

ASX RELEASE

17 October 2022

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

Geophysical survey identifies potential additional lithium brine and resource expansion potential at Rincon Salar

- **Vertical Electrical Sounding (VES) geophysical survey completed at Rincon salar, Salta Lithium Project, Argentina**
- **Positive results of VES survey at Rincon North:**
 - **Confirms potential for additional lithium brines beneath alluvial fan aprons, and resource expansion potential at Rincon**
 - **Geology and hydrology models strongly supported by comparison with adjacent peer companies**
 - **Provides key inputs to water management plans and ESG initiatives with local communities**
- **Resource drilling to commence at Salta Project imminently**
- **Drilling to begin at Incahuasi and Pocitos salares and then progress to Rincon with aim of increasing the existing resource**

Diversified minerals company Power Minerals Limited (ASX: **PNN**) (**Power** or **the Company**) is pleased to announce positive results from its recently completed Vertical Electrical Sounding (**VES**) geophysical survey at the Rincon salar, at the Company's Salta Lithium Project in the lithium triangle of north-west Argentina (Figure 1).

The VES survey was conducted over seven geophysics stations on the northern portion of Power's license area at Rincon (Figure 2), and results have confirmed the potential for the salar to host additional lithium brines.

Interpretation of the VES survey results indicate continuity of concentrated brines in 100-150 metre-thick zones of saturated sand and gravel units within the alluvial apron fans adjacent to the active salar, with basement estimated at a depth of approximately 200 metres (Figure 3).

These positive results highlight the resource expansion potential in this yet to be drill tested area of the Rincon license.

Power is focused on expanding the JORC Mineral Resource base at its Salta Project, and resource drilling is due to commence at the Incahuasi salar, before progressing to the Pocitos and Rincon salares.

Following successful geophysical programs at the Incahuasi salar (ASX announcement 28 September 2022) and now at the Rincon salar, a VES survey is currently in progress on the Pocitos salar.

VES geophysical surveys play an important role in supporting Power’s near-term resource drilling programs and water management plans, which will input to environmental studies and approvals for the proposed future development of the Salta Project.

“The VES geophysical survey at Rincon North clearly indicates potential lithium brine within alluvial aprons that add to the resource expansion potential of the existing Rincon resource. Importantly, our increased understanding of the near-surface brine and freshwater distribution provides a critical input for environmental studies to support our project development plans and positive community relationships in the arid Puna region of Argentina.”

