POWER MINERALS

ASX RELEASE

ASX RELEASE

29 March 2023

ASX CODE

PNN

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PROJECTS

Argentina
Salta Lithium Project

Santa Ines Copper-Gold Project

Australia
Eyre Peninsula Kaolin-Halloysite Project

Musgrave Nickel-Copper-Cobalt-PGE Project

Drilling Continues to Enhance Lithium Resource Potential at Incahuasi Salar

- **Drilling complete at Incahuasi salar, the first target in the ongoing Resource expansion drilling campaign at the Salta Lithium Project in Argentina**
- **Hole PM23-IN-03 has successfully confirmed the presence of lithium-bearing brines under the alluvial fan on the north eastern side of the Incahuasi salar**
- **PM23-IN-03 was completed to a depth of 205m and intersected a ~200m zone with potential to host lithium brines**
- **Assay results from packer test brine samples confirm lithium content in brines with grades up to 196ppm Li and brine density of up to 1.21g/ml**
- **Brine and drill core samples from PM23-IN-03 sent for analysis to confirm detailed brine chemistry and density, drainable porosity, and lithium grades**
- **Final hole at Incahuasi (PM23-IN-04) also complete – drill rig now mobilising to commence drilling at next target, the Rincon salar**
- **Power's ongoing drilling campaign is designed to deliver a substantial upgrade of the Salta Project's existing JORC Lithium Mineral Resource, to support future development plans**

Lithium exploration and development company Power Minerals Limited (ASX: PNN) (**Power** or **the Company**) is pleased to announce further positive results from its Mineral Resource definition drilling program at the Salta Lithium-Brine Project, in the Salta province in the lithium triangle of north-west Argentina (Figure 4).

The third drill hole in the program at the Incahuasi salar (PM23-IN-03) has been successfully completed to a depth of 205 metres, and has intersected a total interval of approximately 200 metres with the potential to host lithium in brines (Figures 1 and 2).

Assay results from four packer brines samples taken from selected intervals have returned consistent lithium grades, ranging between 165ppm Li and 196ppm Li, along with excellent brine density, of up to 1.21g/ml (grams per millilitre) (Table 1).

Hole PM23-IN-03 was drilled on the north-eastern extent of the Incahuasi salar (Figure 3), and was designed to confirm the presence of lithium-bearing brines under the alluvial fan on the eastern side of the salar.

Drilling has successfully confirmed this outcome. The results indicate similar and consistent lithologies to the first two completed drillholes of the program, PM22-IN-01 and PM22-IN-02 (ASX announcements, 14 February 2023 and 12 January 2023), and enhance Incahuasi's Mineral Resource potential.

Figure 1: Brine sampling from drillhole PM23-IN-03 at the Incahuasi salar, Salta Lithium Project.

Power advises that the fourth, and final, drillhole at Incahuasi (PM23-IN-04) has also been completed. This hole was drilled under the alluvial fan in the southern region of the salta, and results will be released when available. See Figure 1 for Incahuasi drillhole locations.

The drill rig and crew have demobilised from Incahuasi in preparation for the commencement of drilling at the next priority target, the Rincon salar.

> **"Our Resource definition drilling at Incahuasi is now complete and has produced strong results to date, with the potential to add significant new Resources to the Salta Project's total JORC Mineral Resource. Drill hole PM23-IN-03 is reported in this announcement, and has delivered positive results, consistent with the previous holes in the program. Results from drill hole PM23-IN-04 will be reported when available, and we will then seek to define a maiden Mineral Resource at Incahuasi. Drilling is due to commence at the Rincon salar in the near future."**
>
> **Power Minerals MD Mena Habib**

SAMPLE	DEPTH FROM	DEPTH TO	DENSITY	Li
PNN-2568 (averaged)	37	39	1.20	186
PNN-2566	46	48	1.18	165
PNN-2565	62	64	1.21	195
PNN-2564	195	197	1.21	196

Table 1: Highlight results for third drillhole (PM23-IN-03) at Incahuasi salar

Brine samples and core from PM23-IN-03 have been sent for laboratory analysis to determine detailed brine chemistry and density, drainable porosity, and confirm lithium grades. Results will be reported when they are available.

