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USHA RESOURCES LTD. AND TOTEC RESOURCES LTD. ANNOUNCE STRATEGIC PARTNERSHIP VIA LETTER OF INTENT FOR WHITE WILLOW PROPERTY QUALIFYING TRANSACTION

FOR IMMEDIATE RELEASE

Vancouver, British Columbia – May 13, 2025 – Totec Resources Ltd. ("**Totec**") (TSXV: TOTC.P), a capital pool company, and Usha Resources Ltd. ("**Usha**") (TSXV: USHA) (OTCQB: USHAF) (FSE: JOO), are pleased to jointly announce that they have entered into a non-binding letter of intent (the "**LOI**") dated May 13, 2025. Pursuant to the LOI, Totec proposes to acquire (the "**Transaction**") from Usha an option (the "**Assigned Option Interest**") to acquire a 100% interest in 240 claims (the "**Acquired Property**") currently forming part of Usha's White Willow Pegmatite Property (the "**White Willow Property**"), located in the Thunder Bay Mining Division near Atikokan, Ontario.

As currently contemplated, the Transaction will be structured as follows: (i) Usha will assign the Assigned Option Interest to a newly incorporated, wholly-owned subsidiary of Usha ("**Usha SubCo**"); and (ii) Totec will then acquire all of the issued and outstanding shares of Usha SubCo. The Transaction is intended to constitute Totec's qualifying transaction (the "**Qualifying Transaction**"), as defined in Policy 2.4 of the TSX Venture Exchange (the "**Exchange**"). For Usha, the Transaction represents a strategic step to focus on its other core assets, while retaining exposure to the Acquired Property through an equity interest in Totec.

Usha's Interest in the White Willow Property

Usha's White Willow Property consists of 469 mineral claims optioned on March 15, 2023. The White Willow Property covers approximately 9,978 hectares in the Thunder Bay Mining Division, approximately 170 kilometres west of Thunder Bay. To date, Usha has incurred approximately \$454,000 in exploration expenditures on the Property, including several rounds of prospecting, mapping and other grassroots fieldwork in preparation for a maiden drill program.

The White Willow Property is subject to an underlying option agreement requiring cash payments totaling \$220,000 and the issuance of 3,600,000 common shares of Usha. Payments made to date include \$120,000 and the issuance of 2,600,000 common shares of Usha. The White Willow Property is also subject to net smelter return royalties ("**NSR**") of 3.0%, 1.5% to each of 2758145 Ontario Ltd. and Grid Metals Corp. Two-thirds of the NSR may be purchased from 2758145 Ontario Ltd. and Grid Metals Corp. at any time for consideration of \$1,250,000 and \$1,000,000, respectively.

In connection with the Transaction, Usha will commission an independent technical report on the Acquired Property prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The costs associated with this report shall be borne by Totec. Completion of the Technical Report is a condition precedent to closing.

Overview of the Proposed Transaction

The LOI contemplates that Usha will first transfer the Assigned Option Interest to Usha SubCo, a wholly-owned subsidiary governed under the laws of British Columbia. Totec will then acquire all of the issued and outstanding shares of Usha SubCo, thereby indirectly acquiring the Assigned Option Interest in the Acquired Property. The final structure and form of the Transaction remains subject to satisfactory tax,

corporate and securities law advice for both the Company and Usha and will be set forth in a definitive agreement (the "**Definitive Agreement**") to be entered into among the parties, which will replace the LOI.

It is anticipated that, prior to completion of the Transaction, Totec will complete a consolidation of its share capital (the "**Consolidation**"), whereby every two (2) common shares will be consolidated into one (1) common share (each, a "**Common Share**").

The consideration for the acquisition of Usha SubCo will be satisfied through the issuance by Totec to Usha of 5,750,000 Common Shares (on a Post-Consolidation basis) at a deemed price of \$0.075 per share (the "**Consideration Shares**"), representing an aggregate deemed value of \$431,250.

Additionally, Totec will agree to make an aggregate \$100,000 cash payment due to the underlying optionor (the "**Underlying Optionor**") of the White Willow Property by March 2026, an obligation which would otherwise be Usha's. Usha will remain responsible for an aggregate 1,000,000 Usha common share issuance to the Underlying Optionor due by March 2026.

Closing of the Transaction is subject to a number of conditions including but not limited to satisfactory due diligence investigations, the negotiation and execution of the Definitive Agreement, receipt of all required shareholder, regulatory and third-party approvals and consents, including that of the Exchange and the Underlying Optionor, satisfactory completion by Totec of the Concurrent Financing (defined below), and satisfaction of other customary closing conditions. 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 will be payable in connection with the Transaction.

Additional information concerning the Transaction, including financial information respecting the Acquired Property, will be provided in a subsequent news release.

