

**ASX RELEASE**

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PNN

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**PROJECTS****Argentina**

Salta Lithium Project

**Australia**Eyre Peninsula Kaolin-Halloysite  
ProjectMusgrave Nickel-Copper-Cobalt-  
PGE Project

## Ultra Lithium Acquisition Update - Technical Due Diligence Complete

- Power has successfully completed technical due diligence for its proposed acquisition of 100% of the lithium subsidiaries of TSX-V-listed Ultra Lithium Inc. in Catamarca Province, north-west Argentina.
- The acquisition will add the 7,568 hectare Laguna Verde lithium-brine project plus 250,000+ hectares of prospective properties to Power's Argentinian lithium asset portfolio.
- The parties will now move to satisfy the conditions precedent to the transaction.
- On completion of acquisition, Power will have one of the largest lithium-brine land holdings in the World-renowned lithium triangle region of Argentina.

Diversified minerals company Power Minerals Limited (**ASX-PNN**) (**Power** or **the Company**) is pleased to provide the following update on its proposed acquisition of the lithium assets of TSX Venture Exchange-listed Ultra Lithium Inc. (**TSXV-ULT**) (**Ultra Lithium**).

Power recently entered into a binding Term Sheet to acquire 100% of the Argentinian lithium subsidiaries of Ultra Lithium, subject to the successful completion of a 21-day due diligence period, finalisation of an Acquisition Agreement, confirmation by Ultra that all tenements subject to the acquisition are in good standing and approval for the transaction being obtained from Power and Ultra shareholders (ASX announcement, 16 May 2023).

Power is pleased to advise that its technical due diligence process has been successfully completed.

The parties will now move to finalise outstanding requirements to formally complete the acquisition. This includes confirmation by Ultra that all tenements subject to the acquisition are in good standing.

### Acquisition Background

Ultra Lithium holds 100% of the extensive +250,000-hectare Laguna Verde lithium-brine projects in the Catamarca Province, within the World-renowned lithium triangle in north-west Argentina (the Projects).

The acquisition of the Laguna Verde projects aligns with Power's strategy of becoming a leading lithium brine developer in Argentina, and complements Power's core focus of developing its Salta Lithium Project with its direct lithium extraction (DLE) partners, to deliver shareholder value.

### Transaction Summary

Power entered into a binding Term Sheet, initially subject to 21 days of technical and financial due diligence, whereby it will purchase all the shares\*\* in Ultra Lithium's subsidiaries Ultra Argentina SARL and Ultra Minerals S.A. in consideration for the issue of ordinary shares and performance rights in Power. Ultra Argentina SARL and Ultra Minerals S.A. own 100% of the 7,568 hectare Laguna Verde lithium-brine project plus 250,000+ hectares of prospective properties in Catamarca Province, northern Argentina.

Power and Ultra Lithium will now enter into a final Acquisition Agreement covering all key commercial terms.

Consideration for the Acquisition will be by way of ordinary shares and performance rights in Power Minerals being issued to Ultra Lithium in two tranches, as follows:

- A tranche of 25 million shares are to be issued upon completion.
- A tranche of 25 million performance shares are to be issued upon completion, which will become exercisable into one ordinary share in PNN subject to the definition of a JORC Mineral Resource of 2 million tonnes at greater than or equal to 350ppm lithium carbonate equivalent (LCE) at the Laguna Verde properties.

Completion of the transaction and issue of the shares and performance shares are subject to and conditional upon the relevant regulatory and shareholder approvals being obtained by both Power and Ultra Lithium.