The positive results from Power's Resource drilling campaign at the Salta Project follow the successful outcome of the 40 litre bulk-sample testing program of brines from each of the Incahuasi, Rincon and Pocitos salares conducted by the Company's Direct Lithium Extraction (DLE) partner, Sunresin.

The bulk sample from each salar was successfully processed through Sunresin's proprietary DLE technology, and confirmed that the individual brines are compatible with Sunresin's DLE technology and plant, and successfully produced a lithium concentrate (ASX announcement, 27 October 2022).

Background to Incahuasi Mineral Resource Drilling

The drilling at the Incahuasi salar represents the first phase of Power's ongoing JORC Mineral Resource expansion drilling campaign at the Salta Project. Drilling at Incahuasi is now complete and is scheduled to commence at the next target, the Rincon salar imminently. Drilling is then planned to progress to the Pocitos salar.

The drilling campaign is designed to add substantial new resources to the Salta Project's existing JORC Mineral Resource, to support project development plans. The drilling at the Incahuasi salar is aimed at delivering a maiden JORC Mineral Resource at this target, which would contribute additional resources the Project's resource inventory.

Figure 2: Brine sampling from drillhole PM23-IN-03 at the Incahuasi salar, Salta Lithium Project.

About the Salta Lithium Project

The Salta Project is strategically located in the Salta province in north-west Argentina and is part of the Lithium Triangle, the world's leading lithium-brine region. The Project consists of five salares (salt lakes) that sit within seven mining leases, over a total project area of 147.07km^2. The Project's Incahuasi salar is located immediately adjacent to Ganfeng Lithium Co. Ltd's project and the Rincon salar is adjacent to Rincon Mining Ltd, recently acquired by Rio Tinto Ltd for US$825 million. Power is focused on the accelerated exploration and development of the Project, to drive shareholder value.

