

**ASX RELEASE**

26 March 2024

**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

**Australia**Eyre Peninsula Kaolin-Halloysite-  
REE ProjectMusgrave Nickel-Copper-Cobalt-  
PGE Project**Power to raise up to \$1.025M and makes  
strategic acquisition at Rincon Salar**

- **Capital Raise to raise ~\$1,025,211.20 from sophisticated, professional and institutional investors, by way of;**
  - **Placement to raise \$668,051.20 via the issue of up to 4,771,793 ordinary fully paid shares (Shares) at an issue price of \$0.14 per Share;**
  - **Placement excludes participation by Directors, who intend to subscribe for 357,143 Shares, raising an additional \$50,000.02 (subject to shareholder approval); and**
  - **Loyalty Option Entitlement Offer to raise \$307,160.00 on a 1:3 basis with options issued at \$0.01 and exercisable at \$0.30, expiring 5 years from date of issue**
- **Funds to be used for;**
  - **Exploration and development of core Rincon and Incahuasi salares at Salta Lithium Project**
  - **Project access and exploration at the Musgrave Project; and**
  - **Working capital**
- **GBA Capital acted as lead manager to the Capital Raise**
- **Power has also executed an Exploration and Purchase Option Agreement (Agreement) for the strategic acquisition of the Mina Josem mining licence at the Rincon Lithium Project**
- **Licence located ~10km northwest of Power's Rincon project area and exhibits significant potential as a source of fresh water, as well as the potential to host lithium brines**
- **Fresh water is a critical input to any future direct lithium extraction (DLE) operation at Rincon**
- **Power to pay the vendor an all-cash consideration of US\$500,000 in staged payments over 18 months to complete 100% acquisition**

Power Minerals Limited (ASX: PNN, **Power or the Company**) is pleased to announce that it has received firm commitments to raise approximately \$1,025,211.20 from sophisticated, professional and

institutional investors (Capital Raise), and has also entered into an Exploration and Purchase Option Agreement (Agreement) for the strategic acquisition of the Mina Josem mining license licence at the Rincon Lithium Project in the lithium triangle in Argentina.

### **Capital Raise**

Power will raise approximately \$1,025,211.20 in the Capital Raise, by way of the following;

- A **Placement** which consists of the issue of up to 4,771,793 ordinary fully paid shares (Shares) at an issue price of \$0.14 per Share, raising approximately \$668,051.20, to be completed in one tranche under the Company's Listing Rule 7.1 and 7.1A capacity.
- The Placement excludes **participation by Directors**, who intend to subscribe for 357,143 Shares, raising an additional \$50,000.02, subject to shareholder approval.

The Placement price of \$0.14 per Share represents a ~23% discount to the 15-day VWAP up to 20 March 2024.

Shares (with the exception of the Directors' participation) are scheduled to be issued on or about 3 April 2024.

- A **Loyalty Option Entitlement Offer** to raise \$307,160.00, under which Shareholders may subscribe for one Option for every three Shares held. The options are to be issued at \$0.01 and will be exercisable at \$0.30 with an expiry date of 5 years from the date of issue.

The Company aims to list the Options subject to meeting ASX listing requirements. GBA Capital intends to place any shortfall from the Loyalty Option Entitlement Offer.

The Company anticipates it will be lodging a Prospectus, and the Entitlement and Acceptance form on about the 3<sup>rd</sup> of April 2024. The full timetable based on this date is found at the end of this announcement.

The Placement was well supported, and Power acknowledges the support of existing shareholders who participated in Placement, and welcomes new shareholders to the Company.

### Use of Funds

Funds raised under the Capital Raise will be predominantly used to advance exploration and development at Power's core asset, the Salta Lithium Project, where it continues to advance work programs at the priority Rincon salar and Incahuasi salar.

Funds are also planned to be utilised to advance project access and exploration at the Musgrave Project as well as for working capital purposes.

GBA Capital acted as lead manager to the Capital Raise and will be paid a 6% commission on funds raised and 3 million options on the same terms as the Loyalty Options. The Options are subject to shareholder approval.

### **Strategic Acquisition of Mina Josem Licence at Salta Lithium Project**

Power is also pleased to advise that it has executed an Exploration and Purchase Option Agreement with a private Argentinian individual (Agreement) for the strategic acquisition of the Mina Josem mining licence at the Rincon Lithium Project in the Salta province of Argentina.

The Mina Josem licence is located approximately 10km northwest of Power's project area at the Rincon salar (Figure 1), and exhibits significant potential as a source of fresh water, as well as the potential to host lithium brines.

The Agreement provides Power the exclusive right to explore the licence and an option to acquire 100% rights to the title and interests at the Mina Josem mining licence. This includes concessions for all surface, water and ancillary mineral or non-mineral rights.

Under the terms of the Agreement, Power will pay the vendor an all-cash consideration of US\$500,000 in staged payments over an 18 month period to complete the 100% acquisition, as outlined below;

- Power to pay an up-front option fee of US\$50,000;
- Power to pay an optional fee of US\$200,000, 12 months from executing the Agreement to maintain the licence; and
- Power to pay a further optional fee of US\$250,000 to complete the acquisition, six months from date of the previous payment (subject to securing all requisite approvals and exploration results).