Power Minerals Executive Director, Mena Habib

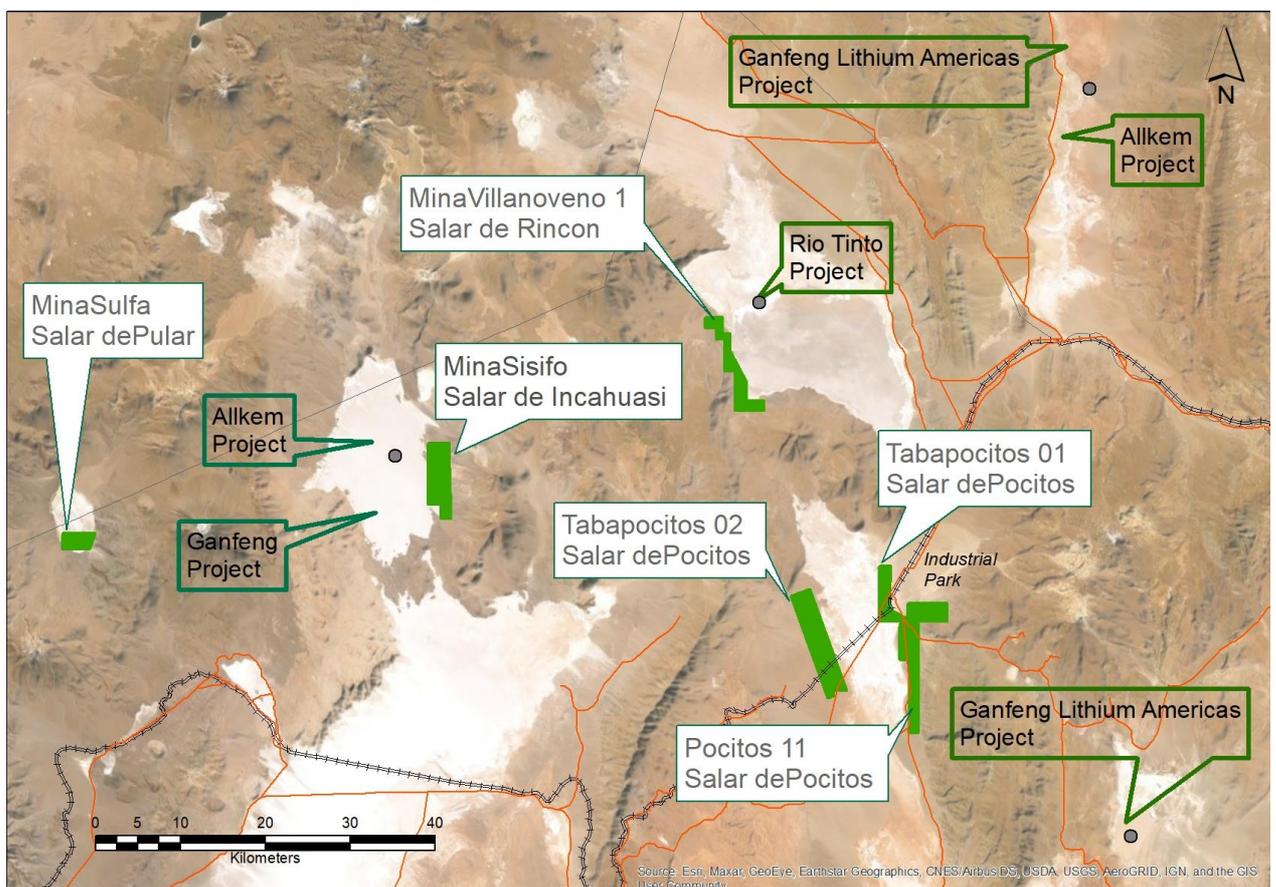


Figure 1: Salta Lithium Brine Project location map, north-west Argentina (PNN licenses in green)

