



NEWS RELEASE

POWER GROUP SIGNS LETTER OF INTENT TO ACQUIRE SUGARBOWL COPPER

June 30, 2025 – Power Group Projects Corp (**TSX-V: PGP**) (the “**Company**”) has entered into a letter of intent (the “**Letter**”), dated June 27, 2025, pursuant to which it proposes to acquire (the “**Transaction**”) all of the outstanding share capital of Sugarbowl Copper Ltd. (“**Sugarbowl**”). Sugarbowl is an arms’-length privately held company established under the *Business Corporations Act* (British Columbia). Following completion of the transaction, it is anticipated that the Company will continue be listed as a Tier 2 Mining issuer on the TSX Venture Exchange (“**TSX-V**”) and will continue the existing business of Sugarbowl. The Transaction will constitute a reverse-takeover of the Company, in accordance with TSX-V Policy 5.2 – *Changes of Business and Reverse Takeovers*.

About Sugarbowl Copper

Sugarbowl is a privately-held company involved in the exploration and development of mineral resource projects in the Province of British Columbia. Its principal focus is on the exploration of a series of three mineral claims, totaling 3,130.22 hectares, and commonly referred to as the “Pet Silica Project”. Sugarbowl holds the right to acquire the Pet Silica Project, subject to a two percent net smelter returns royalty, in consideration for a series of cash payments and exploration expenditures. In addition to the Pet Silica Project, Sugarbowl also holds the right to acquire a further two mineral claims, totaling 1,174.76 hectares, and commonly referred to as the “Goat Project”.

In connection with the Transaction, the Company has commissioned a geological report on the Pet Silica Project which is expected to be the principal focus of the Company following completion of the Transaction. Prior to completion of the Transaction, a copy of the geological report will be filed and posted the issuer profile for the Company on SEDAR+ (www.sedarplus.ca).

Information concerning the shareholder base of Sugarbowl, as well as significant financial information regarding Sugarbowl, will be provided by the Company as soon as it becomes available.

About the Transaction

The capital structure of the Company currently consists of 16,956,056 common shares (each, a “**PGP Share**”). Except for 5,000,000 common share purchase warrants exercisable at a price of \$0.05 until June 19, 2029, there are no outstanding securities or rights of the Company which are convertible or have the right to acquire PGP Shares. The capital structure of Sugarbowl currently consists of 78,800,000 common shares (each, an “**SBC Share**”) and an equivalent number of share purchase warrants. Immediately prior to completion of the Transaction, the Company will consolidate (the “**Consolidation**”) the outstanding PGP Shares on a ten-for-one basis (each post-Consolidation PGP Share, a “**Resulting Issuer Share**”).

In consideration for Transaction, the Company will issue 20,000,000 Resulting Issuer Shares and 10,000,000 share purchase warrants (each, a “**Resulting Issuer Warrant**”) to the existing share and warrant holders of Sugarbowl. Each Resulting Issuer Warrant will entitle the holder to acquire an additional Resulting Issuer Share at a price of \$0.20 for a period of sixty months following issuance.

Upon completion of the Transaction, it is expected that the Company will change its name and reconstitute its board of directors and management of the Company. The Company will provide further information concerning the proposed new name and directors and officers of the Company as soon as it becomes available.

Concurrent Financing

Pursuant to the Letter, and in connection with the Transaction, the Company will complete a non-brokered private placement (the “**Concurrent Financing**”) of subscription receipts (each, a “**Receipt**”) at a price of \$0.15 per Receipt to raise a minimum of \$650,000. Proceeds from the Concurrent Financing will be held in escrow pending completion of the Transaction. Immediately prior to completion of the Transaction, each Receipt will automatically be converted into one unit (each, a “**Resulting Issuer Unit**”). Each Resulting Issuer Unit will consist of one Resulting Issuer Share and one share purchase warrant entitling the holder to acquire one additional Resulting Issuer Share at a price of \$0.20 for a period of sixty months following closing of the Transaction.

Net proceeds of the Concurrent Financing will be used to advance development of the Pet Silica Project, and for working capital and general corporate purposes. The Company may pay finders’ fees to eligible parties who assist introducing subscribers to the Concurrent Financing. All securities issued in connection with the Concurrent Financing will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws.

Further Information

Completion of the Transaction is subject to a number of conditions including the satisfactory completion of due diligence, the negotiation and entering into of a definitive agreement, receipt of all required regulatory and third-party consents, including approval of the TSX-V, receipt of approval of the shareholders of the Company, completion of the Concurrent Financing and satisfaction of other customary closing conditions. The Transaction requires approval of the shareholders of the Company in accordance with the policies of the TSX Venture Exchange. The Company intends to obtain shareholder approval through the written consent of the majority of its outstanding share capital.

The Company and Sugarbowl have agreed to structure the Transaction in the manner most tax efficient for the shareholders of Sugarbowl and as such the Transaction structure is subject to change based upon advice from the parties respective legal and tax advisors. The Transaction cannot close until the required approvals are obtained. There can be no assurance that the Transaction will be completed as proposed or at all. No finders’ fees or commissions are payable in connection with completion of the Transaction, except in connection with the Concurrent Financing, and no advances or loans to Sugarbowl are contemplated.

Sponsorship

The Transaction is subject to the sponsorship requirements of the TSX-V unless an exemption from those requirements is granted. The Company intends to apply for an exemption from the sponsorship requirements; however, there can be no assurance that an exemption will be obtained. If an exemption from the sponsorship requirements is not obtained, a sponsor will be identified at a later date. An agreement to act as sponsor in respect of the Transaction should not be construed as any assurance with respect to the merits of the Transaction or the likelihood of its completion.

Filing Statement

In connection with the Transaction and pursuant to the requirements of the TSX-V, the Company will prepare and file a Filing Statement on its issuer profile on SEDAR+ (www.sedarplus.ca), which will contain details regarding the Transaction, the Concurrent Financing, the Company, Sugarbowl and the Resulting Issuer following completion of the Transaction.

Trading Halt

Trading in the common shares of the Company is currently halted in accordance with the policies of the TSX-V and is expected to remain halted pending completion of the Transaction.

For further information please contact:

Scott Hayduk

Director

Email: scott.hayduk@icloud.com

Tel: 403.819.9756

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture Exchange acceptance. The Transaction cannot close until the required approvals are obtained, and the outstanding conditions satisfied. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When or if used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and similar words or expressions identify forward-looking statements or information. These forward-looking statements or information may relate to proposed financing activity, regulatory or government requirements or approvals, the reliability

of third-party information and other factors or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.