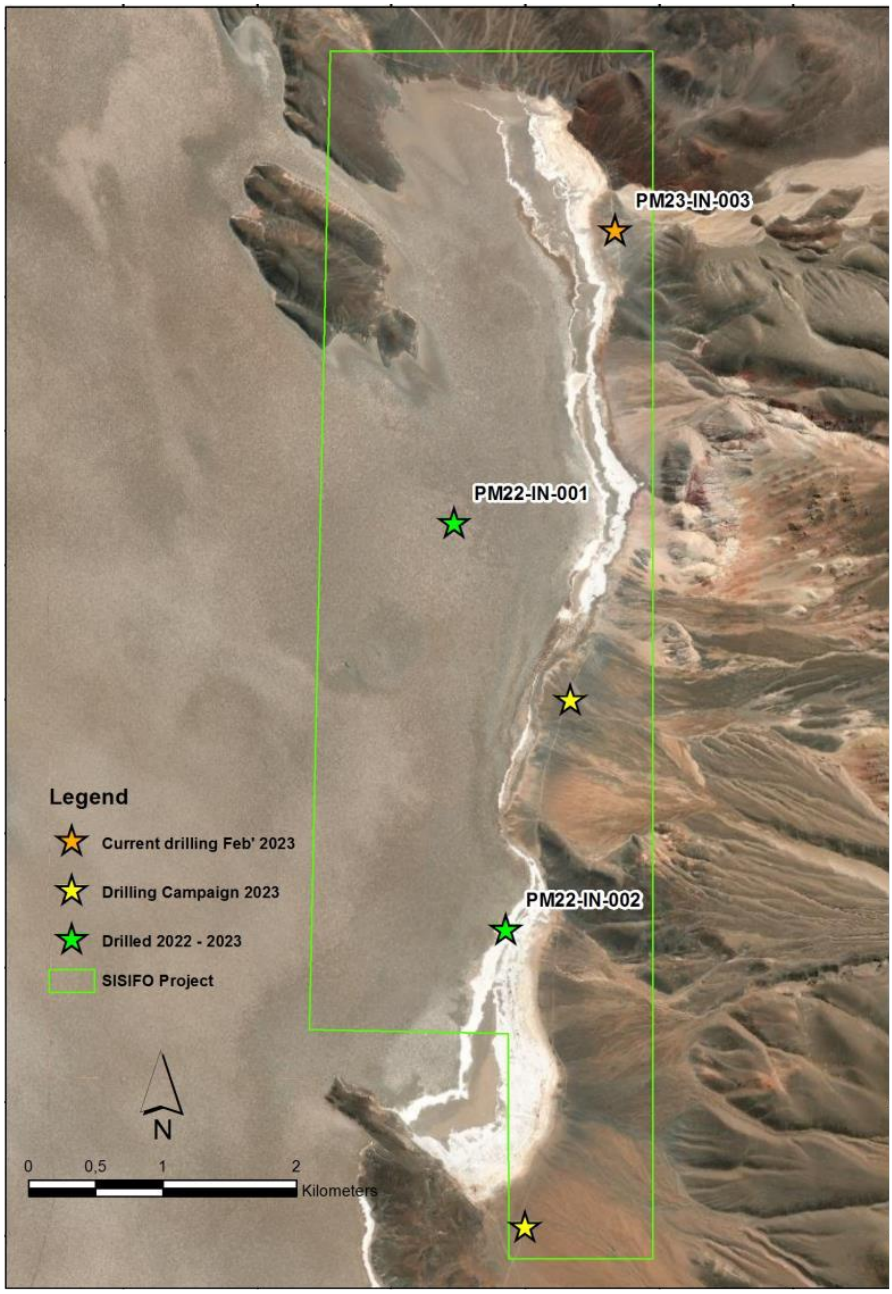

Figure 3: Drill hole locations at the Incahuasi salar with potential lithium brine Resource area (green outline).