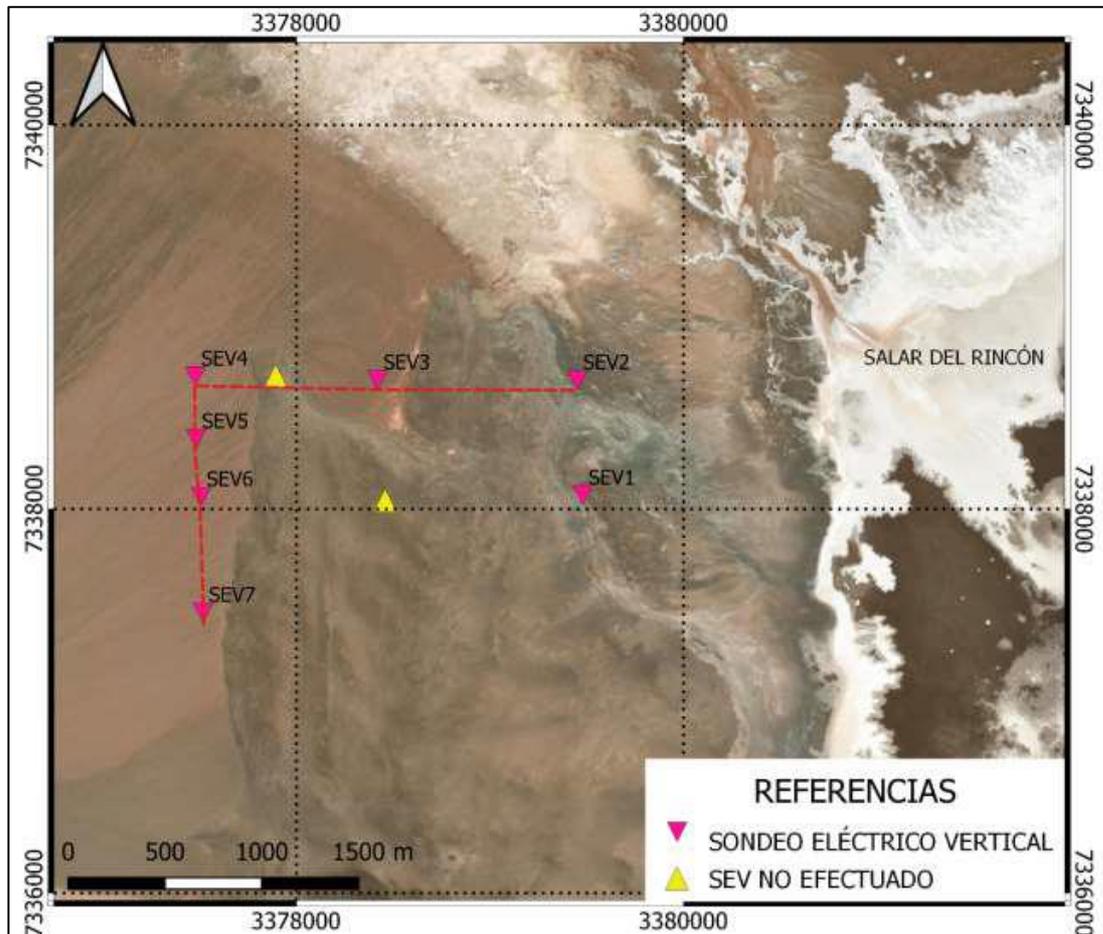


Figure 2: Location of VES geophysics stations (SEV1-7 purple triangles), Rincon North.

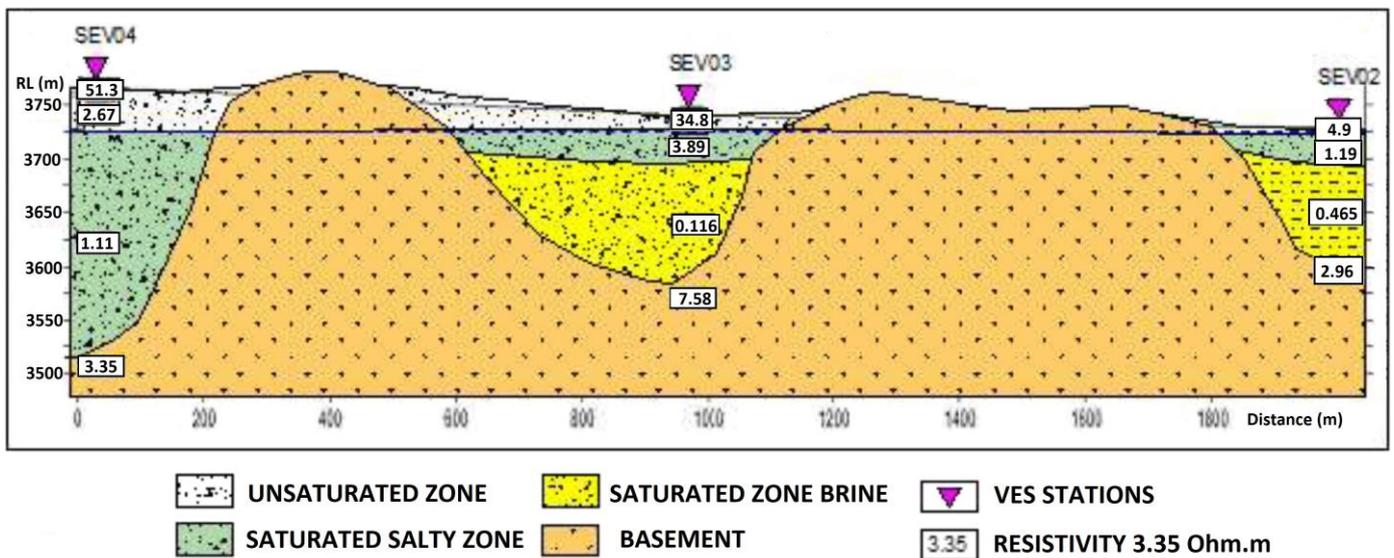


Figure 3: VES geophysics interpretation (saturated zones: brine in yellow, saline +/- brine in green), Rincon North.