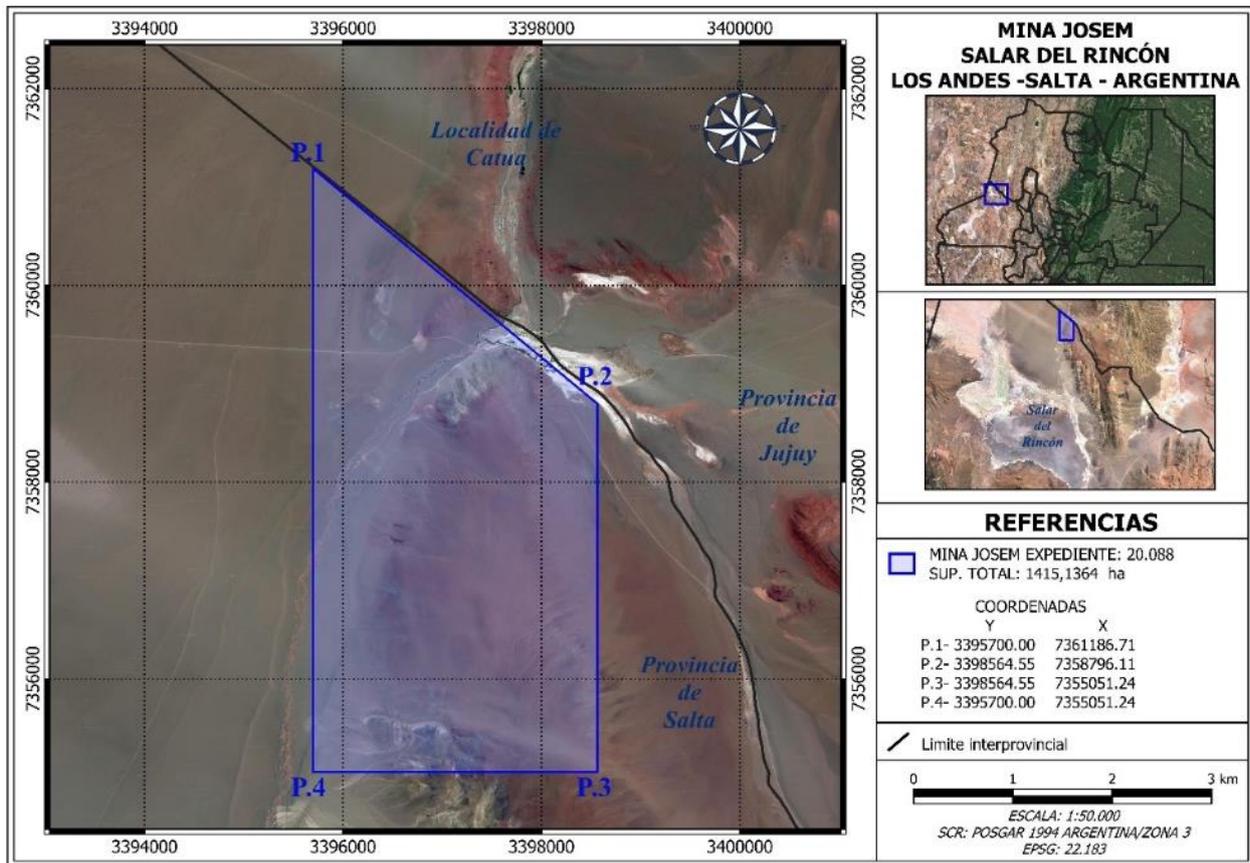
Power will evaluate the potential of the water resources of the extensive Catua River alluvial fan to supply its planned future DLE lithium producing operation at the Rincon salar. The Company will also assess the potential for a lithium brine wedge from Rincon salar under the alluvial fan, which may contribute additional JORC Mineral Resources at Rincon.

The Company will now submit a draft exploration program to support its application for the licence, and will also submit an Environmental Impact Report (EIR) in conjunction with community consultation. It will then be in a position to make plans for, and commence, targeted exploration drilling and sampling at the licence.

**"We are pleased with the level of investor support for this capital raise. The funds raised will help us to maintain our focus on the rapid development of our key assets at the Salta Project, where we are committed to the development of the Rincon and Incahuasi salares into significant lithium producing operations.**

**The option agreement for the strategic acquisition of the Mina Josem mining licence is an important addition to the Rincon salar, and Power's development plans for this key salar. The license offers significant potential for fresh water, which is a critical input to any future direct lithium extraction operation at Rincon, and also has potential to contribute additional JORC Mineral Resources at Rincon."**

**Power Minerals Managing Director Mena Habib**



**Figure 1:** Mina Josem licence location map

**Loyalty Option Entitlement Offer Timetable**

<b>Announcement of Loyalty Options Offer</b>	Tuesday, 26 March 2024
<b>Lodgement of Appendix 3B with ASX</b>	26 March 2024
<b>Lodgement of Prospectus with ASIC</b>	3 April 2024
<b>Lodgement of Prospectus with ASX</b>	3 April 2024
<b>Ex date</b>	8 April 2024
<b>Record Date for determining Entitlements</b>	9 April 2024
<b>Loyalty Options Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed</b>	12 April 2024
<b>Last day to extend the Closing Date of the Loyalty Options Offer (prior to noon AEST)</b>	18 April 2024
<b>Closing Date for Loyalty Options Offer as at 5:00pm*</b>	23 April 2024
<b>Securities quoted on a deferred settlement basis</b>	24 April 2024
<b>ASX notified of results and any under subscriptions</b>	29 April 2024
<b>Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Options and Advisor Options (prior to noon AEST)</b>	1 May 2024
<b>Last date for issue of New Options under the Shortfall Offer</b>	1 May 2024
<b>Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities under Shortfall Offer</b>	1 May 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](mailto:admin@powerminerals.com.au)

**T:** +61 8 8218 5000

Additional information is available at [www.powerminerals.com.au](http://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 in to 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.