Non-Arm's Length Qualifying Transaction and Shareholder Approval

Mr. Deepak Varshney, the Chief Executive Officer of both Totec and Usha, is a common director and officer of the two companies. As such, the Transaction constitutes a "Non-Arm's Length Qualifying Transaction" under Exchange Policy 2.4. Consequently, Majority of the Minority Approval (as defined in Exchange policy 2.4) will be required. Totec intends to seek such approval either through a special meeting of shareholders or via written consent from shareholders holding more than 50% of the Company's issued and outstanding shares, excluding any shares beneficially owned or controlled by Mr. Varshney and any other person required to be excluded by the policies of the Exchange.

Similarly, Usha will obtain approval for the transaction from shareholders holding more than 50% of its issued and outstanding shares, excluding shares held by common directors and officers and any other person required to be excluded by the policies of the Exchange. The independent directors of each of Totec and Usha have determined the proposed terms of the Transaction to be fair and reasonable.

Notwithstanding its characterization as a "Non-Arm's Length Qualifying Transaction" under Exchange Policy 2.4, the Transaction is not expected to constitute a "Related Party Transaction" under MI 61-101 *Protection of Minority Security Holders in Special Transactions*.

Concurrent Financing

Prior to or concurrent with completion of the Transaction, Totec will complete a non-brokered private placement (the "**Concurrent Financing**") of up to 20,000,000 units of Totec (each, a "**Unit**") on a Post-Consolidation basis at a price of \$0.075 per Unit, for aggregate gross proceeds of up to \$1,500,000. Each Unit will be comprised of one (Post-Consolidation) Common Share and one (Post-Consolidation) Common Share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one additional Post-Consolidation Common Share at an exercise price of \$0.20 for a period of three (3) years from the date of issuance. The proceeds from the Concurrent Financing are expected to be used to fund the costs associated with completing the Transaction, carrying out the phase 1 exploration program on the Acquired Property (as will be recommended in the Technical Report), the \$100,000 option payment due by March 2026, and for general working capital, as will be set out in more detail in the Form 3B2 Filing Statement or Form 3B1 information circular to be filed on SEDAR+ in connection with the Transaction.

The pricing of the Concurrent Financing at \$0.075 per Unit has been determined based on current market conditions and arm's length negotiations with potential investors and has been reviewed and approved by the independent directors of each of Totec and Usha.

Subject to Exchange approval, Totec may pay commissions on proceeds raised under the Concurrent Financing commensurate with industry norms. No finders fees will be payable in connection with the Transaction itself. All securities issued in connection with the Concurrent Financing will be subject to a statutory hold period of four months and one day from the date of issuance.

Resulting Issuer

Upon completion of the Transaction, and assuming the full subscription of the Concurrent Financing on the terms described above, the resulting issuer (the "**Resulting Issuer**") will have 28,813,000 Common Shares issued and outstanding. The anticipated share ownership of the Resulting Issuer will be approximately as follows:

Group of Shareholders	Number of Common Shares Held	Ownership Percentage of Resulting Issuer
Existing Totec shareholders	3,063,000	10.63%
Participants in the Concurrent Financing	20,000,000	69.41%
Usha	5,750,000	19.96%
Total	28,813,000	100.0%

The Resulting Issuer will be engaged in the business of mineral exploration and the development of the Acquired Property. Upon completion of the Transaction, subject to receipt of all requisite approvals, it is anticipated that the Resulting Issuer will be listed on the Exchange as a Tier 2 - Mining issuer.

Upon completion of the Transaction, Totec's board of directors and officers will remain in their current roles. Totec's current officers are Deepak Varshney, CEO, and Khalid Naeem, CFO, and Totec's board is currently comprised of Deepak Varshney, Andres Abogado, James Walker, and Paul McGuigan. Biographic information respecting each of these individuals is provided below:

Deepak Varshney – Chief Executive Officer and Director

Deepak Varshney brings a wealth of experience in mineral exploration and corporate leadership. As a professional geologist with over a decade of experience, Mr. Varshney has demonstrated a keen ability to

identify and develop high-potential mineral assets. Mr. Varshney's expertise spans across various roles in the mining sector. He currently serves as part of the leadership of multiple resource companies, including Doubleview Gold Corp., showcasing his capacity to manage and drive growth across multiple ventures simultaneously. With an educational background from Simon Fraser University, Mr. Varshney combines academic knowledge with practical industry experience. Mr. Varshney has been instrumental in raising over \$40 million in the last three years and is part of the Varshney Family Office, known for their successful ventures in the mining and real estate industries, which has successfully founded and funded projects worth over \$100 million over the past three decades.

Khalid Naeem – Chief Financial Officer

Khalid Naeem brings over 18 years of financial expertise to his role as CFO. His extensive experience as a Canadian Chartered Professional Accountant has provided him with a deep understanding of financial management, tax compliance, mergers & acquisitions, risk management, and financial reporting. Mr. Naeem's career in the resource sector is marked by his ability to navigate the complex financial landscapes of exploration and mining companies. His current portfolio includes serving as CFO for several public issuers, including Usha Resources Ltd., Xander Resources Inc., and Formation Resources Inc. This multi-company experience demonstrates his capacity to manage diverse financial challenges and opportunities within the mining industry. Prior to joining the public company sector, Mr. Naeem held several positions of progressively increasing seniority at the Canada Revenue Agency (CRA).

