

Usha Resources Discusses Benefits of North American Lithium Production in Context of New Chilean Lithium Policy

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Nym Lake Acquisition, Closing of Plan of Arrangement

VANCOUVER, April 26, 2023 - [Usha Resources Ltd.](#) ("USHA" or the "Company") (TSXV:USHA)(OTC PINK:USHAF)(FSE:JO0) is pleased to provide comments on the recent announcement of the new National Lithium Policy ("NLP") in Chile.

Electric vehicle (EV) manufacturers are facing a new obstacle in their quest to secure battery materials, as more countries seek to safeguard their natural resources. Mexico nationalized its lithium deposits in 2022, while Indonesia prohibited exports of nickel ore, an essential component of batteries, in 2020. Chilean President Gabriel Boric announced the highly anticipated National Lithium Policy ("NLP") on the evening of April 20, 2023. The NLP sets out the blueprint for future exploration and exploitation of lithium resources in Chile with future lithium contracts granted only as public-private partnerships with state control.

As one of three countries with free-trade agreements with the United States, the decision to nationalize Chilean lithium and potentially remove it as a supplier further underscores the necessity to develop domestic lithium production within North America, something the Company is aiming to achieve through its Jackpot Lake Lithium Brine ("Jackpot Lake") and White Willow Lithium Pegmatite ("White Willow") Projects located in Nevada and Ontario, respectively.

The Company's flagship Jackpot Lake Lithium Project, where the Company is presently completing its maiden drill program and recently reported the highest drill results at the project (see news release dated April 12, 2023), is being advanced specifically to help address the growing demand for lithium-ion batteries and supporting the global transition to a greener, more sustainable future. By leveraging innovative extraction techniques and environmentally friendly practices, USHA aims to bolster domestic lithium production, reduce reliance on imports, and create local jobs in the Nevada region.

Deepak Varshney, CEO of [Usha Resources Ltd.](#), stated: "The Jackpot Lake Lithium Project embodies our steadfast commitment to championing clean energy solutions. By enhancing domestic lithium production capabilities, we will support the rapid growth of the electric vehicle and renewable energy industries while ensuring a secure, domestic supply chain contributing to greater energy security and independence. Our mission is to make a tangible, positive impact on the environment, the economy, and society."

The Jackpot Lithium Project represents a major advancement for USHA. With a strong commitment to sustainability, innovation, and domestic production, the Company believes it is poised to become a significant player in the lithium market, driving progress towards a more sustainable future.

Nym Lake Acquisition

The Company is also pleased to announce that, further to its news release dated April 4, 2023, wherein the Company announced the execution of an option (the "Option Agreement") with 2758145 Ontario Ltd., Peter Gehrels, and Allan George Onchulenko (the "Vendors") of Atikokan, Ontario, for the right to purchase an undivided 100% interest in eight unpatented mining claims located in the Thunder Bay Mining Division of Ontario (the "Nym Property", "Nym", or the "Property"), it wishes to clarify that it has granted each of the Vendor and Assignor a 1.5% net-smelter returns royalty (the "NSR"), of which, the Company may purchase two-thirds of the NSR from the Vendor and Assignor at any time for consideration of \$1,000,000.

The Nym Property is the second acquisition of Usha's planned expansion into the hard-rock pegmatite space

and is a continuation of the Company's strategy to build an accretive portfolio of highly complementary hard-rock assets to its 100% owned flagship Jackpot Lake Lithium Brine Project, where it recently tripled its land position and is progressing with its maiden drill program with a goal of defining a 43-101 compliant resource.

The Property is contiguous with the recently acquired White Willow Lithium-Tantalum Property ("White Willow", see the Company's news release dated March 28, 2023), and expands the existing 712 claim block to a total of 720 claims, adding 170 hectares to the 15,510 hectares the Company has already optioned.

The Property is located approximately 500 metres along strike from the Maple Leaf Dike on the White Willow Property which is confirmed to host a fertile lithium-cesium-tantalum ("LCT") system with samples assaying as high as 0.5% Li₂O and 14.64% Ta₂O₅ in and around the dike with coarse-grained tantalite present. Coarse-grained tantalite is only known to be found at one other locality in Ontario which is the North Aubrey pegmatite at Green Technology Metals (GT1) Seymour Lake Project where GT1 has identified a 9.9 Mt resource at 1.04% Li₂O.

Similar to White Willow, the Property is under-explored, with only three of 119 mapped pegmatites reported to be present by Bandore Resources, the former owners of the property, assessed in the limited modern exploration completed to date. The assessed pegmatites, however, have been confirmed to be white pegmatites with highly anomalous lithium up to 520 ppm (>50 ppm is considered anomalous). Furthermore, drilling conducted for precious and base metals has identified pegmatite intersections as thick as 40 metres, suggesting that similar to the White Willow Property, the Nym Property pegmatites may also be highly fractionated LCT-pegmatites that bear spodumene and other LCT-minerals, particularly as they are located 500 metres away on trend from the Maple Leaf Dike.

