

ASX RELEASE

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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

Resource Definition Drilling to commence at Rincon Salar

- **JORC Mineral Resource definition drilling planned to commence at Rincon salar at Salta Lithium Project in Argentina in Q1, 2023**
- **Drilling designed to increase existing JORC Mineral Resource at Rincon – results will feed into recently commenced Preliminary Economic Assessment (PEA) at Rincon**
- **Rincon Drilling to immediately follow the current JORC Mineral Resource drilling program at Incahuasi salar - drilling will then move to Pocitos salar**
- **Power plans to upgrade the Salta Project’s existing Mineral Resource and undertake PEAs at the Rincon, Incahuasi and Pocitos salares as part of plans to fast track project development**

Diversified minerals company Power Minerals Limited (ASX: **PNN**) (**Power** or **the Company**) is pleased to announce plans for the next phase of its Mineral Resource definition drilling campaign at the Salta Lithium Project in the lithium triangle of north-west Argentina, with drilling to commence at the Rincon salar in the current quarter (Figure 1).

Power’s ongoing Mineral Resource definition drilling is designed to deliver a significant upgrade to the Salta Project’s existing JORC 2012 Mineral Resource (ASX announcements, 23 January 2019 and 27 June 2018). Drilling commenced at the Incahuasi salar in Q4, 2022 and has progressed well (ASX announcements, 31 October and 22 November 2022).

The drilling at Rincon is planned to consist of four to six diamond drill holes for a total of approximately 1,200 metres. It is designed to confirm results from previous drilling in 2017 and to test for additional potential lithium brine resources in the northern part of the licence area, to significantly increase the existing Rincon Mineral Resource (ASX announcement, 27 June 2018).

Drilling at Rincon is planned to commence immediately following completion of the current drilling at Icahuasi.

The drilling at Rincon and planned Mineral Resource upgrade will be a key input to the recently commenced Preliminary Economic Assessment (PEA) at Rincon (ASX announcement, 8 December 2022).