Interpretation of Rincon North VES geophysical program

The Rincon North VES geophysical survey has helped define the concentrated brine and fresh water interface at the boundaries and in alluvial apron fans adjacent to the active Rincon salar. This assists to identify potential new lithium resources under and within alluvial fans or in older, inactive portions of the salar. The VES survey has also provided information on the potential for near-surface fresh or brackish water aquifers in the alluvial fans.

The VES survey results indicate continuity of concentrated brine in saturated sand and gravel units that extend under and below the alluvial fan aprons on the north-western side of Power's Rincon Salar away from the active salar (Figure 3 and Figures 4a and 4b, SEV3-7).

Power's VES survey results at Rincon were interpreted in conjunction with recent exploration results from TSX Venture Exchange-listed Argentina Lithium & Energy Corp. (TSX-V: LIT) at its West Rincon Project, where a Transient Electromagnetic (TEM) geophysical survey was conducted.

Interpretation of both companies' datasets by Power indicates that concentrated lithium brines occur in 100-150 metre intervals at various depths in the alluvial fan sequence depending on the thickness of the alluvial sequence, with salar basement estimated at between 150-300 metres depth (Figure 4b).

PNN's Rincon North VES survey was undertaken by Mercoaguas - Hydrogeology and Environmental Services, a Salta-based contractor specialising in geophysics, hydrology and environmental surveys, with significant experience and expertise in the geology, geomorphology and hydrology of the Puna region, Argentina.