"We are very pleased to add the Nym Project to our growing portfolio of hard-rock lithium assets," said Deepak Varshney, CEO of Usha Resources. "This property, collectively with White Willow, presents a unique and timely opportunity to capitalize on the rapidly growing lithium market in Canada. We believe this project has the potential to join an emerging group of Tier-1 projects in Ontario such as the Seymour Lake Lithium Project, the Georgia Lake pegmatite field, and the Separation Rapids Lithium deposit, and we look forward to beginning exploration work shortly with the goal of drilling White Willow and Nym in 2023."

The Company confirms it has issued 150,000 common shares to the Vendors in connection with the Option Agreement. The Option Agreement remains subject to the final approval of the Exchange. The Shares issued pursuant to the Option Agreement are subject to (i) a hold period of four months and one day following the dates of issuances and (ii) the Exchange Hold Period.

Closing of Plan of Arrangement

The Company is also pleased to announce that, further to its news releases dated February 9, 2022, May 11, 2022, October 13, 2022, November 17, 2022, November 29, 2022, December 21, 2022, January 10, 2023, March 15, 2023, and April 5, 2023, the statutory arrangement under a plan of arrangement (the "Arrangement") with [Formation Metals Inc.](#) ("FMI" or "Formation Metals") has been completed on April 25, 2023.

Completion of the Arrangement, as set forth in the arrangement agreement and plan of arrangement dated May 10, 2022 (the "Arrangement Agreement"), entered into between the Company and Formation Metals, was approved by the shareholders of the Company (the "USHA Shareholders") on December 16, 2022, by a Final Order granted by the Supreme Court of British Columbia on January 6, 2023, in accordance with Part 9 of the Business Corporations Act (British Columbia), and accepted by the TSX Venture Exchange (the "TSXV" or the "Exchange") on April 5, 2023.

Pursuant to the Arrangement Agreement and on the payable date of April 20, 2023, the following occurred:

1. USHA distributed 9,480,476 common shares of FMI (the "Spinco Shares") to the USHA Shareholders on a pro rata basis. The USHA Shareholders received one (1) Spinco Share for every five (5) common shares of USHA held as at April 12, 2023, being the share distribution record date;

2. USHA transferred the assets to FMI, being the Nicobat property in Ontario, which assets are described in the Company's management information circular dated November 15, 2022, which was filed on SEDAR at www.sedar.com on November 22, 2022 under the Company's SEDAR profile;
3. FMI became a reporting issuer in the Provinces of British Columbia and Alberta; and
4. USHA retained its working capital for its assets, and remains listed on the TSXV and continues to trade under the trading symbol, USHA, as a junior exploration company, and continues to be a reporting issuer in the provinces of British Columbia and Alberta.

Additionally, in accordance with the Arrangement, USHA Shareholders who previously held one common share of USHA (the "Old USHA Shares") were issued one new common share of USHA (the "New USHA Shares") on a one for one basis. Accordingly, the Old USHA Shares were delisted from the Exchange effective at the close of business on Monday, April 24, 2023 and the New USHA Shares were listed on the Exchange effective at the market opening on Tuesday, April 25, 2023.

Qualified person

The technical content of this news release has been reviewed and approved by Mr. Andrew Tims, P.Geo., a qualified person as defined by National Instrument 43-101.

About Usha Resources Ltd.

[Usha Resources Ltd.](#) is a North American mineral acquisition and exploration company focused on the development of quality battery and precious metal properties that are drill-ready with high-upside and expansion potential. Based in Vancouver, BC, Usha's portfolio of strategic properties provides target-rich diversification and consists of Jackpot Lake, a lithium project in Nevada; White Willow, a lithium project in Ontario; and Lost Basin, a gold-copper project in Arizona. Usha trades on the TSX Venture Exchange under the symbol USHA, the OTC Exchange under the symbol USHAF and the Frankfurt Stock Exchange under the symbol JOO.

[Usha Resources Ltd.](#)

"Deepak Varshney" CEO and Director

For more information, please call Tyler Muir, Investor Relations, at 1-888-772-2452, email tmuir@usharesources.com, or visit www.usharesources.com.

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Forward-looking statements

This news release contains "forward-looking information" under applicable Canadian securities legislation. Such forward-looking information reflects management's current beliefs and are based on a number of estimates and/or assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Readers are cautioned that such forward-looking information are neither promises nor guarantees and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base and other metals, operating risks, accidents, labour issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry.

These statements include proposed terms of the spinout transaction, proposed business plans for each of Usha and FMI, the listing of FMI's Shares, the anticipated benefits of the transaction, and disclosure of additional details concerning the transaction. These statements reflect management's current estimates,

beliefs, intentions and expectations. They are not guarantees of future performance. Usha cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: the determination of acceptable terms for the proposed spinout transaction, risks and uncertainties relating to the receipt of approvals to proceed with and complete the transaction and the satisfaction of the conditions precedent to the completion of the transaction, unexpected tax consequences, the market valuing Usha and FMI in a manner not anticipated by management of the Company, the benefits of the spinout transaction not being realized or as anticipated, and each of Usha and FMI being unable to add additional properties to their respective portfolios. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company does not undertake to publicly update or revise forward-looking information.

The Company is presently an exploration stage company. Exploration is highly speculative in nature, involves many risks, requires substantial expenditures, and may not result in the discovery of mineral deposits that can be mined profitably. Furthermore, the Company currently has no reserves on any of its properties. As a result, there can be no assurance that such forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

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