Andres Abogado – Director

Andres Abogado is a lawyer in Mexico and Canada. He holds an LLB in Mexican Law, an NCA issued by the Federation of Law Societies of Canada, and a Masters of Law from the University of British Columbia, with specialization in international and immigration law. He has 12 years' experience as counsel both in Mexico and Canada. He advises junior mining companies and Canadian companies with legal needs in Mexico and Latin America, including regulatory compliance, permits, complex corporate structures and agreements. Mr. Abogado has also acted as counsel on a wide variety of matters, such as contract and settlement advice, immigration applications, regulatory compliance and complex settlement agreements in México, Spain and Latin American countries. He has also acted as counsel for individuals both in the Provincial Court and the Supreme Court of British Columbia in the application and interpretation of international treaties and he has prevented extraditions to Spanish speaking countries. Mr. Abogado is a member of the Law Society of British Columbia, the Vancouver Bar Association, the Canadian Bar Association, the British Columbia Arbitration and Mediation Institute and he has been appointed by the Mexican government as external counsel for the Mexican Consulate in Vancouver.

James Walker – Director

James Walker has extensive experience in engineering and project management; particularly within mining engineering, mechanical engineering, construction, manufacturing, engineering design, infrastructure, safety management, and nuclear engineering. He is also the CEO and President and Director of Ares Strategic Mining and a Director of Bayhorse Silver Inc. and Xander Resources Inc. Mr. Walker's professional experience includes designing nuclear reactors, submarines, chemical plants, factories, mine processing facilities, infrastructure, automotive machinery, and testing rigs. Mr. Walker holds degrees in Mechanical Engineering, Mining Engineering, and Nuclear Engineering, as well as qualifications in Project Management and Accountancy, and is a Chartered Engineer with the IMechE, and registered as a Project Manager Professional with the Association for Project Management.

Paul McGuigan – Director

Paul McGuigan is a Professional Geoscientist registered with the Association of Engineers and Geoscientists of British Columbia, with 45 years of international experience in mineral exploration, deposit evaluation, mine operations, and corporate governance. As a geochemical researcher, he developed mineral separation techniques commonly employed in exploration and heavy mineral sands mapping. First employed by Resource Associates of Alaska, Pechiney Ugine Kuhlmann, and Esso Minerals Canada, he operated in Canada and the USA. For the last 34 years, Mr. McGuigan has managed the Cambria group of consulting companies in North and South America, Europe, Africa, the Middle East, and the SW Pacific. In civic service, he has served as a member of the Consulting Practice and the Geoscience Committees of the Engineers and Geoscientists of BC, as a director of the BC Neurological Centre, and, lately, as past-president / director of the BC Centre for Ability Foundation.

Sponsorship

The Transaction is subject to the sponsorship requirements of the Exchange unless an exemption from those requirements is granted. Totec 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 Exchange, Totec intends to file a Form 3B2 Filing Statement or Form 3B1 information circular on its issuer profile on SEDAR+ (www.sedarplus.ca), which will include comprehensive information regarding the Transaction and the Resulting Issuer.

Additional Information

Trading in the common shares of Totec has been halted, and will remain halted, pending the satisfaction of all applicable requirements of Policy 2.4 of the Exchange. There can be no assurance that trading of common shares of Totec will resume prior to the completion of the Transaction. Further details concerning the Transaction (including additional information regarding Usha) and other matters will be announced when a Definitive Agreement is reached.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities.

About Totec Resources Ltd.

Totec is a Capital Pool Company within the meaning of TSXV Policy 2.4, has not commenced commercial operations, and has no assets other than cash.

For further information, please contact:

Deepak Varshney, CEO and Director
Telephone: 778-899-1780

Forward Looking Statements:

The information provided in this press release regarding Usha has been provided to Totec by Usha and has not been independently verified by Totec.

The information provided in this press release regarding Totec has been provided to Usha and has not been independently verified by Totec.

Completion of the Transaction is subject to a number of conditions including but not limited to Exchange acceptance, and if applicable pursuant to Exchange policies, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. 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 management information circular or 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 a capital pool company should be considered highly speculative.

The 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.

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties, including assumptions that all conditions to the closing of the Transaction will be satisfied and that the Transaction will be completed on the terms set forth in the LOI. Although Totec and Usha consider these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect, and the forward-looking statements in this news release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such risk factors may include, among others, the risk that required approvals and the satisfaction of material conditions are not obtained in connection with the Transaction, the risk that the Transaction is not approved or completed on the terms set out in the LOI or Definitive Agreement (which has not or may not be entered into between Totec and Usha) or at all and that sufficient funds may not be raised pursuant to the Concurrent Financing. Although Totec and Usha believe that the expectations reflected in forward looking statements are reasonable, they can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, Totec and Usha disclaim any intention and assume no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

Neither 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.