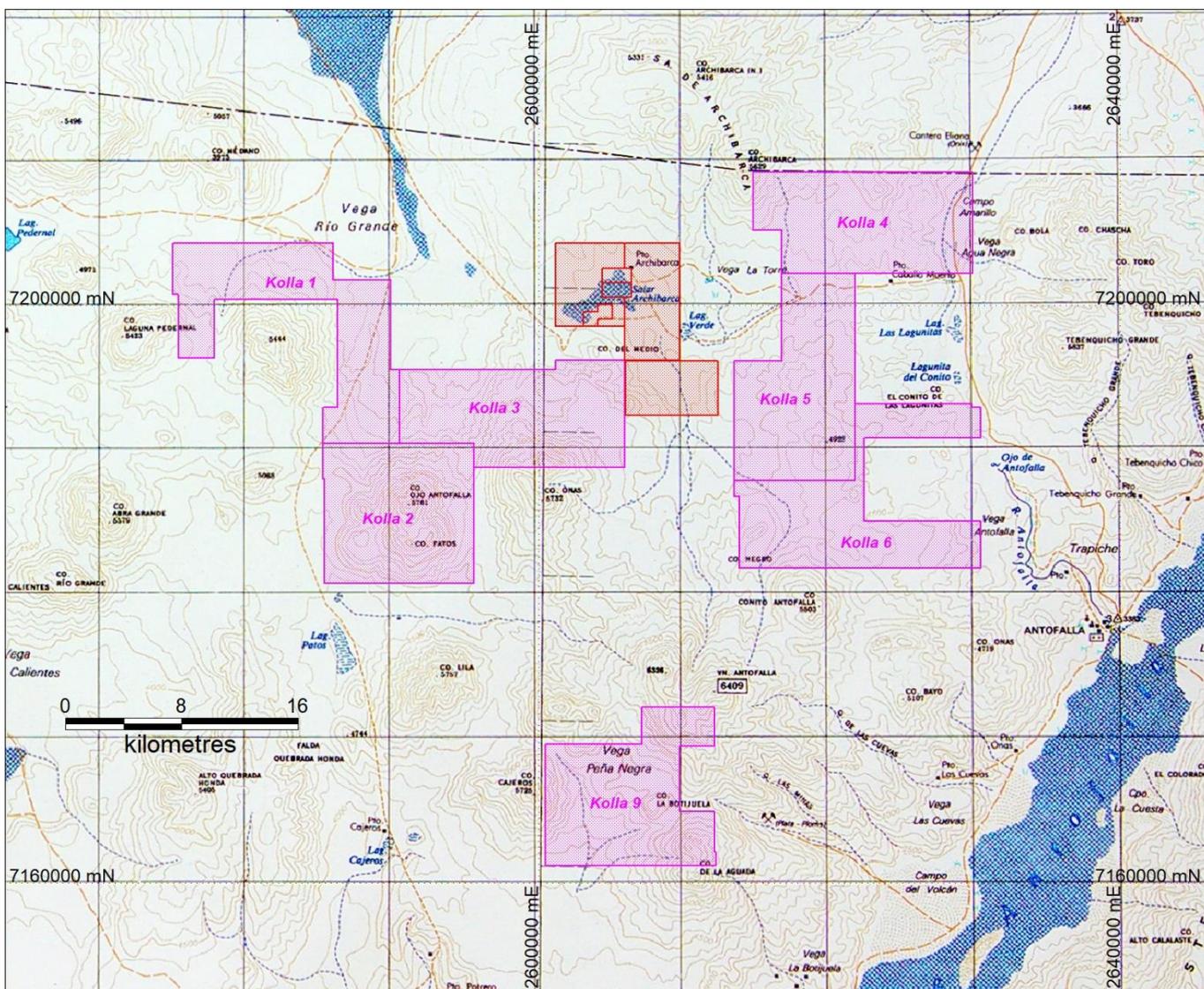
Subject to regulatory rules, shares issued to Ultra Lithium from both tranches will be subject to a 1-year voluntary escrow.

**Further details of the proposed acquisition and on the Laguna Verde Projects are provided in ASX announcements of 16 May 2023.**