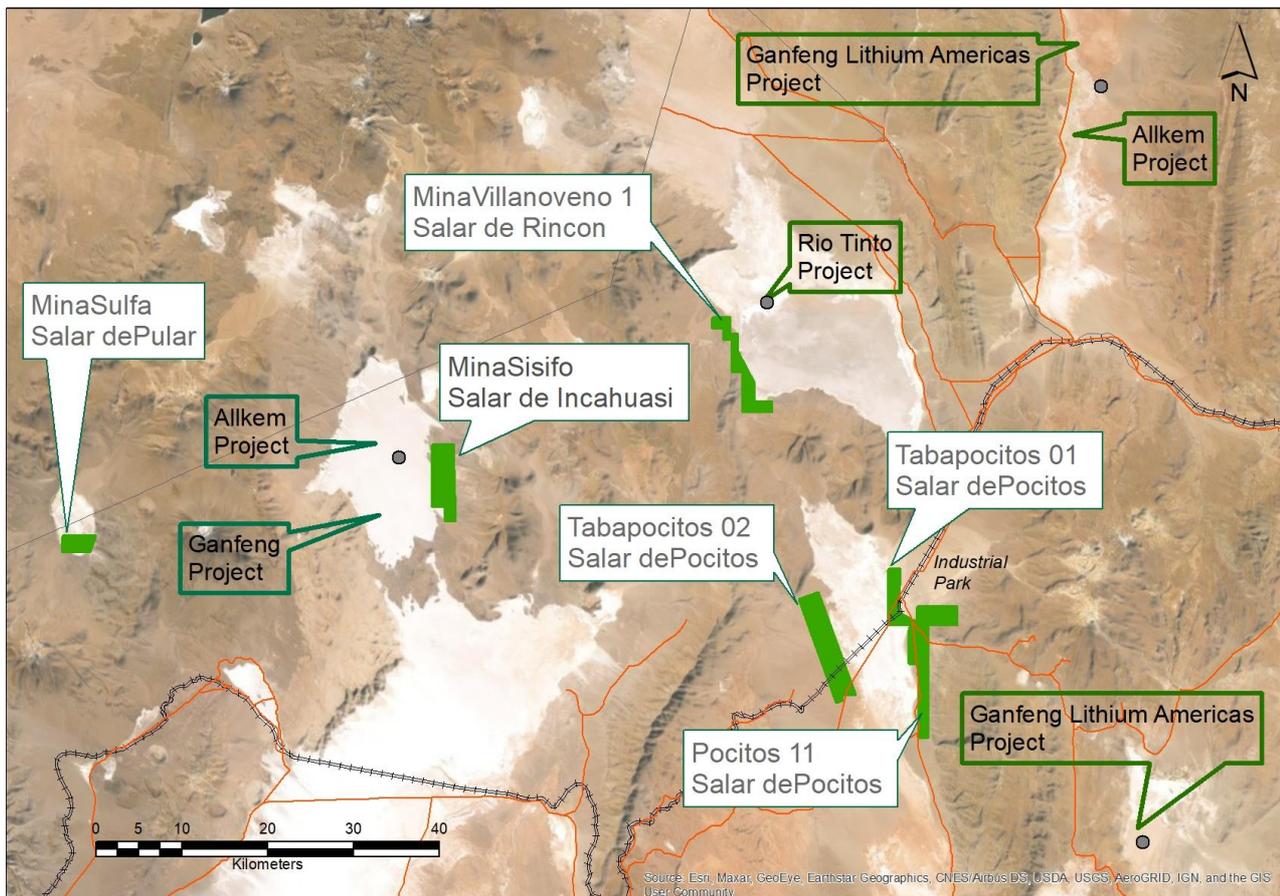


Figure 1: Salta Lithium Brine Project location map, north-west Argentina (PNN licenses in green)

“We are delighted with the progress of our Mineral Resource definition drilling at the Salta Project. Drilling at our first target, the Incahuasi salar, is weeks away from completion and we are certainly encouraged by the samples being delivered. Drilling will then move straight to the Rincon salar, our most advanced salar which hosts the Project’s highest-grade lithium. With the PEA at Rincon underway, we are excited to see the results of the Rincon Mineral Resource drilling feed into the PEA. We plan to complete PEA’s on the Rincon, Incahuasi and Pocitos salares, as part of our plans to fast-track the Project’s development.”

Power Minerals Executive Director, Mena Habib

The PEA, which will be completed to Scoping Study level, is being conducted by global engineering and mining consultants Golder Associates (Golder), a division of WSP Global, who have vast experience working with tier-1 lithium-brine companies such as Ganfeng and Tibet Summit Resources who are using Sunresin DLE technology.

Golder will work in conjunction with Power’s Direct Lithium Extraction (DLE) partner Sunresin New Materials Co. Ltd (Sunresin) to ensure an optimal PEA outcome. The PEA at Rincon is assessing the production and life-of-mine profile, along with engineering and process costs, plus capital costs and operating costs for a potential high-quality lithium carbonate (LCE) producing operation at Rincon.

Figure 2 provides a location plan for Power’s planned lithium brine resource drilling and an indicative, conceptual plan for the potential DLE development at Rincon.

