performed, and no material errors were observed.

All samples were submitted to and analyzed at Activation Laboratories Ltd ("Actlabs"), a commercial laboratory independent of Power Metallic with no interest in the Project. Actlabs is an ISO 9001 and 17025 certified and accredited laboratories. Samples submitted through Actlabs are run through standard preparation methods and analysed using RX-1 (Dry, crush (< 7 kg) up to 80% passing 2 mm, riffle split (250 g) and pulverize (mild steel) to 95% passing 105 µm) preparation methods, and using 1F2 (ICP-OES) and 1C-OES – 4-Acid near total

digestion + Gold-Platinum-Palladium analysis and 8-Peroxide ICP-OES, for regular and over detection limit analysis. Pegmatite samples are analyzed using UT7 – Li up to 5%, Rb up to 2% method. Actlabs also undertake their own internal coarse and pulp duplicate analysis to ensure proper sample preparation and equipment calibration.

Cautionary Note Regarding Forward-Looking Statements

This message contains certain statements that may be deemed “forward-looking statements” concerning the Company within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects,” “plans,” “anticipates,” “believes,” “intends,” “estimates,” “projects,” “potential,” “indicates,” “opportunity,” “possible” and similar expressions, or that events or conditions “will,” “would,” “may,” “could” or “should” occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, among others; the timing for various drilling plans; the ability to raise sufficient capital to fund its obligations under its property agreements going forward and conduct drilling and exploration; to maintain its mineral tenures and concessions in good standing; to explore and develop its projects; changes in economic conditions or financial markets; the inherent hazards associates with mineral exploration and mining operations; future prices of nickel and other metals; changes in general economic conditions; accuracy of mineral resource and reserve estimates; the potential for new discoveries; the ability of the Company to obtain the necessary permits and

consents required to explore, drill and develop the projects and if accepted, to obtain such licenses and approvals in a timely fashion relative to the Company’s plans and business objectives for the applicable project; the general ability of the Company to monetize its mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company’s operations, compliance with environmental laws and regulations, dependence on key management personnel and general competition in the mining industry.

SOURCE Power Metallic Mines Inc.

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