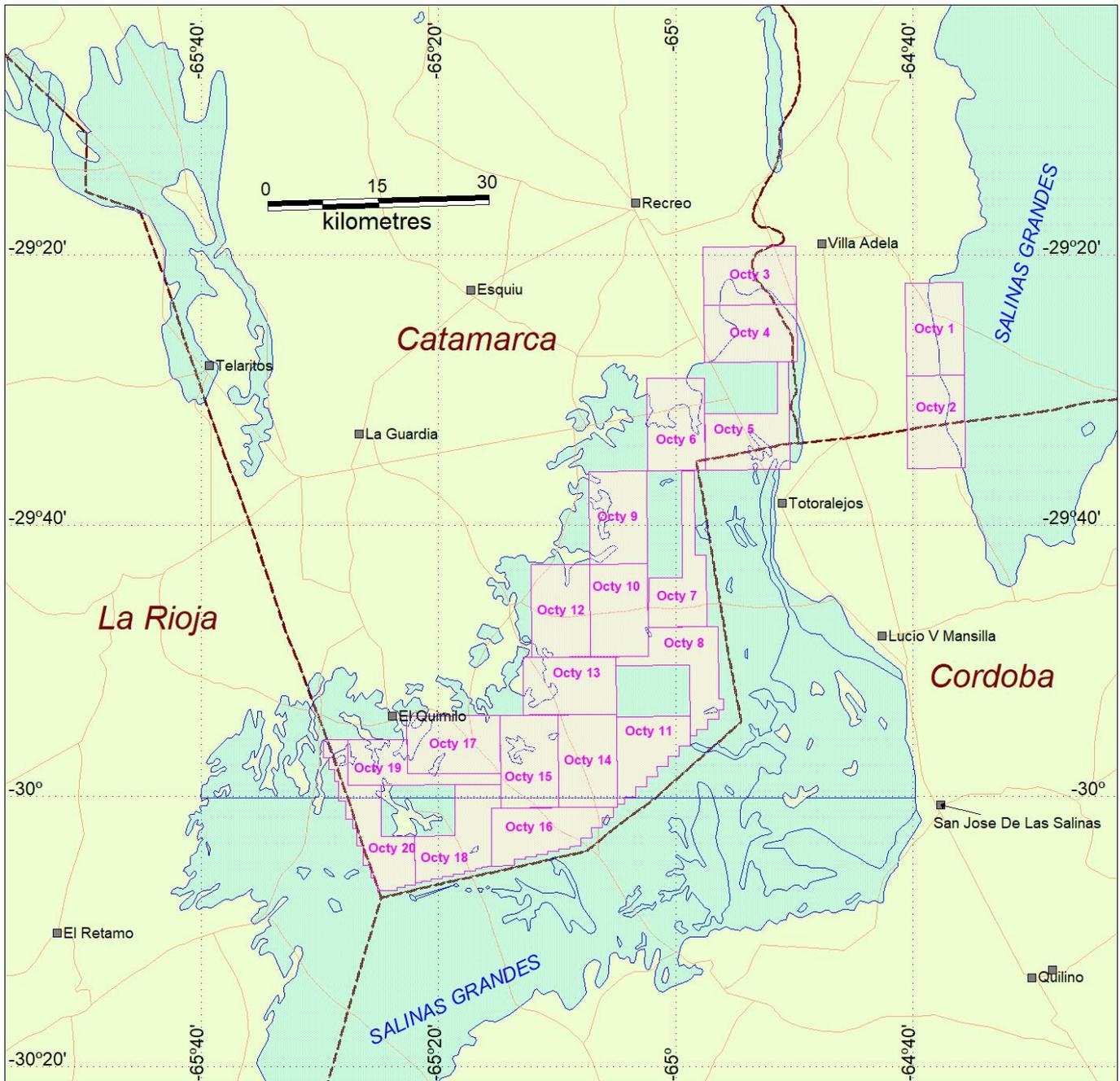
**\*\* 5% of the shares are owned by a related party being the Country Manager**

**Next Steps**

The parties will now move to formally document the particulars of the acquisition in an acquisition agreement, obtain confirmation from Ultra that all tenements subject to the acquisition are in good standing and seek approval for the transaction from Power and Ultra shareholders.



**Figure 1:** Laguna Verde I, II, III, La Maru, Blanca Elena, Griselda, Kolla 1-6 and 9, Archivarca Norte claims



**Figure 2: OTCY Claims**

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.

**Competent Persons Statement**

This announcement regarding the Salta Lithium project has been prepared with information compiled by Marcela Casini, MAusIMM (CP). Marcela Casini is an experienced and highly qualified consultant hydrologist engaged by PNN Argentina as a consultant in her personal capacity, 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.

**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.