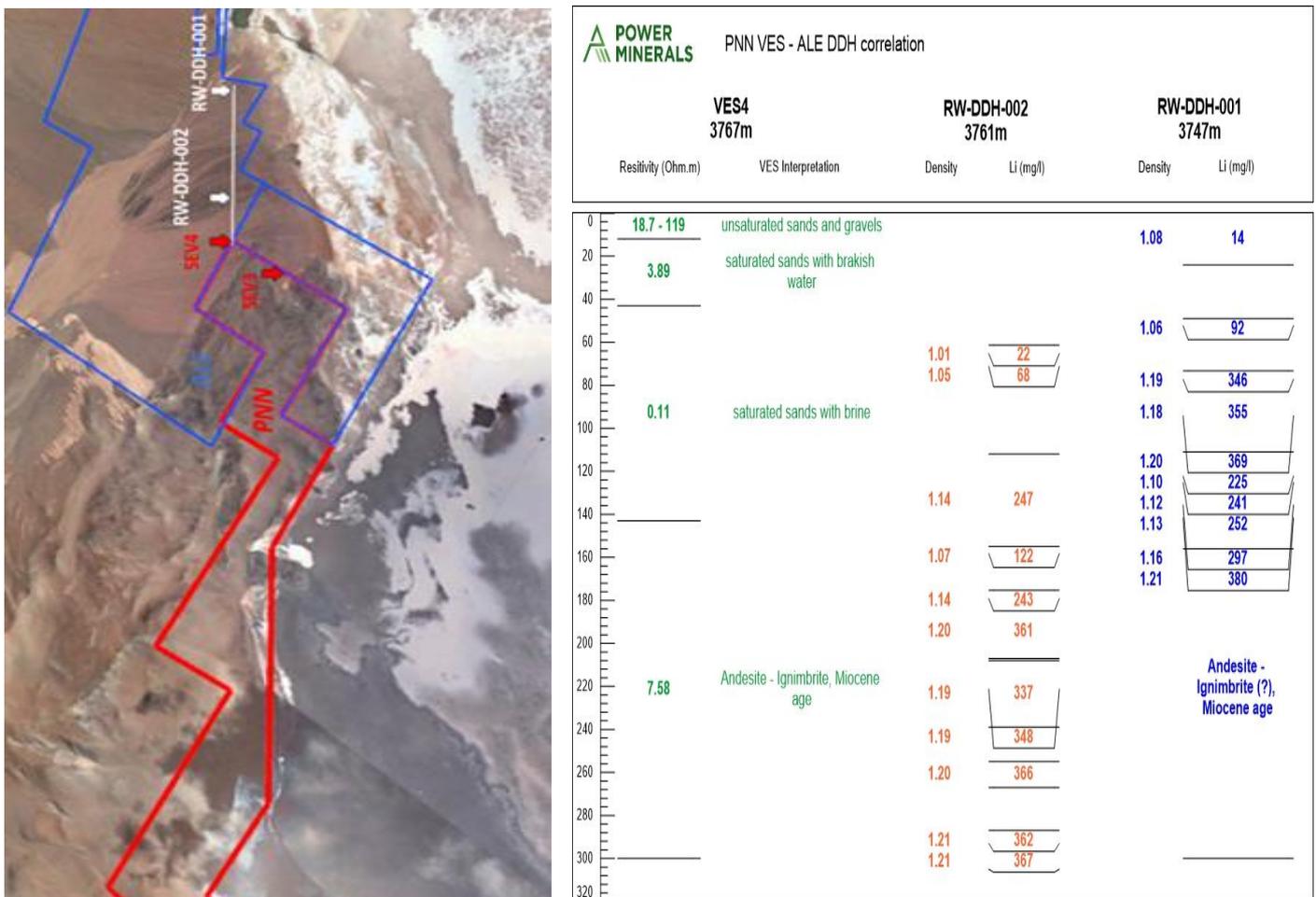


Figure 4a (left): PNN's Rincon license and VES stations (red) with ALE's license (blue) and drill hole locations (white)
Figure 4b (right): Comparison of PNN's VES survey interpretation (left) with ALE's diamond drilling results (centre & right)

Note 1: VES survey resistivity values below 1 Ohm/m indicate concentrated brine (equivalent to density 1.12-1.21)

Salta Project - Next Steps

- Undertake resource drilling and initial JORC lithium brine resource estimate at Incahuasi salar.
- Complete VES geophysical survey at Tabapocitos 01 license to support resource drilling and initial JORC lithium brine resource estimate at Pocitos salar, which is strategically located adjacent to rail and road infrastructure, a gas pipeline, and the Pocitos community.
- Drilling program will then move to the Rincon salar, to extend depth of previous drilling to approx. 400m in the south of the salar and drill new targets at Rincon North, with the aim of increasing the existing resource at Rincon (ASX announcement, 26 June 2018).

- Conduct industrial and freshwater drilling, sampling and water purification studies as inputs to direct lithium extraction (DLE) test work and to develop water management plans for community consultation and environmental approvals.
- Once DLE partner Sunresin has tested the Salta brines utilising its DLE technology, the parties plan to undertake a Preliminary Economic Assessment (PEA) for DLE at the Salta Project (subject to results).
- Solar power studies to support DLE Pilot Plant processing, especially modular transportable units.
- Progress Power's MoU with the global lithium supply chain group Xiamen Xiangyu with a view to executing a binding off-take, funding and logistics agreement.
- Corporate activity evaluating investment in additional lithium brine licenses that complement the current asset base of Power's 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 147.07km². 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 currently assessing appropriate commercial evaluation and development pathways for the Project, including the use of DLE technologies and the potential of a staged hybrid development strategy utilizing traditional production methods with new technology advancements.

Authorised for release by the Board of Power Minerals Limited.

-ENDS-

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About Power Minerals Limited

Power Minerals Limited is a diversified ASX-listed mineral resources exploration company with a portfolio of projects in demand driven commodities. It is focused on the systematic exploration and development of its projects. These include the Salta Lithium Brine Project in the prolific lithium triangle in the Salta Province in Argentina, the Eyre Peninsula Kaolin-Halloysite Project, strategically located on the Eyre Peninsula in South Australia, and the Musgrave Nickel-Copper-Cobalt-PGE Project in the Musgrave Province in northern South Australia. The Company also holds the Santa Ines Copper-Gold Project in Argentina, located in the same geological setting as BHP's world-class, nearby Escondida Copper-Gold Mine in Chile.

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.