

ASX RELEASE

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ASX CODE

PNN

REGISTERED OFFICE**Power Minerals Limited**6/68 North Terrace
Kent Town SA 5067

t: +61 8 8218 5000

e: admin@powerminerals.com.au

w: www.powerminerals.com.au

BOARD**Stephen Ross**

Non-Executive Chairman

Mena Habib

Managing Director

James Moses

Non-Executive Director

PROJECTS**Argentina**

Salta Lithium Project

Santa Ines Copper-Gold Project

AustraliaEyre Peninsula Kaolin-Halloysite-
REE ProjectMusgrave Nickel-Copper-Cobalt-
PGE Project

West Arunta Nb-REE Project

Warlander Niobium-REE Project Update

Power Minerals Limited (ASX: **PNN, Power** or **the Company**) is pleased to provide the following update on its Waterlander Niobium-Rare Earth Elements (REE) Project in the West Arunta province of Western Australia.

Power announced the strategic expansion of its project portfolio via the addition of the Waterlander Project (E80/6046) earlier this month (ASX announcement 13 May 2024). The Company anticipates licence E80/6046 will be granted next month.

The Project is located immediately adjacent to WA1 Resources' (ASX: WA1) world-class Luni niobium discovery at its West Arunta Project, approximately 420km south of Halls Creek.

Power has also announced plans for the strategic expansion of the Waterlander Project (ASX announcement 21 May 2024). The following additional information is provided in respect of this expansion.

Via Power owned subsidiary Pepinnini Robinson Range Pty Ltd (ACN 142 023 023) (PRR), the Company has been granted an option to acquire exploration licence applications E80/6005 (28.65km²) and E80/6045 (22.29km²) from Bull Equities Pty Ltd (ACN 169 140 596) (**Bull Equities**). Further details on these exploration licence applications are provided in ASX announcement of 21 May 2024.

In consideration for the payment of a \$20,000 option fee, the Company has been granted an initial 45-day period to determine whether to proceed with the acquisition of E80/6005 and E80/6045. This period may be extended by an additional 45 days via payment of a \$10,000 extension fee.

If Power elects to exercise the option to acquire the new licences, it will pay Bull Equities \$200,000 upon exercise of the option. This amount will be refundable if completion does not occur on or before 31 May 2025 due to failure to satisfy the conditions precedent.

Also, on completion of the acquisition, Power will issue 3,000,000 consideration shares to Bull Equities (or its nominee). These shares will be subject to a 12 month escrow period from the date of exercise of the option.

Completion of the acquisition is subject to various conditions precedent including the exploration licences being granted, Ministerial consent being obtained for the transfer of the licences and shareholder approval being obtained for the issue of the consideration shares.

Receipt of funds under Convertible Loan Agreement

As announced on 17 May 2024, the Company entered into a Convertible Loan Agreement (CLA) for strategic funding and development of the Rincon Project at its Salta Lithium Project in Argentina. The Company confirms it has received the first tranche of USD \$500,000 on 24 May 2024.

Capital Raising

As announced on 26 March and 5 April 2024, GBA Capital Pty Ltd (ACN 643 039 123) (**GBA Capital**) has been appointed as the underwriter of the loyalty options offer and the lead manager of the placement which are being undertaken by the Company.

The Company has renegotiated the fees payable to GBA Capital under the lead manager mandate and the underwriting agreement. The fees payable now comprise:

- in respect of the placement:
 - i. a capital raising fee of 6% of the total funds raised under the placement including Director Mena Habib’s participation in the placement, which fee will be satisfied through the issue of 5,161,537 options; and
 - ii. the issue of 3,000,000 options; and
- in respect of the loyalty options offer, an underwriting fee of 5% of the total amount raised under the loyalty options offer, which fee will be satisfied through the issue of 1,543,415 options.

The Company has also agreed to satisfy its obligation to reimburse GBA Capital for legal fees of \$2,997.50 incurred in connection with the placement through the issue of 299,750 options.

The options issued to GBA Capital will be issued on the same terms and conditions as the options offered under the loyalty options offer and the issue will be subject to the Company obtaining shareholder approval.

Consultancy Agreement

The Company has entered into a consultancy agreement with Director, Mena Habib and Excelhealth Pty Ltd (a company controlled by Mr Habib) which replaces Mr Habib’s existing executive services agreement with effect from 1 April 2024. The material terms of the consultancy agreement are as follows:

Fee	<p>\$288,092 (excl GST) payable per annum in equal monthly instalments subject to receipt of an invoice for the relevant month.</p> <p>The Company must pay Mr Habib’s accrued entitlements under his executive services agreement (\$33,302.03) within 30 days of receipt of a written request.</p>
Termination	<p>Either party may, at any time, terminate the consulting agreement without cause by providing six months’ written notice.</p> <p>The Company may terminate the agreement immediately if the consultant breaches a material provision of the agreement that either is not capable of remedy or, where capable of remedy is not remedied within 14 days of receipt of notice; the consultant ceases to carry on business; or the consultant is insolvent.</p>

Loan Agreement

Director, Mena Habib has agreed to extend the maturity date of the \$1m financing facility that he has provided to the Company by an additional six months to 24 January 2025. Further details in respect of the facility are set out in the ASX announcement released on 25 January 2024.

Authorised for release by the Board of Power Minerals Limited.

-ENDS-

For further information please contact:

Power Minerals Limited

E: admin@powerminerals.com.au

T: +61 8 8218 5000

Additional information is available at www.powerminerals.com.au

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 into a potential, future lithium producing operation. Power also has a portfolio of other assets in key, demand-driven commodities including; kaolin-halloysite-REE, nickel-copper-cobalt and PGEs plus copper-gold.