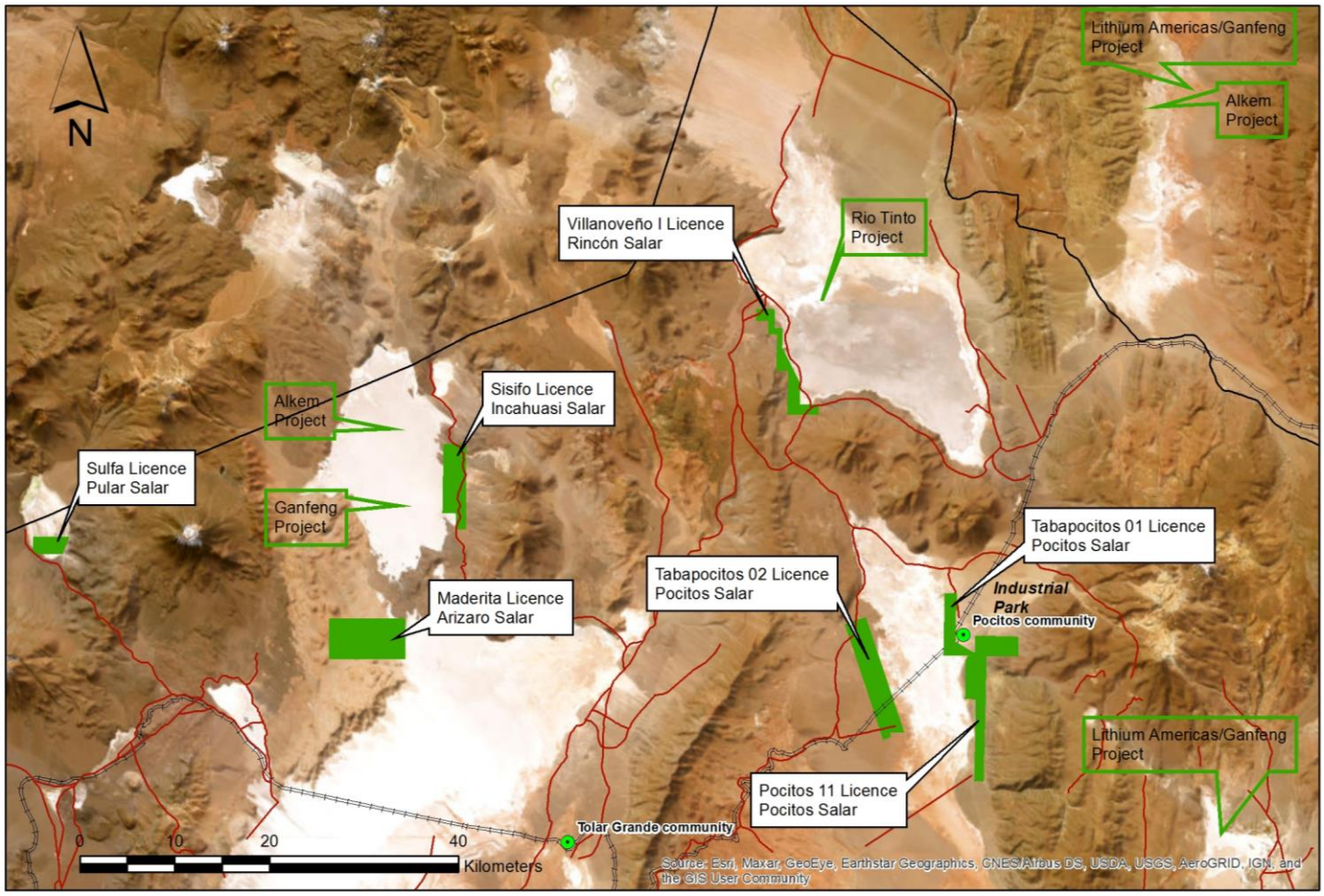

Figure 4: Salta Lithium Brine Project location map, north-west Argentina (PNN licenses in green)

Authorised for release by the Board of Power Minerals Limited.

-ENDS-

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About Power Minerals Limited

Power Minerals Limited is an ASX-listed lithium-focused exploration and development company, committed to the systematic exploration and development of its core asset, the Salta Lithium Brine Project in the prolific lithium triangle in the Salta Province in Argentina. It is currently undertaking a major JORC Mineral Resource expansion drilling campaign at Salta, and is focused on expediting development of the Project in to a potential, future lithium producing operation. Power also has a portfolio of other assets in key, demand-driven commodities including; kaolin-halloysite, nickel-copper-cobalt and PGEs plus copper-gold.

Competent Persons Statement

This announcement regarding the Salta Lithium project has been prepared with information compiled by Marcela Casini, MAusIMM. Marcela Casini is the Company's Exploration Manager, Argentina and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Marcela Casini consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Forward looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralization that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• The diamond drill holes was completed using triple tube HQ3 drilling with 61.1mm diameter core. Core recovery was measured on all core runs. • Sampling from the diamond core for petrophysical parameters has been completed but results have not yet been received. • Liquid samples were collected using drillhole packers at various depths with regular two metre thicknesses. • Drillhole packer fluid samples were measure at the time of sampling for density, temperature and pH. • During the packer test, several 200L drums are filled with drillhole fluid. If a single drum is not filled in 30 minutes, the formation interval being tested is considered dry, in that case it is considered that the fluid is only that within the drilling barrel and so is not representative of the formation at that depth. • To collect a representative sample the drillhole fluid must be cleaned. Current sampling involved taking out the amount of brine that represents three times the drillhole volume capacity at any given depth. • Four liquid samples (plus quality control samples) from given depths have been analysed for a suite of elements, density, electrical conductivity and pH.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• Contractor Hidrotec SRL completed the drilling by triple tube HQ3 diamond core. • Surface brine has been used as drilling fluid for lubrication during drilling

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximize sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core recoveries were calculated by measuring the core recovered against the drillers recorded depth for each diamond core run. • There was a high range in core recovery (zero to 100%) in some sections of drillhole. With complete core loss it is difficult to impossible to determine visual porosity for that interval. It is unknown if the core loss will reflect a positive or negative bias on the results reported over that down hole section. • Brine quality is not directly related to core recovery and is largely independent of the quality of core samples. However, the porosity and permeability of the lithologies where samples are taken is related to the rate of brine inflow
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill core has been qualitatively logged by company geologists, recording lithology, alteration, sedimentary structures, visual porosity estimate to company procedures. • All drill core was photographed prior to removing from site. • The entire length of all drillhole core has been logged. • The drillhole is geophysically logged for resistivity and spontaneous potential (SP) at assist in identifying the aquifer.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material*	• The sampling of drill core for petrophysical parameters is currently in progress.

