

Powermax Minerals to Option Melba North Rare Earth Claims Adjacent to Hopkins Project

Company plans to integrate the property into its current exploration work and evaluate follow-up drilling under an existing permit

Toronto, Ontario--(Newsfile Corp. - October 15, 2026) - Powermax Minerals Inc. (CSE: PMAX) (OTCQB: PWMXF) (FSE: T23) (the "Company" or "Powermax") announces that it has entered into a three-year option agreement with Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. (together, the "Optionors") to acquire a 100% interest in the Melba North property (the "Property"), a package of 10 unpatented mining claims comprising of 160 cells over approximately 3,360 hectares land adjacent to Powermax's Hopkins REE property in northern Ontario. The option is subject to a 1.5% net smelter returns royalty (the "NSR Royalty") in favour of the Optionors and to applicable exchange approval.

Melba North is located in the Clay-Howells townships area of northern Ontario and overlies rocks of the Clay-Howells Alkalic Rock Complex. A recent 2025 exploration work report describes syenitic and alkali-syenitic rocks, magnetite-bearing carbonatite and alteration associated with carbonatite emplacement. The property's claims are adjacent to Powermax's Hopkins property. Mineralization continuity between the two properties has not yet been established.

Option Terms

Term	Agreement terms
Option	Three-year option to earn a 100% interest in the Property.
Cash payments	C\$14,000 on signing; C\$18,000 on the first anniversary; C\$24,000 on the second anniversary; and C\$30,000 on the third anniversary, for total cash consideration of C\$86,000.
Common shares	400,000 common shares, issuable within seven business days after receipt of applicable exchange approval.
NSR Royalty	A 1.5% NSR Royalty payable upon exercise of the option. The Company may repurchase 0.5% of the royalty for C\$500,000, reducing it to 1.0%.

2025 Historical Drilling

A November 2025 assessment work report prepared by Laurentia Exploration Inc. for Argyle Resources Corp. documents seven heli-portable BTW size diamond drill holes totaling 1,983 metres on the Clay-Howells claims, including claims listed in the North Melba option schedule. The program tested magnetic highs around the known Clay-Howells Fe-REE deposit, which the report places outside the claims drilled. Selected historical assay highlights reported in the assessment report include:

- **CH-25-02** (222 m; azimuth 150 degrees; dip -45 degrees): 3.05 m grading 0.33% TREO from 144.95 m to 148.00 m in magnetite-bearing carbonatite, within a broader 16.55 m interval grading 0.16% TREO from 135.00 m to 151.55 m.
- **CH-25-04** (225 m; azimuth 170 degrees; dip -65 degrees): 15.00 m grading 0.28% TREO from 163.50 m to 178.50 m, including 7.65 m grading 0.34% TREO from 163.50 m to 171.15 m. The report describes a 5.90 m magnetite-bearing carbonatite unit from 165.25 m to 171.15 m.
- **CH-25-06** (351 m; azimuth 180 degrees; dip -45 degrees): 24.50 m grading 0.17% TREO from 12.00 m to 36.50 m, including 1.50 m grading 0.40% TREO; and a separate 10.50 m interval grading 0.23% TREO from 87.00 m to 97.50 m, including 3.70 m grading 0.45% TREO.

Across the selected samples reported, 49 returned more than 0.17% TREO, including 20 above 0.30% TREO and six above 0.50% TREO. The highest reported sample interval was 0.76% TREO over 0.60 m.

TREO is reported as the sum of rare earth element oxides.

According to the report, selected half-core samples were analyzed by Activation Laboratories using its 8-REE package (lithium-borate fusion with ICP-OES/MS). The report's QA/QC appendix says submitted blanks and certified reference materials met the acceptance criteria.

Planned Exploration

Powermax intends to include Melba North in its current Hopkins-area work, integrating the historical drill database with mapping, sampling and geophysical data to refine targets and assess follow-up drilling. The 2025 report lists Permit No. PR-25-000130, issued September 2, 2025; the Company will confirm the permit remains valid and covers the planned work before mobilization.

"Melba North adds an important land position beside Hopkins and lets us evaluate the two areas within a coordinated exploration framework," said Paul Gorman, Chief Executive Officer of Powermax. "We will integrate the 2025 drilling data with our current field work and evaluate suitable targets for follow-up drilling, subject to permit conditions and regulatory approvals."

Qualified Person and Historical Data

The technical information is based on Laurentia Exploration Inc.'s November 2025 report for Argyle Resources Corp. and other available historical data on these claims. Powermax has not independently verified the underlying assays, sample custody, drill data or true widths and treats the results as historical. Reported intervals are downhole lengths; true widths are not established. The known Clay-Howells Fe-REE deposit described in the report is outside Melba North. Results from Hopkins or other adjacent ground do not establish continuity or predict mineralization on North Melba.

Qualified Person Approval: Afzaal Pirzada, P.Geo., a Director of the Company and a Qualified Person as defined in National Instrument 43-101, has reviewed and approved the scientific and technical information in this news release before issuance.

About Powermax Minerals Inc.

Powermax Minerals Inc. is a Canadian mineral exploration company focused on rare earth element projects in North America.

On behalf of the Board of Directors

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Forward-Looking Statements

This release contains forward-looking information under Canadian securities laws, including statements about the option, approvals, permit status and planned exploration and drilling. Actual plans depend on completion of the agreement, exchange and regulatory approvals, current permit scope, financing, access, contractor availability and weather. Risks include transaction, regulatory, permitting, access, financing, exploration and operational factors described in the Company's public filings. Actual results may differ materially; readers should not place undue reliance on these statements. The Company undertakes no obligation to update them except as required by law.

Neither the Canadian Securities Exchange nor its Market Regulator accepts responsibility for the adequacy or accuracy of this news release.



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