



Power Minerals Limited (ASX:PNN)

2023 Annual General Meeting 30 November 2023

Chairman's Address

I am delighted to report on the material progress Power has made in last 12 months.

Power's focus as a lithium and critical minerals explorer and developer has continued with the position asserted in Argentina. Power has a growing Argentinian exploration footprint and is moving forward with developing the 100%-owned Salta Lithium Project. Power is also continuing exploration across the South Australian assets covering Nickel, Copper, Cobalt and Kaolin-Halloysite.

Power has taken great strides at the Salta Lithium Project, located in the world-renowned "Lithium Triangle" region of South America. Power delivered a maiden JORC Mineral Resource Estimate (**MRE**) at the Incahuasi salar in May 2023, more than doubling the global MRE for the project. Incahuasi's MRE is an excellent result in both size and quality and an important milestone for Power.

In August 2023, Power announced a Binding Term Sheet with Canadian company Summit Nanotech Corporation (**BTS**), for a strategic joint venture investment supporting the development at Incahuasi. Summit is a world leader in direct lithium extraction (DLE). This BTS transaction represents a pivotal step in value-adding and potential cashflow for Power. As a joint venture partner, Summit will invest up to US\$3 million to drive studies and the development at Incahuasi. As a key benefit, Power will also greatly benefit from Summit's patented denaLi™ DLE technology across the entire lithium-brine portfolio.

Summit's denaLi™ DLE technology is best-in-class and efficiently produces a greater than 95% lithium recovery and over 98% impurity reduction. Power is working closely with Summit to finalise a full 'Joint Venture' agreement before the end of 2023, which replaces the BTS.

In parallel with solid progress at Incahuasi, Power has announced the results of a PEA at the Rincon salar, which is Power's next target. The PEA exhibited key economics for the Rincon salar.



In May 2023, Power announced a transaction to acquire an Argentinian lithium-in-brine assets (**Ultra Deal**) owned by Ultra Lithium Inc. (**Ultra**). Following Power's subsequent due diligence and related concerns about Ultra's capacity to complete the transaction, in July of 2023 Power made a further ASX announcement elaborating its observations.

Power has been actively negotiating with Ultra regarding the Ultra Deal and to secure the full repayment of the Loan. Power has received a part payment on the Loan and anticipates securing the remainder of the outstanding monies.

Whilst the Ultra Deal seems unlikely to proceed as planned, Power is actively pursuing other transactions to expand the Argentinian portfolio of assets which positively contribute to shareholder value.

Closer to home, Power's focused exploration on the South Australian projects during the year has continued. The second phase of rare earth element (REE) focused drilling at Eyre Peninsula is underway. The drilling is designed to further delineate the high-grade REE discovery at Dickson's Well, where previous drilling intersected high rare earth oxide (REO) concentrations in clay.

At the South Australian Musgrave Project, the priority Pink Slipper target is part of a Rio Tinto Exploration farm-in and joint venture agreement. Power is also working towards approval of a Deed of Exploration with Traditional Owners. A preliminary heritage survey is planned for the post-2023 year-end. Drilling is also proposed at Mt Caroline (EL6148) and Mt Harcus (EL6597), subject to obtaining approvals and clearances.

Power has also finalised key strategic investments in the last year. In addition to the pivotal US\$3m total cash investment from Summit supporting Incahuasi's development, a A\$2.6 million investment was secured from lithium investor Fuyang Mingjin New Energy Development Co., Ltd (**Mingjin**). The Mingjin sale of the non-core asset Santa Ines Copper-Gold Project for A\$1.5 million is being finalised, currently subject Chinese foreign investment approval. The funds raised from these investments underpin Power's continuing drilling programs and add significant value across the entire Argentinian lithium- brine portfolio of assets held by Power.



During the past 12 months, Power continued to strengthen and bolster the leadership team, with Executive Director Mena Habib being elevated to Managing Director, and former senior Lake Resources Technical Director, Dr Nicholas Lindsay, joining as Technical Advisor to oversee Argentinian projects. Power also appointed Damien Barnes as Land Access General Manager for the Musgrave projects. Damien is playing a key role in building and maintaining positive relationships and securing site access for Power's exploration activities in the Musgrave. These appointments ensure Power has the right skill set to support the lithium strategy.

Under the leadership of Mena Habib as Managing Director, the focus on shareholder value is based on a team-driven and focused approach to appraising, exploring and advancing its projects. Accordingly, I would like to acknowledge Mr Habib's value-aligned efforts and successes to date.

Additionally, I thank my fellow Board members for providing strategic governance and expertise throughout the year, as well as our key management and exploration teams in Argentina and Australia for their hard work and commitment to Power's goals.

Power is well positioned to execute on the lithium brine development strategy in Argentina. This strategy is premised on having the right management and partnerships in place. I am excited to see what Power can achieve in the coming year. Please continue to share the journey with us.