Criteria	JORC Code explanation	Commentary
	being sampled.	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The Alex Stewart (Norlab) laboratory in Palpala, Jujuy, Argentina, is used as the primary laboratory to conduct the assaying of the brine samples collected as part of the sampling program. The Alex Stewart laboratory is specialized in the chemical analysis of brines and inorganic salts, with experience in this field. • Control samples included one standard and one blank were used to monitor potential contamination of samples and the repeatability of analyses. Control samples were inserted at a ratio of 1:2.6 field samples (30% control). • The control samples, including one blank and one Standard sample were all within acceptable ranges. • Alex Stewart also provided results for one laboratory duplicate with all values within acceptable variances.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• On completion of the drilling the logging and sampling data will be entered into spreadsheets and will be checked by the Exploration Manager for inconsistencies and then stored in an MS Access relational database. • No holes were twinned. • Drill core was logged by hand on printed log sheets. Data is then input into MS Excel spreadsheets which are then emailed to database manager for input into MS Access. The data is interrogated and all discrepancies are communicated and resolved with the filed teams to ensure only properly verified data is stored in the Access database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• All drill hole collar was initially surveyed with a hand held GPS. • No drillhole downhole orientation surveys were conducted on

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	the vertical hole. • All work has been carried out using standard WGS84 UTM Zone 19S coordinate system.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• This drillhole was on the west side of the Inchuasi Salar (Salta) and the diamond drilling spacing when complete is expected to be sufficient to establish the geological and grade continuity of the deposit for Mineral Resource estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The salt lake (salar) deposits that contain lithium-bearing brines generally have sub-horizontal beds and lenses that contain sand, gravel, salt, silt and clay. The vertical diamond drill hole will provide a better understanding of the stratigraphy and the nature of the sub-surface brine bearing aquifers • Reported depths are all down-hole depths in meters.
Sample security	• *The measures taken to ensure sample security.*	• Samples were transported to the laboratory for chemical analysis in sealed 1-litre rigid plastic bottles with sample numbers clearly identified. Samples were transported by a trusted member of the team or courier. • The water samples were moved from the drillhole site to secure storage at the camp on a daily basis
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• All planned sampling techniques and procedures for data capture were deemed to be of industry standard and satisfactory; being supervised by the company's senior and experienced geologists.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• Mina 'Sisifo' File Number 20545 is held 100% by Power Minerals SA, an Argentina entity wholly owned by Power Minerals Ltd (ASX:PNN). • The Mina is held under grant from the Mining Court of Salta Province, Argentina in perpetuity and is appropriately maintained.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There is no known modern exploration in this local area by other parties.
Geology	• *Deposit type, geological setting and style of mineralization.*	• The sediments within the salar consist of salt/halite, clay, sand and silt horizons, accumulated in the salar from terrestrial sedimentation and evaporation of brines. • Brines within the Salt Lake are formed by the solar concentration of fluids containing trace amounts of elements such as lithium. The lithium originated as a product of geothermal fluids and the weathering of volcanic rocks. • Geology was recorded during the diamond drilling.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth*	• Drillhole ID: PM23-IN-03 • Easting: 651672 (WGS84, Zone 19S) • Northing: 7321506 (WGS84 Zone 19S) • Elevation: 3482 metres (above sea level) • Vertical hole • Total hole depth: 200.5 metres. • Sample results, Li in mg/L, depth in metres, density in kg/L.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>

hole length.

If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.

</td><td>
<table>
<tr><th>SAMPLE</th><th>DEPTH FROM</th><th>DEPTH TO</th><th>DENSITY</th><th>Li</th></tr>
<tr><td>PNN-2568 (averaged)</td><td>37</td><td>39</td><td>1.20</td><td>186</td></tr>
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<tr><td>PNN-2564</td><td>195</td><td>197</td><td>1.21</td><td>196</td></tr>
</table>
</td></tr>
<tr><td>Data aggregation methods</td><td>

In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.
Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
The assumptions used for any reporting of metal equivalent values should be clearly stated.

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Assay averages have been provided where multiple sampling occurs in the same sampling interval. Multiple samples include field and laboratory duplicate samples.

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<tr><td>Relationship between mineralization widths and intercept lengths</td><td>

These relationships are particularly important in the reporting of Exploration Results.
If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.
If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’).

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The drillhole was drilled with dip of -90 degrees (vertical).
Mineralisation interpreted to be horizontally lying and drilling is perpendicular to this.

</td></tr>
<tr><td>Diagrams</td><td>

Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.

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Map is provided. Relevant sections are provided in the main report.

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</table>

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All grade information has been provided.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Core samples for petrophysical measurements have been collected but results have not been completed.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The results will be assessed on an ongoing basis and additional holes will be planned and drilled when deemed necessary. All further work on each target area is dependent on the results received.