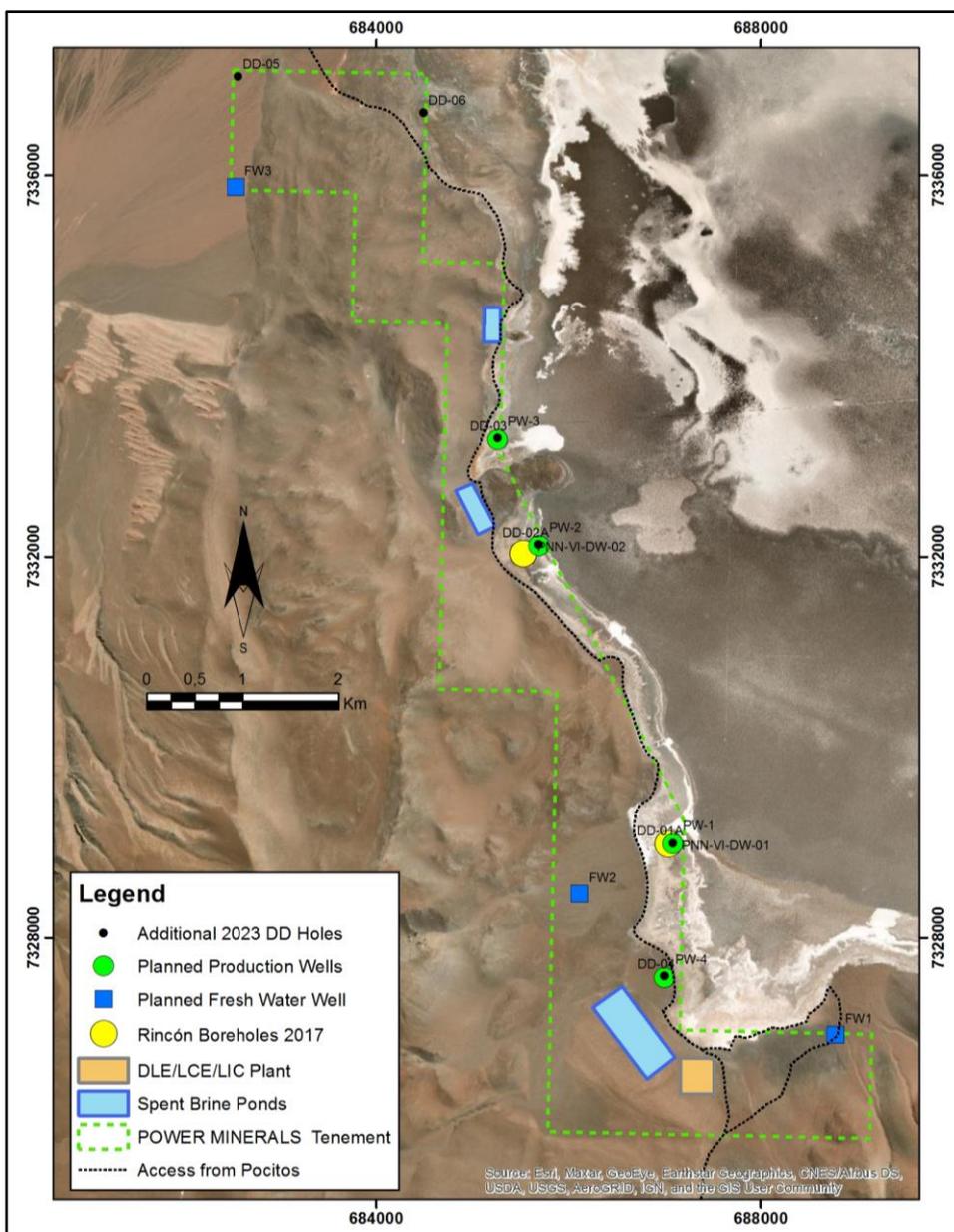


Figure 2: Location Plan for Lithium Brine Resource Drilling and Proposed Rincon DLE Development

Salta Project - Next Steps

- Complete lithium brine resource drilling and confirm initial JORC Mineral Resource estimate at the Incahuasi salar.
- Conduct additional lithium brine resource drilling and update JORC Mineral Resource estimate at the Rincon salar.
- Interpretation of VES geophysical surveys and previous brine sampling to support lithium brine resource drilling and initial JORC Mineral Resource estimate at the Pocitos salar, which is strategically located adjacent to rail and road infrastructure, a gas pipeline, and the Pocitos community.
- Complete PEA at Rincon salar and undertake PEAs at the Incahuasi and Pocitos salares. Conduct data review, drilling and water management studies as input to DLE PEAs and to support community consultation and environmental approvals.

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.